

Annual accounts for publication purposes 2020 of Rior, Industrie en Handelsonderneming B.V.

**Rior, Industrie en Handelsonderneming B.V.
Goirle**

Start date of the period concerning the financial statement 01 January 2020

End date of the period concerning the financial statement 31 December 2020

Date of adoption of the financial statements 31 August 2021



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Document and entity information

Entity information

Name of the legal entity	Rior, Industrie en Handelsonderneming B.V.
Legal form of the legal entity	Private limited liability company
Registered office of the legal entity	Goirle
Registration number at the Chamber of Commerce	18022760
Business names	Rior, Industrie en Handelsonderneming B.V.
Classification of the legal entity based on the legal size criteria	Medium
SBI-code	Manufacture of other general-purpose machinery and equipment n.e.c.

Address of the legal entity

Street name NL	Centaurusweg 45
House number NL	1
Postal code NL	5015TC
Place of residence NL	Tilburg
Name region	Noord-Brabant
Country name, ISO	Nederland

Document and entity information

Document information

Title of the document	Annual accounts for publication purposes 2020 of Rior, Industrie en Handelsonderneming B.V.
Start date of the period concerning the financial statement	01 January 2020
End date of the period concerning the financial statement	31 December 2020
Start date of the previous period concerning the financial statement	01 January 2019
End date of the previous period concerning the financial statement	31 December 2019
Reporting period different than annual (Y/N)	No
Financial statement contains financial information of an individual legal entity or a group of companies	Consolidated and separate
Presentation currency of the document	Euro
Type of income statement	Function of expense
Type of cash flow statement	Indirect
Date of preparation of the financial statements	25 August 2021
Financial statements adopted (Y/N)	Yes
Date of adoption of the financial statements	31 August 2021
Email address	r.visser@rioned.com

Management report

Exemption and reference to location of availability of the management report

Based on article 2:394 lid 4 BW the company opts for not publishing the management report and instead state that the management report is kept for public inspection at the office of the legal entity.

Financial statements

Consolidated financial statements

Consolidated balance sheet

Balance sheet before or after appropriation of results

	After profit appropriation	
	31 December 2020	31 December 2019
	€	€
Assets		
Non-current assets		
Intangible assets	143,918	86,070
Property, plant and equipment	1,242,325	1,817,837
Financial assets	2,151,937	2,070,443
Total of non-current assets	3,538,180	3,974,350
Current assets		
Inventories	3,839,599	3,543,087
Construction contracts (assets)	688,193	1,969,554
Receivables	2,833,074	3,875,323
Cash and cash equivalents	12,223,984	7,049,789
Total of current assets	19,584,850	16,437,753
Total of assets	23,123,030	20,412,103
Equity and liabilities		
Group equity		
Equity	18,374,608	15,669,749
Total of group equity	18,374,608	15,669,749
Provisions	227,572	345,333
Current liabilities	4,520,850	4,397,021
Total of equity and liabilities	23,123,030	20,412,103

Financial statements

Consolidated income statement

	2020	2019
	€	€
Gross operating result	8,377,755	7,871,700
Selling expenses	3,041,832	2,706,361
General and administrative expenses	1,845,091	1,781,986
Total of sum of expenses	4,886,923	4,488,347
Total of operating result	3,490,832	3,383,353
Financial income and expenses	69,842	14,548
Total of result before tax	3,560,674	3,397,901
Income tax expense	- 723,848	- 866,780
Total of result after tax	2,836,826	2,531,121
Result attributable to legal entity	2,836,826	2,531,121

Financial statements

Consolidated cash flow statement

	2020	2019
	€	€
Cash flows from (used in) operating activities		
Cash flows from (used in) operations		
Operating result	3,490,832	3,383,353
Adjustments to reconcile to the operating result		
Adjustments for depreciation and amortisation expense	548,177	651,200
Increase (decrease) in provisions	- 1,930	15,144
Total of adjustments to reconcile to the operating result	546,247	666,344
Changes in working capital		
Decrease (increase) in inventories	- 296,512	- 793,293
Decrease (increase) in construction contracts	1,281,361	- 134,931
Decrease (increase) in other receivables	1,042,249	- 470,316
Increase (decrease) in other payables	- 578,533	758,393
Total of changes in working capital	1,448,565	- 640,147
Total of cash flow from (used in) operations	5,485,644	3,409,550
Interest received	33,848	46,442
Income tax paid	- 184,261	- 624,830
Total of cash flows from (used in) operating activities	5,335,231	2,831,162
Cash flows from (used in) investing activities		
Purchase of intangible assets	- 84,860	0
Purchase of property, plant and equipment	- 49,821	- 1,067,731
Proceeds from sales of investment properties	27,536	28,832
Total of cash flow from (used in) investing activities	- 107,145	- 1,038,899
Cash flows from (used in) financing activities		
Interest paid	0	- 31,894
Total of cash flow from (used in) financing activities	0	- 31,894
Increase (decrease) in cash and cash equivalents		
Total of net cash flows	5,228,086	1,760,369
Effect of exchange rate changes on cash and cash equivalents	- 53,891	48,686
Total of increase (decrease) of cash and cash equivalents	5,174,195	1,809,055
Cash and cash equivalents at the beginning of the period	7,049,789	5,240,734
Cash and cash equivalents at the end of the period	12,223,984	7,049,789

Financial statements

Notes to the consolidated financial statements

General notes

Description of the most important activities of the entity

The activities of Rior, Industrie en Handelsonderneming B.V. and its group companies consist mainly of production and trade of drain and sewer cleaning machines.

