Annual Report 2021

Oranjewoud N.V.

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Foreword

In this annual report, we present our figures for 2021 and update you on the development of the various segments within Oranjewoud N.V.

Oranjewoud N.V. was listed on Euronext Amsterdam during 2021. 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 approximately 9,400 employees as at December 31, 2021 and recorded a total revenue of €1.9 billion in 2021.

Since 2005, Oranjewoud N.V. has been expanding, both autonomously and through acquisitions. In 2021 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 2021, total revenue excluding the discontinued operations, increased slightly to €1.9 billion (2020: €1.8 billion). The operational result (EBITDA) came in at €75.6 million negative, compared to €69.7 million negative in 2020 (revised). This is a €5.9 million decrease.

The net result for 2021 was a loss of €169.1 million (2020: a loss of €218.5 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, Consulting and Engineering Services (Antea Group), Rail Infrastructure and Other achieved positive operational results in 2021. 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 2021 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 2021:

- 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

	2021	2020*	2019**	2018***	2017
Results (amounts x € 1 million)					
Revenue	1,939.8	1,835.1	2,386.6	2,268.8	2,384.7
Operational result (EBITDA)	-75.6	-69.7	107.6	79.6	96.9
Operating result (EBIT)	-147.4	-177.4	-3.9	15.4	52.3
Net result	-169.1	-218.5	10.4	86.0	40.1
Net cash flow	34.5	13.4	13.4	10.3	-11.7
Equity (amounts x € 1 million)					
Total equity (E)	-96.7	67.8	285.9	285.4	311.3
Total assets (TA)	1,560.1	1,513.9	1,656.5	1,629.3	1,436.9
E/TA	-6.2%	4.5%	17.3%	17.5%	21.7%
Employees (FTE)					
Number at end of financial year	9427	9801	9851	9914	9879
Backlog (amounts x € 1 million)					
Consulting and Engineering Services	292.0	271.7	272.3	239.0	241.7
Rail Infrastructure	1,709.7	1,444.3	1,499.5	1,881.4	1,896.8
Civil Infrastructure	412.4	497.6	585.9	442.0	612.5
Technology and Buildings	281.8	839.4	767.2	619.3	549.3
Other	9.0	14.7	17.7	16.7	16.9
Total	2,705.0	3,067.8	3,142.6	3,198.4	3,317.2

* The business that has been reclassified to discontinued operations has been reclassified for reporting purposes. Please refer to note 30.

** 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 adjustment in the principles for financial reporting concerning Financial instruments (IFRS 9) and Revenue (IFRS 15).

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 2021 were Mr. H.G.B. Spenkelink (Chairman) and Mr. W.G.B. te Kamp. 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. A. Schoots resigned as Supervisory Board Member as per July 8, 2023. Ms. M.L. Bremer was appointed a member as of March 21, 2024.

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. 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.

Ms. M.L. Bremer (1964, nationality: Dutch, as per March 21, 2024)
Monica Bremer is a lawyer with broad experience in the international corporate law practice in the (semi) public sector. In addition, she is an experienced supervisor and director in several sectors from advocacy and the industry to media and the cultural sector. She also is an expert in the theory and practice of governance. She enjoys improving the structure in complex environments, has a positive attitude and likes to connect people with one another. The broad social and legal experience that she brings is important 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 2021, 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 2021 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 2021 annual accounts also impacts the completion of the 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 2022 and 2023 audits any further. We keep our stakeholders informed of developments through other channels (such as our website).

Going-concern assumption

The 2021 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 2022, 2023 and 2024, the sizable divestment of Strukton Worksphere in 2022, divestments of non-core portfolio companies within the Strukton Groep till date, the operating plan 2024 and beyond, and developments in the backlog and working capital improvement, alongside the envisaged attracting of external financing. 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 2021 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, 2021.

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.

These high-risk Strukton Groep projects also affected the results of Oranjewoud in 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 for an amount of €69.8 million.

The preliminary unaudited results 2022 of Oranjewoud show a profit of approximately €209 million (mainly due to the sale of Strukton Worksphere) and €56 million in 2023, mainly driven by positive results from Strukton Rail Italy and Antea Group. Forecasts for 2024 and beyond show a positive trend compared to the actual 2023 result.

As mentioned in the financial statements of 2020, published in February 2024, 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 2021 were impacted negatively by a number of severely loss-making Strukton Groep projects. The projects with the most material negative result impact for 2021 are:

- RIVM € 103.3 million
- Hoofdstation Groningen € 61.7 million
- MAVA and M CO € 12.3 million
- A-Pier Schiphol € 5.7 million
- Wintrack Zuid € 4.1 million

Financial results

Oranjewoud recorded in 2021 a total revenue of €1.9 billion against €1.8 billion in 2020. These amounts are excluding the discontinued operations of Strukton Groep in 2021 and 2020 for respectively €401 million and €478 million.

The total revenue in the Consulting and Engineering Services segment (Antea Group) increased by €20.0 million to €439.4 million. This increase was mainly caused by the recovery of the revenue of Antea Group France and Antea Group USA after the Covid-19 affected financial year 2020. The Rail Infrastructure segment saw its revenue decrease by €7.3 million to €866.3 million. At Civil Infrastructure total revenue increased by €0.8 million to €416.3 million. Revenue in the Technology and Buildings segment (excluding the discontinued operations) reached €60.2 million, an increase of €18.7 million.

Operational results (EBITDA) decreased by €5.9 million in 2021, from negative €69.7 million to negative €75.6 million. This increase mainly comes as a result of a worse performance on several key projects within Strukton Groep as mentioned above. Consulting and Engineering Services (+€11.3 million), Rail Infrastructure (+€31.3 million) and the Other segment (+€2.6 million) saw their operational result increase. Civil Infrastructure (-€1.1 million) and Technology and Buildings (-€50.8 million) realized a lower operational result due to the results on projects mentioned above.

The net result improved by €49.4 million in 2021, from a loss of €218.5 million to a loss of €169.1 million.

The cash and cash equivalents at year end 2021 were €310.5 million (2020: €292.3 million). The liquidity position as of December 31, 2021 as detailed in the consolidated statement of cash flows was €311.9 millon (2020: €275.3 million). The operational cash flow in 2021 was €113.2 million (2020: €131.0 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.

Strukton's strategic roadmap covering 2021-2025 shifting the focus to our five home countries in Europe and strengthening Strukton's position as a sustainable infrastructure specialist service provider. 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 and 2024.

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, Strukton Groep 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 different actions to generate cash have been defined and pursued with a positive impact on the cash position of Strukton Groep as effect. Nevertheless 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.

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. 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. 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. Strukton's rail division in Italy, CLF, has a rich history in Italy as a full-service provider for railways, building on good relationships with customers and market participants. From the strong production base in Italy, staff and machinery are occasionally mobilised in projects in the Netherlands, Belgium and the Nordics.

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 €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.

Consulting 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 over 3300 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.

Also in 2021 Antea Group's performance, processes, employees and all other stakeholders were impacted by Covid-19. However, Antea Group also showed both a significant recovery in total revenue in certain areas and the ability to further expand our position as an international firm, for instance, by reinforcing the international connections between the various country organizations.

In 2021, Antea Group Netherlands achieved its best result ever for the fifth consecutive year. Antea Group Belgium also improved compared to 2020 by realizing a higher total revenue and operational result in 2021.

After a year 2020 that was significantly affected by Covid-19, both Antea Group France and Antea Group United States recovered significantly in 2021. Both total revenue (+18% respectively +10%) and operational result (+€ 3.3 million respectively +€4.3 million) increased.

All other country organisations contributed positively to the Group's operational profits in 2021, except for Antea India.

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.

Research & Delevoment

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.

Financing and Equity Interest

Financing

In the course of 2021, Strukton Groep started the divestment process for the Technology and 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.

Since then, 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 which are substantially lower than industry standards.

Strukton Group'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's investment and depositing commitments pursuant to current investment programmes, 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. Strukton's 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. Strukton does 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
- Agree 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 2021 and as of December 31, 2021.

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 and by year-end 2021, Oranjewoud N.V. is 99.09% 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.

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 macro-economic 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 €	**2021**	**2020**
Total revenue	439.4	419.4
Operational result (EBITDA)	48.9	37.6
Backlog	292	272
Number of employees (at year-end)	3207	3232

Total revenue in the Consulting and Engineering Services segment came in at €439.4 million in 2021 (2020: €419.4 million). The operational result totaled €48.9 million (2020: €37.6 million). By year-end 2021, the workforce had reduced slightly to 3207 (2020: 3232).

The Dutch economy was still challenging in 2021. The impact of Covid-19 was less significant on the processes and the mental well-being of the employees than last year, however the operating profit of Antea Netherlands exceeded 2020's. The labor market continued to be a challenge. In 2021, Antea Netherlands managed to hang on to its leading position, once again increasing its operational profit. The backlog grew to €112.0 million (2020: €108.2 million). Standing at 1445, the number of employees decreased compared to 2020 (1475).

Antea Belgium has recovered from the Covid-19 impact on the way of working and the agility of Antea Group Belgium. As a result, Antea Belgium's revenue and operational result have increased. The backlog grew to €40.9 million (2020: €37.5 million). The number of employees in Belgium has grown to 233 (2020: 219).

Antea France was impacted significantly by Covid-19 in 2020, but recovered well in 2021 and the growth has maintained in 2022 and 2023 as well. The backlog grew to €72.7 million (2020: €68.7 million). The workforce increased to 879 (2020: 850).

Just like France, Antea Group USA was also impacted by Covid-19 in 2020, but also recovered quickly in 2021. Both revenue and operationalresult improved, and growth continued in the years after 2021. The backlog increased to €40.3 million (2020: €38.7 million), while the number of employees increased to 395 (2020: 375).

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, but recovered in 2021. Revenue grew and operational results from these operations increased (except for Brazil and India where the result declined slightly) 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 2020 (increase in EBITDA of €31.3 million) due to a good performance of Strukton Rail Sweden, Italy and the Netherlands.

In millions of €	**2021**	**2020**
Total revenue	886.3	893.5
Operational result (EBITDA)	91.3	60.0
Backlog	1,710	1,444
Average number of employees (FTE)	3169	3539

The growing importance of rail as a segment is also reflected in the results over 2021 with a revenue of €886.3 million and an EBITDA of €91.3 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. 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.

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. Main project areas include the performance-based maintenance contracts in the Netherlands and upgrading projects to increase frequency (PHS). Strukton Rail Netherlands and product market combination Rail-Civil (part of Strukton Infrastructure Specialties) are currently working successfully on the Rijswijk-Delft PHS project and started with the PHS Dijksgracht project in 2022.

Strukton 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 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 bank guarantee requirements are 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.

Strukton’s rail division in Italy, 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 2022 and onwards, cooperation in Strukton is increasing. From the strong production base in Italy, staff and machinery are occasionally mobilised in projects in the Netherlands, Belgium and the Nordics.

Civil Infrastructure

The Civil Infrastructure segment has realised a less worse result than in 2020 (decrease in EBITDA of €1.1 million) due to losses on, among others, the project in Riyadh (Strukton International), A-Lanes A15, Wintrack and Hoofdstation Groningen (Strukton Civiel).

In millions of €	**2021**	**2020**
Total revenue	416.3	415.6
Operational result (EBITDA)	(106.5)	(105.4)
Backlog	412	498
Average number of employees (FTE)	1060	1124

2021 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 € 416.3 million and the EBITDA was €106.5 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 yet led to an agreement on additional remuneration and the time consequences. A provision is formed of €103.5 million in 2021, and further provisions are recognised in and attributable to 2022 and 2023.

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 is in a constructive and active dialogue with TenneT 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' share of the net balance amounting to €8.6 million.

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 €15.1 million per December 31, 2021. If no remuneration will be granted, which Strukton 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 last year, 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. 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 98% completion milestone in 2021. 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 its 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. The total financial impact of the exclusion for the financial year 2021 amounts to €1.1 million (2020: €50.6 million).

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 provisions for a total amount of €17.1 million (2020: €17.3 million). Considering the finalisation of the agreement, no further negative financial impact is expected relating to the Riyadh Metro Project.

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 provision remains the same per year-end 2021. Our Qatari activities are foreseen to come to an organic end during 2024.

Technology and Buildings

The Technology and Buildings segment, excluding the discontinued operations, has realised a negative operational result of €111.8 million, mainly due to the loss on the MEET RIVM project.

in millions of €	**2021**	**2020**
Total revenue	60.2	41.5
Operational result (EBITDA)	(111.8)	(59.8)
Backlog	282	40
Average number of employees (FTE)	1910	1763

Worksphere performed well in 2021, 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 has divested Worksphere, which was a relatively stand-alone business active in maintenance of accommodation and the built environment. The divestment effectuated on January 27, 2022 offered both Strukton and Worksphere the opportunity to grow. Where Strukton will specialize more in sustainable infrastructure and energy, Worksphere will focus on the built environment, as a part of SPIE.

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 therefore have 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 2020-2024. As these procedures are still ongoing, significant uncertainties apply to the current accounting positions, which are based on the best estimate of management. 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 that the cost scope of these measures was €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. The amount of the costs was determined by the expert and followed by the Committee in December 2023 and has been taken into account in the valuation of the project accordingly.

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 €194.1 million and provisions included in this result 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 is 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. The adjusted delay period causes uncertainty with respect to a potential fine and the right of the Contracting Authority to terminate the contract. These uncertainties have been considered in the current expected project result.

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.

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 latest (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 GAPIII Committee cumulatively lead to a negative project result of €194.1 million per year-end 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 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 2022 onwards.

Construction progress
At reporting date, 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.

OPEX
From Q1 2025, the OPEX phase of the MEET project will commence. Our current best estimate is a loss on the OPEX phase of €19.0 million. This provision takes into account a more demanding start-up of OPEX phase (due to the turbulent CAPEX phase) and the latest insights in hourly rates (which have risen more than indexation compensation). However, uncertainty surrounds the magnitude of this loss, caused by both complexity, the size (total OPEX costs amounting to €268.1 million) and duration (the 25-year term). Consequently, the prognosed loss is subject to change.

Other

in millions of €	**2021**	**2020**
Total revenue	64.1	65.1
Operational result (EBITDA)	1.7	-0.9
Backlog	9	15
Number of employees (at year-end)	78	143

The Other segment includes reporting on Sports and Temporary Staff.

Sports
The Sports activities consist of Antea Sport Netherlands, J&E Sports, and Edel Grass (until August 18, 2021). Sports' revenue decreased compared to previous year, mainly due to the sale of Edel Grass. The operational result decreased to €1.8 million (2020: €1.5 million, without Edel Grass: € 1.6 million), the backlog is good, while the workforce remained stable: 53 (2020: 53).

Temporary Staff
Compared to last year, revenue fell and operational result was positive. The backlog was down. The workforce decreased to 43 (2020: 65).

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 2021, the Group continued to take steps in this area.

Amortization

Total gross amortization of intangible fixed assets, Purchase Price Allocation (PPA) depreciation and other amortizations amount to €2.3 million (2020: €21.4 million). In 2021, a gross amount (non-cash) of €0.8 million (2020: €0.8 million) relating to PPA's was amortized at the expense of the results. In 2020, approximately €16.5 million relates to impairment of goodwill.

Capital Structure

As at December 31, 2021, 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 2021, 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 21, 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 2021 and as of December 31, 2021.

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. 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 USA.

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 macro-economic 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 2021, Oranjewoud N.V. deviated from the following best practice provisions of the Code:

- 1.3.6: During 2021, 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: In 2021, 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 2021, 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 that the Dutch Fiscal Information and Investigation Service (FIOD) started early 2019, 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.

