HAL Trust

Report on the first half year 2023

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Interim report of the Executive Board of HAL Holding N.V.

First half year net income of € 550 million (2022: net loss € 161 million). Net asset value increased by € 663 million.

Net income of HAL Holding N.V. for the first six months of 2023 amounted to € 550 million (€ 6.20 per share) compared to a loss of € 161 million (€ 1.82 per share) for the same period last year, an increase of € 711 million.

As a result of the acquisition of Koninklijke Boskalis (‘Boskalis’), the contribution of Boskalis to net income increased from € 58 million during the the first six months of 2022 to € 163 million in 2023.
Income from the liquid portfolio increased during the first half year of 2023 by € 385 million compared to the same period in 2022.
The first half year of 2022 included exceptional items. These mainly related to exceptional losses at Vopak and a goodwill impairment relating to the Pro Gamers Group (total effect for HAL of € 374 million). The first six months of 2022 also included capital gains on the sale of real estate and subsidiaries for a total amount of € 109 million.

The net asset value based on the market value of the ownership interests in quoted companies and the liquid portfolio and on the book value of the unquoted companies, increased by € 663 million during the first six months of 2023. After taking into account the cash portion of the 2022 dividend (€ 222 million) and the purchase of treasury shares (€ 2 million), the net asset value amounted to € 13,527 million (€ 149.72 per share) on June 30, 2023, compared to € 13,087 million (€ 147.72 per share) on December 31, 2022.
During the period from June 30, 2023, through August 25, 2023, the value of the ownership interests in quoted companies and the liquid portfolio increased by approximately € 10 million (€ 0.11 per share).
The information in this report has not been audited nor reviewed by an external auditor.

Quoted minority interests

At the end of June, the stock market value of HAL’s interests in quoted minority interests (Koninklijke Vopak N.V., Safilo Group S.p.A. and SBM Offshore N.V.) amounted to € 2.8 billion compared to € 2.6 billion at the end of 2022.
Income from quoted minority interests for the first six months 2023 amounted to € 140 million compared with a loss of € 26 million for the same period last year. The income from quoted minority interests for 2022 included exceptional losses at Vopak (HAL share € 223 million) and income from Boskalis for an amount of € 58 million. Boskalis is consolidated as from July 2022.

Unquoted companies

Revenues from the unquoted subsidiaries for the first half year amounted to € 4,735 million (2022: € 2,826 million), representing an increase of 68%. This increase is primarily the effect of the consolidation of Boskalis (effect € 1,969 million). Excluding the effect of acquisitions, divestitures and changes in currency exchange rates, revenues from the unquoted companies decreased by 4.8%, primarily due to lower revenues of Timber and Building Supplies Holland, GreenV and Broadview Holding. The operating income of the unquoted companies (income before interest, exceptional and non-recurring items, taxes and amortization of intangible assets but including amortization of software) for the first half year amounted to € 352 million (2022: € 180 million), an increase of € 172 million. Excluding the effect of acquisitions, divestitures and changes in currency exchange rates operating income decreased by € 20 million.

Revenues of Boskalis for the first half year amounted to € 1,969 million (pro forma 2022: € 1,610 million). EBITDA (earnings before interest, depreciation and amortization excluding exceptional items) of Boskalis for the first half year amounted to € 370 million (2022: € 242 million).
Operating income of Boskalis less amortization intangible assets for the first half year excluding the effect of purchase price accounting adjustments amounted to € 219 million (2022: € 106 million). Including the effect of purchase price accounting adjustments this amounted to € 192 million.
Cash balances less debt including lease liabilities amounted to € 309 million (December 31, 2022: € 237 million).
The order book as of June 30, 2023 amounted to € 6.0 billion (December 31, 2022: € 6.1 billion).
The book value of Boskalis at the end of June 2023 amounted to € 4,361 million.

