



Press release

HAL

NET INCOME FOR 2022 OF € 647 MILLION (2021: € 4,270 MILLION)

NET ASSET VALUE INCREASES BY € 220 MILLION

Net income of HAL Holding N.V. for 2022 amounted to € 647 million (€ 7.37 per share) compared with € 4,270 million (€ 48.68 per share) for 2021. This decrease is primarily due to the capital gain of € 3.5 billion realized on the sale of the 76.72% ownership interest in GrandVision in 2021.

The net asset value based on the market value of the quoted companies and the liquid portfolio and on the book value of the unquoted companies, increased by € 220 million in 2022. After taking into account the cash portion of the 2021 dividend (€ 247 million) and the sale of treasury shares (€ 3 million), the net asset value amounted to € 13,087 million (€ 147.72 per share) on December 31, 2022, compared to € 13,111 million (€ 151.22 per share) on December 31, 2021.

The net asset value does not include the positive difference between estimated value and book value of the unquoted companies as of December 31, 2022. This difference is calculated annually and, based on the principles and assumptions set out in the annual report, amounted to € 358 million (€ 4.04 per share) on December 31, 2022, compared with € 691 million (€ 7.97 per share) on December 31, 2021. At the end of 2022, the book value of the U.S. real estate portfolio amounted to € 175 million (2021: € 159 million) against an estimated value of € 297 million (2021: € 269 million).

Dividend

The dividend policy is, barring unforeseen circumstances and provided sufficient liquid assets, to base the dividend on 4% of the volume-weighted average December share price of HAL Trust in the year prior to the year of the dividend payment. Accordingly, the proposed dividend per share over 2022 amounts to € 5.00 (2021: € 5.70) of which 50% to be paid in cash and 50% in shares.



Exposure to the Russian federation and Ukraine

We are deeply concerned about the tragic developments in Ukraine and hope that this situation develops in such a way that this humanitarian crisis comes to an end soon. The direct exposure to the Russian federation and Ukraine before the start of the war was limited. Revenues for 2021 (including Vopak and Safilo and Pro Gamers Group on an annual basis) in the Russian federation and Ukraine amounted to approximately € 80 million. The corporate liquid portfolio as of December 31, 2021, included bonds issued by the Russian federation and a Russian corporate entity for an amount of € 19 million. These bonds have been fully impaired. Despite this relatively low direct exposure, the conflict between the Russian federation and Ukraine resulted in a decline in demand for the products and services of certain subsidiaries such as the Pro Gamers Group and GreenV. It also resulted in operational issues, especially at Atlas Professionals which had a back office with 75 employees in Odessa (Ukraine). Atlas provided financial support to the employees involved and offered the possibility to relocate. During 2022 certain subsidiaries, and especially Broadview Holding, experienced increased costs with respect to energy and raw materials. At this stage it is difficult to assess how long this inflationary pressure will persist and how it will affect the long-term profitability of these operating companies.

Prospects

Due to the fact that a significant part of the Company's net income is determined by the results of the quoted associates and potential capital gains and losses, we generally do not express expectations with respect to net income. During the period from December 31, 2022, through March 24, 2023, the stock market value of the ownership interests in quoted companies and the liquid portfolio was positively impacted by changes in stock market prices for approximately € 230 million (€ 2.60 per Share).

Acquisitions

On February 17, 2022, HAL completed the acquisition of 31.45% of the shares in Prodrive Technologies Group B.V. ('Prodrive Technologies'). The company is active in the research, development and manufacturing of high-tech electronics, software and mechatronic products and systems. Prodrive Technologies provides solutions for, among others, the semiconductor, medical and electric mobility industries. On March 2, 2023, HAL agreed to increase its ownership interest to 47.18%. Sales for 2022



amounted to € 416 million. The company is based in Son, the Netherlands, and employed 2,528 FTE's at the end of 2022.