Group structure

Disclosure of group structure

The company is a wholly owned subsidiary of Pettibone L.L.C., located in Illinois, United States of America. The ultimate parent is Heico Holding Inc.

The financial information of the company is recorded in the consolidated financial statements of the Heico Holding Inc and of Intermediate Holding Pettibone L.L.C. Both located in Chicago, United States.

Copies are available at the Trade Register of the Chamber of Commerce in Tilburg.

A summary of the information required by articles 2:379 and 414 of Dutch Civil Code is given below:

Consolidated companies:

Rior/Rioned France EURL which company has it's legal seat in Villepinte France (Paris) France
Rior Industrie- en handelsonderneming B.V. holds 100 % of the companies shares.

Rioned UK Ltd which company has it's legal seat in Mildenhall United Kingdom
Rior Industrie- en handelsonderneming B.V. holds 100 % of the companies shares.

Andy Guest Jetters Ltd company has it's legal seat in Keighley United Kingdom
Rior Industrie- en handelsonderneming B.V. holds 100 % of the companies shares.

Estimates

Disclosure of estimates

Composing financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in future periods for which the revision affects.

The COVID-19 outbreak has developed rapidly in 2020 and 2021, with a significant number of infections. Measures taken by various governments to contain the virus have affected economic activity in our Markets. We have taken a number of measures to monitor and prevent the effects of the COVID-19 virus, such as safety and health measures for our employees (like social distancing and working from home). At this stage the impact on our business is limited. We will continue to follow the various national and international institutes policies and advices. In parallel we will do our utmost to continue our operation in the best and safest way possible without jeopardizing the health of our employees. Although so far the financial impact on our business has been limited, the scale and duration of this pandemic remain uncertain and might cause further disruption to the overall economic activity. It is unknown what the longer term impact on our business may be.

Based on the above and the current outlook we don't expect a significant impact of COVID-19 on the short and medium term performance of the company. We believe there is no material uncertainty that may cast significant doubt upon the entity's ability to continue as a going concern.

Consolidation

Disclosure of consolidation

Financial information relating to group companies and other legal entities which are controlled by the company or where central management is conducted has been consolidated in the financial statements of the company. The consolidated financial statements have been prepared in accordance with the accounting principles of Rior Industrie- en handelsonderneming B.V.

The financial information relating to the company is presented in the consolidated financial statements in accordance with article 2:402 of the Netherlands Civil Code, the company financial statements only contain an abridged profit and loss account.

Financial information relating to the group companies and the other legal entities and companies included in the consolidation is fully included in the consolidated financial statements, eliminating the intercompany relationships and transactions. Third-party shares in equity and results of group companies are separately disclosed in the consolidated financial statements.

The results of newly acquired group companies and the other legal entities and companies included in the consolidation are consolidated from the acquisition date. At that date the assets, provisions and liabilities are measured at fair values. Goodwill paid is capitalised, to which amortisation is charged based on the estimated useful life. The results of participations sold during the year are recognised until the moment of disposal.

General accounting principles

Description of the accounting standards used to prepare the financial statements

The consolidated financial statements are prepared according to the stipulations in chapter 9 Book 2 of the Dutch Civil Code.

Valuation of assets and liabilities and determination of the result takes place under the historical cost convention. Unless presented otherwise at the relevant principle for the specific balance sheet item, assets and liabilities are valued according to the cost model.

Income and expenses are accounted for on accrual basis. Profit is only included when realized on the balance sheet date. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

Foreign currency translation

Policy of foreign currency translation and the processing of foreign currency translation differences in foreign currency transactions

Receivables, liabilities and obligations denominated in foreign currency are translated at the exchange rates prevailing at balance sheet date.

Transactions in foreign currency during the financial year are recognised in the financial statements at the exchange rates prevailing at transaction date. The exchange differences resulting from the translation as of balance sheet date, taking into account possible hedge transactions, are recorded in the profit and loss account for a total amount of EUR - 30.078 (2019: EUR 6.021).

Foreign group companies and non-consolidated participations outside the Netherlands qualify as carrying on of business operations in a foreign country, with a functional currency different from that of the company. For the translation of the financial statements of these foreign entities the balance sheet items are translated at the exchange rate at balance sheet date and the profit and loss account items at the exchange rate at transaction date. The translation differences that arise are directly deducted from or added to group equity.

Financial instruments

Policy of financial instruments

Financial instruments are both primary financial instruments (such as receivables and debts) and derivative financial instruments (derivatives).

For the principles of primary financial instruments, reference is made to the treatment per balance sheet item.

The company has no financial derivatives.

Accounting principles

Accounting principles applied to the valuation of assets and liabilities

Policy of intangible assets

Intangible fixed assets are presented at cost less accumulated amortisation and, if applicable, less impairments in value. Amortisation is charged as a fixed percentage of cost, as specified in more detail in the notes to the balance sheet. The useful life and the amortisation method are reassessed at the end of each financial year.

Policy of property, plant and equipment

Tangible fixed assets are presented at cost less accumulated depreciation and, if applicable, less impairments in value. Depreciation is based on the estimated useful life and calculated as a fixed percentage of cost, taking into account any residual value. Depreciation is provided from the date an asset comes into use. Land is not depreciated.

Costs for periodical major maintenance are activated in the year they arise.

