

CARD PAYMENT (CARD REF #20

In accordance with
Regulation 32 of the
Overseas Companies
Regulations 2009.

OS AA01

Statement of details of parent law and other information for an overseas company



Companies House

☒ **What this form is for**
You may use this form to
accompany your accounts
disclosed under parent law.

☒ **What this form is NOT for**
You cannot use this form to
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with accounting requiremen

THURSDAY



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26/09/2019

#60

COMPANIES HOUSE

Part 1 Corporate company name

Corporate name of
overseas company ● Ampelmann Operations B.V.

FC033577

UK establishment
number

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→ **Filling in this form**
Please complete in typescript or in
bold black capitals.

All fields are mandatory unless
specified or indicated by *

● This is the name of the company in
its home state.

Part 2 Statement of details of parent law and other information for an overseas company

A1 Legislation

Please give the legislation under which the accounts have been prepared and,
if applicable, the legislation under which the accounts have been audited.

Legislation ● Dutch GAAP (Dutch Civil Code Book 2, part 9)

● This means the relevant rules or
legislation which regulates the
preparation and, if applicable, the
audit of accounts.

A2 Accounting principles

Accounts Have the accounts been prepared in accordance with a set of generally accepted
accounting principles?

Please tick the appropriate box.

☐ **No.** Go to Section A3.

☒ **Yes.** Please enter the name of the organisation or other
body which issued those principles below, and then go to Section A3.

● Please insert the name of the
appropriate accounting organisation
or body.

Name of organisation
or body ● Dutch Civil Code Book 2, part 9

A3 Accounts

Accounts Have the accounts been audited? Please tick the appropriate box.

☐ **No.** Go to Section A5.

☒ **Yes.** Go to Section A4.

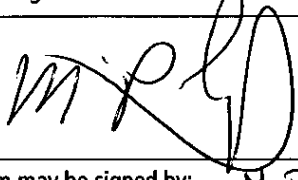
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EDINBURGH

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Statement of details of parent law and other information for an overseas company

A4 Audited accounts	
Audited accounts	<p>Have the accounts been audited in accordance with a set of generally accepted auditing standards?</p> <p>Please tick the appropriate box.</p> <p><input type="checkbox"/> No. Go to Part 3 'Signature'.</p> <p><input checked="" type="checkbox"/> Yes. Please enter the name of the organisation or other body which issued those standards below, and then go to Part 3 'Signature'.</p>
Name of organisation or body ①	Dutch Civil Code Book 2, part 9
A5 Unaudited accounts	
Unaudited accounts	<p>Is the company required to have its accounts audited?</p> <p>Please tick the appropriate box.</p> <p><input type="checkbox"/> No.</p> <p><input type="checkbox"/> Yes.</p>
Part 3 Signature	
<p>I am signing this form on behalf of the overseas company.</p>	
Signature	<p>Signature</p> <p>X  X</p>
<p>This form may be signed by: <i>H. P. Luyken</i></p> <p>Director, Secretary, Permanent representative.</p>	

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Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Boukje Heil**

Company name **Ampelmann Operations B.V.**

Address **Oostsingel 209**

Post town **Delft**

County/Region

Postcode **2 6 1 2 H L**

Country **The Netherlands**

DX

Telephone **+31 (0)6 11 53 04 64**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☒ The company name and, if appropriate, the registered number, match the information held on the public Register.
- ☒ You have completed all sections of the form, if appropriate.
- ☒ You have signed the form.



Important information

Please note that all this information will appear on the public record.



Where to send

You may return this form to any Companies House address:

England and Wales:

The Registrar of Companies, Companies House,
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DX 33050 Cardiff.

Scotland:

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Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

Northern Ireland:

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

Ampelmann Operations B.V.
Oostsingel 209
2612 HL DELFT

Annual report 2018

COMPANIES HOUSE
EDINBURGH

26 SEP 2019

FRONT DESK



PricewaterhouseCoopers
Accountants N.V.
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purposes only

Annual report 2018

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1.1 Management Board's report

General information (in the management report)

The management report is available at the company's office.

2.1 Balance sheet as of 31 December 2018

(After proposed appropriation of result)

		31 December 2018		31 December 2017	
		€	€	€	€
ASSETS					
Fixed assets					
<i>Intangible fixed assets</i>	[1]				
Computer software		<u>957.035</u>		<u>1.706.602</u>	
			957.035		1.706.602
<i>Tangible fixed assets</i>	[2]				
Ampelmann systems		42.217.124		46.880.211	
Other fixed assets		1.821.867		2.446.516	
Assets under construction and prepayments on property, plant and equipment		<u>5.970.012</u>		<u>6.472.754</u>	
			50.009.003		55.799.481
<i>Financial fixed assets</i>	[3]				
Deferred tax assets		<u>892.024</u>		<u>1.048.085</u>	
			892.024		1.048.085
Current assets					
<i>Inventories</i>					
Consumables		<u>2.408.693</u>		<u>2.519.316</u>	
			2.408.693		2.519.316
<i>Receivables</i>	[4]				
Trade debtors		10.675.768		11.757.518	
Receivables from group companies		258.600		154.808	
Receivables from shareholders		7.163.729		2.793.325	
Taxes and social security contributions		1.356.843		1.266.448	
Other receivables, prepayments and accrued income		<u>1.100.272</u>		<u>2.369.561</u>	
			20.555.212		18.341.660
<i>Cash and cash equivalents</i>	[5]		5.401.177		1.118.557
Total assets			<u><u>80.223.144</u></u>		<u><u>80.533.701</u></u>