Liquid portfolio

As of June 30, 2023, the corporate liquid portfolio (net of corporate debt) amounted to € 2.9 billion compared to € 3.3 billion as of December 31, 2022. This excludes an amount of € 250 million held in escrow subsequent to the sale of the ownership interest in GrandVision. This amount was received on July 3, 2023.
The decrease in the liquid portfolio is primarily due to the acquisition of 100% of the shares in IQIP Holding B.V. (‘IQIP’), payment of the dividend over 2022, the financing of the acquisitions of GreenV, partially offset by dividends received from Vopak and SBM Offshore. Favorable developments in the financial markets had a positive effect of € 223 million on the liquid portfolio and includes an increase in value (including dividend) of the 13.1% ownership interest in Technip Energies N.V. of € 164 million. As of June 30, 2023 the value of this ownership interest amounted to € 497 million (December

31, 2022: € 345 million).
As of June 30, 2023 the liquid portfolio consisted for 76% of fixed income instruments and cash balances (net of corporate debt) and for 24% of equities. The corporate liquid portfolio provided a total return of 6.4% during the first half of 2023, compared to a negative return of 2.9% for the same period last year.

Income tax

The income tax expense for the first six months of 2023 amounted to € 128 million (2022: € 105 million). Income tax paid for the first six months of 2023 amounted to € 116 million (2022: € 78 million).
The effective tax rate for the first half year was 25.9% .

Acquisitions and divestitures unquoted companies and real estate

On January 18, 2023, GreenV B.V. ('GreenV') acquired 80% of Prins USA, a supplier of high-quality, high-tech glass greenhouses in the United States with annual sales of approximately $ 55 million. On March 8, 2023, GreenV acquired the activities of Voshol, active in the engineering and installation of heating and electrical systems for greenhouses with annual sales of approximately € 38 million. On May 24, 2023, GreenV acquired Green Simplicity in the Netherlands. Green Simplicity delivers research systems to help clients determine the ideal growth conditions for crop cultivation in a fully controlled environment and develops systems for large-scale controlled daylight-free cultivation. Sales over 2022 amounted to € 4 million. GreenV is the holding company of a group of companies that are active in the greenhouse construction sector, by delivering subsystems and integral greenhouse projects. HAL currently has an ownership interest of 75% in GreenV.
In February 2023 HAL acquired the remaining 1.1% shares in Boskalis it did not yet own. HAL is now 100% shareholder of Boskalis.
On March 14, 2023, HAL completed the acquisition of IQIP, 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 2022, amounted to € 102 million.
On August 11, 2023, HAL announced it had agreed to sell 40% of IQIP to AvH Growth Capital NV ("AvH") and 20% to MerweOord B.V. ("MerweOord"). MerweOord has the option to increase its shareholding to 33.33% during 2024, which upon exercise would result in HAL, AvH and MerweOord each owning one-third of IQIP's shares. The transaction is based on an equity value of IQIP, adjusted for dividend, of € 250 million. The finalization of the transaction is subject to customary regulatory clearance and is expected to be completed early 2024.
On April 24, 2023, HAL increased its ownership interest in Prodrive Technologies Group B.V. from 31.45% to 47.18%. The company is active in the research, development and manufacturing of high-tech electronics, software and mechatronic products and systems. Sales for 2022 amounted to € 415 million

During the first half year, HAL Real Estate in Seattle entered into two joint venture agreements for the development and construction of 82 apartments including retail space and the development and construction of 67 town homes. Both projects are in the Seattle area. The total expected costs of these two projects are $ 127 million and HAL's equity commitment is $ 39 million.

Risks

In the 2022 annual report, the Company included a description of risks associated with its strategy and its implementation such as, but not limited to: market value risk, interest rate risk, currency risk, credit risk, liquidity risk, concentration risk, acquisition risk, financial reporting risk and other risks. The descriptions of these risks are deemed to be incorporated in this report by reference. We expect that the above risk factors will continue to exist for the second half of 2023. In the Company's view, the nature of these risk factors has not materially changed during the first half of 2023.
We also refer to the statement on page 38 of this report.