Policy of financial assets

Upon initial recognition the receivables on and loans to associated companies and other receivables are valued at fair value and then valued at amortised cost, after deduction of any provisions. These provisions are determined by individual assessment of the receivables.

Deferred tax assets are recognised for all deductible temporary differences between the value of the assets and liabilities under tax regulations on the one hand and the accounting policies used in these financial statements on the other, on the understanding that deferred tax assets are only recognised insofar as it is probable that future taxable profits will be available to offset the temporary differences and available tax losses.

The calculation of the deferred tax assets is based on the tax rates prevailing at the end of the reporting year or the rates applicable in future years, to the extent that they have already been enacted by law.

Deferred tax assets are valued at their nominal value.

Policy of inventories

Inventories of raw materials, consumables and goods for resale are valued at acquisition price or lower net realizable value. This lower net realizable value is determined by individual assessment of the inventories. The valuation of inventories of raw materials and consumables is based on fifo.

The work in progress and the inventories of finished goods are valued at construction cost or lower net realizable value. This lower net realizable value is determined by individual assessment of the inventories. Cost of manufacture includes direct materials used, direct wages and other direct costs of manufacture, together with applicable production overhead. Net realizable value is based on estimated selling price, less any future costs to be incurred for completion and disposal.

Policy of work in progress

The work in progress on construction contracts for third parties is valued at the realized construction contract costs and net of recognized losses and invoiced or prepaid installments. The construction contract costs comprise the costs directly relating to the construction contract, the costs that are attributable to construction contract activities in general and can be attributed to the contract and other costs that are chargeable to the customer under the terms of the contract.

The work in progress on construction contracts is valued at the 'zero-profit' method, income is recognized in the profit and loss till maximum the realized costs. Expected losses on the work in progress are directly taken to the profit and loss account.

Income from construction contracts realized during the financial year is recognized in the profit and loss account as income in the item net turnover. The construction contract costs are recognized in the cost of sales.

Policy of receivables

Upon initial recognition the receivables are included at fair value and then valued at amortised cost. The fair value and amortized cost equal the face value. Any provision for doubtful accounts deemed necessary is deducted. These provisions are determined by individual assessment of the receivables.

Policy of cash and cash equivalents

The cash is measured at face value. If cash equivalents are not freely disposable, then this has been taken into account upon measurement.

Policy of provisions for pension obligations

The company has various pension plans. The Dutch and UK plans are financed through contributions to pension providers such as insurance companies and industry pension funds. The pension obligations are valued according to the 'valuation to pension fund approach'. This approach accounts for the contribution payable to the pension provider as an expense in the profit and loss account.

Based on the administration agreement it is assessed whether and, if so, which obligations exist in addition to the payment of the annual contribution due to the pension provider as at balance sheet date. These additional obligations, including any obligations from recovery plans of the pension provider, lead to expenses for the company and are included in a provision on the balance sheet. With final salary pension plans an obligation (provision) for (upcoming) past service is included if future salary increases have already been defined as at balance sheet date. As per 31 December 2020 no provision has been recorded.

The French pension plan cannot be compared to the Dutch pension plans. Besides the national governmental plan there are no additional pension plans and therefore no additional pension obligations.

Policy of deferred tax liabilities

For amounts of taxation payable in the future, due to differences between the valuation principles in the annual report and the valuation for taxation purposes of the appropriate balance sheet items, a provision has been formed for the aggregate of these differences, multiplied by the current rate of taxation. These provisions are reduced by amounts of taxation recoverable in the future in respect of the carry-forward of unused tax losses, to the extent that it is probable that future tax profits will be available for settlement.

Policy of warranty provision

The provision for warranties is recorded on behalf of the estimated costs expected to arise from the current warranties on account of goods and services delivered. Warranty claims are deducted from this provision.

Policy of provision for jubilee benefits

Other long-term employee benefits are those benefits that are part of the remuneration package, such as remunerations for anniversaries. They have a long-term character. The obligation recorded is the best estimate of the amounts required to settle the related obligations as at balance sheet date. The jubilee provision is valued based on actuarial principles.

Policy of current liabilities

Liabilities with a remaining period up to 1 year, including the short-term portion of long-term liabilities, are presented under short-term liabilities.

Upon initial recognition, the loans and liabilities are stated at fair value and then valued at amortised cost.

Accounting principles for the determination of the result

Accounting principles for determining the result

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

Policy of net revenue

Net Sales represents amounts invoiced for goods and services supplied during the financial year reported on, net of discounts and value added taxes.

Revenues ensuing from the sale of goods are accounted for when all major entitlements to economic benefits as well as all major risks have transferred to the buyer. The cost price of these goods is allocated to the same period.

Revenues from services are recognised in proportion to the services rendered, based on the cost incurred in respect of the services performed up to balance sheet date, in proportion to the estimated costs of the aggregate services to be performed. The cost price of these services is allocated to the same period.

Policy of cost of sales

The cost of sales consists of the cost of goods sold and delivered, consisting of direct use of materials, direct wages and machine costs and other direct and indirect production costs.

Policy of income tax expense

Corporate income tax is calculated at the applicable rate on the result for the financial year, taking into account permanent differences between profit calculated according to the financial statements and profit calculated for taxation purposes, and with which deferred tax assets (if applicable) are only valued insofar as their realisation is likely.

Cash flow statement

Policy of cash flow statement

The cash flow statement is prepared according to the indirect method.

The funds in the cash flow statement consist of cash and cash equivalents. Cash equivalents can be considered as highly liquid investments.