The public prosecution office has not yet made a prosecution decision. In May 2023, pursuant to the new governance within Strukton, we terminated the engagement of the lawyer that defended both the Strukton entities and Mr. Sanderink collectively in the past. A new lawyer has been instructed to defend Strukton (and not Mr. Sanderink).

Strukton 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 is able to operate in countries where it understands the jurisdiction, knows the market conditions and is able to digest the appropriate risk appetite. In line therewith, Strukton 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 Oranjewoud'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 2021 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

May 21, 2024

Supervisory Board Report

General

The Supervisory Board members in the 2021 reporting year were Mr. H.G.B. Spenkelink (Chairman) and Mr. W.G.B. te Kamp. 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, Mr. J.J.A. van Leeuwen was appointed as member as of May 1, 2022 and Ms. M.L. Bremer was appointed as member as of March 21, 2024. 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 2021.

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 eight ordinary meetings in 2021 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 2021 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 2021 were impacted considerably by poor performance on a number of Strukton Groep projects.

Oranjewoud achieved, excluding the discontinued operations, €1.9 billion in total revenue in 2021 (2020: €1.8 billion). The net result improved by €49.4 million, from a loss of €218.5 million to a loss of €169.1 million. Operational results (EBITDA) were down €5.9 million in 2021, from negative €69.7 million to negative €75.6 million. This decrease comes as a result of the Strukton Groep loss-making projects that were more loss-making than in 2020. The segments Civil Infrastructure (-€1.1 million) and Technology and Buildings (-€50.8 million) were the responsible segments for the negative operational results for the Group. 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 and 2021. 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 2021, the Supervisory Board only had two 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 2021, 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 to 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.

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 take-over bid on the company. There were no changes to the system of remuneration for the members of the Board of Directors in 2021 in comparison to the 2020 financial year.

Financial Statements

The 2021 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 2021 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 compared to 2020 due to the realized results in 2021 (-€169.1 million). Unrealized results (€2.2 million) were positive. On balance, total equity was down €165.2 million in 2021. The balance sheet total has increased. However, the negative net result caused solvency to fall from 4.5% to -6.2%. 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 €169.1 million, as shown in the financial statements for the financial year 2021, 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.

To conclude
The year 2021 was another challenging year 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 2021. 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. 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)
Ms. M.L. Bremer
Mr. B.C. Fortuyn
Mr. J.J.A. van Leeuwen

May 21, 2024

Financial Statements 2021

Oranjewoud N.V.

Consolidated statement of financial position

(x € 1.000)

		12-31-2021		12-31-2020	
	Non-current assets				
1.	Intangible assets	52,587		55,077	
2.	Property, plant and equipment	137,922		143,223	
3.	Right-of-use assets	135,215		154,297	
4.	Investment property	-		256	
5.	Investments in associates and joint ventures	26,313		25,531	
6.	Financial non-current assets	29,874		42,120	
7.	Deferred tax assets	44,054		39,352	
	Total non-current assets		**425,965**		**459,856**
	Current assets				
8.	Inventories	24,275		31,145	
9.	Trade and other receivables	364,022		423,394	
10.	Contract assets	250,421		301,992	
	Corporate income tax receivable	9,337		5,222	
11.	Cash and cash equivalents	310,494		292,303	
		958,550		1,054,056	
30.	Assets classified as held for sale	175,623		-	
	Total current assets		**1,134,173**		**1,054,056**
	Total assets		**1,560,137**		**1,513,913**
	Equity				
	Issued share capital	6,287		6,287	
	Share premium reserve	201,896		201,896	
	Other reserves	(136,343)		78,651	
	Undistributed result for the year	(169,283)		(219,038)	
12.	**Total equity**	**(97,443)**		**67,796**	
12.	Non-controlling interest	763		890	
	Total group equity		**(96,680)**		**68,686**
	Non-current liabilities				
13.	Deferred employee benefits	73,114		76,604	
14.	Provisions	226,877		122,378	
7.	Deferred tax liabilities	7,724		6,090	
15.	Lease liabilities	78,880		101,500	
16.	Subordinated loans	26,000		26,000	
16.	Loans and other financing obligations	206,972		199,027	
	Total non-current liabilities		**619,566**		**531,599**
	Current liabilities				
17.	Trade and other payables	585,015		639,079	
11.	Debt to financial institutions	25,561		16,979	
10.	Contract liabilities	150,509		181,019	
	Corporate income tax payable	8,358		3,990	
14.	Provisions	25,211		28,342	
15.	Lease liabilities	39,956		44,219	
		834,610		913,628	
30.	Liabilities classified as held for sale	202,642		-	
	Total current liabilities		**1,037,252**		**913,628**
	Total liabilities		**1,560,137**		**1,513,913**

Consolidated statement of income

(x € 1.000)

Note			2021		2020 *
	Continuing operations				
20.	**Revenue**		1,939,804		1,835,102
	Costs of raw materials, services of third parties and subcontractors	(1,190,685)		(1,021,261)	
22.	Staff cost	(667,264)		(668,576)	
24.	Other operating expenses	(161,555)		(211,930)	
	Cost of sales		**(2,019,503)**		**(1,901,767)**
5.	Share of result from associates and joint ventures		4,052		(3,017)
	Operational result (EBITDA)		**(75,647)**		**(69,682)**
1.2.3.4	Depreciation and amortisation charges	(69,053)		(75,807)	
1.2.3.4.5	Impairment charges	(2,727)		(31,942)	
			(71,780)		(107,749)
	Operating result (EBIT)		**(147,427)**		**(177,431)**
25.	Financial income	8,217		8,761	
25.	Financial expenses	(37,321)		(22,251)	
			(29,104)		(13,490)
	Result before tax (EBT)		**(176,531)**		**(190,921)**
26.	Income tax		(4,718)		(41,420)
	Result for the year from continuing operations		**(181,248)**		**(232,341)**
	Discontinued operations				
30.	Result for the year from discontinued operations		12,128		13,813
	Net result		**(169,120)**		**(218,528)**
	Attributable to:				
	Shareholders of the Company		(169,283)		(219,038)
31.	Non-controlling interest		163		510
	Result after taxes		**(169,120)**		**(218,528)**

Earnings per share (in euros)	**2021**	**2020**
Net earnings per share attributable to equity holders of the parent company (basic and diluted)	**(2.69)**	**(3.48)**
- continuing operations	(2.88)	(3.70)
- discontinued operations	0.19	0.22

*) Reclassified for reporting purposes. Please refer for the revised figures of 2020 to note 30 'Assets and liabilities held for sale and discontinued operations'.

Consolidated statement of comprehensive income

(x € 1.000)

			2021		2020*
	Net result for the year		**(169,120)**		**(218,528)**
	Items that may subsequently be reclassified to the statement of income				
12.	Translation differences foreign currencies	171		(1,269)	
12.	Effect of income tax	-		-	
			171		(1,269)
	Total items that may subsequently be reclassified to the statement of income		**171**		**(1,269)**
	Items that will not be reclassified to the statement of income				
13.	Changes in actuarial reserve	2,499		(66)	
	Effect of income tax	(453)		75	
			2,046		9
	Total items that will not be reclassified to the statement of income		**2,046**		**9**
	Total comprehensive income for the year		**(166,903)**		**(219,788)**
	Attributable to:				
	Shareholders of the Company		(167,066)		(220,298)
	Non-controlling interest		163		510
	Total comprehensive income for the year		**(166,903)**		**(219,788)**

*) Reclassified for reporting purposes. Please refer for the revised figures of 2020 to note 30 'Assets and liabilities held for sale and discontinued operations'.

Consolidated statement of movements in equity

(x € 1.000)

	Share Capital	Share Premium	Translation differences reserve	Hedging reserve	Actuarial reserves	Retained earnings	Result for the year	Shareholders' equity	Non-controlling interest	Total equity
Balance 1 January 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	-	-	-
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	(1,085)	(1,085)
Cash flow hedges	-	-	-	2,207	-	-	-	2,207	-	2,207
Result for the reporting period	-	-	-	-	-	-	(219,038)	(219,038)	510	(218,528)
Other comprehensive income for the reporting period	-	-	(1,269)	-	9	-	-	(1,260)	-	(1,260)
Total comprehensive income for the reporting period	**-**	**-**	**(1,269)**	**-**	**9**	**-**	**(219,038)**	**(220,298)**	**510**	**(219,788)**
Transactions of non-controlling interest	-	-	-	-	-	-	-	-	(254)	(254)
Balance 31 December 2020	**6,287**	**201,896**	**3,151**	**(1,909)**	**(26,058)**	**103,467**	**(219,038)**	**67,796**	**890**	**68,686**
Balance 1 January 2021	**6,287**	**201,896**	**3,151**	**(1,909)**	**(26,058)**	**103,467**	**(219,038)**	**67,796**	**890**	**68,686**
Appropriation of result 2020	-	-	-	-	-	(219,038)	219,038	-	-	-
Acquisition of subsidiaries	-	-	-	-	-	1,580	-	1,580	(172)	1,408
Cash flow hedges	-	-	-	247	-	-	-	247	-	247
Result for the reporting period	-	-	-	-	-	-	(169,283)	(169,283)	163	(169,120)
Other comprehensive income for the reporting period	-	-	171	-	2,046	-	-	2,217	-	2,217
Total comprehensive income for the reporting period	**-**	**-**	**171**	**-**	**2,046**	**-**	**(169,283)**	**(167,066)**	**163**	**(166,903)**
Transactions of non-controlling interest	-	-	-	-	-	-	-	-	(118)	(118)
Balance 31 December 2021	**6,287**	**201,896**	**3,322**	**(1,662)**	**(24,012)**	**(113,991)**	**(169,283)**	**(97,443)**	**763**	**(96,680)**

Consolidated statement of cash flows

	(x € 1.000)		2021		2020
	Net result for the year		(169,120)		(218,528)
	Adjustment for non-cash items:				
5.	Share of result from associates and joint ventures	(4,052)		3,017	
26.	Corporate income tax	4,718		33,908	
25.	Financial income and expenses	29,104		13,746	
	Depreciation, amortisation and impairment on fixed assets	74,965		116,936	
	Other movements leases	-		126	
	Changes in provisions and employee benefits	117,820		73,254	
			222,554		240,987
	Dividends distributed by associates and investments		2,945		3,628
	Interest received		3,002		6,284
	Interest paid		(17,596)		(22,426)
	Income tax paid		(11,296)		(26,150)
	Changes in trade payables		(19,407)		4,256
	Changes in other current liabilities		39,348		30,473
	Changes in inventories		6,605		(5,240)
	Changes in projects in progress and contract balances		75,146		6,296
	Changes in trade receivables		(22,926)		72,160
	Changes in other receivables		36,059		39,242
	Net cash (used in)/ generated by operating activities		**145,315**		**130,982**
1.	Investments in intangible assets		(1,845)		(2,282)
2.	Investments in property, plant and equipment		(31,355)		(22,516)
	Acquisitions of joint ventures, associates and other investments		-		398
1.	Disposals of intangible assets		40		-
2.	Disposals of property, plant and equipment		9,431		-
4.	Disposals of investment property		335		1,844
5.	Disposals of joint ventures, associates and other investments		867		4,102
6.	Investment in ppp-projects and other non-current financial assets		(72,801)		(67,951)
6.	Repayments on ppp-projects and other non-current financial assets		19,840		38,787
	Changes in other non-current financial assets		-		(2,299)
	Net cash (used in)/ generated by investing activities		**(75,487)**		**(49,917)**
12.	Acquisition non-controlling interest		1,941		(1,085)
	Receipt from subordinated loans		-		20,000
	Repayment of subordinated loans		-		(5,000)
16.	Receipt from loans		40,794		22,501
16.	Repayment loans		(33,834)		(11,869)
	Repayment bankdebt		-		(40,000)
15.	Payment arising from lease liabilities		(46,376)		(51,819)
	Other movements		2,099		(392)
	Net cash (used in)/ generated by financing activities		**(35,377)**		**(67,664)**
	Composition net cash (used)/ generated				
	Net cash (used in)/ generated by operating activities		145,315		130,982
	Net cash (used in)/ generated by investing activities		(75,487)		(49,917)
	Net cash (used in)/ generated by financing activities		(35,377)		(67,664)
	Total cash (used)/ generated		**34,451**		**13,401**
	Liquidity position as at January 1		275,324		265,875
	Exchange differences on cash and cash equivalents		2,087		(3,952)
11.	**Liquidity position as at December 31**		**311,862**		**275,324**

*) For the impact of the discontinued operations on the statement of cash flows, please refer fo to note 30 'Assets and liabilities held for sale and discontinued operations'.

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, temporary staff, 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 May 21, 2024 and approved by the Supervisory Board members and will be submitted to the General Meeting of Shareholders of July 1, 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 2021 financial statements are prepared based on the going-concern assumption.

The 2021 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 2022, 2023 and 2024, the sizable divestment of Strukton Worksphere in 2022, divestments of non-core portfolio companies within the Strukton Groep till date, the operating plan 2024 and beyond, and developments in the backlog and working capital improvement, alongside attracting external financing. 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 negative 2021 results mainly due to certain high-risk Strukton Groep projects (extensively described in the section "Accounting considerations on key projects") and the immediate measures to ensure business continuity, reduce costs, and protect liquidity taken after the reported result 2021, continue.

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, 2021.

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.

These high-risk Strukton Groep projects also affected the results of Oranjewoud in 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 for an amount of €69.8 million.

The preliminary unaudited results of Oranjewoud show a profit of approximately €211 million in 2022 (mainly due to the sale of Strukton Worksphere) and a profit of approximately €56 million in 2023 driven by positive results from Strukton Rail Italy and the Antea Group. 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.

Application of new and revised standards and interpretations

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

On May 28, 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.

New Standards and interpretations in issue but not yet effective

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 January 1, 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 January 1, 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 2018-2021
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.

Joint Operations
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.

Joint Ventures
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.

Capitalized right-of-use assets

Land

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.

Company buildings

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.

Machines and equipment

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.

Vehicles

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.

Other

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.

Assets and liabilities classified as 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 realises 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.

Costs of raw materials, services of third parties and subcontractors
Costs of raw materials, services of third parties and subcontractors relate to external expenses directly allocated to the production process and projects.

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 2020 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 98% completion milestone in 2021. 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. The total financial impact of the exclusion for the financial year 2021 amounts to €1.1 million (2020: €50.6 million).

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 provisions for a total amount of €17.1 million (2020: €17.3 million). 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 2020-2024.

<u>Mitigating Measures (Committee of Experts (02))</u>
To meet the contractually stipulated 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, who issued a final report in November 2023. On December 19, 2023 the Committee issued a final binding advice. Result of this binding advice is that the Contracting Authority is obliged to reimburse MEET regarding the mitigating measures. MEET has decided not to appeal this advice, neither did the Contracting Authority; therefor the outcome of this dispute procedure is final.

The basis for current result valuation are the compensations granted under the final binding advice and the incurred financial consequences for implementing the vibration measures. This forms the basis of the current best estimates of management, which lead to a combined negative project result of €194.1 million, and provisions included in this result are recognised in and attributable to 2021. The procedure has now led to a prudent conclusion on additional fees. Consequently, a reasonably reliable estimate of settlement of compensation can be made. Hardly any additional compensation over and above the final binding advice judgment has been recognized for these events, as a result of which management expects that such amounts are unlikely to be recovered. However, it should be noted that agreements have not yet been definitively signed.