2.1 Balance sheet as of 31 December 2018

(After proposed appropriation of result)

LIABILITIES		31 December 2018		31 December 2017	
		€	€	€	€
Shareholders' equity	[6]				
Issued and paid up share capital		18.000		18.000	
Share premium		204.093		204.093	
Other reserves		<u>58.332.676</u>		<u>54.872.396</u>	
			58.554.769		55.094.489
Provisions	[7]				
Deferred taxes		1.080.035		814.459	
Other provisions		<u>335.372</u>		-	
			1.415.407		814.459
Long-term liabilities	[8]				
Deferred income		<u>1.704.133</u>		<u>1.928.442</u>	
			1.704.133		1.928.442
Current liabilities	[9]				
Amounts owed to credit institutions		3.972		-	
Trade creditors		1.786.634		1.340.180	
Payables to group companies		11.565.880		14.044.110	
Payables to shareholders		1.157.343		-	
Taxes and social security contribution		1.088.229		937.652	
Other liabilities, accruals and deferred income		<u>2.946.777</u>		<u>6.374.369</u>	
			18.548.835		22.696.311
Total liabilities			<u>80.223.144</u>		<u>80.533.701</u>

2.2 Profit and loss account for the year ended on 31 December 2018

		2018		2017	
		€	€	€	€
Net turnover	[10]		69.604.977		57.217.126
Cost of sales	[11]		<u>26.249.361</u>		<u>19.478.030</u>
Gross operating result			43.355.616		37.739.096
Wages and salaries		9.823.989		8.486.106	
Social security contributions		1.638.688		1.397.377	
Pension contributions		675.418		599.443	
Amortisation intangible fixed assets	[12]	749.567		685.145	
Depreciation and impairment tangible fixed assets	[13]	12.772.239		15.770.850	
Other operating expenses	[14]	<u>11.862.830</u>		<u>11.615.172</u>	
Total operating costs			37.522.731		38.554.093
Operating result			<u>5.832.885</u>		<u>-814.997</u>
Interest and similar income	[15]	103.266		133.818	
Interest and similar expenses	[16]	<u>-148.489</u>		<u>-654.093</u>	
Total financial income and expenditure			-45.223		-520.275
Result before taxation			<u>5.787.662</u>		<u>-1.335.272</u>
Taxation	[17]		-2.327.382		-41.003
Result after taxation			<u><u>3.460.280</u></u>		<u><u>-1.376.275</u></u>

2.3 Notes to the financial statements

Entity information

Registered address and registration number trade register

The registered and actual address of Ampelmann Operations B.V. is Oostsingel 209, 2612 HL in Delft. Ampelmann Operations B.V., is registered at the trade register under number 27340502.

General notes

The most important activities of the entity

The operations of Ampelmann Operations B.V. are mainly comprised of the construction, management, sale and rental of the Ampelmann systems.

Disclosure of going concern

Ampelmann Operations over 2018 remained cash flow positive with an end cash position of EUR 5.4 mln. Given this and the significant positive equity position means there are no going concern issues. In addition Ampelmann has a RCF facility of EUR 10 mln to meet any short-term liquidity needs in case these can not be covered by the cash position.

Disclosure of group structure

Ampelmann Operations B.V. is part of the Ampelmann-group. The parent of Ampelmann Operations B.V. is Ampelmann Holding B.V., Delft. The head of this group is Ampelmann Netherlands B.V., Delft. The financial statements of Ampelmann Operations B.V. are included in the consolidated financial statements of Ampelmann Netherlands B.V., Delft. Copies of the consolidated financial statements of Ampelmann Netherlands B.V. are available at cost at the office of Ampelmann Operations B.V.

Disclosure of estimates

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

Disclosure of related party transactions

All legal entities that can be controlled, jointly controlled or significantly influenced are considered to be a related party. Also, entities which can control the company are considered to be a related party. In addition, statutory directors, other key management of Ampelmann Operations B.V. or the ultimate parent corporation and close relatives are regarded as related parties.

Transactions with related parties are disclosed in the notes insofar as they are not transacted under normal market conditions. The nature, extent and other information is disclosed if this is necessary in order to provide the required insight.

General accounting principles

The accounting standards used to prepare the financial statements

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

Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost. The balance sheet and profit and loss account include references to the notes.



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2.3 Notes to the financial statements

Disclosure of changes in accounting policies

The accounting policies have been consistently applied to all the years presented except for the presentation of the spare parts in the toolcontainers.

For the financial statements of 2018 some comparative figures are presented differently from the financial statements of 2017, being the following:

The inventory has been split up with spare parts, wherein the financial statements 2017 only presented Inventory as a whole. The spare parts include all the items in the tool container with a value of € 3.142.965. This amount has been classified to tangible fixed assets, as assets under construction and prepayments on PPE.

Conversion of amounts denominated in foreign currency

Items included in the financial statements of Ampelmann Operations B.V. are measured using the currency of the primary economic environment in which the company operates (the functional currency). The financial statements are presented in Euro, which is the functional and presentation currency of Ampelmann Operations B.V.