Cash flows in foreign currencies are translated at an estimated average rate. Exchange rate differences concerning finances are shown separately in the cash flow statement.

Corporate income taxes, issuance of share capital, interest received and dividends received are presented under the cash flow from operating activities. Interest paid and dividends paid are presented under the cash flow from financing activities.

Transactions that do not result in exchange of cash and cash equivalents, such as financial lease, are not presented in the cash flow statement. The payment of lease terms on account of the financial lease contract is considered as expenditure of financing activities as far as it concerns redemption and as expenditure of operational activities as far as it concerns interest.

Balance sheet

Intangible assets

	31 December 2020	31 December 2019
	€	€
Intangible assets		
Costs of goodwill acquired from third party	59,058	86,070
Other intangible assets	84,860	0
Total of intangible assets	143,918	86,070

Disclosure of intangible assets

Of the goodwill EUR 59.058 (2019: EUR 86.070) regards the acquisition of the shares in Andy Guest Jetters LTD. The remaining life is 2 years. The remaining life of the goodwill is established by management based on the useful life of 10 years.

Amortisation percentage of the development costs is 0%.

Amortisation percentage of the goodwill is 10%.

Property, plant and equipment

	31 December 2020	31 December 2019
	€	€
Property, plant and equipment		
Land and buildings	70,135	113,425
Machinery	1,172,190	1,704,412
Total of property, plant and equipment	1,242,325	1,817,837

Disclosure of property, plant and equipment

Amortisation percentage of the building is 10-20%.

Amortisation percentage of the machinery and equipment is 10-33%.

Financial assets

	31 December 2020	31 December 2019
	€	€
Financial assets		
Receivables from other legal entities and companies with a participating interest in the legal entity or from participating interests of the legal entity	2,106,437	2,070,443
Deferred tax assets	45,500	0
Total of financial assets	2,151,937	2,070,443

Disclosure of financial assets

EUR 2.106.437 at an interest of 1,71% loan is due for repayment 31-12-2021. However, management does not expect that the loan will be repaid before 31-12-2021 due to the high cash balance of Rioned. Therefore, this loan is presented as a long-term receivable instead of a short-term receivable (substance over form). Movement in the current financial year consists solely of the accrued interest for a total amount of EUR 35.994.

Inventories

Disclosure of inventories

Of the inventories a book value of EUR 238.934 (2019: EUR 447.941) has been written down to market value.

The provision for obsolete inventory as per 31 December 2020 is EUR 76.300 (2019: EUR 112.182)

The amount of the impairment and loss of stocks in the profit and loss account in 2020 is a loss of EUR 9.507 (in 2019 a loss of EUR 16.339).

Construction contracts

	31 December 2020	31 December 2019
	€	€
Advances received for construction contracts	415,254	473,954
Capitalised expenses for not yet provided services of construction contracts	1,103,447	2,443,508

Disclosure of construction contracts

The income for the financial year includes EUR 18.101.000 (2019 : EUR 18.496.000) regarding income from work in progress on construction contracts.

Receivables

	31 December 2020	31 December 2019
	€	€
Receivables		
Receivables from other legal entities and companies with a participating interest in the legal entity or from participating interests of the legal entity	483,923	756,270
Current other receivables		
Other receivables	2,116,114	2,959,461
Prepayments and accrued income		
Total of prepayments and accrued income	233,037	159,592
Total of receivables	<u>2,833,074</u>	<u>3,875,323</u>

Disclosure of receivables

Receivables as presented under current assets mature within one year.

The amount of the valuation of accounts receivable provisions in the profit and loss account in 2020 amounted to a loss of EUR 25.164 (2019 a loss of EUR 102.036).

Trade receivables

	31 December 2020	31 December 2019
	€	€
Net trade receivables		
Gross trade receivables	2,201,507	3,093,872
Provision bad debts on trade receivables	- 85,393	- 134,411
Total of net trade receivables	2,116,114	2,959,461

Other receivables

	31 December 2020	31 December 2019
	€	€
Current other receivables		
Total of current other receivables	2,116,114	2,959,461

Cash and cash equivalents

Disclosure of cash and cash equivalents

The company has EUR 12.223.984 cash available at 31 December 2020.

Provisions

	Deferred tax liabilities	Warranty provision	Other provisions	Total of provisions
	€	€	€	€
Provisions at the beginning of the period	211,169	96,705	37,459	345,333
Movement of provisions				
Additions	0	160,965	225	161,190
Expenses charged against provisions	- 115,831	- 152,474	- 10,646	- 278,951
Total of movements during the period	- 115,831	8,491	- 10,421	- 117,761
Provisions at the end of the period	95,338	105,196	27,038	227,572

	31 December 2020	31 December 2019
	€	€
Deferred tax liabilities	95,338	211,169
Warranty provision	105,196	96,705
Other provisions	27,038	37,459
Total of provisions	227,572	345,333

Disclosure of provision for pension obligations

Pension plans personnel

As at year-end 2020, there are no obligations for which a pension provision has been included, as was the case as at year-end 2020. The company has various pension plans. Pursuant to the Dutch pension system these plans are financed by contributions to insurance companies, industry pension funds or company pension funds. Through cost effective contribution payments the related accrued entitlements are always fully financed in the related calendar year. The company both has a defined contribution plan.

The related industry pension fund has stated that the funding ratio is 95,4% as at December 31, 2020 (2019: 98,8%). Based on the administration agreements the company has no obligation to make additional contributions other than through higher future contributions.