<u>Change Orders Contracting Authority GAP III and Recalibration Process 1 (Committee of Experts (03))</u>
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 to meet updated WHO requirements. 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 estimated at € 227 million . The GAPIII Committee has drafted an (interim) verdict in October 2023 and decided that the Planned Availability Date is delayed by 15 months. Furthermore, the committee invited parties to discuss the subsequent Financial Disadvantage. On March 8th parties reached mutual agreement on the Financial Disadvantage and have laid this down in a settlement agreement. In this settlement agreement parties agreed to set the Planned Availability Date on December 31, 2024 and there is agreement on financial compensation. The settlement agreement has been sent to the Lenders with a request to consent; this request is still pending at this moment.

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.

Due to the high uncertainty, management's current best estimate is to only take into account the outcomes of the above mentioned, which also align with the latest agreement of March 2024

The combined negative project result including the negative results and provisions formed for the vibration issue and the neutral effect foreseen from the GAPIII Committee cumulatively lead to a negative project result of €194.1 million per year-end 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 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 2022 onwards.'

OPEX

From Q1 2025, the OPEX phase of the MEET project will commence. Our current best estimate is a loss on the OPEX phase of €19.0 million. This provision takes into account a more demanding start-up of OPEX phase (due to the turbulent CAPEX phase) and the latest insights in hourly rates (which have risen more than indexation compensation). However, uncertainty surrounds the magnitude of this loss, caused by both complexity, the size (total OPEX costs amounting to €268.1 million) and duration (the 25-year term). Consequently, the prognosed loss is subject to change.

Construction progress

At reporting date, 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 yet led to a final agreement on additional remuneration per April 2024. The estimate of the final project result amounts to €124.5 million. A provision is formed of €103.5 million up until 2021, and further provisions are recognised in and attributable to 2022 and 2023.

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 €8.6 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 €15.1 million. If no remuneration will be granted, which Strukton deems unlikely, an additional loss would have to be recognised.

A-lanes A15 (MAVA and M CO)
Strukton Civiele Projecten B.V. is involved in the design, build and long-term maintenance of the A15 project. Related to the design and build part of the A15 project, the consortium has faced significant losses, which were accounted for in previous years. As a result of previous ownership changes in the consortium and remaining uncertainties related to the finalization of the design and build face of the project, an additional provision has been formed for the share of Strukton, which amounts to a total of €20.4 million as of December 31, 2021, of which €12.2 million is added in 2021.

Related to the maintenance part of the project, the consortium has deviated from the original long-term maintenance strategy upon the request of the client. The client requested to use quieter but less durable asphalt and to execute the asphalt overlay earlier than planned, whereby it was the understanding of the consortium that the client would cover the additional costs (compared to those of the original long-term maintenance strategy). The client is now of the opinion that the consortium must bear the costs of the adjusted maintenance strategy. We do not agree with the opinion of the client, and therefore a legal Arbitration procedure is initiated, with the hearing planned for the May 16, 2024.The procedure has not yet led to a conclusion on additional remuneration. Consequently, no compensation for these events is accounted for, whereas management expects (partial) recovery of such amounts. In Arbitration, different outcomes are possible which may impact our results 2022 onwards. This situation leads to expected loss of the project. A provision has been formed for the share of Strukton (50%), which amounts to €15.7 million as of December 31, 2021.

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 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 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 €36.2 million (2020: €60.0 million). This facility fully consists of a current account facility of €36.2 million. Additionally, the total of guarantee facilities amounts to €320.2 million (€107.1 million of which covers the Riyadh metro project and €42.6 million the MEET RIVM project). No mandatory repayments apply during the contract period.

Furthermore, Strukton has some separate facilities for Dutch companies. In addition to the committed facility for the Dutch companies, Strukton 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 €58.7 million (2020: €71.9 million). €2.6 million of this total was withdrawn (2020: €7.4 million).
- Loan facility €68.8 million (2020: €33.8 million). This was fully withdrawn.
- Bank guarantee facility €105.6 million (2020: €113.4 million), €86.2 million is in use (2020: €61.9 million).
- Factoring contracts €50.5 million (2020: €37.3 million), €49.5 million (2020: €37.3 million) is in use.

In Sweden and Denmark, Strukton has the following facilities:

- Multi-purpose credit facility SEK 259.0 million (2020: SEK 259.0 million). An amount of SEK 189.0 million was withdrawn (2020: SEK 213.7 million).
- Bank guarantee facilities SEK 10.0 million (2020: SEK 11.3 million). An amount of SEK 10.0 million was withdrawn (2020: SEK 11.3 million).

Based on the liquidity forecasts and the agreed financing, the Board of Directors 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. In October 2021, the current facility was extended by 3 months until January 15, 2022 and reduced to €36.2 million per the end of 2021.

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 2021 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.

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 2021 amounts to €18.3 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.

Management strives for a solvency rate of at least 25%. By year-end 2021, the solvency was -6.2% (2020: 4.5%).

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

1. Intangible assets

	Goodwill	Other intangible assets	Total
2020			
Cost	66,458	63,971	130,429
Accumulated amortisation and impairment	(7,042)	(49,171)	(56,213)
Carrying amount as at 1 January 2020	**59,416**	**14,800**	**74,216**
Carrying amount as at 1 January 2020	**59,416**	**14,800**	**74,216**
Investments	999	1,283	2,282
Impairments	(16,524)	(100)	(16,624)
Amortisation	-	(4,787)	(4,787)
Foreign currency exchange differences	157	(172)	(15)
Other movements	-	5	5
Carrying amount as at 31 December 2020	**44,048**	**11,029**	**55,077**
Cost	67,614	65,087	132,701
Accumulated amortisation and impairment	(23,566)	(54,058)	(77,624)
Carrying amount as at 31 December 2020	**44,048**	**11,029**	**55,077**
2021			
Carrying amount as at 1 January 2021	**44,048**	**11,029**	**55,077**
Investments	16	1,829	1,845
Divestments	-	(40)	(40)
Amortisation	-	(2,314)	(2,314)
Foreign currency exchange differences	25	(10)	15
Other movements	-	(294)	(294)
Reclassified to held for sale (Note 30)	-	(1,702)	(1,702)
Carrying amount as at 31 December 2021	**44,089**	**8,498**	**52,587**
Cost	67,655	64,870	132,525
Accumulated amortisation and impairment	(23,566)	(56,372)	(79,938)
Carrying amount as at 31 December 2021	**44,089**	**8,498**	**52,587**

The column Other intangible assets mainly relates to intellectual property, client base and backlog. There are no financing costs capitalized in 2020 and 2021 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 referred to in IAS 36.

Cash-generating units to which goodwill has been allocated:		12-31-2021	12-31-2020
Antea Nederland B.V.	*The Netherlands*	3,353	3,353
Van der Heide Beheer B.V.	*The Netherlands*	6,060	6,060
Antea Group France	*France*	9,901	9,901
Strukton Rail Infrastructure	*Various*	11,832	11,832
Strukton Technology and Buildings	*The Netherlands*	1,500	1,500
Costruziono Linee Ferroviarie S.p.A.	*Italy*	5,542	5,542
Other cash-generating units	*Various*	5,901	5,860
		44,089	**44,048**

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 determined 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 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 average growth is listed.

Assumptions	Wacc (pre-tax)		Revenue growth Plan period		Revenue growth Perpetual	
	2021	2020	2021	2020	2021	2020
Antea Nederland B.V.	12.5	11.3	1.8	3.0	0.5	0.5
Van der Heide Beheer B.V.	11.3	11.3	3.7	3.0	0.5	0.5
Antea Group France	11.4	10.7	3.1	4.4	0.5	0.5
Strukton Rail Infrastructure	13.8	12.8	0.7	1.7	0.5	0.5
Strukton Technology and Buildings	-	11.1	-	5.5	-	0.5
Costruzioni Linee Ferroviarie S.p.A.	12.6	12.7	5.8	-1.5	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	Wacc + 1%		Wacc - 1%		No perpetual	
	2021	2020	2021	2020	2021	2020
Antea Nederland B.V.	-6.3	-6.4	7.4	7.7	-1.6	-1.9
Van der Heide Beheer B.V.	-2.2	-2.1	2.7	2.6	-0.7	-0.7
Antea Group France	-3.7	-5.1	4.4	6.2	-1.1	-3.8
Strukton Rail Infrastructure	-44.2	-27.9	53.8	32.9	-26.4	-11.2
Strukton Technology and Buildings	-	-11.6	-	14.0	-	-2.9
Costruziono Linee Ferroviarie S.p.A.	-15.1	-8.9	17.8	10.4	-5.3	-8.5

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.

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 €74.7 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. Oranjewoud N.V. therefore has not recorded any impairment to Antea Nederland B.V.'s goodwill in this financial year.

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 €11.5 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.

Antea Group France
The test was performed on the future cash flows in the CGU of Antea Group in France. The outcome of the calculation of the realisable value is above the share in the Company's book value by €22.3 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 €303.2 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 (FVLCTS) is above the Company's book value by €240.8 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. Furthermore, as also included in Note 28. Subsequent events, Worksphere was sold in January 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 €47.3 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 Costruzioni Linee Ferroviarie S.p.A.'s goodwill in 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 construction	Total
2020						
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 as at 1 January 2020	**42,288**	**12,111**	**78,747**	**12,392**	**7,956**	**153,494**
Carrying amount as at 1 January 2020	**42,288**	**12,111**	**78,747**	**12,392**	**7,956**	**153,494**
Investments	1,154	-	15,106	3,479	2,777	22,516
Disposals	(18)	-	(621)	(599)	-	(1,238)
Impairments	(336)	-	(2,312)	-	-	(2,648)
Depreciation	(2,672)	-	(19,033)	(3,946)	-	(25,651)
Foreign currency exchange differences	-	-	166	(48)	27	145
Other movements	(14)	-	(618)	(41)	(2,722)	(3,395)
Carrying amount as at 31 December 2020	**40,402**	**12,111**	**71,435**	**11,237**	**8,038**	**143,223**
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 as at 31 December 2020	**40,402**	**12,111**	**71,435**	**11,237**	**8,038**	**143,223**
2021						
Carrying amount as at 1 January 2021	**40,402**	**12,111**	**71,435**	**11,237**	**8,038**	**143,223**
Acquisitions / (De)Consolidation	-	-	(4,428)	-	-	(4,428)
Investments	1,016	225	18,637	4,590	6,887	31,355
Disposals	(513)	(1,286)	(4,232)	(1,439)	(1,961)	(9,431)
Depreciation on disposals	-	-	2,130	1,373	-	3,503
Impairments	-	-	-	(1)	-	(1)
Depreciation	(3,044)	(1)	(17,870)	(3,645)	-	(24,560)
Reclassified to held for sale (Note 30)	-	-	-	(994)	(487)	(1,481)
Foreign currency exchange differences	-	-	(80)	31	24	(25)
Other movements	10	-	(60)	62	(245)	(233)
Carrying amount as at 31 December 2021	**37,870**	**11,049**	**65,532**	**11,215**	**12,256**	**137,922**
Cost	81,284	11,387	295,484	52,025	12,256	452,436
Accumulated depreciation and impairment	(43,414)	(338)	(229,952)	(40,810)	-	(314,514)
Carrying amount as at 31 December 2021	**37,870**	**11,049**	**65,532**	**11,215**	**12,256**	**137,922**

Of the Property, plant and equipment a maximum amount of €70.0 million (2020: €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 €2.0 million (2020: €2.3 million) served as collateral for the bank loans. Mortgages on sites with buildings with a carrying amount of €10.2 million (2020: €10.5 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
2020						
Carrying amount as at 1 January 2020	**70,712**	**2,288**	**30,626**	**42,448**	**27**	**146,101**
Additions	6,870	-	12,479	28,339	-	47,688
Contract modifications	10,086	327	438	122	-	10,973
Depreciation	(20,577)	(1,037)	(6,873)	(22,296)	(14)	(50,797)
Foreign currency exchange differences	370	4	-	263	-	638
Other movements	2,207	-	27	(2,540)	-	(306)
Carrying amount as at 31 December 2020	**69,668**	**1,582**	**36,697**	**46,337**	**13**	**154,297**
2021						
Carrying amount as at 1 January 2021	**69,668**	**1,582**	**36,697**	**46,337**	**13**	**154,297**
Acquisitions / (De)Consolidation	-	-	365	200	-	565
Additions	6,361	-	8,959	27,611	3,387	46,318
Contract terminations	-	-	(149)	-	-	(149)
Contract modifications	9,195	782	(90)	(1,932)	-	7,955
Depreciation	(18,415)	(877)	(6,835)	(17,249)	(1,110)	(44,486)
Other reclassification	(926)	-	-	(1,857)	(3)	(2,786)
Reclassified to held for sale (Note 30)	(10,145)	-	-	(16,203)	(10)	(26,358)
Foreign currency exchange differences	(198)	(4)	-	(147)	-	(349)
Other movements	(1)	-	1	209	-	209
Carrying amount as at 31 December 2021	**55,538**	**1,483**	**38,949**	**36,968**	**2,277**	**135,215**

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 2021 amounts to €0.3 million (2020: €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. 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

	2021	2020
As at 1 January		
At cost	320	6,065
Accumulated depreciation and impairment	(64)	(1,201)
Carrying amount as at 1 January	**256**	**4,864**
Movements during the financial year		
Carrying amount as at 1 January	**256**	**4,864**
Divestments (Cost)	(335)	(5,745)
Divestments (Accumulated depreciation)	86	1,233
Depreciation	(7)	(96)
Carrying amount as at 31 December	**-**	**256**
As at 31 December		
At cost	18	320
Accumulated depreciation and impairment	(18)	(64)
Carrying amount as at 31 December	**-**	**256**

5. Investments in associates and joint ventures

	2021	2020
As at 1 January	**25,531**	**41,871**
Acquisition of associates	-	(534)
Increase due to increase of share	-	136
Decrease due to decrease of share	(867)	(4,333)
Result on current year	4,052	(3,017)
Dividends distributed by associates and joint ventures	(2,945)	(3,628)
Impairments	(412)	(8,979)
Foreign currency exchange differences	-	(662)
Other movements	954	4,677
As at 31 December	**26,313**	**25,531**

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

The movement decrease due to decrease of share of 2021 mainly relates to the sale of Lareco Holding B.V.

Dividends were mainly paid out by APA B.V. (€0.65 million) and Bituned B.V. (€0.8 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.

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

	Fixed assets	Current assets	Non-current liabilities	Current liabilities	Net assets (100%)	Net assets (Share Oranjewoud)	Revenue	Net result	Result after taxes (Share Oranjewoud)
2020									
TRS Europe B.V. (joint venture)	331	433	-	502	261	131	581	123	62
(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 (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
Exploitatiemaatschappij 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)**

2021	Fixed assets	Current assets	Non-current liabilities	Current liabilities	Net assets (100%)	Net assets (Share Oranjewoud)	Revenue	Net result	Result after taxes (Share Oranjewoud)
TRS Europe B.V. (joint venture)	67	172	-	67	172	131	132	(65)	(32)
GBN Artificial Grass Recycling B.V. (joint venture)	12,809	2,060	7,017	5,956	1,896	1,043	4,656	(523)	(288)
Eurailscout (joint venture)	24,401	17,076	11,071	8,094	22,312	11,156	26,961	2,094	1,047
Tubex B.V. (joint venture)	1,418	2,872	329	1,099	2,862	1,431	6,987	(56)	(28)
Aduco Holding B.V. (joint venture)	2,119	5,757	466	1,205	6,205	1,551	9,844	1,449	362
Lareco Holding B.V. (joint venture)	-	-	-	-	-		17,779	798	266
Bituned B.V. (joint venture)	61	5,524	56	2,341	3,188	1,594	47,194	1,311	656
Exploitatiemaatschappij A-lanes A15 B.V. (joint venture)	95	25,916	9,951	10,320	5,740	2,870	18,877	1,280	640
APA B.V. (associate)	5,154	6,588	464	3,651	7,627	1,907	25,901	2,064	516
APRR B.V. (associate)	2,813	7,766	495	2,326	7,758	1,940	19,061	2,039	510
Other	-	-	-	-	-	2,691	-	-	403
						26,313			**4,052**

Some of the Group’s 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 Group’s financial statements.