On June 24, 2022, HAL launched an all-cash voluntary public offer of € 32.50 per share (cum dividend) for all issued and outstanding ordinary shares of Royal Boskalis N.V. ('Boskalis') adjusted to € 32.00 for the € 0.50 cash dividend paid by Boskalis in May 2022. As of December 31, 2021, HAL had an ownership interest in Boskalis of 45.5%. On August 29, 2022, HAL increased the offer price from € 32.00 to € 33.00 and the Boskalis boards unanimously recommended its shareholders to accept the offer. As of December 31, 2022, HAL owns 98.9% of the outstanding Boskalis shares. The remaining shares were acquired in 2023. The delisting of the Boskalis shares became effective on November 9, 2022. The cash amount involved with the acquisition of the additional stake in Boskalis in 2022 was € 2.25 billion. Boskalis is consolidated in the HAL financial statements as from July 1, 2022. In accordance with IFRS, HAL re-measured its previously held equity interest in Boskalis, which resulted in an exceptional gain of € 656 million.

Boskalis is a leading global services provider operating in the dredging, maritime infrastructure and maritime services sectors. The company provides creative and innovative all-round solutions to infrastructural challenges in the maritime, coastal and delta regions of the world. With core activities such as coastal defense, riverbank protection and land reclamation, Boskalis is able to provide adaptive and mitigating solutions to combat the effects of climate change, such as extreme weather conditions and rising sea levels, as well as delivering solutions for the increasing need for space in coastal and delta regions across the world. The company facilitates the development of offshore energy infrastructure, including renewable wind energy. Boskalis is furthermore active in the construction and maintenance of ports, waterways, access channels and civil infrastructure. Boskalis has a versatile fleet of more than 600 vessels and floating equipment and 11,164 employees, including associates. Revenues for 2022 amounted to € 3,578 million (2021: € 2,957 million). Net income for 2022 amounted to € 241 million (2021: €151 million). At the end of 2022 the order book of the company amounted to € 6.1 billion compared to € 5.4 billion at the end of 2021.

On March 14, 2023, HAL completed the acquisition of 100% of the shares in IQIP Holding B.V. ('IQIP'). IQIP is a supplier of foundation and installation equipment to the offshore wind, coastal & civil and oil & gas markets. The company is active worldwide and both sells and rents out equipment. Revenue over the



financial year ending December 31, 2022, amounted to € 102 million. IQIP is headquartered in Sliedrecht and has approximately 300 employees.

Divestitures

On May 2, 2022, HAL sold its ownership interest in Orthopedie Investments Holding B.V. ('Livit'). Livit manufactures and sells orthopedic and other medical aids to endcustomers and was acquired by HAL in 2007.

On May 31, 2022, HAL sold its ownership interest in Floramedia Group B.V. ('Floramedia'). Floramedia is active in specialty printing, marketing and communication for the green sector. HAL became a shareholder in Floramedia via the acquisition of Mercurius Groep Holding B.V. in 1999.

On July 8, 2022, HAL sold its ownership interest in MYLAPS B.V. ('MYLAPS'). The company is active in the development and production of identification and timing equipment for sports events. HAL became a shareholder in MYLAPS via the acquisition of an interest in AMB IT Holding B.V. in 1998.

The total gross cash proceeds and capital gain from the above three transactions amounted to € 135 million and € 85 million respectively.

Real estate

On February 7, 2022, a joint venture in which HAL had an 85.5% equity interest sold an apartment building in Bellevue, a suburb of Seattle, consisting of 279 apartments. The sale resulted in proceeds to HAL of € 75 million and a pre-tax capital gain of € 50 million. On August 16, 2022, a joint venture in which HAL had a 90% equity interest sold an apartment building in Beacon Hill, a neighborhood in southeast Seattle, consisting of 139 apartments. The sale resulted in proceeds to HAL of € 27 million and a pre-tax capital gain of € 13 million.