The coverage of the pension fund has a minimum legal limit of 104.3%. To reach this coverage the pension fund has a recovery plan. The main components of this recovery plan are: premium increases and possible cuts on pensions.

The annual accrual of the pension entitlements amounts to 27,98% of the pensionable salary that is based on the gross wage net minus a deductible franchise (EUR 14,554) to a maximum of EUR 79,719. The pensionable salary has a cap of EUR 110,111. The annual employer-paid contribution is 53,7% of the costs (of the amount between Franchise and EUR 78,348). The accrual over the salary above EUR 79,719 entitlements max 33.5% of which the annual employer paid contribution is a minimum 53,2%.

Disclosure of warranty provision

Warranty provision as presented mature within one year.

Current liabilities

	31 December 2020	31 December 2019
	€	€
Current liabilities		
Payables relating to income tax	898,977	198,060
Other payables	2,542,408	3,402,106
Accruals and deferred income	1,079,465	796,855
Total of current liabilities	4,520,850	4,397,021

Disclosure of current liabilities

Short-term liabilities as presented mature within one year.

Off-balance sheet commitments

Description of off-balance sheet commitments relating to guarantees

Collective guarantees with affiliated companies on behalf of Heico Holding provided to financial institutions for a total amount of \$ 53,000,000 whereby each of the parties including Rior is liable for the full amount.

Disclosure of operating leases

The total obligations in connection with rental obligations and operational lease agreements amount to approximately EUR 1.748.000

Of this debt, EUR 492.000 has a term of less than 1 year.

Of this debt, EUR 1.195.000 has a term of 1-5 years.

Of this debt, EUR 61.000 has a term of more than 5 years.

Income statement

Gross margin

Disclosure of gross operating result

The Net sales 2020 compared to the Net sales of 2019 as 99 versus 100. Net sales are realized primarily in the European Community.

Selling expenses

Disclosure of selling expenses

Wages and salaries in 2020 amounts to EUR 4.783.908 (2019: 5.082.262).

Social security costs in 2020 amounts to EUR 668.169 (2019: EUR 650.034).

Pension costs in 2020 amounts to EUR 610.984 (2019: EUR 549.210).

Grants received for spent Research and development time on WBSO projects in 2020 amounts to EUR -34.866 (2019: EUR -28.467).

General and administrative expenses

Disclosure of general and administrative expenses

The amortisation of intangible assets in 2020 amounts to EUR 22.471 (2019: EUR 22.812).

The depreciation of property, plant and equipment in 2020 amounts to EUR 525.706 (2019: EUR 628.388).

Financial income and expense

	2020	2019
	€	€
Financial income and expenses		
Income of securities and receivables, that are part of non-current assets	69,842	46,442
Interest expenses and related expenses	0	- 31,894
Total of financial income and expenses	69,842	14,548

Income tax expense

	2020	2019
	€	€
Income tax expense		
Income tax expense from current financial year	723,848	866,780
Total of income tax expense	723,848	866,780

Other notes

Average number of employees

	2020	2019
Average number of employees over the period		
Average number of employees over the period working in the Netherlands	96	100
Average number of employees over the period working outside the Netherlands	0	0
Total of average number of employees over the period	96	100

Segmentation

Segment for average number of employees during the period

	Total of average number of employees over the period
	2020
Administration	8
Production	54
Sales	34

Segmentation: Previous period

Segment for average number of employees during the period

	Total of average number of employees over the period
	2019
Administration	9
Production	58
Sales	33

Financial instruments

Disclosure of financial instruments

For the notes to financial instruments reference is made to the specific item by item note. Below the related risks are disclosed.

Disclosure of credit risks

Credit risks are decreased by only doing business with third parties with a high creditworthiness, with which for each entity designated limits apply. No significant concentrations of creditrisk existed as at balance sheet date.

Subsequent events

Disclosure of subsequent events

Rior, Industrie en Handelsonderneming B.V. has provided a loan of EUR 800k to affiliated company Neo JL s.r.o. in January 2021.

Financial statements

Company financial statements

Balance sheet

Balance sheet before or after appropriation of results

	After profit appropriation	
	31 December 2020	31 December 2019
	€	€
Assets		
Non-current assets		
Intangible assets	84,860	0
Property, plant and equipment	330,414	447,376
Financial assets	5,085,918	4,541,525
Total of non-current assets	5,501,192	4,988,901
Current assets		
Inventories	2,505,234	1,966,704
Construction contracts (assets)	824,595	1,755,059
Receivables	3,221,331	4,458,476
Cash and cash equivalents	11,557,507	6,491,328
Total of current assets	18,108,667	14,671,567
Total of assets	23,609,859	19,660,468
Equity and liabilities		
Equity		
Share capital paid called up	45,400	45,400
Other reserves	18,329,208	15,624,349
Total of equity	18,374,608	15,669,749
Provisions	116,662	103,278
Current liabilities	5,118,589	3,887,441
Total of equity and liabilities	23,609,859	19,660,468

Financial statements

Income statement

	2020	2019
	€	€
Share in results of participating interests	609,426	570,822
Other income and expenses after tax	2,227,400	1,960,299
Total of result after tax	2,836,826	2,531,121

Financial statements

Notes to the financial statements

General accounting principles

Description of the accounting standards used to prepare the financial statements

The company financial statements have been prepared according with Title 9, Book 2 of the Dutch Civil Code.