Foreign currency translation for the balance sheet

Foreign currency transactions in the reporting period are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange prevailing at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates are recognised in the income statement.

Translation differences on non monetary assets held at cost are recognised using the exchange rates prevailing at the dates of the transactions.

Translation differences on intragroup long-term loans that effectively constitute an increase or decrease in net investments in a foreign operation are directly recognised in equity as a component of the legal reserve for translation differences.

Operating leases

The corporation has lease contracts whereby a large part of the risks and rewards associated with ownership are not for the benefit of or incurred by the corporation. The lease contracts are recognised as operational leasing. Lease payments are recorded on a straight-line basis, taking into account reimbursements received from the lessor, in the profit and loss account for the duration of the contract.

Financial Instruments

Currency risk

The company operates on a global scale. The currency risk for the company is limited since most of the revenues are invoiced (and most expenses are incurred) in Euro.

Interest rate and cash flow risk

The company incurs interest rate risk on interest bearing non current and current liabilities (including borrowings).

2.3 Notes to the financial statements

Credit risk

The credit risk arises when a customer or other counterparty of a financial instrument fails to fulfil its contractual obligation. Management constantly monitors the credit quality of customers and the outstanding receivables. Before the Company enters into a transaction a credit check is performed, by using Dun & Bradstreet or a reference check of the new party with the Company's business relations (existing suppliers or customers). The Company bills its customers on a monthly basis, which enables it to minimize the amount of receivables outstanding. Individually impaired trade receivables relate to customers which filed for bankruptcy. The Company has no recognized impairment losses in 2018 (2017: EUR 0).

Liquidity risk

The Group's funding strategy is focused on ensuring that it has continuous access to capital. On a monthly basis management prepares a rolling cash flow forecast to identify the cash needs for the short-term to long-term period.

A large part of the liquidity risk is reduced by the revolving credit facility, entered into by the Group, with major banks. The Group has sufficient cash resources to ensure the liquidity in foreseeable future. The undrawn credit facility per 31 December 2018 is EUR 10 million.

BALANCE SHEET ACCOUNTING PRINCIPLES

Intangible fixed assets

Intangible assets are stated at historical cost less (straight-line) amortisation. Allowance is made for any impairment losses expected. A loss qualifies as an impairment loss if the carrying amount of the asset (or of the cash-generating unit to which it belongs) exceeds its recoverable amount.

For details on how to determine whether an intangible asset is impaired, please refer to the respective note.

Property, plant and equipment

Property, plant and equipment are stated at historical cost plus expenditure that is directly attributable to the acquisition of the items, less straight-line depreciation over their estimated useful lives. Allowance is made for any impairment losses expected at the balance sheet date. For details on how to determine whether property, plant or equipment is impaired, please refer to the respective note.

Deferred tax assets

Deferred income tax assets are recognised to provide for temporary differences between the tax bases of assets and liabilities, and their carrying amounts in the financial statements, on the understanding that deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences and fiscal losses can be utilised.

Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised.

Deferred income taxes are recognised at nominal value.

2.3 Notes to the financial statements

Impairment of non-current assets

As at each balance sheet date, the Company tests whether there are any indications of assets being subject to impairment. If any such indications exist, the recoverable amount of the asset is determined. If this proves to be impossible, the recoverable amount of the cash-generating unit to which the asset belongs is identified. An asset is subject to impairment if its carrying amount exceeds its recoverable amount; the recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Fair value less costs to sell is determined based on the active market. An impairment loss is directly expensed in the income statement. For the determination of the value in use, an estimate is made of the future net cash flows in the event of continued use of the asset / cash-generating unit; these cash flows are discounted.

If it is established that a previously recognised impairment loss no longer applies or has declined, the increased carrying amount of the assets in question is not set any higher than the carrying amount that would have been determined had no asset impairment been recognised.

Inventories (consumables)

Consumables are stated at the lower of cost and net realisable value. Cost is determined using the weighted average cost method.

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

Receivables

Trade receivables are initially valued at the fair value of the consideration to be received. Receivables are subsequently valued at the amortised cost price. If there is no premium or discount and there are no transaction costs, the amortised cost price equals the nominal value of the accounts receivable. If payment of the receivable is postponed under an extended payment deadline, fair value is measured based on the discounted value of the expected revenues. Interest gains are recognised using the effective interest method. Provisions for bad debts are deducted from the carrying amount of the receivable.

Cash and cash equivalents

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

Provisions

Provisions are recognised for legally enforceable or constructive obligations that exist at the balance sheet date, and for which it is probable that an outflow of resources will be required and a reliable estimate can be made.

Provisions are measured at the best estimate of the amount that is necessary to settle the obligation as per the balance sheet date. The provisions are carried at the nominal value of the expenditure that is expected to be necessary in order to settle the obligation, unless stated otherwise.

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

2.3 Notes to the financial statements

Provision for pension obligations

The Company operates a defined contribution pension plan on which the conditions of the Dutch Pension Act are applicable. The company pays premiums based on requirements, contractual or voluntary basis to insurance companies. Premiums are recognised as personnel costs when they are due. Prepaid contributions are recognised as deferred assets if these lead to a reduction of future payments. Contributions that are due but have not been paid yet are presented as liabilities. There are no other obligations in addition to the premiums paid.

Provision for tax liabilities

Deferred income tax liabilities are recognised to provide for temporary differences between the tax bases of liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the deferred income tax liability is settled.