Liquid portfolio

The corporate liquid portfolio (net of corporate debt) decreased in 2022 by € 2.3 billion to € 3.3 billion. This excludes an amount of € 0.25 billion held in escrow following the sale of GrandVision. This decrease is primarily due to the acquisition of Boskalis. On December 31, 2022, the liquid portfolio consisted for 85% (2021: 93%) of fixed-income instruments and cash balances (net of corporate debt) amounting to € 2.8 billion (2021: € 5.2 billion), and for 15% (2021: 7%) of equities, for an amount of € 0.5 billion (2021: € 0.4



billion). The fixed-income instruments and cash balances provided a return of negative 3.1% (2021: negative 0.4%). This portfolio consisted mainly of investment-grade bonds with an average S&P credit rating of A, an average duration of 1.1 years and a yield to maturity of 3.4%. These bonds are managed by external asset managers. The equity portfolio provided a return of 5.7% (2021: 39.2%). The equity portfolio as of December 31, 2022, included a 13.1% ownership interest in Technip Energies N.V. The value of this interest as of December 31, 2022, amounted to € 345 million.

Results

Revenues from the unquoted subsidiaries for 2022 amounted to € 7,626 million (2021: € 5,008 million), representing an increase of € 2,618 million (52.3%). This increase is primarily the result of the consolidation of Boskalis as from July 1, 2022, and the acquisition of the Pro Gamers Group in October 2021. Excluding the effect of acquisitions, divestitures and currency exchange differences, revenues from the unquoted subsidiaries increased by € 172 million (3.4%). The operating income of the unquoted companies for 2022 amounted to € 403 million (2021: € 404 million). Acquisitions, divestitures and changes in currency exchange rates had a positive effect on operating income of € 155 million.

Income from quoted minority interests decreased by € 168 million to € 99 million. This decrease is primarily due to exceptional losses at Vopak of € 462.8 million (HAL share € 223 million). These losses are mainly due to impairments on property, plant and equipment.

Operating income from real estate increased by € 11 million to € 54 million due to capital gains realized on the sale of two apartment buildings in Seattle.

Income from the liquid portfolio decreased by € 200 million to a loss of € 120 million. This is primarily due to a decrease in value of the fixed-income portfolio as a result of increasing interest rates.

Amortization and impairment of intangibles increased by € 343 million to € 414 million. This increase is primarily due to an impairment of goodwill relating to the Pro Gamers Group of € 312 million.

The 2022 results include a net non-recurring gain of € 655 million. This net gain primarily consists of a € 656 million revaluation of the previously held minority stake in Boskalis prior to obtaining control, capital gains on the sale of Livit, Floramedia and MYLAPS (in total € 85 million), offset by a € 111 million impairment on the minority interest in Prodrive Technologies (net of a € 19 million release of an earn-out liability).



Financial calendar

The financial calendar is included in the appendix of this press release. This press release is based on the prepared financial statements for 2022 to be approved by the Annual General Meeting of Shareholders. The external auditor has issued an unqualified auditors' report on the prepared financial statements for 2022. These financial statements will be made available on the Company's web site (www.halholding.com) on April 3, 2023. The printed version will be available by the end of April.

HAL Holding N.V.

March 29, 2023

Financial calendar

Shareholders meeting HAL Trust and interim statement
Publication of 2023 half-year results
Interim statement
Publication of dividend proposal
Publication of 2023 annual results
Shareholders meeting HAL Trust and interim statement

May 17, 2023
August 29, 2023
November 23, 2023
January 25, 2024
March 27, 2024
May 16, 2024