For the general principles for the preparation of the financial statements, the principles for valuation of assets and liabilities and determination of the result, as well as for the notes to the specific assets and liabilities and the results, reference is made to the notes to the consolidated financial statements, if not presented otherwise here after.

Accounting principles

Accounting principles applied to the valuation of assets and liabilities

Policy of financial assets

Participations in group companies in which significant influence is exercised on the business and financial policy, are valued under the net equity value, but not lower than nil. This net asset value is based on the same accounting principles as applied by Rior industrie- en handelsonderneming BV.

Participations with a negative net equity value are valued at nil. If the company fully or partly guarantees the liabilities of the participation concerned, or has the effective obligation respectively to enable the participation to pay its (share of the) liabilities, a provision is formed. Upon determining this provision, provisions for doubtful debts already deducted from receivables from the participation are taken into account.

Upon initial recognition the receivables on and loans to associated companies and other receivables are valued at fair value and then valued at amortised cost, after deduction of any provisions. These provisions are determined by individual assessment of the receivables.

Balance sheet

Intangible assets

	31 December 2020	31 December 2019
	€	€
Intangible assets		
Other intangible assets	84,860	0
Total of intangible assets	84,860	0

Disclosure of intangible assets

Amortisation percentage of the development costs is 0%.

Property, plant and equipment

	31 December 2020	31 December 2019
	€	€
Property, plant and equipment		
Land and buildings	66,635	109,925
Machinery	263,779	337,451
Total of property, plant and equipment	330,414	447,376

Disclosure of property, plant and equipment

Amortisation percentage of the building is 10-20%.

Amortisation percentage of the machinery and equipment is 10-20%.

Financial assets

	31 December 2020	31 December 2019
	€	€
Financial assets		
Shares, certificates of shares and other types of participating interests in group companies	2,933,981	2,471,082
Receivables from other legal entities and companies with a participating interest in the legal entity or from participating interests of the legal entity	2,106,437	2,070,443
Deferred tax assets	45,500	0
Total of financial assets	5,085,918	4,541,525

Disclosure of financial assets

Rior Industrie- en Handelsonderneming BV owns 100% of the shares of Rior/Rioned France SAS. The company is situated in Villepinte France.

Rior Industrie- en Handelsonderneming BV owns 100% of the shares of Rioned UK Ltd. The company is situated in Mildenhall UK.

Rior Industrie- en Handelsonderneming BV owns 100% of the shares of Andy Guest Jetters Ltd. The company is situated in Keighley United Kingdom.

Disclosure of receivables from other legal entities and companies with a participating interest in the legal entity or from participating interests of the legal entity

EUR 2.106.437 at an interest of 1,71% loan is due for repayment 31-12-2021. However, management does not expect that the loan will be repaid before 31-12-2021 due to the high cash balance of Rioned. Therefore, this loan is presented as a long-term receivable instead of a short-term receivable (substance over form). Movement in the current financial year consists solely of the accrued interest for a total amount of EUR 35.994.

Inventories

Disclosure of inventories

Of the inventories a book value of EUR 238.394 (2019: EUR 437.448) has been written down to market value.

The provision for obsolete inventory as per 31 December 2020 is EUR 76.300 (2019: EUR 101.690)

The amount of the impairment and loss of stocks in the profit and loss account in 2020 is a loss of EUR 20.000 (in 2019 a loss of EUR 24.092).

Construction contracts

	31 December 2020	31 December 2019
	€	€
Advances received for construction contracts	248,356	473,954
Capitalised expenses for not yet provided services of construction contracts	1,072,951	2,229,013

Receivables

	31 December 2020	31 December 2019
	€	€
Receivables		
Receivables from group companies	405,465	1,898,442
Receivables from other legal entities and companies with a participating interest in the legal entity or from participating interests of the legal entity	483,923	756,270
Current other receivables		
Other receivables	2,096,727	1,631,574
Tax receivables	99,299	60,918
Prepayments and accrued income		
Total of prepayments and accrued income	135,917	111,272
Total of receivables	<u>3,221,331</u>	<u>4,458,476</u>

Disclosure of receivables

Accounts receivable as presented under current assets mature within one year.

The amount of the valuation of accounts receivable provisions in the profit and loss account in 2020 amounted to a loss of EUR 24.024 (2019 a loss of EUR 45.000)

Disclosure of receivables from group companies

The current account has no securities, repayment or interest rates are agreed between companies.

Trade receivables

	31 December 2020	31 December 2019
	€	€
Net trade receivables		
Gross trade receivables	2,176,898	1,746,953
Provision bad debts on trade receivables	- 80,171	- 115,379
Total of net trade receivables	<u>2,096,727</u>	<u>1,631,574</u>

Other receivables

	31 December 2020	31 December 2019
	€	€
Current other receivables		
Total of current other receivables	<u>2,096,727</u>	<u>1,631,574</u>

Equity

	Share capital paid called up member	Other reserves	Total of equity
	€	€	€
Equity at the beginning of the period	45,400	15,624,349	15,669,749
Movement in equity during the period			
Result allocation	0	2,704,859	2,704,859
Total of movements during the period	0	2,704,859	2,704,859
Equity at the end of the period	45,400	18,329,208	18,374,608

Previous period previous year

	Share capital paid called up member	Other reserves	Total of equity
	€	€	€
Equity at the beginning of the period	45,400	12,964,438	13,009,838
Result allocation	0	2,659,911	2,659,911
Total of movements during the period	0	2,659,911	2,659,911
Equity at the end of the period	45,400	15,624,349	15,669,749

Disclosure of equity

The authorized share capital consists of 100 authorized common shares of which all shares are issued and paid up for at December 31, 2020. The shares have a par value of EUR 454 each. The Shares had a value of Dutch guilders 1000 per share as a result of introduction of the EURO the value is increased to EUR 454 the paid in capital is EUR 45,400. 25 shares are held by the company itself.