6. Other financial non-current assets

	Non-current receivables	Ppp-receivables	Investments in equity instruments	Total
2020				
As at 1 January 2020	**21,554**	**42,444**	**1,810**	**65,808**
Impairments	(736)	(4,129)	-	(4,865)
Loans granted	4,533	-	-	4,533
Repayments	(2,787)	(36,000)	-	(38,787)
Additions	-	63,418	-	63,418
Revaluations	(4,039)	1,456	-	(2,583)
Accrued interest	8	4,888	-	4,896
Other movements	(281)	267	-	(14)
Subtotal as at 31 December 2020	**18,252**	**72,344**	**1,810**	**92,406**
Offsetting contract liabilities ppp-projects	-	(50,286)	-	(50,286)
Carrying amount as at 31 December 2020	**18,252**	**22,058**	**1,810**	**42,120**
2021				
Carrying amount as at 1 January 2021	**18,252**	**72,344**	**1,810**	**92,406**
Loans granted	9,603	-	-	9,603
Repayments	(4,740)	(15,100)	-	(19,840)
Foreign currency exchange differences	8	-	-	8
Additions	-	63,189	9	63,198
Revaluations	(5,958)	(24,242)	-	(30,200)
Accrued interest	10	6,334	-	6,344
Other movements	25	-	-	25
Reclassified to held for sale (Note 30)	(397)	-	-	(397)
Subtotal as at 31 December 2021	**16,803**	**102,525**	**1,819**	**121,147**
Offsetting contract liabilities ppp-projects	-	(91,273)	-	(91,273)
Carrying amount as at 31 December 2021	**16,803**	**11,252**	**1,819**	**29,874**

The Non-current receivables relate for €2.9 million (2020: €8.8 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 offset contract liability is related to the cost of sales of the revenue recognised for the projects related to the ppp-receivable.

The revaluations in the ppp-receivables of €24.2 million are caused by delay in the availability period of the MEET RIVM project, which is further described in the section 'Accounting considerations on key Projects' of the consolidated financial statements.

7. Deferred tax assets and liabilities

The deferred tax position can be broken down as follows:	**Consolidated statement of financial position**		**Consolidated statements of income**	
	12-31-2021	**12-31-2020**	**2021**	**2020**
Valuation of carry-forward losses	7,482	16,335	13,521	17,906
Temporary differences in valuation of provision	2,791	2,648	(143)	(377)
Temporary differences in valuation of contract assets/liabilitie	6,514	-	(6,514)	-
Temporary differences in valuation of (in)tangible assets	6,939	6,015	(924)	(6,572)
Financial fixed assets	9,845	-	(9,845)	8
Actuarial result	8,207	8,589	732	(540)
Other	2,275	5,765	3,490	(1,764)
Deferred tax asset	**44,054**	**39,352**		
	Consolidated statement of financial position		**Consolidated statements of income**	
	12-31-2021	**12-31-2020**	**2021**	**2020**
Temporary differences in valuation of intangible assets	(1,625)	(1,710)	(85)	(193)
Property, plant and equipment	(3,778)	(2,105)	1,673	(990)
Temporary differences in valuation of contract assets/liabilitie	(1,866)	(1,864)	2	(199)
Financial derivatives	-	-	-	-
Other	(456)	(411)	45	(225)
Deferred tax liabilities	**(7,724)**	**(6,090)**		
Balance of DTA and DTL	**36,330**	**33,262**		
Deferred tax expense (income)			**1,950**	**7,055**

The recognized deferred tax asset of €44.1 million (2020: €39.4 million) relates amongst others 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 €0.4 million. The recognised tax losses carried forward are based on the forecast for the period 2023-2028. The losses have no expiration date. From the recognised tax losses carried forward an amount of €4.7 million is reclassified to assets held for sale (also refer to note 30). 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 €418.2 million (2020: €382.9 million) are available at several subsidiaries, out of which the Dutch fiscal unity of Strukton Groep had a total amount of €301.9 million (2020: €273.2 million), whereof €4.1 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.

The deferred tax asset regarding financial fixed assets relate to temporary differences in the PPP receivables for an amount of €9.8 million.

The deferred tax has changed through the consolidated statement of comprehensive income for the income tax of changes in actuarial reserves of €0.5 million (2020: €0.1 million negative).

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 25.8% for 2021 (2020: 25.0%). The change in rate is due to the increased Dutch corporate income tax rate from 25.0% to 25.8% as per January 1, 2022.

In determining the valuation of the deferred tax a corporate tax rate was taken into account of between 15.0% 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

	12-31-2021 *	12-31-2020
Raw materials and consumables	13,811	15,687
Finished product and goods for resale	9,929	13,892
Property development (unsold)	535	1,566
	24,275	**31,145**

(*) Please refer to note 30 for the amount that is reclassified as held for sale

The unsold property development items concern land positions and expenses incurred for property development projects in progress. The write-down on inventories in 2021 was €0.3 million, which mainly related to goods for resale (2020: €0.2 million). The write-down on inventories is included in the line item other operating expenses in the statement of income.

9. Trade and other receivables

	12-31-2021 *	12-31-2020
Receivables from related parties	13	1
Trade receivables - net	281,295	310,969
Taxes and social security contributions receivable	16,834	15,447
Other receivables	36,988	48,150
Prepayments and accrued income	28,893	48,827
	364,022	**423,394**

(*) Please refer to note 30 for the amount that is reclassified as held for sale

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.

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

	12-31-2021		12-31-2020	
	Gross	**Provision**	**Gross**	**Provision**
Not yet due	196,525	8,345	187,528	7,881
Due within 31 - 60 days	42,031	1,351	49,218	415
Due within 61 - 90 days	9,789	178	21,042	367
Due within 91 - 180 days	10,518	1,624	32,335	2,430
Due within 181 - 365 days	7,672	3,144	7,400	538
Due over one year	33,224	3,821	31,111	6,034
Total	**299,758**	**18,463**	**328,634**	**17,665**
Trade receivables due (%)		34.4%		42.9%
Net position trade receivables		**281,295**		**310,969**

The movement in provision for bad debts is as follows:

	2021	**2020**
Amount as at 1 January	**17,665**	**14,504**
Additions	9,457	10,902
Usage of provision	(6,152)	(5,889)
Release	(1,969)	(1,611)
Deconsolidation	(661)	-
Other	123	(241)
Amount as at 31 December	**18,463**	**17,665**

10. Contract assets and liabilities

	12-31-2021 *	**12-31-2020**
Contract assets	250,421	301,992
Contract liabilities	(150,509)	(181,019)
	99,912	**120,973**

	12-31-2021 *	**12-31-2020**
Performance obligations fulfilled and transferred to clients (in practical terms, this item comprises realised revenue based on percentage of completion)	4,125,441	5,600,021
Less: Invoiced installments	(4,025,529)	(5,479,048)
	99,912	**120,973**

(*) Please refer to note 30 for the amount that is reclassified as held for sale

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 decrease in contract assets is mainly attributable to the Technology and Buildings segment with the reclassification of Strukton Worksphere's assets and liabilities held for sale and discontinued operations (€50.6 million decrease) and the Railsystems segment (€21.8 million decrease).

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 decrease in contract liabilities is mainly attributable to the sale of Strukton Worksphere within the Technology and Buildings segment (€65.8 million).

Projects under construction split by segment is as follows:

	12-31-2021 *	12-31-2020
Rail systems	75,357	110,667
Civil infrastructure	(67,930)	16,518
Technology and buildings	96,607	(770)
Consulting and Engineering Services	(4,122)	(5,442)
	99,912	**120,973**

(*) Please refer to note 30 for the amount that is reclassified as held for sale

Major long-term projects are generally financed with loan capital. This means the billed installments on such projects exceed the costs incurred. The contract assets mainly consist of short-term projects.

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

11. Cash and cash equivalents

	12-31-2021 *	12-31-2020
Banks	310,436	292,246
Cash on hand	58	57
	310,494	**292,303**

	12-31-2021	12-31-2020
Cash blocked within combinations	51,389	113,789
Cash and cash equivalents	259,105	178,514
	310,494	**292,303**

For the statement of cash flows:	12-31-2021	12-31-2020
Cash and cash equivalents	310,494	292,303
Cash management system of the Group	(25,561)	(16,979)
	284,933	**275,324**

(*) Please refer to note 30 for the amount that is reclassified as held for sale

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 €51.4 million (2020: €113.8 million) and cash received on blocked accounts to the amount of €0.9 million (2020: €2.2 million). These frozen funds are not at the Group'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 (2020: €26.0 million) 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

(x €1.000)

	Share Capital	Share Premium	Translation differences reserve	Hedging reserve	Actuarial reserves	Retained earnings	Result for the year	Shareholders' equity	Non-controlling interest	Total equity
Balance 1 January 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)
Cash flow hedges	-	-	-	2.207	-	-	-	2.207	-	2.207
Appropriation of result 2019	-	-	-	-	-	(4.379)	4.379	-	-	-
Result for the reporting period	-	-	-	-	-	-	(219.038)	(219.038)	510	(218.528)
Unrealised results	-	-	(1.269)	-	9	-	-	(1.260)	-	(1.260)
Transactions of non-controlling interest	-	-	-	-	-	-	-	-	(254)	(254)
Balance 31 December 2020	**6.287**	**201.896**	**3.151**	**(1.909)**	**(26.058)**	**103.467**	**(219.038)**	**67.796**	**890**	**68.686**
Balance 1 January 2021	**6.287**	**201.896**	**3.151**	**(1.909)**	**(26.058)**	**103.467**	**(219.038)**	**67.796**	**890**	**68.686**
Acquisition of subsidiaries	-	-	-	-	-	1.580	-	1.580	(172)	1.408
Cash flow hedges	-	-	-	247	-	-	-	247	-	247
Appropriation of result 2020	-	-	-	-	-	(219.038)	219.038	-	-	-
Result for the reporting period	-	-	-	-	-	-	(169.283)	(169.283)	163	(169.120)
Unrealised results	-	-	171	-	2.046	-	-	2.217	-	2.217
Transactions of non-controlling interest	-	-	-	-	-	-	-	-	(118)	(118)
Balance 31 December 2021	**6.287**	**201.896**	**3.322**	**(1.662)**	**(24.012)**	**(113.991)**	**(169.283)**	**(97.443)**	**763**	**(96.680)**

Equity attributable to equity holders of the parent company

Share capital

As at December 31, 2021, the authorised share capital of Oranjewoud amounted to €10 million 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 €6.3 million and consisted of 29,553,066 A shares and 33,319,803 B shares. During 2021, 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 €169.1 million negative (2020: €218.5 million negative). The number of shares outstanding at December 31, 2021 is 62,872,869. The result per share amounts to €2.69 negative (2020: €3.48 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 62,872,869 shares. Diluted earnings per share were equal to basic earnings per share.

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.

Total equity decreased sharply in 2021 with the realized results €169.1 million negative. Unrealized results amounted to €2.2 million. There was a one-off positive change in the total equity due to cash flow hedges €0.2 million. On balance, total equity was down €165.4 million in 2021.

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 2021 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 2021, the reserve was decreased by an amount of €0.2 million (2020: increase by €2.2 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 2021, is caused by the acquisition in 2021 of the remaining shares of JPL Rail A/S.

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, 2021 and the coverage of the funds as of December 31, 2020 and 2021:

	Active	12-31-2021	12-31-2020
Industry-wide pension fund - Construction	1,334	125.1%	111.1%
Industry-wide pension fund - Concrete production	17	108.8%	105.2%
Industry-wide pension fund - Metal and Engineering	1,736	100.8%	96.3%
Railroad pension fund	1,510	124.1%	108.2%
Alecta pension insurance plan Sweden ITP scheme	345	172.0%	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:

	12-31-2021	12-31-2020
Antea France SAS (France)	3,767	4,044
Groupe IRH Environnement SAS (France)	1,462	1,388
Strukton Rail AB (Sweden)	56,083	61,447
Strukton Railinfra N.V. (Belgium)	1,580	1,945
Strukton Civiel Noord & Oost B.V. (The Netherlands)	4,146	2,706
Strukton Civiel Zuid B.V. (The Netherlands)	3,568	2,499
Costruzioni Linee Ferroviarie S.p.A. (Italy)	2,508	2,575
	73,114	**76,604**

The decrease in the 2021 pension provision is mainly due to foreign exchange movements in Sweden and actuarial losses.

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 2021 amounted to €56.1 million (2020: €61.5 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, 2021.

As of January 1, 2022 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 provision 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 provision is financed with an insurance agreement with Delta Lloyd.

Costruzioni Linee Ferroviarie S.p.A. (Italy)
Costruzioni Linee Ferroviarie S.p.A. provides its employees with a defined benefit plan, Fondo TFR – Pension Fund, for which an amount of €2.5 million (2020: €2.6 million) was reserved in the Company balance sheet. The pension provision in Italy is not financed externally and 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.

	12-31-2021	12-31-2020
Discount rate	0.70% - 1.70%	0.40% - 1.10%
Inflation	2.00%	1.75% - 2.00%
Projected salary increase	2.00% - 3.25%	1.75% - 3.00%
The following mortality tables were applied:		
Groupe IRH Environnement SAS	TG HF 2005	
Strukton Rail AB (Sweden)	DUS14	
Strukton Railinfra N.V. (Belgium)	MR/FR (1993 Belgium mortality table)	
Strukton Civiel Noord & Oost B.V. (The Netherlands)	Prognosetafel AG2020	
Strukton Civiel Zuid B.V. (The Netherlands)	Prognosetafel AG2020	
Costruzioni Linee Ferroviarie S.p.A. (Italy)	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 €16.8 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 €21.8 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 €3.4 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 €3.3 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 €10.8 million (2020: €12.5 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 €14.1 million (2020: €16.5 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 €3.2 million (2020: €3.6 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 €3.0 million (2020: €3.6 million). If the participants of the three Swedish plans are supposed to live one year longer than assumed, then the liabilities increase by around €2.7 million or 4.8% (2020: € 3.2 million or 5.2%). 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 22.1 years (2020: 23.0 year), while the term for the KPA plan is 19.6 years (2020: 20.3 years).

The forecasted cash flows for the three Swedish pension schemes are indicated below. The duration of the ITP2 scheme is equal to 22.1 years (2020: 23.0 years; for the closed KPA schemes, a duration of 19.6 years applies (2020: 20.3 years).

(x €1 million)	< 1 year	1 - 5 years	> 5 years
	0.81	4.09	6.81

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.