Prospects

Due to the fact that a significant part of the Company's net income is determined by the results of the quoted minority interests and potential capital gains and losses, we generally do not express expectations with respect to net income.

The Executive Board of HAL Holding N.V.

August 29, 2023*

Financial calendar

Interim statement	November 23, 2023
Publication of dividend proposal	January 25, 2024
Publication of 2023 annual results	March 27, 2024
Shareholders' meeting HAL Trust and interim statement	May 16, 2024

* This press release contains inside information relating to HAL Trust within the meaning of Article 7(1) of the EU Market Abuse Regulation and regulated information within the meaning of the Dutch Financial Markets Supervision Act.

Interim Consolidated Statement of Financial Position

As of June 30, 2023, and December 31, 2022

In millions of euro	*Notes*	**2023**	2022
Non-current assets			
Property, plant and equipment	3	**8,227.6**	8,095.5
Right-of-use assets		**1,146.9**	1,113.3
Investment properties		**81.9**	76.5
Intangible assets	4	**3,854.2**	3,646.4
Investments in associates and joint arrangements	6	**3,380.4**	3,358.8
Other financial assets		**436.2**	360.0
Derivatives		**23.8**	23.2
Pension benefits		**63.2**	55.3
Deferred tax assets		**105.3**	87.7
Total non-current assets		**17,319.5**	16,816.7
Current assets			
Inventories		**1,151.1**	1,133.7
Receivables		**1,590.7**	1,423.8
Marketable securities and deposits	7	**2,729.4**	3,360.9
Other financial assets		**285.6**	285.5
Derivatives		**32.4**	75.6
Unbilled revenue		**375.5**	372.4
Other current assets		**917.3**	898.3
Cash and cash equivalents		**1,866.0**	2,043.9
Assets held for sale	10	**256.4**	303.7
Total current assets		**9,204.4**	9,897.8
Total assets		**26,523.9**	26,714.5
Equity			
Equity attributable to owners of parent		**13,294.7**	13,010.1
Non-controlling interest		**2,193.3**	2,227.7
Total equity		**15,488.0**	15,237.8
Non-current liabilities			
Deferred tax liabilities		**717.0**	693.7
Pension benefits		**94.1**	109.7
Derivatives		**5.0**	2.5
Provisions		**199.3**	162.1
Contract liabilities		**19.3**	18.0
Lease liabilities		**1,080.5**	1,044.7
Debt and other financial liabilities	9	**3,059.2**	3,106.7
Total non-current liabilities		**5,174.4**	5,137.4
Current liabilities			
Provisions		**158.8**	183.3
Contract liabilities		**858.7**	683.4
Accrued expenses		**1,672.5**	1,597.4
Income tax payable		**283.4**	251.0
Accounts payable		**1,181.9**	1,317.0
Derivatives		**32.6**	18.0
Lease liabilities		**144.8**	150.6
Debt and other financial liabilities	9	**1,517.9**	2,096.3
Liabilities related to assets held for sale	10	**10.9**	42.3
Total current liabilities		**5,861.5**	6,339.3
Total equity and liabilities		**26,523.9**	26,714.5

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Interim Consolidated Statement of Income