Share capital

Statement of changes

Share capital	Shares 31 December 2019
	€
Equity at the beginning of the period	45,400
Equity at the end of the period	45,400

Other amounts

	31 December 2020	31 December 2019
	€	€
Share capital issued	45,400	45,400

Appropriation of the results

Statement of the proposed appropriation of the result

The general meeting 2019 was held on 30 October 2020 and decided in accordance with the proposal of the management.

Management proposes to add the net income for the year 2020 to retained earnings.

This proposal has been reflected in the accompanying financial statements.

Provisions

	Warranty provision	Other provisions	Total of provisions
	€	€	€
Provisions at the beginning of the period	65,819	37,459	103,278
Movement of provisions			
Additions	161,420	225	161,645
Expenses charged against provisions	- 137,615	- 10,646	- 148,261
Total of movements during the period	23,805	- 10,421	13,384
Provisions at the end of the period	89,624	27,038	116,662

	31 December 2020	31 December 2019
	€	€
Warranty provision	89,624	65,819
Other provisions	27,038	37,459
Total of provisions	116,662	103,278

Disclosure of warranty provision

Warranty provision as presented mature within one year.

Disclosure of other provisions

The other provision has a predominantly long term character.

Current liabilities

	31 December 2020	31 December 2019
	€	€
Current liabilities		
Payables to group companies	719,566	49,000
Payables relating to income tax	875,236	216,864
Other payables	2,506,902	2,943,163
Accruals and deferred income	1,016,885	678,414
Total of current liabilities	5,118,589	3,887,441

Off-balance sheet commitments

Description of off-balance sheet commitments relating to guarantees

Andy Guest Jetters Limited, a UK subsidiary company (number 08379522) is exempt from the requirements of the Companies Act 2006 relating to the audit of its accounts under section 479A of the Companies Act 2006.

Disclosure of operating leases

The total obligations in connection with rental obligations and operational lease agreements amount to approximately EUR 1.629.000

Of this debt, EUR 417.000 has a term of less than 1 year.

Of this debt, EUR 1.151.000 has a term of 1-5 years.

Of this debt, EUR 61.000 has a term of more than 5 years.

Income statement

Income tax expense

Disclosure of income tax expense

Transactions with associated and group companies are recorded at arm's length prices.

Other notes

Average number of employees

	2020	2019
Average number of employees over the period		
Average number of employees over the period working in the Netherlands	72	79
Average number of employees over the period working outside the Netherlands	0	0
Total of average number of employees over the period	72	79

Segmentation

Segment for average number of employees during the period

	Total of average number of employees over the period
	2020
Administration	4
Production	45
Sales	23

Segmentation: Previous period

Segment for average number of employees during the period

Total of average number of employees over the period

2019

Administration	5
Production	50
Sales	24

Remuneration of managing and supervisory directors

Remuneration of executive directors and non-executive managing directors

Disclosure of remuneration of executive directors and non executive managing directors

In 2020 an amount of EUR 375.652 (2019: EUR 323.992) for the remuneration of members of the board of directors of the legal entity were charged to the company and its subsidiaries or group companies. In 2020 an amount of EUR 0 (2019: EUR 0) for the remuneration of supervisory directors of the legal entity was charged to the company and its subsidiaries or group companies.

Financial statements

Signing of the financial statements

Name of managing, supervisory directors and representative

Type of director

Location of signing by managing and supervisory directors

Date of signing by managing and supervisory directors

Signed by director (Y/N)

D.J. Yadron

Current managing director

Goirle

25 August 2021

Yes

Name of managing, supervisory directors and representative

Type of director

Location of signing by managing and supervisory directors

Date of signing by managing and supervisory directors

Signed by director (Y/N)

E.A. Roskovensky

Current supervisory director

Goirle

25 August 2021

Yes

Name of managing, supervisory directors and representative

Type of director

Location of signing by managing and supervisory directors

Date of signing by managing and supervisory directors

Signed by director (Y/N)

J.F.G. Pieters

Current managing director

Goirle

25 August 2021

Yes

Other information

Statement on the absence of the auditor's opinion

Reference is made to the auditor's report as included hereinafter.

Provisions of the Articles of Association relating to profit appropriation

The Articles of Association article 12 of the company provide that the appropriation of the net income for the year is decided upon at the annual meeting of the shareholders.

Auditor's report

Content of the auditor's report

Independent auditors report

To the shareholders of Rior, Industrie- en Handelsonderneming B.V.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS 2020 INCLUDED IN THE ANNUAL ACCOUNTS

Our opinion

We have audited the accompanying financial statements 2020 of Rior, Industrie- en Handelsonderneming B.V., based in Tilburg and with its legal seat in Goirle. In our opinion the accompanying financial statements give a true and fair view of the financial position of Rior, Industrie- en Handelsonderneming B.V. as at 31 december 2020, and of its result for 2020 in accordance with Part 9 of Book 2 of the Dutch Civil Code. The financial statements comprise:

The consolidated and company balance sheet as at 31 december 2020.