Deferred income taxes are recognised at face value.

Provision for (legal) claims

Provisions for (legal) claims are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense

Non-current liabilities

Long-term borrowings are initially recognised at fair value, net of transaction costs incurred. Long-term borrowings are subsequently stated at amortised cost, being the amount received taking account of any premium or discount, less transaction costs.

Any difference between the proceeds (net of transaction costs) and the redemption value is recognised as interest in the income statement over the period of the long-term borrowings using the effective interest method.

Current liabilities

Short-term borrowings are initially recognised at fair value, net of transaction costs incurred. Short-term borrowings are subsequently stated at amortised cost, being the amount received taking account of any premium or discount, less transaction costs.

2.3 Notes to the financial statements

PRINCIPLES FOR THE DETERMINATION OF THE RESULT

Revenue recognition

General

Net turnover comprises the income from the supply of goods and services after deduction of discounts and of taxes levied on the turnover.

Sales of goods

Revenue from sales of goods is recognised when all significant risks and rewards incidental to the ownership of the goods has been transferred to the buyer.

Rendering of services

Revenue is recognised when it is probable that the economic benefits will flow to the company and when the amount can be measured reliably. Revenue is mainly derived from the provision of services to third parties after deduction of sales tax. The company mainly has rental revenue (rendering of services) whereby hours or days worked by the operators and the days that Ampelmann Systems are rented to third parties at agreed rates during the financial reporting period are recognised as revenue.

Cost of sales

Cost of sales are mainly cost of goods sold and external hire expenses, which represent the direct and indirect expenses attributable to revenue.

Wages and salaries

Salaries, wages and social security contributions are taken to the income statement based on the terms of employment, where they are due to employees and the tax authorities respectively.

Applied policy of pension costs

Ampelmann Operations B.V. applies the liability approach to account for all pension schemes. The premium payable during the reporting year is recorded as an expense.

The provisions of the Netherlands Pensions Act ('Pensioenwet') apply to the Dutch pension schemes and Ampelmann Operations B.V. pays compulsory, contractual or voluntary contributions to pension funds and insurance companies. The contributions are recorded as personnel costs from the date that they occur. Prepaid contributions are reported as accrual if this results in a repayment or a reduction in future payments. Contributions that are not yet paid are included as a liability in the balance sheet. There are no other obligations in addition to the premiums paid.

Amortisation of intangible assets and depreciation of property, plant and equipment

Intangible assets, including goodwill, are amortised and property, plant and equipment are depreciated over their estimated useful lives as from the inception of their use. Land and investment property are not depreciated. Future depreciation and amortisation is adjusted if there is a change in estimated future useful life.

Operating expenses

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

Financial income and expenses

Interest income and expenses are recognised on a time-weighted basis, taking account of the effective interest rate of the assets and liabilities concerned. When recognising interest expenses, allowance is made for transaction costs on loans received as part of the calculation of effective interest.

2.3 Notes to the financial statements

Exchange rate differences arising upon the settlement or conversion of monetary items are recognised in the income statement in the period that they arise, unless hedge-accounting is applied.

Income tax expense

Income tax is calculated on the profit/(loss) before tax in the income statement, considering any losses carried forward from previous financial years (where not included in deferred income tax assets) and tax-exempt items and non-deductible expenses. Account is also taken of changes in deferred income tax assets and liabilities owing to changes in the applicable tax rates.

PRINCIPLES FOR THE PREPARATION OF THE CASH FLOW STATEMENT

The Dutch Accounting Standards Board mandates to include a cash flow statement (DAS 360,104) in the financial statement for large and medium-sized entities, unless:

- the capital of the entity is provided by another entity who presents a cash flow statement and
- this cash flow statement is included in financial statements that is available in the Netherlands.

Ampelmann Operations B.V. is an indirect 100% subsidiary of Ampelmann Netherlands B.V. in which financial statements the consolidated cash flow statement is included. These financial statements have been filed at the Chamber of Commerce in the Netherlands. Therefore, Ampelmann Operations B.V. makes use of the exemption stated above.

2.4 Notes to the balance sheet

ASSETS

FIXED ASSETS

Intangible fixed assets [1]

A summary of the movements of intangible fixed assets is given below:

	Computer software
	€
Acquisition value	3.548.035
Accumulated amortisation	<u>-1.841.433</u>
Book value as of 1 January 2018	<u>1.706.602</u>
Amortisations	<u>-749.567</u>
Movements 2018	<u>-749.567</u>
Acquisition value	3.548.035
Accumulated amortisations	<u>-2.591.000</u>
Book value as of 31 December 2018	<u>957.035</u>

Amortisation percentages is 20%.