	12-31-2021	**12-31-2020**
Pension plan assets (fair value)	22,516	3,932
Pension liabilities (net present value)	95,630	80,536
Net defined benefit liability	**73,114**	**76,604**
Movements:		
Pension plan assets as at 1 January	**3,932**	**3,572**
Acquisition/Divestment	-	-
Interest income on plan assets	235	16
Pension contribution	1,329	685
Disbursements	(1,674)	(490)
Return on plan assets greater / (less) than discount rate	(1,484)	149
Other	20,178	-
Pension plan assets as at 31 December	**22,516**	**3,932**
Pension liabilities at 1 January	**80,536**	**78,209**
Acquisition/Divestment	-	-
Past service cost - curtailments	838	(3,132)
Current servise cost	-	3,164
Interest cost on the DBO	920	1,176
Disbursements from plan assets	(1,674)	(1,693)
Net actuarial (gain) / loss	(3,915)	1,156
Currency (gain) / loss	(1,253)	2,425
Other movements	20,178	(769)
Pension liabilities at 31 December	**95,630**	**80,536**
Actuarial results as at 1 January	**-**	**-**
Net actuarial gain or loss on pension liabilities	(2,499)	66
Recognized in other comprehensive income	2,499	(66)
Actuarial results as at 31 December	**-**	**-**

	2021	**2020**
Pension expense components pursuant to defined benefit		
Current service cost	838	3,164
Interest cost on the defined benefit obligation	-	1,176
Return on plan assets	920	(16)
Other	(235)	(769)
Pension cost recognised in the income statement	**1,523**	**3,555**

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

	12-31-2021	12-31-2020
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 2022 is €1.7 million (2021: €1.3 million). The costs of the pension plan will be borne by the Group.

14. Provisions

	Restructuring provision	Provision for onerous contracts	Projects other	Jubilee	Tax provision	Other provision	Total
As at 1 January 2020	**5,404**	**43,941**	**14,741**	**7,848**	**-**	**1,189**	**73,123**
Consolidation/Deconsolidation	-	-	374	-	-	-	374
Foreign currency exchange differences	-	277	(167)	1	171	-	282
Additions	10,575	82,280	7,604	351	10,646	1,031	112,487
Utilisation of the provision	(10,522)	(4,852)	(2,242)	(12)	-	(110)	(17,738)
Release of the provision	(1,047)	(12,408)	(4,017)	(8)	-	(520)	(18,000)
Other movements	-	(52)	239	5	-	-	192
As at 31 December 2020	**4,410**	**109,186**	**16,532**	**8,185**	**10,817**	**1,590**	**150,720**
Long-term portion	-	89,941	13,934	7,686	10,817	-	122,378
Short-term portion	4,410	19,245	2,598	499	-	1,590	28,342
	4,410	**109,186**	**16,532**	**8,185**	**10,817**	**1,590**	**150,720**
As at 1 January 2021	**4,410**	**109,186**	**16,532**	**8,185**	**10,817**	**1,590**	**150,720**
Acquisition of subsidiaries	40	-	-	-	-	-	40
Foreign currency exchange differences	-	(90)	299	1	-	-	210
Additions	4,327	128,391	3,311	209	266	1,199	137,703
Utilisation of the provision	(5,396)	(130)	(814)	(128)	-	(16)	(6,483)
Release of the provision	(1,235)	(11,107)	(378)	(11)	-	(608)	(13,339)
Reclassified to held for sale (Note 32)	(243)	(13,200)	(2,169)	(1,199)	-	-	(16,811)
Other movements	(123)	(301)	553	(82)	-	-	47
As at 31 December 2021	**1,781**	**212,749**	**17,334**	**6,975**	**11,083**	**2,166**	**252,088**
Long-term portion	-	194,326	14,951	6,517	11,083	-	226,877
Short-term portion	1,781	18,423	2,384	458	-	2,166	25,211
	1,781	**212,749**	**17,334**	**6,975**	**11,083**	**2,166**	**252,088**

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.

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 (€0.5 million), which was effectuated during 2021. It also relates to the Civil Infrastructure segment (€0.4 million).

The additions and utilisation of the restructuring provision during 2021 were mainly related to the restructuring of the Rail Infrastructure segment during 2021.

Provision for onerous contracts with customers
The provision for loss-making contracts with customers totals €212.7 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 division (€127.7 million), the MEET Project (€52.9 million) and the Rail Infrastructure division (€12.3 million). 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 (€1.5 million). The additions of €88.1 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 within Strukton Rail Italy. These commitments are calculated based on historical data in order to estimate the expenses to be made.

Jubilee provision
The provision is the amount of future benefit payments and claims for jubilee payments and leave entitlements. The obligations recognized in the balance sheet are measured as the present value of the estimated future cash outflows. 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 in 2020.

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.

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.

15. Lease liabilities

	2021	2020
As at 1 January	**145,719**	**138,419**
Accrued interest	1,846	1,986
Lease payments	(46,376)	(51,819)
Foreign currency exchange differences	(339)	627
Reclassified to held for sales (Note 32)	(23,183)	-
Remeasurements due to contract modifications	7,955	10,663
New lease contracts	35,887	45,843
Other movements	(2,673)	-
	118,836	**145,719**
Long-term component of lease liabilities	78,880	101,500
Short-term component of lease liabilities	39,956	44,219
	118,836	**145,719**

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 2021 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.

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:

	2021	2020
Depreciation on right of use assets	44,486	50,797
Interest on lease contracts	1,846	1,986
Expenses relating to short-term lease contracts	32,439	14,821
Expenses relating to low-value assets not recognised in expenses	-	-
Expenses relating to variable lease payments not recognised when determining lease	13,332	20,605
Income from sub-leasing right of use assets	311	311

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

	Carrying amount	Contractual cash flows	Up to 1 year	1 - 2 years	2 - 5 years	> 5 years
Lease commitments 2021	118,836	122,303	42,298	31,269	40,016	8,719
Lease commitments 2020	145,719	152,141	50,844	36,840	51,615	12,842

The total cash out for rental and lease contracts in 2021 was €46.4 million (2020: €51.8 million). A total amount of €2.7 million (2020: €2.7 million) was prepaid on lease contracts for subsequent years.

16. Subordinated loans and non-current liabilities

Subordinated loans	**12-31-2021**	**12-31-2020**
Sanderink Investments B.V.	16,000	16,000
Other companies	10,000	10,000
	26,000	**26,000**

The movement in the subordinated loans is as follows:

	Balance at January 1	Receipts	Repayments	Balance at December 31
2020	11,000	20,000	(5,000)	26,000
2021	26,000	-	-	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	**12-31-2021**	**12-31-2020**
Total current and non-current liabilities	240,615	237,067
Current portion of non-current liabilities	(33,643)	(38,040)
	206,972	**199,027**

	12-31-2021	**12-31-2020**
Term loans	21,014	29,396
Bank loans	64,271	42,139
Groupe IRH	1,297	1,253
Non-recourse ppp-financing	119,977	125,854
Other non-current liabilities	412	386
	206,972	**199,027**

The non-current liabilities related to non-recourse ppp financing decreased due to the MEET Strukton Project . The increase in Bankloans relates to Strukton Rail Italy.

The Term loan consists of a USD-part of USD 23.8 million (2020: USD 23.8 million) (A) and a Euro-part of €10 million (2020: €10 million) (B). The loan runs until January 31, 2023 (part A) and November 16, 2022 (part B). The interest consists of three-month Libor (A) or Euribor (B) plus a margin of 1.8%-point (A) or 1.6% (B). Given the fact that €10 million has been repaid in November 2022, this part can be considered as a current liability. The carrying amount of the item of property, plant and equipment encumbered with the mortgage was €10.2 million at year-end 2021 (2020: €10.7 million). The mortgage serves as security for the term loan.

The interest on bankloans is 1.90%, duration varies from 2022 to 2028. The non-current part of the non-recourse ppp-financing amounts to €120.0 million (2020: €125.9 million). The interest rate is between 3.70% and 3.72% and the duration varies from 2022 to 2043.

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

	< 1 year	1 - 5 years	> 5 years	Total
2020				
Term loans	-	29,396	-	29,396
Bank loans	9,569	41,419	720	51,708
Groupe IRH	-	1,253	-	1,253
Non-recourse ppp-financing	22,900	21,160	104,694	148,754
Other non-current liabilities	5,571	386	-	5,957
	38,040	**93,613**	**105,414**	**237,067**

2021				
Term loans	10,000	21,014	-	31,014
Bank loans	17,533	61,666	2,605	81,804
Groupe IRH	-	1,297	-	1,297
Non-recourse ppp-financing	5,874	20,339	99,638	125,851
Other non-current liabilities	236	412	-	648
	33,643	**104,729**	**102,243**	**240,615**

	Balance at 1-1-2020	Receipts	Repayments	Exchange differences	Other	Balance at 12-31-2020
Term loans	31,186	-	-	-	(1,790)	29,396
Debts financing real estate projects	1,851	-	(1,851)	-	-	-
Bank loans	39,239	16,442	(4,006)	33	-	51,708
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)	-	5,951
	228,190	**22,501**	**(11,868)**	**34**	**(1,790)**	**237,067**

	Balance at 1-1-2021	Receipts	Repayments	Exchange differences	Other	Balance at 12-31-2021
Term loans	29,396	-	-	1,618	-	31,014
Debts financing real estate projects	-	-	-	-	-	-
Bank loans	51,708	40,750	(11,027)	-	372	81,803
Groupe IRH	1,253	44	-	-	-	1,297
Non-recourse PPP-financing	148,759	-	(22,908)	-	1	125,852
Other non-current liabilities	5,951	-	101	-	(5,404)	648
	237,067	**40,794**	**(33,834)**	**1,618**	**(5,030)**	**240,615**

The other movement in the Other non-current liabilities relate to a loan in the US, provided in 2020, and forgiven in 2021 for an amount of €5.4 million. 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

	31-12-2021 *	12-31-2020
Trade payables	247,636	315,767
Short term portion of non-current liabilities	33,643	38,040
Debts to related parties	1,644	1,228
Taxes and social insurance contribution	104,595	69,665
Pension obligations	1,748	2,580
Leave provision	32,703	37,395
Other personnel related liabilities	18,367	22,928
Invoices to receive	40,586	29,980
Other liabilities	55,679	60,647
Accrued liabilities	48,414	60,849
	585,015	**639,079**

(*) At year-end 2021 an amount of EUR 96.8 million of trade and other payables is classified as held for sale.

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 €338.1 million (2020: €307.0). These guarantees mainly concern commitments pursuant to projects in progress, maintenance commitments relating to delivered work and investment commitments. The largest guarantees relate to the Riyadh metro project and the MEET RIVM project.

Maturity of issued guarantees:

2020

(x EUR 1,000)	Total	< 1 year	1 - 5 years	> 5 years
	307,003	83,342	168,675	54,986

2021

(x EUR 1,000)	Total	< 1 year	1 - 5 years	> 5 years
	338,100	123,055	208,061	6,983

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 2021, 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.

Line 7 and Line E59
As per October 2022 and May 2023, Costruzioni Linee Ferroviarie S.p.A., subsidiary of Strukton Rail Italy, is involved in two legal proceedings regarding the Line 7 and Line E59 projects in Poland. As per date of the financial statements there remains a high degree of uncertainty regarding the ultimate outcome of these proceedings, as well of the potential effect on the amount and timing of the outflow of resources. Therefore, these proceedings are disclosed as a contingent liability and no provision is recorded in the financial statements.

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 (2021 and 2020: 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 2021, there are no investment commitments (2020: nil).

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 (2020: €1.0 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 €26.2 million negative at year-end 2021 (2020: €15.0 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 23.8 million 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.

Foreign currency risks

	Average exchange rate		Spot rate at reporting date	
	2021	**2020**	**2021**	**2020**
USD	1.18	1.14	1.13	1.23
DKK	7.44	7.45	7.44	7.44
NOK	10.16	10.68	9.99	10.47
SEK	10.15	10.48	10.25	10.03
GBP	0.86	0.89	0.84	0.90
COP	4,429.59	4,217.47	4,623.00	4,201.00
INR	87.44	84.68	84.23	89.66
SAR	4.44	4.29	4.27	4.58
PLN	4.57	4.44	4.60	4.56
BRL	6.38	5.91	6.31	6.37

A 10% increase in the value of the euro against other currencies at year-end would have reduced equity by €3.9 million (2020: €1.5 million) and net result by €0.5 million (2020: €2.1 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 risk

A 100 bps rise in the interest rate means a gain of €1.0 million (2020: €1.0 million) on the financial derivative, which will be, in case applicable, recognized in the income statement. This is subject to presuming that all other variables would have remained the same. A decrease in the interest rate by 100 base points would have had a similar reverse effect. This interest rate risk does not include the effect of derivatives.

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 €159 million (2020: €207 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 €24.1 million (2020: €100 million) was used at December 31, 2021. To finance accounts receivables, factoring agreements have been concluded with financiers with a total facility of €55.5 million (2020: €42 million). Of this, an amount of €49.5 million (2020: €40 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 are as follows:

2020	Carrying amount	Contractual cash flows	< 6 months	6 - 12 months	1 - 5 years	> 5 years
Non-derivative financial liabilities						
Subordinated loans	26,000	28,665	-	-	-	28,665
Non-recourse ppp-financing (current and non-current)	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 and other payables	611,119	611,119	458,339	152,780	-	-
Debts to financial institutions	16,979	16,979	16,979	-	-	-
	891,165	**1,026,292**	**497,149**	**197,710**	**122,669**	**208,764**

2021	Carrying amount	Contractual cash flows	< 6 months	6 - 12 months	1 - 5 years	> 5 years
Non-derivative financial liabilities						
Subordinated loans	26,000	28,665	-	-	-	28,665
Non-recourse ppp-financing (current and non-current)	125,851	162,071	2,940	2,941	21,898	134,292
Interest-bearing loans	114,763	116,915	8,889	19,444	85,671	2,911
Trade and other payables	567,454	567,454	425,590	141,863	-	-
Debts to financial institutions	25,561	25,561	25,561	-	-	-
	859,629	**900,666**	**462,980**	**164,248**	**107,569**	**165,868**

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

	Currency	Nominal interest rate	Maturity date
Financial liabilities			
Subordinated loans	EUR	5.00%	2075
Non-recourse ppp-financing (non-current part)	EUR	3.30-4.51%	2022-2028
Interest-bearing loans	EUR and USD	1.90%	2022-2043
Trade and other payables	EUR		
Debts to financial institutions	EUR	Various	2022

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

Carrying amounts versus fair values

€ x1,000	Carrying amount		Fair value	
	12-31-2021	**12-31-2020**	**12-31-2021**	**12-31-2020**
Financial assets				
Trade receivables	281,295	310,969	281,295	310,969
Other receivables	342,486	419,639	342,486	419,639
Non-current receivables	16,803	18,252	16,803	18,252
Ppp-receivables	11,252	22,056	70,903	47,992
Investments in equity instruments	1,819	1,810	1,819	1,810
Cash and cash equivalents	310,494	292,303	310,494	292,303
	964,149	**1,065,029**	**1,023,800**	**1,090,965**
Financial liabilities				
Subordinated loans	26,000	26,000	26,000	26,000
Non-recourse ppp-financing	125,851	148,754	200,118	218,985
Interest-bearing loans	114,763	88,308	114,763	88,308
Trade and other payables	567,454	611,119	567,454	611,119
Debts to financial institutions	25,561	16,979	25,561	16,979
	859,630	**891,160**	**933,896**	**961,391**

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 2.94% 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 €15.2 million. For the ppp-payables, an average discount factor of 0.37% 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 €13.7 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.