The consolidated and company profit and loss account for 2020.

The notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the Our responsibilities for the audit of the financial statements section of our report. We are independent of Rior, Industrie- en Handelsonderneming B.V. in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics). We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of the impact of the coronavirus

The coronavirus also impacts Rior, Industrie- en Handelsonderneming B.V. Management disclosed the current impact and her plans to deal with these events or circumstances in paragraph Disclosure of estimates of the financial statements. Management indicates that it is currently not possible for them to properly estimate the impact of the Coronavirus on the financial performance and health of Rior, Industrie- en Handelsonderneming B.V. Our opinion is not modified in respect of this matter.

REPORT ON THE OTHER INFORMATION INCLUDED IN THE ANNUAL ACCOUNTS

In addition to the financial statements and our auditors report thereon, the annual accounts contain other information that consists of:

Directors report.

Other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Based on the following procedures performed, we conclude that the other information:

Is consistent with the financial statements and does not contain material misstatements.

Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code. We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements. Management is responsible for the preparation of the other information, including the Management Boards Report in accordance with Part 9 of Book 2 of the Dutch Civil Code, and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

DESCRIPTION OF RESPONSIBILITIES REGARDING THE FINANCIAL STATEMENTS

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines 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, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management 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. Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements. The supervisory board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion. Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion. We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

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 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 management.

Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors 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 auditors report. 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.

Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items. We communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identified during our audit.

Breda

25 August 2021

Deloitte Accountants B.V.

M.H.J.M. van Caam

Information about the auditor's report

Description of the nature of the object of examination	Financial Statements
Start date of the period of the object of examination	01 January 2020
End date of the period of the object of examination	31 December 2020
Description of the responsible organisation of the object of examination	Rior, Industrie- en Handelsonderneming B.V.
Type of engagement	Audit engagements
Type of professional accountants opinion	Unqualified
Type of entity identification	CoC
Entity identification	18022760

Signature

The 'signature is valid

Signature	VALID
Signed by	Marinus H J M Van Caam
Organization	Marinus H J M Van Caam
Serial	4A:6B:E8:29:85:0F:F4:74:37:F0:05:65:8D:4D:6B:78
Signed on	26 August 2021 9:46:31
Policy	urn:sbr:signature-policy:xml:2.0
Description	SBR signature policy identifies the conditions under which electronic signatures are used for Standard Business Reporting in the Netherlands, as well as the conditions for confirming the validity of these signatures. In this regard, the SBR signature policy highlights specific signature-related responsibilities by explaining the various commitments that accompany electronic signatures.
Certify - filter -	intersect-DocumentAdoption-EmailAddressContact-EmailAddressFull
Date of issuer	01 November 2017
Issuer	SBR Programma

f37af5d3-f79a-4b47-b2b2-e18f45d9ff94.xbrl

Commitment	urn:sbr:signature-policy:proof-of-integrity-of-the-object-for-which-the-practitioner-expresses-an-opinion
Description	This type of commitment indicates the signatory has authenticated the object to which the report applies in order to safeguard the integrity of the object.

e1369075-18ec-4930-9cf0-fe00c29922ff.xbrl

Commitment	urn:sbr:signature-policy:proof-of-intent-of-practitioner-to-add-a-copy-of-the-opinion
Description	In this type of commitment, the signatory confirms that this is a copy of the issued report; that s/he acknowledges its integrity, authenticity and irrefutability and that it has been compiled and issued voluntarily.

Certificate published by

Common name (CN)	Digidentity BV PKIoverheid Organisatie Persoon CA - G3
Organization (O)	Digidentity B.V.

Certificate signature

Starts on	19 June 2020
Expires on	18 June 2025

Independent auditor's report

To the shareholders of Rior, Industrie- en Handelsonderneming B.V.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS 2020 INCLUDED IN THE ANNUAL ACCOUNTS

Our opinion

We have audited the accompanying financial statements 2020 of Rior, Industrie- en Handelsonderneming B.V., based in Tilburg and with its legal seat in Goirle.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Rior, Industrie- en Handelsonderneming B.V. as at 31 December 2020, and of its result for 2020 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

1. The consolidated and company balance sheet as at 31 December 2020.
2. The consolidated and company profit and loss account for 2020.
3. The notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

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

We are independent of Rior, Industrie- en Handelsonderneming B.V. in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in The Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

Emphasis of the impact of the coronavirus

The coronavirus also impacts Rior, Industrie- en Handelsonderneming B.V. Management disclosed the current impact and its plans to deal with these events or circumstances in paragraph 'Disclosure of estimates' of the financial statements. Management indicates that it is currently not possible for them to properly estimate the impact of the coronavirus on the financial performance and health of Rior, Industrie- en Handelsonderneming B.V. Our opinion is not modified in respect of this matter.



REPORT ON THE OTHER INFORMATION INCLUDED IN THE ANNUAL ACCOUNTS

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

- Director's report.
- Other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements.
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

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

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

Management is responsible for the preparation of the other information, including the Management Board's report in accordance with Part 9 of Book 2 of the Dutch Civil Code, and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

DESCRIPTION OF RESPONSIBILITIES REGARDING THE FINANCIAL STATEMENTS

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines 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, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management 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.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The Supervisory Board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.



Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- 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 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 management.
- Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures.
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.



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

Breda, 25 August 2021

Deloitte Accountants B.V.

Signed on the original: M.H.J.M. van Caam