2.4 Notes to the balance sheet

Tangible fixed assets [2]

A summary of the movements of tangible fixed assets is given below:

	Ampelmann systems	Other fixed assets	Assets under construction and prepayments on property, plant and equipment	Total 2018
	€	€	€	€
Acquisition value	93.983.652	4.356.600	6.836.172	105.176.424
Accumulated depreciation and impairment	-47.103.442	-1.910.084	-363.418	-49.376.944
Book value as of 1 January 2018	<u>46.880.210</u>	<u>2.446.516</u>	<u>6.472.754</u>	<u>55.799.480</u>
Investments	108.440	199.736	8.160.787	8.468.963
Transfer	8.441.243	-	-8.441.243	-
Disposals	-7.204.683	-731.278	-222.286	-8.158.247
Depreciation disposals	5.709.741	737.236	-	6.446.977
Depreciation	-11.491.065	-830.343	-	-12.321.408
Impairment	-226.762	-	-	-226.762
Movements 2018	<u>-4.663.086</u>	<u>-624.649</u>	<u>-502.742</u>	<u>-5.790.477</u>
Acquisition value	95.328.652	3.825.058	6.333.430	105.487.140
Accumulated depreciation and impairment	-53.111.528	-2.003.191	-363.418	55.478.137-
Book value as of 31 December 2018	<u>42.217.124</u>	<u>1.821.867</u>	<u>5.970.012</u>	<u>50.009.003</u>

Depreciation percentages:

Ampelmann systems

10% - 33 %

Other fixed assets

20 %

Assets under construction and prepayment on PPE

0 %

The assets under construction concern the development of the Ampelmann systems.

The Group provides the right to use Ampelmann systems to third parties for a period in exchange for consideration and therefore acts as a lessor in these transactions. Usually these lease contracts have a relatively short-term lease period. In the financial year 2017 Ampelmann Operations B.V. signed one lease contract with a long-term lease period. Leases of Ampelmann systems in which a significant portion of the risks and rewards of ownership are not transferred to the lessee (but held by the Group as a lessor) are classified as operating leases. As per December 31, 2017 Management assessed the lease classification based on the economic substance of the contracts and concluded that all lease contracts in which the Group acts as lessor of Ampelmann systems classifies as operational lease contracts.

The movable parts of the tangible assets serve as security for the RCF.

2.4 Notes to the balance sheet

Financial fixed assets [3]

	<u>31-12-2018</u>	<u>31-12-2017</u>
	€	€
Deferred tax assets		
Deferred tax assets	<u>892.024</u>	<u>1.048.085</u>

The withholding tax paid in Trinidad and Tobago will be offset against future taxes payable in Trinidad & Tobago. After filing the 2016 corporate income tax return in Trinidad and Tobago the local tax authorities were requested to allow us to use the withholding tax credit against other taxes payables such as VAT and payroll taxes. If such request is granted, the withholding tax credit will be offset in less than 12 months after receiving the written confirmation from the tax authorities. We expect to receive the confirmation from the tax authorities in 2019. The local structure in Trinidad and Tobago is changed as such that no additional withholding taxes will be due in the coming years. Since the written confirmation is not yet received as per the reporting date, an amount of EUR 101,310 from a total of EUR 993,335 is presented as recoverable within 12 months.

CURRENT ASSETS

	<u>31-12-2018</u>	<u>31-12-2017</u>
	€	€
Inventories		
Consumables	<u>2.408.693</u>	<u>2.519.316</u>

Receivables [4]

The fair value of the receivables approximates the book value, due to their short-term character. Where necessary, a provision for bad debts is formed. All receivables are due within one year.

	<u>31-12-2018</u>	<u>31-12-2017</u>
	€	€
Trade debtors		
Trade receivables	11.886.567	12.968.317
Allowance for doubtful trade debtors	<u>-1.210.799</u>	<u>-1.210.799</u>
	<u>10.675.768</u>	<u>11.757.518</u>
Receivables from group companies		
Receivable from Ampelmann Asia Pacific Pte. Ltd.	-	154.808
Receivable from Ampelmann Offshore		
Walk to Work Service International B.V.	<u>258.600</u>	<u>-</u>
	<u>258.600</u>	<u>154.808</u>

The receivable bears no interest (2017: 0%). In respect of repayment and securities provided, no agreements have been made.

2.4 Notes to the balance sheet

	31-12-2018	31-12-2017
	€	€
Receivables from shareholders		
Receivable from Ampelmann Holding B.V.	7.163.729	2.648.205
Receivable from Ampelmann Netherlands B.V.	-	145.120
	<u>7.163.729</u>	<u>2.793.325</u>

The receivable bears no interest (2017: 0%). In respect of repayment and securities provided, no agreements have been made.

	31-12-2018	31-12-2017
	€	€
Taxes and social security contributions		
Corporate income tax	-	45.858
Receivables in respect of pensions	2.156	53.417
Withholding tax	<u>1.354.687</u>	<u>1.167.173</u>
	<u>1.356.843</u>	<u>1.266.448</u>

The withholding tax position consist of credit of taxes paid in Trinidad & Tobago, Malaysia, Nigeria and Qatar which can be credited against corporate income tax payable. Based on the current forecast we expect the amount to be settled in 2019.

	31-12-2018	31-12-2017
	€	€
Other receivables, prepayments and accrued income		
Accrued income	343.493	388.017
Security deposit	14.022	13.156
Other receivables and prepaid expenses	<u>742.757</u>	<u>1.968.388</u>
	<u>1.100.272</u>	<u>2.369.561</u>

Cash and cash equivalents [5]

The cash and cash equivalents are freely disposable to the company.

2.4 Notes to the balance sheet

LIABILITIES

SHAREHOLDERS' EQUITY [6]

	2018	2017
	€	€
Issued and paid up share capital		
Value as of 31 December	<u>18.000</u>	<u>18.000</u>

The authorised share capital of Ampelmann Operations B.V. amounts to € 90.000, divided into 900 ordinary shares of € 100. The issued share capital consists of 180 ordinary shares.