For the six months ended June 30

In millions of euro	*Notes*	**2023**	2022
Revenues	11	**6,025.0**	4,083.7
Income from marketable securities and deposits		**222.9**	(162.5)
Share of results from associates and joint ventures		**143.2**	194.1
Income from other financial assets		**1.4**	1.6
Income from real estate activities		**(0.8)**	47.9
Other income (net)		**56.8**	59.0
Total income		**6,448.5**	4,223.8
Usage of raw materials, consumables and other inventory		**2,913.5**	1,794.9
Employee expenses		**1,270.1**	889.6
Depreciation and impairment of property, plant, equipment and investment properties		**364.2**	653.6
Depreciation and impairment of right-of-use assets		**84.5**	71.5
Amortization and impairment of intangible assets	4	**82.8**	299.5
Other operating expenses		**789.2**	748.6
Total expenses		**5,504.3**	4,457.7
Operating profit / (loss)		**944.2**	(233.9)
Financial expense		**(166.2)**	(128.1)
Other financial income		**30.3**	76.1
Profit / (loss) before income tax		**808.3**	(285.9)
Income tax expense	12	**(127.7)**	(105.0)
Net profit / (loss)		**680.6**	(390.9)
Attributable to:			
Owners of parent		**550.0**	(161.2)
Non-controlling interest		**130.6**	(229.7)
		680.6	(390.9)
Average number of Shares outstanding *(in thousands)*		**88,727**	86,841
Earnings per Share for profit / (loss) attributable to owners of parent during the period *(in euro)*			
- basic and diluted		**6.20**	(1.82)

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Interim Consolidated Statement of Comprehensive Income

For the six months ended June 30

In millions of euro	*Notes*	**2023**	2022
Net profit / (loss)		**680.6**	(390.9)
Other comprehensive income (OCI)			
Items that will not be reclassified to statement of income in subsequent periods			
Change in fair value of financial assets through OCI		**0.5**	1.2
Actuarial results on pension benefits obligations		**9.3**	32.1
Income tax on actuarial results		**(2.1)**	(7.1)
Associates and joint ventures - share of OCI, net of tax	6	**(0.2)**	1.5
		7.5	27.7
Items that may be reclassified to statement of income in subsequent periods			
Change in fair value of financial assets through OCI		**(1.1)**	(13.9)
Effective portion of hedging instruments		**(8.1)**	62.0
Income tax related to hedging instruments		**-**	(12.6)
Translation of foreign subsidiaries, net of hedges		**(90.4)**	115.8
Other movements		**-**	(5.8)
Associates and joint ventures - share of OCI, net of tax	6	**5.1**	165.9
		(94.5)	311.4
Other comprehensive income for the half year, net of tax*		**(87.0)**	339.1
Total comprehensive income for the half year, net of tax		**593.6**	(51.8)
Total comprehensive income for the half year, attributable to:			
- Owners of parent		**501.6**	73.6
- Non-controlling interest		**92.0**	(125.4)
		593.6	(51.8)

* Of which € (48.4) million attributable to owners of parent (2022: € 234.8 million).

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

In millions of euro	Share capital	Retained earnings	Other reserves	Total	Non-controlling interest	**Total equity**
	Attributable to owners of parent					
Balance on December 31, 2021	1.7	12,339.3	93.7	12,434.7	2,371.5	**14,806.2**
Net profit / (loss) for the half year	-	(161.2)	-	(161.2)	(229.7)	**(390.9)**
Other comprehensive income for the half year	-	16.8	218.0	234.8	104.3	**339.1**
Total comprehensive income for the half year	-	(144.4)	218.0	73.6	(125.4)	**(51.8)**
Acquisitions and disposals	-	-	-	-	(30.6)	**(30.6)**
Dividend paid	0.1	(247.1)	-	(247.0)	(100.0)	**(347.0)**
Transactions with non-controlling interest	-	(4.7)	-	(4.7)	4.2	**(0.5)**
Share-based payment plans	-	6.6	-	6.6	1.2	**7.8**
Treasury shares	-	2.8	-	2.8	-	**2.8**
Other	-	2.2	-	2.2	(0.6)	**1.6**
Transactions with the owners of parent recognized directly in equity	0.1	(240.2)	-	(240.1)	(125.8)	**(365.9)**
Balance on June 30, 2022	1.8	11,954.7	311.7	12,268.2	2,120.3	**14,388.5**
Balance on December 31, 2022	1.8	12,674.8	333.5	13,010.1	2,227.7	**15,237.8**
Net profit / (loss) for the half year	-	550.0	-	550.0	130.6	**680.6**
Other comprehensive income for the half year	-	5.1	(53.5)	(48.4)	(38.6)	**(87.0)**
Total comprehensive income for the half year	-	555.1	(53.5)	501.6	92.0	**593.6**
Acquisitions and disposals	-	-	-	-	14.4	**14.4**
Dividend paid	-	(221.5)	-	(221.5)	(104.7)	**(326.2)**
Transactions with non-controlling interest	-	0.2	-	0.2	(37.2)	**(37.0)**
Share-based payment plans	-	4.0	-	4.0	0.7	**4.7**
Treasury shares	-	(1.7)	-	(1.7)	-	**(1.7)**
Other	-	2.0	-	2.0	0.4	**2.4**
Transactions with the owners of parent recognized directly in equity	-	(217.0)	-	(217.0)	(126.4)	**(343.4)**
Balance on June 30, 2023	1.8	13,012.9	280.0	13,294.7	2,193.3	**15,488.0**