2020 (x €1,000)

	Total	Level 1	Level 2	Level 3
Financial assets if these would be valued at fair value:				
Ppp-receivables	47,992	-	-	47,992
	47,992	**-**	**-**	**47,992**
Financial liabilities if these would be valued at fair value:				
Non-recourse ppp-financing	196,085	-	-	196,085
	196,085	**-**	**-**	**196,085**

2021 (x €1,000)

	Total	Level 1	Level 2	Level 3
Financial assets if these would be valued at fair value:				
Ppp-receivables	70,903	-	-	70,903
	70,903	**-**	**-**	**70,903**
Financial liabilities if these would be valued at fair value:				
Non-recourse ppp-financing	194,244	-	-	194,244
	194,244	**-**	**-**	**194,244**

NOTES TO THE CONSOLIDATED STATEMENT OF INCOME

20. Revenue

	2021	2020 *
Projects for third parties	1,348,477	1,273,050
Service maintenance and concessions	529,095	495,700
Revenue of sale of finished goods	1,496	8,100
Other revenue	60,736	58,252
	1,939,804	**1,835,102**

(*) Please refer to note 30 for the amount that is reclassified as result for the year from discontinued operations

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 fulfilment 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 fulfilment 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.

	2021	2020
Revenue integrated in the credit balance of projects at the start of the period:		
Projects for third parties	48,756	59,339
Service maintenance and concessions	5,320	13,403
	54,076	**72,742**
Recognised revenue from performance obligations fulfilled fully or partly in previous periods:		
Projects for third parties	-	791
Service maintenance and concessions	7,268	8,180
	7,268	**8,971**

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:

	2021	2020
Within one year	1,269,178	1,512,737
After one year	1,435,905	1,555,035
	2,705,083	**3,067,772**

For further explanation on the revenue from contracts with customers see note 19. Financial instruments and 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:

Breakdown per segment - in millions of euros **2021**	**Consulting and Engineering Services**	**Rail Infrastructure**	**Civil Infrastructure**	**Technology and Buildings**	**Other**	**Eliminations**	**Total**
Revenue from projects	439.4	338.9	377.4	60.4	58.4	74.0	**1,348.5**
Revenue from maintenance	-	528.2	0.9	-	-	-	**529.1**
Revenue from inventory	-	-	1.5	-	-	-	**1.5**
Other revenues	-	19.2	36.5	(0.2)	5.7	(0.5)	**60.7**
Total revenue from customers	**439.4**	**886.3**	**416.3**	**60.2**	**64.1**	**73.5**	**1,939.8**
Intercompany revenue	*26.6*	*18.0*	*9.0*	*8.2*		*(61.8)*	-
Result from associates	-	1.0	1.0	-	2.1	-	**4.1**
Operational result (EBITDA)	48.9	91.3	(106.5)	(111.8)	1.7	0.8	**(75.6)**
Depreciation and impairment *	(18.6)	(37.1)	(11.9)	(0.7)	(1.3)	(0.9)	**(70.5)**
Amortisation and impairment of intangible fixed assets	(0.3)	(1.2)	(0.8)	0.2	0.8	-	**(1.3)**
Operating result (EBIT)	**30.0**	**53.0**	**-119.2**	**-112.3**	**1.2**	**-0.1**	**(147.4)**
Financial (income) and expenses	(1.7)	(2.8)	(2.7)	(20.8)	0.6	(1.7)	**(29.1)**
Income tax	(5.8)	(5.7)	4.5	2.1	-	0.2	**(4.7)**
Result for the year from discontinued operations	-	-	-	12.1	-	-	**12.1**
Net result	**22.5**	**44.5**	**-117.4**	**-118.9**	**1.8**	**-1.6**	**(169.1)**
Total assets	372.4	795.5	196.7	274.5	24.8	(103.8)	**1,560.1**
Total financial fixed assets (excl. deferred tax assets)	3.4	43.4	18.7	22.5	29.1	(60.9)	**56.2**
Total liabilities	221.7	571.5	345.6	406.3	62.1	49.6	**1,656.8**
Total investments in (in)tangible fixed assets	8.9	20.5	3.2	0.5	-	-	**33.1**
Average number of FTE	3,207	3,169	1,060	1,910	78		**9,424**

(*) Depreciation and impairment of (investment) property, plant and equipment, right of use assets and financial fixed assets.

Breakdown per segment - in millions of euros

2020	**Consulting and Engineering Services**	**Rail Infrastructure**	**Civil Infrastructure**	**Technology and Buildings**	**Other**	**Eliminations**	**Total**
Revenue from projects	419.1	372.7	378.7	41.3	61.3	-	**1,273.1**
Revenue from maintenance	-	495.4	-	0.3		-	**495.7**
Revenue from inventory	-	-	8.1	-		-	**8.1**
Other revenues	0.3	25.5	28.7	-0.1	3.9	-	**58.3**
Total revenue from customers **	**419.4**	**893.6**	**415.5**	**41.5**	**65.2**	**-**	**1,835.2**
Intercompany revenue	*15.1*	*14.3*	*13.2*	*19.7*	*10.5*	*-72.8*	-
Result from associates	-	-	-2.4	0.1	-0.7	-	**-3.0**
Operational result (EBITDA)	37.6	60.0	-105.4	-61.0	-0.9	-	**-69.7**
Depreciation and impairment *	-17.6	-39.6	-23.5	-3.4	-4.5	-	**-88.6**
Amortisation and impairment of intangible fixed assets	-0.4	-3.8	-7.2	-0.7	-7.0	-	**-19.1**
Operating result (EBIT)	**19.6**	**16.6**	**-136.1**	**-65.1**	**-12.4**	**-**	**-177.4**
Financial (income) and expenses	-1.2	-3.8	-4.4	-4.4	0.3	-	**-13.5**
Income tax	-5.5	0.3	-14.9	1.4	-22.7	-	**-41.4**
Result for the year from discontinued operations	-	-	-	13.8	-	-	**13.8**
Net result	**12.9**	**13.1**	**-155.4**	**-54.3**	**-34.8**	**-**	**-218.5**
Total assets	368.2	664.7	248.7	337.1	54.2	-158.9	**1,513.9**
Total financial fixed assets (excl. deferred tax assets)	10.8	42.3	13.6	108.0	27.9	-135.0	**67.7**
Total liabilities	255.7	497.4	268.0	320.4	-10.6	114.3	**1,445.2**
Total investments in (in)tangible fixed assets	6.4	13.1	2.7	-0.4	2.9		**24.8**
Average number of FTE	3,232	3,539	1,124	1,763	143		**9,801**

(*) Depreciation and impairment of (investment) property, plant and equipment, right of use assets and financial fixed assets.

(**) Reclassified for reporting purposes. Please refer for the revised figures of 2020 to note 30 'Assets and liabilities held for sale and discontinued operations'.

The increase in revenue from contracts with customers and profit of the **Consulting and Engineering Services (Antea Group)** segment is the result of the Covid-19 pandemic in 2020 and is mainly generated in France and the United States.

The **Rail Infrastructure** segment has realised a better operational result than in 2020 (increase in EBIT of €36.4 million) due to a good performance of Strukton Rail Italy.

The **Civil Infrastructure** segment had a difficult year similar to 2020 (increase in EBIT of €16.9 million, to €119.2 million negative) due to losses on, among others, the Hoofdstation Groningen project.

The **Technology and Buildings** segment has realised a worse result than in 2020 (decrease in EBIT of €47.2 million). This is mainly due to a loss on the RIVM project.

In **Other**, the performance of the activities in Sports and Temporary Staff are included.

About €203.1 million (2020: €235.8 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:

Geographical breakdown - in millions of euros 2021	The Netherlands	Italy	Sweden	Other Europe	USA	Middle East	Other Non-Europe	Total
Revenue from projects	904.6	-	67.3	245.8	64.1	61.0	5.8	**1,348.5**
Revenue from maintenance	118.5	244.5	166.1	-	-	-	-	**529.1**
Revenue from inventory	1.5	-	-	-	-	-	-	**1.5**
Other revenues	35.5	9.4	9.2		6.6	-	-	**60.7**
Total revenue from customers	**1,060.1**	**253.9**	**242.6**	**245.8**	**70.7**	**61.0**	**5.8**	**1,939.8**
Total assets	785.0	340.7	126.7	243.1	46.9	12.3	5.4	**1,560.1**
Total financial fixed assets (excl. deferred tax assets)	80.6	-30.0	1.7	0.5	3.0	-	0.4	**56.2**
Total liabilities	1,084.1	205.5	77.4	200.2	37.5	46.7	5.4	**1,656.8**
Total investments in (in)tangible fixed assets	24.1	1.8	3.4	3.7	0.2	-	-	**33.2**

Geographical breakdown - in millions of euros 2020	The Netherlands	Italy	Sweden	Other Europe	USA	Middle East	Other Non-Europe	Total
Revenue from projects	850.7	-	44.9	216.0	64.1	90.9	6.5	**1,273.1**
Revenue from maintenance	124.9	207.5	163.3	-	-	-	-	**495.7**
Revenue from inventory	8.1	-	-	-	-	-	-	**8.1**
Other revenues	37.9	4.0	16.3	-	-		-	**58.3**
Total revenue from customers *	**1,021.6**	**211.5**	**224.5**	**216.0**	**64.1**	**90.9**	**6.5**	**1,835.2**
Total assets	765.6	287.3	128.1	233.8	45.3	47.0	6.8	**1,513.9**
Total financial fixed assets (excl. deferred tax assets)	41.0	4.6	12.2	0.5	9.0	-	0.4	**67.7**
Total liabilities	883.6	172.3	66.1	197.2	39.3	80.1	6.6	**1,445.2**
Total investments in (in)tangible fixed assets	15.7	3.3	2.7	3.9	0.2	-1.0	-	**24.8**

* Please refer to note 30 for the amount that is reclassified as result for the year from discontinued operations

22. Staff costs

	2021	2020 *
Wages and salaries	440,174	448,417
Social security contributions	91,057	87,096
Defined contribution plans	39,221	32,857
Defined benefit plans	-	(286)
Temporary agency staff	40,099	39,728
Other staff costs	56,713	60,764
	667,264	**668,576**

(*) Please refer to note 30 for the reclassification of the result for the year from discontinued operations

In 2021, government grants with a total amount of EUR 18.3 million were received. The amount of €18.3 million is taken into the result in 2021 (2020: €4.2 million). The government grants of 2020 and 2021 concern governmental (relief) schemes which were used in connection with Covid-19, which are fully reflected in personnel expenses (wages and salaries).

Several group companies have defined benefit plans. Refer to note 13. Deferred employee benefits.

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

At December 31, 2021, the number of employees in the Group, expressed in full-time equivalents, was 9,427 (2020: 9,404). The breakdown is as follows:

	2021	2020
The Netherlands	5,796	5,832
Other Europe	3,015	2,988
USA	382	348
South America	87	76
Asia	127	138
Other Europe	20	22
	9,427	**9,404**

23. Related parties

Identification
Oranjewoud N.V. is per the date of the financial statements for 99.09% 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 2021 of:
  - G.P. Sanderink
- the Supervisory Board members of Oranjewoud N.V. consisted in 2021 of:
  - H.G.B. Spenkelink and
  - W.G.B. te Kamp
- the Executive Board of Sanderink Investments B.V. consisted in 2021 of 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:

The remuneration of managers in key positions

(x €1.000)

	2021	2020
Short-term employee benefits	1,459	1,110
Other long-term employee benefits	22	34
	1,480	**1,145**

Oranjewoud N.V. paid for the sole 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 (2020: €230,000). 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:

Transactions with Supervisory Board members

(x €1.000)

	2021	2020
H.G.B. Spenkelink	55	53
W.G.B. te Kamp	45	44

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 €9.0 million (2020: €8.5 million).

As of the year-end, we have the following outstanding receivables and liabilities due to transactions with related parties:

2020	Centric Holding B.V.	MAFO Holding B.V.	Sanderink Holding B.V.	Sanderink Investments B.V.	Total
Current receivables	-	-	-	303	**303**
Current payables	-	-	-	1,347	**1,347**
Subordinated loans	6,500	2,000	1,500	16,000	**26,000**

2021	Centric Holding B.V.	MAFO Holding B.V.	Sanderink Holding B.V.	Sanderink Investments B.V.	Total
Current receivables	87	-	-	-	**87**
Current payables	2,767	87	65	1,347	**4,266**
Subordinated loans	6,500	2,000	1,500	16,000	**26,000**

The interest of the subordinated loan of Sanderink Investment B.V. (€16 million) is 5.0% and only due when the earnings before taxes (EBT) for the reporting year of Oranjewoud N.V. are positive. As per the end of 2021 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

	2021	2020 *
Facility expenses	8,042	9,677
Office expenses	9,120	10,197
Selling expenses	3,754	5,063
Other expenses	140,639	186,993
	161,555	**211,930**

(*) Please refer to note 30 for the reclassification of the result for the year from discontinued operations

25. Finance income and expense

	2021	2020
Finance income		
Interest income	572	1,085
Sub-lease interest income	-	1
Interest accruals on financial non-current assets	6,334	4,888
Result on investments in equity instruments	266	246
Foreign currency exchange gains	1,045	2,541
	8,217	**8,761**
Finance expense		
Third party interest expenses	(6,970)	(5,445)
Non-recourse ppp-financing interest expenses	(26,479)	(9,325)
Lease liabilities interest expenses	(1,593)	(1,985)
Hedging results	(247)	(2,207)
Foreign currency exchange losses	(2,032)	(3,289)
	(37,321)	**(22,251)**
Net finance result	**(29,104)**	**(13,490)**

The interest expenses of non-recourse ppp-financing mainly relate to the RIVM building project.

In comparison to 2020, the balance of financial income and expenses was €15.7 million more negative. This is mainly due to increased interest expenses relating to non-recourse ppp-financing. These mainly relate to the RIVM building project. In the financial results, no changes in the fair value of financial fixed assets are recognized.

26. Corporate income tax

	2021	2020 *
Current income tax expense	2,768	34,365
Deferred income tax	1,950	7,055
	4,718	**41,420**

The corporate income tax is different from the amount theoretically due when applying the weighted average tax rate (25.0%) that is applicable to the results of the consolidated group companies. The difference can be specified as follows:

	2021	2020 *
Taxable profit	(176,531)	(190,921)
Income tax using company's domestic tax rate	(44,133)	(47,730)
Correction previous periods	(57)	(386)
Effect adjustment deferred tax rate	(83)	(204)
Exemption of participation results	(3,063)	180
Effect of tax rates in foreign jurisdictions	107	2,464
Tax provision addition	266	10,646
DTA relating to fiscal revaluation tangible fixed assets	-	(5,480)
Goodwill impairment	334	3,769
Movement in tax losses carried forward not recognised	48,124	51,914
Impairment of deferred tax asset	141	23,738
Other including non-deductible costs	3,082	2,509
Effective tax	**4,718**	**41,420**
Effective tax rate (%)	-2.7%	-21.7%

(*) Please refer to note 30 for the amount that is reclassified as result for the year from discontinued operations

The effective tax rate in 2021 and 2020 differs sharp from the nominal rate. The main effect in both years is caused by no recognition of compensable losses. Next to this, the difference of 2020 is also caused by the impairment of deferred tax assets.

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 2021 is €34.5 million positive (2020: €13.4 million positive). The operational cash flow in 2021 is €113.2 million positive (2020: €131.0 million positive).

	2021	2020
Cash and cash equivalents	310,494	292,303
Debt to financial institutions	(25,561)	(16,979)
Total net cash position balance sheet	**284,933**	**275,324**
Cash and cash equivalents reclassified to held for sale	26,929	-
Total cash position cash flow statement	**311,862**	**275,324**

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 €18.3 million relates to 2021. 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.

Sale of Strukton Worksphere and impact on financing structure
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, there are no longer any financial covenants.