	2018	2017
	€	€
Share premium		
Value as of 31 December	<u>204.093</u>	<u>204.093</u>

Share premium concerns the surplus on payment on shares.

	2018	2017
	€	€
Other reserves		
Value as of 1 January	54.872.396	56.248.671
Appropriation of result	3.460.280	-1.376.275
Value as of 31 December	<u>58.332.676</u>	<u>54.872.396</u>

The proposed appropriation of result for the year 2018 is € 3.460.280.

PROVISIONS [7]

	2018	2017
	€	€
Deferred tax liability		
Value as of 1 January	814.459	547.949
Addition	602.361	266.510
Decrease	-336.785	-
Value as of 31 December	<u>1.080.035</u>	<u>814.459</u>

The provision for deferred tax liabilities was formed for taxable timing differences between the valuation of tangible fixed assets for financial reporting purposes and for tax purposes.

Of the provisions, € 182.610 qualifies as short-term (in effect for less than one year).

Provision claims

Value as of 1 January 2018	-	-
Addition	335.372	-
Value as of 31 december	<u>335.372</u>	<u>-</u>

2.4 Notes to the balance sheet

LONG-TERM LIABILITIES [8]

	<u>2018</u>	<u>2017</u>
	€	€
Deferred income		
Value as of 1 January	2.152.752	-
Addition	-	2.244.320
Lease payment received current year	<u>224.310-</u>	<u>91.568-</u>
Value as of 31 December	1.928.442	2.152.752
Lease payment received next year	<u>224.309-</u>	<u>224.310-</u>
Deferred income	<u><u>1.704.133</u></u>	<u><u>1.928.442</u></u>

The part of deferred revenue with a duration of longer than 5 years is € 806.894.

CURRENT LIABILITIES [9]

All current liabilities fall due in less than one year. The fair value of the current liabilities approximates the book value due to their short-term character.

	<u>31-12-2018</u>	<u>31-12-2017</u>
	€	€
Amounts owed to credit institutions		
Amounts owed to credit institutions	<u><u>3.972</u></u>	<u><u>-</u></u>

A multicurrency revolving credit facility ("RCF") in an aggregate amount of EUR 12,5 million in 2018 (2017: 15 million) and EUR 12,5 million in 2019, with an interest rate between 2.75% and 3.75% is in place. The interest rate depends on the leverage. The termination date of the renegotiated RCF is extended from January 5, 2018 to June 30, 2020. As per December 31, 2018 the RCF has not been used.

	<u>31-12-2018</u>	<u>31-12-2017</u>
	€	€
Payables to group companies		
Payable to Ampelmann Asia Pacific Pte. Ltd.	894.836	-
Payable to Offshore Walk to Walk Service GmbH	247.730	-
Payable to Ampelmann Services B.V.	8.055.439	12.561.116
Payable to Ampelmann International B.V.	20.710	20.710
Payable to Ampelmann Borneo Sendirian Berhad	1.771.645	979.374
Payable to Ampelmann Middle East LLC	326.250	206.483
Payable to Ampelmann O&N GE&SPT LLC*	123.110	-
Payable to Ampelmann USA Corp.	<u>126.160</u>	<u>276.427</u>
	<u><u>11.565.880</u></u>	<u><u>14.044.110</u></u>

The payables bear no interest (2017: 0%). In respect of repayment and securities provided, no agreements have been made.

*Ampelmann Oilfield & Natural Gas Equipment & Spare Parts Trading LLC



PricewaterhouseCoopers
Accountants N.V.
For identification
purposes only

2.4 Notes to the balance sheet

	<u>31-12-2018</u>	<u>31-12-2017</u>
	€	€
Payables to shareholders		
Payable to Ampelmann Netherlands B.V.	<u>1.157.343</u>	<u>-</u>

The payables bear no interest (2017: 0%). In respect of repayment and securities provided, no agreements have been made.

	<u>31-12-2018</u>	<u>31-12-2017</u>
	€	€
Taxes and premiums social insurance		
Corporate income tax	294.088	-
Value added tax	364.828	420.775
Wage tax	429.313	516.877
	<u>1.088.229</u>	<u>937.652</u>

Other liabilities, accruals and deferred income

Deferred income	224.309	224.310
Personnel expenses	1.467.272	1.196.908
Holiday allowance	327.783	293.267
Accrued holidays	307.129	278.437
Accrued expenses	95.659	218.643
Other payables	524.625	4.162.804
	<u>2.946.777</u>	<u>6.374.369</u>

Contingent assets and liabilities

Conditional obligations and substantial financial obligations

The off-balance sheet liabilities relating to the fiscal unity

Since 28 August 2013 Ampelmann Netherlands B.V. forms a fiscal unity for the income tax and the value added tax with its subsidiaries Ampelmann Holding B.V., Ampelmann Operations B.V., Ampelmann Services B.V. and Ampelmann International B.V. (income tax only). As per 16 March 2018 Offshore Walk to Work Services International B.V. was also included in this fiscal unity. Under the Tax Collection Act, the members of the fiscal unity are jointly and severally liable for any taxes payable by the group. Payable taxes as a result of the income fiscal unity have been reflected in the financial statements of Ampelmann Netherlands B.V.