Consolidated Statement of Financial Position

As of December 31

In millions of euro

	2022	2021
Non-current assets		
Property, plant and equipment	8,095.5	5,216.5
Right-of-use assets	1,113.3	1,002.2
Investment properties	76.5	68.0
Intangible assets	3,646.4	2,313.2
Investments in associates and joint arrangements	3,358.8	3,849.1
Other financial assets	360.0	588.9
Derivatives	23.2	35.8
Pension benefits	55.3	58.5
Deferred tax assets	87.7	128.8
<i>Total non-current assets</i>	<u>16,816.7</u>	<u>13,261.0</u>
Current assets		
Inventories	1,133.7	967.4
Receivables	1,423.8	977.9
Marketable securities and deposits	3,360.9	4,160.0
Other financial assets	285.5	277.3
Derivatives	75.6	9.8
Unbilled revenue	372.4	70.6
Other current assets	898.3	415.3
Cash and cash equivalents	2,043.9	2,256.4
Assets held for sale	303.7	226.6
<i>Total current assets</i>	<u>9,897.8</u>	<u>9,361.3</u>
Total assets	<u><u>26,714.5</u></u>	<u><u>22,622.3</u></u>
Equity		
Equity attributable to owners of parent	13,010.1	12,434.7
Non-controlling interest	2,227.7	2,371.5
Total equity	<u>15,237.8</u>	<u>14,806.2</u>
Non-current liabilities		
Deferred tax liabilities	693.7	530.6
Pension benefits	109.7	105.0
Derivatives	2.5	5.6
Provisions	162.1	70.2
Deferred income	18.0	14.3
Lease liabilities	1,044.7	949.1
Debt and other financial liabilities	3,106.7	3,036.9
<i>Total non-current liabilities</i>	<u>5,137.4</u>	<u>4,711.7</u>
Current liabilities		
Provisions	183.3	51.9
Deferred income	683.4	278.2
Accrued expenses	1,597.4	618.9
Income tax payable	251.0	101.7
Accounts payable	1,317.0	1,040.6
Derivatives	18.0	11.6
Lease liabilities	150.6	123.4
Debt and other financial liabilities	2,096.3	827.9
Liabilities related to assets held for sale	42.3	50.2
<i>Total current liabilities</i>	<u>6,339.3</u>	<u>3,104.4</u>
Total equity and liabilities	<u><u>26,714.5</u></u>	<u><u>22,622.3</u></u>

Consolidated Statement of Income

For the year ended December 31

In millions of euro

	2022	2021
Revenues	10,104.3	7,213.3
Income from marketable securities and deposits	(119.7)	80.0
Share of results from associates and joint ventures	875.4	341.1
Income from other financial assets	(3.0)	(1.2)
Income from real estate activities	58.1	49.7
Other income	127.8	3,512.6
<i>Total income</i>	11,042.9	11,195.5
Usage of raw materials, consumables and other inventory	4,966.4	3,065.8
Employee expenses	2,090.8	1,705.8
Depreciation and impairment of property, plant, equipment and investment properties	1,022.9	481.0
Depreciation and impairment of right-of-use assets	156.8	132.3
Amortization and impairment of intangible assets	459.8	129.4
Other operating expenses	1,539.3	1,216.0
<i>Total expenses</i>	10,236.0	6,730.3
Operating profit	806.9	4,465.2
Financial expense	(272.2)	(209.3)
Other financial income	146.5	90.2
Profit before income tax	681.2	4,346.1
Income tax expense	(185.3)	(164.8)
Net profit from continuing operations	495.9	4,181.3
Net profit from discontinued operations	-	399.9
Net profit	495.9	4,581.2
Attributable to:		
Owners of parent	646.8	4,270.2
Non-controlling interest	(150.9)	311.0
	495.9	4,581.2
Average number of Shares outstanding (in thousands)	87,724	86,036
Earnings per Share for profit attributable to owners of parent during the year (in euro)		
- basic and diluted from continuing operations	7.37	45.66
- basic and diluted from discontinued operations	-	3.02
- basic and diluted	7.37	48.68
Dividend per Share (in euro)	5.00*	5.70

* Proposed

Supplemental information

General

The consolidated financial statements of HAL Trust include the financial statements of Koninklijke Vopak N.V. ('Vopak') and Safilo Group S.p.A. ('Safilo'). This section provides supplemental information where Vopak and Safilo are accounted for on an unconsolidated basis using the equity method. This was the accounting treatment until the application of IFRS 10, effective January 1, 2014, which requires consolidation of these entities. In all other respects, the accounting policies applied are consistent with those applied to the consolidated financial statements. The inclusion of this information is considered appropriate and useful as the control model of the Company with respect to the entities where the Company's ownership interest exceeds 50% is materially different from the model with respect to Vopak and Safilo. Moreover, the inclusion of Vopak and Safilo in the consolidation has a significant effect on the financial statements.