Developments in projects
Given the filing of the financial statements 2021 in 2024, numerous subsequent events occurred which (may) gave rise to an adjustment of the valuation of our projects in 2021. 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 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 Infrastructure 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 2021, because this is a non-adjusting event.

Changes 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.

Changes in management Strukton Groep N.V.
As per October 1, 2021, Mr. Erik Hermsen stepped down as director of Strukton. 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 Group Executive Board with immediate effect for a period of three months. The members of the Supervisory Board took over management of Strukton Groep N.V. as per that date. As of July 15, 2023 Mr. Rob van Wingerden was appointed as interim CEO and Mr. Mark de Haas was appointed as interim CTO (Chief Transition Officer). As of that date, they form the Group Executive Board (as statutory directors) together with Mr. Arthur Vlaanderen as CFO (non-statutory director) and Mr. Willem-Jan Wieland as CLO (non-statutory director).

Changes 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, Mr. J.J.A. van Leeuwen was appointed as member as of May 1, 2022 and Ms. M.L. Bremer as per March 21, 2024. Mr. Schoots has stepped down as member of the Supervisory Board as of July 8, 2023.

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.

Other events
The following subsequent events (expect to) have no (significant) impact on the financial position of 2021 as these are considered to be a non-adjusting event, are:

- Strukton Rail AB, the shareholder of the company JPL Rail A/S, which was owned for 100% per year-end 2021, has submitted a bankruptcy petition to court in Norway as of May 15, 2023 and the bankruptcy is expected to become effective during 2024.
- 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 has been finalised by December 29, 2023 .
- On December 15, 2023, Strukton Groep N.V. and Strukton Immersion Projects B.V. have reached agreement regarding the hiving off of Strukton Immersion Projects B.V. As per that date Strukton Immersion Projects B.V. will continue independently as Immontec B.V.

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

Oranjewoud group companies participated in special purpose companies for ppp concession projects during 2021. 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 (2020: 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.

Public buildings
The Group holds a 6% (2020: 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.

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

30. Assets and liabilities held for sale and discontinued operations

In November 2021, Strukton Groep N.V. signed an agreement with SPIE Nederland B.V. regarding the sale of Strukton Services B.V. and its subsidiaries and interests in other entities (the 'disposal group'). The transaction was completed on January 27, 2022. The purchase price was approximately €220 million. Following the agreement, Strukton has reclassified all related assets and liabilities as held for sale and reclassified the results of the disposal group to 'discontinued operations'. Based on this reclassification and the assessment of the fair value of the assets and liabilities, no impairment loss is expected nor accounted for.

The comparative figures in the statement of income are re-presented as if the operation had been discontinued from the start of the comparative year 2020. The related assets and liabilities of the disposal group on 31 December 2021 have been reclassified as held for sale. Before reclassification, these activities were reported in the segment Technology & Buildings.

Impact on the statement of financial position

The impact of the business that has been reclassified to discontinued operations on the statement of financial position is presented in the following table:

Assets and liabilities held for sale

(x € 1.000)

	2021
Property, plant and equipment	1,481
Right-of-use assets	26,359
Intangible assets	1,702
Other non-current assets	444
Deferred tax assets	4,668
Inventories	265
Contract assets	50,652
Other receivables	63,122
Cash and cash equivalents	26,928
Assets held for sale	**175,623**
Non-current liabilities	33,478
Current liabilities	169,165
Liabilities held for sale	**202,642**

Impact on the statement of income

The impact of the business that has been reclassified to discontinued operations on the statement of income is presented in the following table:

(x € 1.000)	**2021**	**2020**
Revenue	401,058	478,051
Expenses	388,930	471,749
Result before tax	**12,128**	**6,302**
Income tax	-	(7,511)
Result for the year from discontinued operations	**12,128**	**13,813**
Attributable to:		
Shareholders of the Company	12,128	13,813
Non-controlling interest	-	-
Result for the year from discontinued operations	**12,128**	**13,813**

Impact on the statement of cash flows

The impact of the business that has been reclassified to discontinued operations on the statement of cash flows is presented in the following table:

(x € 1.000)	**2021**	**2020**
Net cash (used in)/generated by operating activities	10,457	30,082
Net cash (used in)/generated by investing activities	(58)	(78)
Net cash (used in)/generated by financing activities	12,524	(26,913)
Cash flows from discontinued operations	**22,923**	**3,091**

31. Overview of Group companies and interests in other entities

	Capital interest (%) 2021	2020
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
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 (%)	
	2021	2020
Gebrüder Becker G.M.B.H., Taunusstein-Hahn (Germany)	100	100
Edel Grass B.V., Genemuiden	-	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 *2)	100	100
Strukton Rail Nederland B.V., Utrecht *2)	100	100
Strukton Rail Short Line B.V., Utrecht *	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 Ferroviarie S.p.A., Bologna (Italy)	100	100
Construzioni Linee Ferroviarie CLF C.A., Caracas (Venezuela)	100	100
Sviluppo 2010 S.r.l., Bologna (Italy)	-	100
S.I.F.EL S.p.A., Spigno Monferrato (Italy)	100	100
Société d'Installations Ferroviaires et Electriques Maroc, Rabat (Marocco)	100	100
Tecno Engineering System S.r.l., Bologna (Italy)	-	100
AR.FER S.r.l., Alessandria (Italy)	100	100
Strukton Construction Trading WLL, Doha (Qatar)	49	49
Strukton Rail Australia PTY Ltd., Perth (Australia)	100	100
Strukton Rail International B.V., Utrecht *2)	100	100
Nova Gleisbau AG, Baar (Switzerland) **	100	100
Strukton Rail N.V., Merelbeke (Belgium)	100	100
Siebens Spoorbouw B.V.B.A., Wilrijk (Belgium)	100	100
Certus Rail Solutions N.V., Merelbeke (Belgium)	100	-
Strukton Railinfra AB, Stockholm (Sweden)	100	100

	Capital interest (%) 2021	2020
Strukton Rail AB, Stockholm (Sweden)	100	100
RBS ban och signal AB, Stockholm (Sweden)	-	100
Strukton Rail A/S, Kopenhagen (Denmark)	100	100
Strukton Rail Västerås AB, Stockholm (Sweden)	100	100
SR Kraft AS, Oslo (Norway)	100	100
Strukton Rail Holding A/S, Taastrup (Denmark)	100	100
Strukton Rail S-Bane A/S, Taastrup (Denmark)	100	100
JPL Rail A/S, Ørje (Norway)	100	70
Strukton Power Inc. (2020: Strukton Rail North America Inc.), Wilmington, Delaware (U.S.)	100	100
Strukton Rail North America Power & Rolling Stock LLC, Bethesda, Maryland (U.S.)	100	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	100
Buca Electronics B.V., Almelo [2)]	100	100
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 B.V., Oldenzaal [2)]	100	100
Strukton Civiel Noord & Oost B.V., Oldenzaal [2)]	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 (%) 2021	2020
Colijn Beton- en Waterbouw B.V., Breda [2)]	100	100
Strukton Civiel Startup & Innovation Centre B.V., Utrecht	100	100
Strukton Immersion Projects B.V., Utrecht [2)]	100	100
Strukton Immersion Projects Inc., Vancouver (Canada)	100	100
Strukton Immersion Projects B.V. Turkey Branch, Istanbul (Turkey)	-	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
Avenue2 Infra V.O.F., Nieuwegein	100	100
Meppelerdiepsluis V.O.F., Utrecht	-	100
Combinatie Geo Grid V.O.F., Utrecht	-	100
Strukton Bouw B.V., Utrecht [3)]	100	100
Strukton Revitalisatie en Ontwikkeling B.V., Utrecht [3)]	100	100
Strukton Gamma B.V., Utrecht [3)]	100	100
Strukton Delta B.V., Utrecht [3)]	100	100
C.V. Voorstadslaan, Utrecht [3)]	100	100
La Mondiale N.V., Etterbeek (Belgium)	100	100
Het Spaarne V.O.F., Utrecht	-	100
Strukton Services B.V., Utrecht [3)]	100	100
Strukton Worksphere B.V., Utrecht [3)]	100	100
Strukton Worksphere Bouw B.V., Utrecht [3)]	100	100
Strukton Worksphere België B.V.B.A., Tongeren (Belgium) [3)]	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
BAG B.V., Maastricht [**]	100	100
Strukton Power B.V. (2020: 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 (%) 2021	2020
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 [3)]	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
Modulas Beheer B.V., Gouda	52.5	52.5
Antea Brazil, Sao Paulo (Brazil)	50.94	50.94
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
Avenue 2 V.O.F., Nieuwegein	50	50
GWW Combinatie A2 V.O.F., Arnhem	-	25
Combinatie Versterken Bruggen V.O.F., Capelle a/d IJssel	50	50
BPL Wegen V.O.F., Rotterdam	50	50
Combinatie Buitenring V.O.F., 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 (%) 2021	2020
A-Lanes Roads V.O.F., Nieuwegein	45	45
DUOS V.O.F., Oldenzaal	50	50
A9V1 V.O.F., Utrecht	50	50
Combinatie Natuuronwikkeling Maasplassen V.O.F., Vinkel	50	50
Combinatie Rions – Strukton Civiel Zuid V.O.F., Sittard	50	50
Hydraphalt V.O.F., Scharwoude	50	50
CE-Asfaltonderzoek V.O.F., Scharwoude	50	50
Zandexploitatie Westfriesland V.O.F., Scharwoude	50	50
Grondbank West Brabant V.O.F., Utrecht	50	50
Combinatie Dinteloord V.O.F., Middelharnis	50	50
Combinatie Ooms – Schadenberg V.O.F., Scharwoude	-	50
Combinatie K. Dekker – Ooms Construction Muiden V.O.F., Warmenhuizen	50	50
Combinatie Zijkanaal D V.O.F., Sliedrecht	50	50
Combinatie Colijn/Rasenberg/van den Herik V.O.F., Sliedrecht	50	50
Combinatie Gladheidsbestrijding Ballast Nedam – Strukton 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	16.67
GBB Grondbank Budel V.O.F., Zeeland	50	50
Combinatie BNOC V.O.F., Leerdam	50	50
Combinatie Strukton Civiel / Oosterhof Holman V.O.F., Oldenzaal	50	50
Combinatie OP Beneden-LEK V.O.F., Scharwoude	50	50
A-team V.O.F., Utrecht	50	50
Switch - Realisatie NW-2 V.O.F., Utrecht	50	50
Switch V.O.F., Utrecht	50	50
VOF Combinatie Strukton Arcadis Delft Interlocking V.O.F., Utrecht	75	75
Combinatie Strukton-Den Ouden V.O.F., Breda	50	50
Combinatie Strukton Civiel Zuid / Van den Herik V.O.F., Breda	50	50
Combinatie Sluis 0 Den Bosch V.O.F., Sliedrecht	50	50
Combinatie Van den Herik – Strukton Civiel West V.O.F., Scharwoude	50	50
4AMS V.O.F., Utrecht [3)]	33.33	33.33
Fast Riyadh Metro Alliance = Fast, Riyadh (Saudi Arabia)	-	14.08
Construction Joint Venture (CJV), Riyadh (Saudi Arabia)	-	17.96
Track Joint Venture (TJV), Riyadh (Saudi Arabia)	-	8.08
Arge Instandsetzung Reinbrucke Maxau, Karlsruhe (Germany)	50	50
Arge A9 Guntersdorf Instands BW 68, Langen (Germany)	50	50
Grondontwikkeling Beilen B.V., Amsterdam	50	50
Safire Services V.O.F., Eindhoven [3)]	33.30	33.30
Bouwcombinatie Komfort V.O.F., Utrecht [3)]	50	50
La Linea Leiden C.V., Rotterdam [3)]	50	50
RGG cluster Zwembaden ESCo Exploitatie V.O.F., Utrecht [3)]	50	50
SPARK V.O.F., Utrecht [3)]	50	50

	Capital interest (%) 2021	2020
R Creators DBMO V.O.F., Nieuwegein [3)]	45	45
Exploitatie maatschappij DC16 B.V., Nieuwegein [3)]	50	50
Exploitatie maatschappij Komfort B.V., Nieuwegein [3)]	50	50
ProCUS V.O.F., Utrecht [3)]	50	50
Bouwcombinatie de Jonkvrouw V.O.F., Utrecht [3)]	50	50
Bouwcombinatie SVS V.O.F., Vianen	50	-
Strukton & Van den Herik V.O.F., Breda	50	-
Combinatie Strukton Civiel West – Jaro V.O.F., Scharwoude	50	-
Participations not included in the consolidation:		
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
Home Grass Group B.V., Oss	46.75	46.75
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
4DR Studios B.V., Eindhoven	8.75	8.75
Inogen Environmental Alliance Inc., Delaware (U.S.)	56.2	56.2
Exploitatie Maatschappij A-Lanes A15 B.V., Nieuwegein	50	50
Shandong SRCC Rail Transit Technology Co.Ltd., Jinan (China)	45	45
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
C2CA Technology B.V., Utrecht	50	50
GBN Artificial Grass Recycling B.V., Utrecht	70	70
Grondstoffen Recycling Weert B.V., Weert	50	50
Combinatie Verkeersmaatregelen A-Lanes V.O.F., Rotterdam	50	50
Combinatie Ballast Nedam Infra Spec./Van Rens V.O.F., Leerdam	30	30
Nederlands Wegen Markeerbedrijf B.V., Oosterwolde	25	25
Aduco Holding B.V., Ede	25	25
Lareco Bornem N.V., Antwerpen (Belgium)	-	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 (%) 2021	2020
MT Piling B.V., Harmelen	-	50
SolaRoad B.V., Delft	20	20
Microtunneling Equipment Exploitatie B.V., Utrecht	-	50
Floow V.O.F., Oldenzaal	-	50
DMI Nederland B.V., Weert	50	50
Fast Consortium LLC, Riyadh (Saudi Arabia)	-	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 3)	50	50
Venturium Beheer B.V., Capelle a/d IJssel 3)	25	25
ISE Exploitatie B.V., Eindhoven 3)	34	34
A-Lanes Management Services B.V., Nieuwegein 3)	25	25
Aendless Energy B.V., Den Ham	50	-
Profin B.V.B.A., Gent (België)	-	50

Companies accounted for as investments in equity instruments:

	2021	2020
Voestalpine Railpro B.V., Hilversum	10	10
Strukton Finance Holding B.V., Utrecht ***	7.89	7.89

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.
3) These entities have been classified as held for sale per year-end 2021.

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 financial statements

Company statement of financial position before result appropriation

(x € 1.000)

		12-31-2021		31-12-2020 *	
	Non-current assets				
32.	Intangible assets	16.685		16.685	
	Property, plant and equipment	-		-	
33.	Subsidiaries	138.426		112.185	
34.	Receivables from group companies	90.769		89.380	
35.	Other financial fixed assets	250		250	
	Total non-current assets		**246.130**		**218.500**
	Current assets				
36.	Trade and other receivables	1.757		1.420	
	Cash and cash equivalents	697		257	
	Total current assets		**2.454**		**1.677**
	Total assets		**248.584**		**220.178**
	Equity				
	Issued capital	6.287		6.287	
	Share premium reserve	201.896		201.896	
	Translation differences reserve	3.322		3.151	
	Hedging reserve	(1.662)		(1.909)	
	Actuarial reserves	(24.012)		(26.058)	
	Retained earnings	(94.591)		103.467	
	Undistributed result for the year	21.494		(199.638)	
37.	**Total equity**		**112.735**		**87.196**
33.	**Provisions**		**425**		**450**
	Non-current liabilities				
38.	Payables to group companies	23.289		23.128	
16.	Subordinated loans	16.000		16.000	
16.	Non-current liabilities	21.014		29.395	
	Total non-current liabilities		**60.303**		**68.523**
39.	**Current liabilities**		**75.122**		**64.008**
	Total equity and liabilities		**248.584**		**220.178**

*) Restated for reporting purposes. Please refer for the restated figures of 2020 to note 44.