Ampelmann Operations B.V. settles its intercompany balances with Ampelmann Netherlands B.V. based on the associate's profit for financial reporting purposes. The corporate income tax charge of the company as presented in the profit and loss account is reflected in the intercompany balance with Ampelmann Netherlands B.V.

Off-balance sheet commitments relating to guarantees

The Group entered into credit facilities agreement with Rabobank, NIBC and ING Bank.

2.4 Notes to the balance sheet

Shares of Ampelmann Holding B.V., Ampelmann Services B.V., Ampelmann International B.V., Ampelmann Operations B.V. and Ampelmann USA Corp. have been pledged as securities as well as all movables, trade receivables, intercompany receivables, insurance receivables, bank accounts and intellectual property for all Dutch entities in the Group, excluding Offshore Walk to Work Services International B.V.

On June 30, 2017, the credit facilities agreement was successfully renegotiated and extended, resulting in the amended terms as stated above. Under the terms of the credit facilities, the Group is required to comply with two financial conditions.

The first condition is the leverage ratio, which is tested each quarter. The ratio is calculated as the total net debt to EBITDA and shall not exceed 3.00 in the 4th quarter of 2018, descending to 2.50x in the 2nd quarter of 2019. As at 31 December 2018, the ratio of net debt to EBITDA was 1.50:1.

The second condition relates to capital expenditures, and is tested each second and fourth quarter, from 31 December 2017 onwards. EBITDA minus capital expenditures for the relevant period shall not be lower than EUR 7.000.000 on 31 December 2018, and shall not be lower than EUR 7.000.000 on each following second and fourth quarter. As at 31 December 2018, EBITDA minus capital expenditure was EUR 16,5 million.

As per December 31, 2018 the covenants (leverage ratio and EBITDA minus capital expenditures) of the credit facilities with Rabobank, NIBC and ING Bank have been met. Management expects that the Company will be in compliance with these covenants in the foreseeable future and at least for the period until twelve months after the date of these financial statements.

The company has given a guarantee account of EUR 102,550 (2017: EUR 173,550) to Havenbedrijf Rotterdam N.V. and a guarantee account to Van Haaren Vastgoed B.V. of EUR 154,275 (2017: EUR 154,275). Both guarantees regard rent of offices and facilities in respectively Rotterdam and Delft.

Furthermore, the company has given a performance guarantee to a client for the amount of EUR 820,750 (2017: EUR 820,750).

Disclosure of operating leases as lessor

The future minimum lease payments for non (early) terminable lease agreements can be specified as follows:

	<u>31-12-2018</u>	<u>31-12-2017</u>
	€	€
Minimum lease payments of operational leases with a maturity within one year	2.099.175	2.093.439
Minimum lease payments of operating leases with a maturity exceeding one year and within five years	8.379.492	8.379.492
Minimum lease payments of operating leases with a maturity exceeding five years	4.892.339	6.991.513

2.4 Notes to the balance sheet

The obligations from rent (mainly for buildings and including service costs) at the end of the reporting period can be specified as follows:

	<u>31-12-2018</u>	<u>31-12-2017</u>
	€	€
No later than 1 year	959.775	893.345
Later than 1 year and no later than 5 years	2.472.205	2.926.644
Later than 5 years	<u>238.422</u>	<u>666.813</u>
Total	3.670.402	4.486.802

Subsequent events

On June 25, 2019 the Group has successfully extended its bank loan and RCF to June 30, 2023.

Appropriation of result

In anticipation of the general meeting's adoption of the financial statements, the net profit of EUR 3.460.280 has been added to the other reserves.

2.5 Notes to the profit and loss account

	2018 €	2017 €
Net turnover [10]		
Rental income	46.096.759	39.042.901
Services	14.636.632	12.518.064
Sale of system	6.240.181	2.409.444
Other	2.631.405	3.246.717
	<u>69.604.977</u>	<u>57.217.126</u>

The geographic distribution of the revenue of Ampelmann Operations B.V.: Europe 55%, Asia 31%, South America 7% and Africa 7%.

	2018 €	2017 €
Cost of sales [11]		
Cost of sales	<u>26.249.361</u>	<u>19.478.030</u>

Remuneration of directors

In 2018 the remuneration of directors was EUR 0 (2017: EUR 0).

Average number of employees

	2018	2017
Active within the Netherlands	163	159
Active outside the Netherlands	7	3
Total	<u>170</u>	<u>162</u>

Amortisation intangible fixed assets [12]

Amortisation of computer software	<u>749.567</u>	<u>685.145</u>
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Depreciation tangible fixed assets [13]

Ampelmann systems	11.491.065	13.293.324
Impairment on property, plant and equipment	226.762	578.028
Other fixed assets	830.343	824.665
Result on disposal of property, plant and equipment	224.069	1.074.833
	<u>12.772.239</u>	<u>15.770.850</u>

2.5 Notes to the profit and loss account

	2018	2017
	€	€
Other operating expenses [14]		
Other staff expenses	2.370.902	2.454.242
Housing expenses	1.571.257	1.840.013
Selling expenses	1.194.413	1.035.526
Office expenses	1.844.242	1.735.090
General expenses	4.882.016	4.550.301
	<u>11.862.830</u>	<u>11.615.172</u>

The general expenses mainly consist of intercompany expenses. In 2018 an amount of 3.5 million (2017: 3.2 million). The foreign companies have an agreement with Ampelmann Operations B.V. to charge the total cost incurred with a 13% mark-up by the foreign companies to run its operations.