The following pro forma consolidated statements are included as supplemental information:

- Statement of Financial Position
- Statement of Income
- Segmentation

The pro forma consolidated statements of financial position and income include a bridge from the consolidated financial statements (including consolidation of Vopak and Safilo) to these pro forma statements.

Pro forma Consolidated Statement of Financial Position

As of December 31

<i>In millions of euro</i>	Consolidated 2022	Effect exclusion Vopak/Safilo	Pro forma 2022	Pro forma 2021
Non-current assets				
Property, plant and equipment	8,095.5	(3,655.7)	4,439.8	1,266.1
Right-of-use assets	1,113.3	(687.6)	425.7	325.1
Investment properties	76.5	-	76.5	68.0
Intangible assets	3,646.4	(372.5)	3,273.9	1,926.4
Investments in associates and joint arrangements	3,358.8	(208.0)	3,150.8	3,995.6
Other financial assets	360.0	(280.6)	79.4	316.4
Derivatives	23.2	(15.8)	7.4	0.2
Pension benefits	55.3	-	55.3	58.5
Deferred tax assets	87.7	(45.0)	42.7	40.8
<i>Total non-current assets</i>	<u>16,816.7</u>	<u>(5,265.2)</u>	<u>11,551.5</u>	<u>7,997.1</u>
Current assets				
Inventories	1,133.7	(258.6)	875.1	733.0
Receivables	1,423.8	(341.9)	1,081.9	698.5
Marketable securities and deposits	3,360.9	-	3,360.9	4,160.0
Other financial assets	285.5	(7.6)	277.9	272.9
Derivatives	75.6	(59.0)	16.6	0.3
Contract assets	372.4	-	372.4	70.6
Other current assets	898.3	(272.2)	626.1	178.5
Cash and cash equivalents	2,043.9	(111.5)	1,932.4	2,084.0
Assets held for sale	303.7	(67.6)	236.1	32.0
<i>Total current assets</i>	<u>9,897.8</u>	<u>(1,118.4)</u>	<u>8,779.4</u>	<u>8,229.8</u>
Total assets	<u>26,714.5</u>	<u>(6,383.6)</u>	<u>20,330.9</u>	<u>16,226.9</u>
Equity				
Equity attributable to owners of parent	13,010.1	(48.2)	12,961.9	12,387.2
Non-controlling interest	2,227.7	(1,950.3)	277.4	348.8
Total equity	<u>15,237.8</u>	<u>(1,998.5)</u>	<u>13,239.3</u>	<u>12,736.0</u>
Non-current liabilities				
Deferred tax liabilities	693.7	(274.6)	419.1	287.5
Pension benefits	109.7	(22.0)	87.7	51.2
Derivatives	2.5	(1.7)	0.8	5.6
Provisions	162.1	(42.7)	119.4	38.2
Contract liabilities	18.0	(2.0)	16.0	14.3
Lease liabilities	1,044.7	(723.5)	321.2	240.1
Debt and other financial liabilities	3,106.7	(1,844.2)	1,262.5	1,022.0
<i>Total non-current liabilities</i>	<u>5,137.4</u>	<u>(2,910.7)</u>	<u>2,226.7</u>	<u>1,658.9</u>
Current liabilities				
Provisions	183.3	(27.3)	156.0	11.8
Contract liabilities	683.4	(24.0)	659.4	234.9
Accrued expenses	1,597.4	(206.8)	1,390.6	426.6
Income tax payable	251.0	(42.9)	208.1	66.3
Accounts payable	1,317.0	(344.9)	972.1	666.1
Derivatives	18.0	(12.0)	6.0	3.4
Lease liabilities	150.6	(45.2)	105.4	79.9
Debt and other financial liabilities	2,096.3	(733.2)	1,363.1	343.0
Liabilities related to assets held for sale	42.3	(38.1)	4.2	-
<i>Total current liabilities</i>	<u>6,339.3</u>	<u>(1,474.4)</u>	<u>4,864.9</u>	<u>1,832.0</u>
Total equity and liabilities	<u>26,714.5</u>	<u>(6,383.6)</u>	<u>20,330.9</u>	<u>16,226.9</u>