Company statement of income

(x € 1.000)			2021		2020 *
	Revenue		853		853
	Staff cost	(100)		(96)	
41.	Other operating expenses	(1.295)		(1.037)	
	Total operating expenses		**(1.395)**		**(1.133)**
	Operational result (EBITDA)		**(542)**		**(281)**
	Financial income	3.975		3.478	
	Financial expenses	(2.296)		(1.711)	
	Net financial income		**1.679**		**1.767**
	Share in result after taxes from subsidiaries		**20.594**		**(200.722)**
	Result before taxes		**21.731**		**(199.236)**
	Income tax		(236)		(402)
	Net result		**21.494**		**(199.638)**

*) Restated for reporting purposes. Please refer for the restated figures of 2020 to note 44.

NOTES TO THE COMPANY FINANCIAL STATEMENTS

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.

Restatements of comparative figures 2020
The 2020 comparative figures have been restated in order to reflect the correct comparative figures for 2020. Please refer for a summary of these restatements to note 44.

32. Intangible assets

	Goodwill
Carrying amount as at 1 January 2020	**16,685**
Accumulated cost	16,685
Carrying amount as at 31 December 2020	**16,685**
Carrying amount as at 1 January 2021	**16,685**
Accumulated cost	16,685
Carrying amount as at 31 December 2021	**16,685**

The goodwill is applicable for directly and 100% owned subsidiaries of CGU's and specified in the next table:

	12-31-2021	12-31-2020
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, 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)
Transactions with minority shareholders	(614)	-	(614)
Reported result	(173.683)	(38)	(173.721)
Position at December 31, 2020	**112.185**	**(450)**	**111.735**
Position at January 1, 2021	**112.185**	**(450)**	**111.735**
Change in actuarial reserve	2.046	-	2.046
Change in hedge reserve	247	-	247
Translation differences	1.639	-	1.639
Other movements	1.741	-	1.741
Reported result	20.568	25	20.593
Position at December 31, 2021	**138.426**	**(425)**	**138.001**

*) Restated for reporting purposes. Please refer for the restated figures of 2020 to note 44.

Subsidiaries with a negative net asset value, mainly Strukton Groep N.V., are valued at nil as no liability statements have been issued for these subsidiaries. The negative net equity value of Strukton which is not accounted for as per December 31, 2021 amounts to €210.6 million (2020: €19.4 million). The negative net result 2021 of Strukton Groep which is not accounted for amounts to €190.8 million (2020: €19.4 million).

34. Receivables from group companies

	KSI Inter-active	Oranjewoud Realisatie Holding *	Oranjewoud Holding	Oranjewoud Beheer *	Antea Group	Total
Balance at January 1, 2020	**300**	**33,605**	**462**	**11,832**	**41,007**	**87,206**
Loans	-	-	-	-	1,150	1,150
Repayments loans	-	-	-	-	-	-
Change current accounts	-	(101)	12	248	865	1,024
Balance at December 31, 2020	**300**	**33,504**	**474**	**12,080**	**43,022**	**89,380**
Balance at 1 January 2021	**300**	**33,504**	**474**	**12,080**	**43,022**	**89,380**
Loans	-	-	-	-	-	-
Repayments loans	-	-	-	-	-	-
Change current accounts	-	722	(29)	54	642	1,390
Balance at December 31, 2021	**300**	**34,226**	**445**	**12,134**	**43,664**	**90,769**

* The positions reported include the positions with the subsidiaries of the respective entity.

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 a loan to Sanderink Holding B.V. of €0.25 million (2020: €0.25 million). The interest is 3.0% per year.

Furthermore, the subordinated loans to Strukton Groep N.V. amounts to respectively €16 million and €11 million, in total €27 million (2020: €27 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 and the interest is only due when the earnings before taxes of Strukton Groep N.V. are positive. 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. As these loans form part of the Company's net investment in Strukton Groep N.V., the carrying amount of these loans has decreased to nil as a result of the negative result of Strukton Groep N.V. in 2020. This is one of the restatements of the comparative figures (refer to note 44).

36. Trade and other receivables

	12-31-2021	12-31-2020
Receivables from group companies	-	45
Other receivables	1,757	1,375
Total	**1,757**	**1,420**

Receivables from group companies

Oranjewoud Detachering Holding B.V.	-	45
Total	**-**	**45**

37. Equity

	Issued share capital	Share premium	Transla-tion diffe-rences reserve	Hedging reserve	Actua-rial reserve	Retained earnings	Net result for the year	Total
Balance at January 1, 2020	6.287	201.896	4.420	(4.116)	(26.067)	107.846	(4.379)	285.887
Appropriation of result 2019	-	-	-	-	-	(4.379)	4.379	-
Cash flow hedges	-	-	-	2.207	-	-	-	2.207
Unrealized results	-	-	(1.269)	-	9	-	-	(1.260)
Net result for the year *	-	-	-	-	-	-	(199.638)	(199.638)
Balance at January 1, 2021	6.287	201.896	3.151	(1.909)	(26.058)	103.467	(199.638)	87.196
Appropriation of result 2020	-	-	-	-	-	(199.638)	199.638	-
Acquisition of subsidiaries	-	-	-	-	-	1.580	-	1.580
Cash flow hedges	-	-	-	247	-	-	-	247
Unrealized results	-	-	171	-	2.046	-	-	2.217
Net result for the year	-	-	-	-	-	-	21.494	21.494
Balance at December 31, 2021	**6.287**	**201.896**	**3.322**	**(1.662)**	**(24.012)**	**(94.591)**	**21.494**	**112.735**

*) Restated for reporting purposes. Please refer for the restated figures of 2020 to note 44.

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 amounts to €210.2 million (2020: €19.4 million). This can be explained by:

- the negative net equity of Strukton Groep for an amount of €237.2 million (2020: €46.4 million);
- the subordinated loans to Strukton Groep form part of the Company's net investment in Strukton Groep N.V. and were decreased to nil as a result of the negative result of Strukton Groep N.V. for an amount of -€27 million (2020: -€27.0 million), as mentioned in note 35.

This difference also resulted in a difference between the company unappropriated result and the unappropriated result in the consolidated financial statements 2021 for an amount of €190.8 million. This can be explained by the negative net result of Strukton Groep for an amount of €190.8 million (2020: €19.4 million).

38. Payables to group companies

	31-12-2021	31-12-2020
Non-current payables to subsidiaries	23,289	23,128
Total	**23,289**	**23,128**

	Oranjewoud Realisatie Holding *	Oranjewoud Beheer *	Antea Nederland *	Multihouse Technical Scientific and Industrial B.V.	Minihouse International B.V.	Total
Balance at January 1, 2020	**10,114**	**0**	**-**	**408**	**202**	**10,724**
Loans	5,000	4,000	7,000	-	-	16,000
Change current accounts	(3,607)	11	-	-	-	-3,596
Balance at December 31, 2020	**11,506**	**4,011**	**7,000**	**408**	**202**	**23,128**
Balance at 1 January 2021	**11,506**	**4,011**	**7,000**	**408**	**202**	**23,128**
Change current accounts	(305)	163	304	-	-	162
Balance at December 31, 2021	**11,201**	**4,174**	**7,304**	**408**	**202**	**23,289**

* The positions reported include the positions with the subsidiaries of the respective entity.

The interest rate of the loan from Antea Nederland B.V. of €7.3 million 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.. 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 (2021 and 2020: 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 severally liable for the credit facility. For more details we refer to note 18 in the consolidated financial statements.

39. Current liabilities

	31-12-2021	31-12-2020
Payables to subsidiaries	61,411	61,561
Short term portion of non-current liabilities	10,000	-
Trade payables	4	33
Other liabilities	3,707	2,414
Total	**75,122**	**64,008**

Payables to subsidiaries	31-12-2021	31-12-2020
Antea Nederland	61,411	61,561
Total	**61,411**	**61,561**

40. Off-balance sheet commitments and securities provided

In December 2023, Oranjewoud N.V. 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.

41. Other operating expenses

	2021	2020
Office expenses	119	111
Other expenses	1,175	926
Total	**1,295**	**1,037**

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.

Audit fees

The audit firm's fees can be broken down as follows:

	2021 Mazars Accountants N.V.	2021 Total	2020 Mazars Accountants N.V.	2020 Total
Audit of the financial statements	2,830	2,830	7,387	7,387
Other assurance services	867	867	400	400
Total Assurance	**3,697**	**3,697**	**7,787**	**7,787**

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.

42. Proposal concerning the 2021 result appropriation

The Board of Directors, with the approval of the Supervisory Board, proposes to pass dividend payment for the financial year 2021 and to add the full result from the general reserves.

43. Subsequent events

For events after balance sheet date, please refer to explanatory note 28.

44. Restatements of comparative figures 2020

During the audit of these 2021 company financial statements, two errors have been identied in the 2020 comparative figures which were considered material. For this reason, these errors have been restated in order to reflect the correct comparative figures for 2020.

The first restatement relates to the provision for subsidiaries. Subsidiary Strukton Groep N.V. had a negative net asset value as per the end of 2020, and was erroneously provided for an amount of € 19.4 million. This subsidiary should have been valued at nil as Oranjewoud N.V. has not issued a disclaimer for Strukton Groep in accordance with Article 403 of Title 9 of Book 2 Civil Code. A letter of support has been provided to Strukton Groep in December 2023 (see also the paragraph 'Going-concern assumption' in the notes to the consolidated financial statements), which is effective from signing date. Therefore an outflow of funds from an Oranjewoud perspective was not expected as per December 31, 2020.

The second restatement relates to two subordinated loans to Strukton Groep N.V. These loans, for an amount of €27 million in total, were previously erroneously not deducted from the net investment in Strukton Groep. As these loans form part of the Company's net investment in Strukton Groep N.V., the carrying amount of these loans has decreased to nil as a result of the negative result of Strukton Groep N.V. in 2020.

Restated statement of financial position 2020	Subordinated loans	Provisions
Carrying amount as at 31 December 2020	**27.250**	**19.850**
1. Restatement of provision subsidiaries	-	(19.400)
2. Restatement of subordinated loans	(27.000)	-
Carrying amount as at 31 December 2020 revised and restated	**250**	**450**

Restated figures statement of income 2020	**2020 (restated)**	1. Restatement of provision subsidiaries	2. Restatement of subordinated loans	**2020**
Share in result after taxes from subsidiaries	**(200.722)**	19.400	(27.000)	**(193.122)**

Utrecht, May 21, 2024

Supervisory Board:
Mr. J.M. Kuling (Chairman)
Ms. M.L. Bremer
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.

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Independent auditor's report

for the period ended 31 December 2021

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 2021 included in the annual report

Our disclaimer of opinion

We were engaged to audit the financial statements 2021 (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 2021 Consolidated Financial Statements of the Group. The financial statements include the 2021 Consolidated Financial Statements and the 2021 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 2021 Consolidated Financial Statements comprise:

- the consolidated statement of financial position as at 31 December 2021;
- the following statements for the year ended 31 December 2021: 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 2021 Company Financial Statements comprise:

- the company statement of financial position as at 31 December 2021;
- the company statement of income for the year ended 31 December 2021; and
- the notes comprising a summary of the key accounting policies and other explanatory information.

mazars

Basis for our disclaimer of opinion

The corresponding figures included in the financial statements are derived from the financial statements of the previous financial year, on which a disclaimer of opinion was expressed. This was in respect of the importance of the combination of the following findings:

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 (of the financial statements of prior year) 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 for the year ended 31 December 2020, as part of total assets and liabilities for € 46.2 million; and
- consolidated statement of income for the year 2020, as part of the 'Net result' for € - 20.4 million. This is mainly reflected as part of 'Revenue' for € 75.5 million, as part of 'Cost of raw materials, services of third parties and subcontractors' for € 75.1 million and as part of 'Other operating expenses' for € 13.6 million.

The aforementioned issue regarding the effect on the consolidated statement of financial position for the year ended 31 December 2020 also affects the current financial years information in the consolidated statement of income.

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 the 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 as at 31 December 2020 for € 13.0 million as part of 'Contract assets' and 'Contract liabilities', and in the consolidated statement of income for the year ended 31 December 2020 for € 1.3 million as 'Cost of raw 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 of 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 as at 31 December 2020. The same applies to the relevant items of the consolidated statement of income for the year ended 31 December 2020 ('Revenue from projects for third parties, 'Cost of raw materials, services of third parties and subcontractors' and 'Staff costs').

Mentioned circumstance does not affect the current financial year but does apply to the corresponding figures.

Emphasis of matters

Going concern assessment

We draw your attention to the "Going concern assumption" section in the 2021 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 Group Executive Board is required to consider whether the Group and the Company can continue in operational existence for the foreseeable future. In doing so, the Group Executive Board 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 signing these 2021 Consolidated Financial Statements, the Group Executive Board, in its judgement, has concluded that given the outcome of the going concern assessment, it is appropriate to prepare the financial statements based on going concern 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 on page 93 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, within 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 2021

In addition to the financial statements and our auditor's report thereon, the Annual Report 2021 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 Group Executive Board 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 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.

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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 Group Executive Board and the Supervisory Board for the financial statements

The Group Executive Board 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 Group Executive Board 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 Group Executive Board 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 Group Executive Board 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, 21 May 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 2021 result appropriation

The Board of Directors, with the approval of the Supervisory Board, proposes that the net loss of € 169.1 million, as shown in the financial statements for the financial year 2021, shall be charged against the general reserve.

Statement of changes in issued share capital

		2021		2020
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

	2021	2020
Net earnings (net result after taxes / average number of issued shares)	-2.69	-3.48
Equity	-1.55	1.08

Five-year summary

	2021	2020*	2019**	2018***	2017
Results (amounts x € 1 million)					
Revenue	1,939.8	1,835.1	2,386.6	2,268.8	2,384.7
Operational result (EBITDA)	-75.6	-69.7	107.6	79.6	96.9
Operating result (EBIT)	-147.4	-177.4	-3.9	15.4	52.3
Net result	-169.1	-218.5	10.4	86.0	40.1
Net cash flow	34.5	13.4	13.4	10.3	-11.7
Equity (amounts x € 1 million)					
Total equity (E)	-96.7	67.8	285.9	285.4	311.3
Total assets (TA)	1,560.1	1,513.9	1,656.5	1,629.3	1,436.9
E/TA	-6.2%	4.5%	17.3%	17.5%	21.7%
Employees (FTE)					
Number at end of financial year	9427	9801	9851	9914	9879
Backlog (amounts x € 1 million)					
Consulting and Engineering Services	292.0	271.7	272.3	239.0	241.7
Rail Infrastructure	1,709.7	1,444.3	1,499.5	1,881.4	1,896.8
Civil Infrastructure	412.4	497.6	585.9	442.0	612.5
Technology and Buildings	281.8	839.4	767.2	619.3	549.3
Other	9.0	14.7	17.7	16.7	16.9
Total	2,705.0	3,067.8	3,142.6	3,198.4	3,317.2

* The business that has been reclassified to discontinued operations has been reclassified for reporting purposes. Please refer to note 30.

** 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 adjustment in the principles for financial reporting concerning Financial instruments (IFRS 9) and Revenue (IFRS 15).

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Registered in the trade register of Chamber of Commerce under number 29030061

oranjewoud