For the disclosure of the audit the entity makes use of the exemption included in Art. 2: 382a paragraph 3 DCC. For the disclosure on audit fees reference is made to the financial statements of Ampelmann Netherlands B.V.

Financial income and expenditure

	2018	2017
	€	€
Interest and similar income [15]		
Other interest income	780	133.817
Exchange differences on cash items	102.486	1
	<u>103.266</u>	<u>133.818</u>

Interest and similar expenses [16]

Exchange differences on cash items	-	368.539
Interest on RCF	-	237.708
Other similar expenses	148.489	47.846
	<u>148.489</u>	<u>654.093</u>

2.5 Notes to the profit and loss account

	2018	2017
	€	€
Taxation [17]		
Income tax expense from current financial year	1.373.531	-346.293
Foreign corporate income tax	285.270	58.503
Deferred taxes	668.581	328.793
	<u>2.327.382</u>	<u>41.003</u>
		%
Effective tax rate 2018		40.21
Applicable tax rate 2018		25.00
Effective tax rate 2017		3.07
Applicable tax rate 2017		25.00

The material difference in the effective tax charge between 2018 and 2017 is caused by a substantial increase of the taxable profit, the impact of the "herinvesteringsreserve" and the write off of the Australian WHT credit. Also due to the change of the corporate income tax rate as of 2020, the deferred tax position was adjusted accordingly. In addition, there is a larger impact on differences between the foreign corporate income tax rates and the Dutch corporate income tax rate due to the increase of income allocated to foreign permanent establishments and branches.

Fiscal position

As per 28 August 2013 Ampelmann Netherlands B.V. forms a fiscal unity for the income tax with it's subsidiaries Ampelmann Holding B.V., Ampelmann Operations B.V., Ampelmann Services B.V. and Ampelmann International B.V. As per 16 March 2018 Offshore Walk to Work Services International B.V. was also included in this fiscal unity. Under the Tax Collection Act, the members of the fiscal unity are jointly and severally liable for any taxes payable by the group. Payable taxes as a result of the fiscal unity have been reflected in the financial statements of Ampelmann Netherlands B.V.

Ampelmann Operations B.V. settles its intercompany balances with Ampelmann Netherlands B.V. based on the associate's profit for financial reporting purposes. The corporate income tax charge of the company as presented in the profit and loss account is reflected in the intercompany balance with Ampelmann Netherlands B.V.

2.5 Notes to the profit and loss account

Calculation taxable amount 2018

The indebted corporate income tax for the financial year 2018 amounts € 1.373.531. This amount is calculated as follows:

	2018	
	€	€
Result after taxation		3.460.280
More:		
Corporate income tax	2.327.382	
Adjustment on taxable income	335.372	
Fiscal lower depreciation	727.675	
Fiscal limited deductible expenses	31.965	
		<u>3.422.394</u>
		6.882.674
Less:		
Object exemption	<u>1.388.554</u>	
		<u>1.388.554</u>
Taxable amount 2018		5.494.120
The indebted corporate income tax amounts		<u><u>1.373.531</u></u>

Delft, 27 June 2019
Ampelmann Operations B.V.

Board of directors
Ampelmann Holding B.V.

3. Other information

3.1 Statutory rules concerning appropriation of result

Article 22 of the articles of association stipulate that the general meeting shall determine how much of the profit will be added to the reserves.

3.2 Independent auditor's report



Independent auditor's report

To: the general meeting of Ampelmann Operations B.V.

Report on the financial statements 2018

Our opinion

In our opinion, Ampelmann Operations B.V.'s financial statements give a true and fair view of the financial position of the Company as at 31 December 2018, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements 2018 of Ampelmann Operations B.V., Delft ('the Company').

The financial statements comprise:

- the balance sheet as at 31 December 2018;
- the profit and loss account for the year then ended; and
- the notes, comprising the accounting policies and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is Part 9 of Book 2 of the Dutch Civil Code.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' of our report.

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

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Independence

We are independent of Ampelmann Operations B.V. in accordance with the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO – Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence requirements in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA – Code of Ethics for Professional Accountants, a regulation with respect to rules of professional conduct).

Report on the other information included in the annual report

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

- the Management Board's report; and
- the other information pursuant to Part 9 of Book 2 of the Dutch Civil Code;

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information that is required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those performed in our audit of the financial statements.

The directors are responsible for the preparation of the other information, including the Management Board's report and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Responsibilities for the financial statements and the audit

Responsibilities of the directors

The directors are responsible for:

- the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the directors determine is 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, the directors are responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the directors should prepare the financial statements using the going-concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so. The directors should disclose events and circumstances that may cast significant doubt on the Company's ability to continue as a going concern in the financial statements.



Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our audit opinion aims to provide reasonable assurance about whether the financial statements are free from material misstatement. Reasonable assurance is a high but not absolute level of assurance, which makes it possible that we may not detect all misstatements. Misstatements may arise due to fraud or error. They are considered to be material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Amsterdam, 27 June 2019
PricewaterhouseCoopers Accountants N.V.

Original has been signed by E.M.W.H. van der Vleuten RA MSc



Appendix to our auditor's report on the financial statements 2018 of Ampelmann Operations B.V.

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error.

Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Concluding on the appropriateness of the directors' use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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