Pro forma Consolidated Statement of Income

For the year ended December 31

<i>In millions of euro</i>	Consolidated 2022	Effect exclusion Vopak/Safilco	Pro forma 2022	Pro forma 2021
Revenues	10,104.3	(2,478.4)	7,625.9	5,008.4
Income from marketable securities and deposits	(119.7)	-	(119.7)	80.0
Share of results from associates and joint ventures	875.4	(218.4)	657.0	286.4
Income from other financial assets	(3.0)	(3.0)	(6.0)	4.2
Income from real estate activities	58.1	-	58.1	49.7
Other income	127.8	(19.0)	108.8	3,511.4
<i>Total income</i>	11,042.9	(2,718.8)	8,324.1	8,940.1
Usage of raw materials, consumables and other inventory	4,966.4	(377.5)	4,588.9	2,751.0
Employee expenses	2,090.8	(602.9)	1,487.9	1,128.6
Depreciation and impairment of property, plant, equipment and investment properties	1,022.9	(745.4)	277.5	127.0
Depreciation and impairment of right-of-use assets	156.8	(52.2)	104.6	82.5
Amortization and impairment of intangible assets	459.8	(45.8)	414.0	71.1
Other operating expenses	1,539.3	(714.6)	824.7	635.2
<i>Total expenses</i>	10,236.0	(2,538.4)	7,697.6	4,795.4
Operating profit	806.9	(180.4)	626.5	4,144.7
Financial expense	(272.2)	193.2	(79.0)	(46.9)
Other financial income	146.5	(88.2)	58.3	19.6
Profit before income tax	681.2	(75.4)	605.8	4,117.4
Income tax expense	(185.3)	110.0	(75.3)	(88.3)
Net profit from continuing operations	495.9	34.6	530.5	4,029.1
Net profit from discontinued operations	-	-	-	399.9
Net profit	495.9	34.6	530.5	4,429.0
Attributable to:				
Owners of parent	646.8	0.6	647.4	4,270.8
Non-controlling interest	(150.9)	34.0	(116.9)	158.2
	495.9	34.6	530.5	4,429.0
Average number of Shares outstanding (in thousands)	87,724	-	87,724	86,036
Earnings per Share for profit attributable to owners of parent during the year (in euro)				
- basic and diluted from continuing operations	7.37	0.01	7.38	45.66
- basic and diluted from discontinued operations	-	-	-	3.02
- basic and diluted	7.37	0.01	7.38	48.68

Segmentation

The Company's reportable segments are defined as follows:

- Unquoted
- Quoted minority interests
- Real estate
- Liquid portfolio

Operating income (for the purpose of this press release defined as earnings before interest, exceptional and non-recurring items of the optical retail and unquoted segments, taxes and amortization of intangible assets but including amortization of software) can be detailed as follows. The other reconciling items include corporate general and administrative expenses as well as non-recurring gains and losses.

	2022	2021
Unquoted	402.8	403.6
Quoted minority interests	98.9	266.7
Real estate	53.6	42.5
Liquid portfolio	(119.7)	80.0
Optical retail (discontinued in 2021)	-	464.5
Total operating income	435.6	1,257.3
Reconciling items:		
- Discontinued operations (optical retail)	-	(464.5)
- Amortization and impairment of intangibles	(414.0)	(71.1)
- Capital gain on the sale of the Company's 76.72% shareholding in GrandVision N.V.	-	3,500.7
- Revaluation of previously held equity interest in Boskalis	656.2	-
- Other	(51.3)	(77.7)
Operating result as per the pro forma consolidated statement of income	626.5	4,144.7
Financial expense, net	(20.7)	(27.3)
Profit before tax as per the pro forma consolidated statement of income	605.8	4,117.4