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Interim Consolidated Statement of Cash Flows

For the six months ended June 30

In millions of euro	*Notes*	**2023**	2022
Cash flows from operating activities			
Profit / (loss) before taxes		**808.3**	(285.9)
Dividend from associates and joint ventures		**151.8**	236.7
Changes in working capital		**(117.8)**	(449.4)
Adjustments for other (non-cash) items		**246.1**	1,005.2
Cash generated from operating activities		**1,088.4**	506.6
Other financial income received		**8.8**	19.8
Finance costs paid, including effect of hedging		**(72.7)**	(67.9)
Income taxes paid		**(115.5)**	(78.4)
Net cash from operating activities		**909.0**	380.1
Cash flows from investing activities			
Acquisition of associates, joint arrangements and subsidiaries, net of cash acquired	5	**(398.2)**	(856.7)
Proceeds from divestiture of associates, joint arrangements and subsidiaries	5	**201.9**	264.9
Proceeds from sale of/(investments in) other intangibles		**(23.9)**	(25.1)
Purchase of property, plant, equipment and investment properties		**(542.6)**	(241.6)
Proceeds from sale of property, plant, equipment and investment properties		**20.8**	3.9
Proceeds from/(investments in) other financial assets		**(70.4)**	(4.0)
Acquisition of marketable securities and deposits		**(11.4)**	(65.6)
Proceeds from marketable securities and deposits		**828.8**	174.6
Settlement of derivatives (net investments hedges)		**(0.3)**	(9.0)
Net cash from/(used in) investing activities		**4.7**	(758.6)
Cash flows from financing activities			
Proceeds from non-current debt and other financial liabilities		**466.3**	994.0
Repayment of non-current debt and other financial liabilities		**(682.2)**	(583.0)
Payments on lease liabilities		**(97.4)**	(83.7)
Net proceeds from/(repayments of) short-term financing		**(396.8)**	(69.2)
Capital increase non-controlling interests		**-**	4.2
Other non-controlling interest transactions (including dividend paid)		**(155.3)**	(125.0)
Movement in treasury shares		**(1.7)**	2.8
Dividend paid		**(221.5)**	(247.0)
Net cash from/(used in) financing activities		**(1,088.6)**	(106.9)
Increase/(decrease) in cash and cash equivalents		**(174.9)**	(485.4)
Cash and cash equivalents at beginning of year		**2,043.9**	2,256.4
Cash and cash equivalents included in assets held for sale at beginning of year		**-**	0.3
Effect of exchange rate changes and reclassifications		**(3.0)**	15.3
Cash and cash equivalents retranslated at beginning of year		**2,040.9**	2,272.0
Net increase/(decrease) in cash and cash equivalents		**(174.9)**	(485.4)
Cash and cash equivalents at end of period		**1,866.0**	1,786.6
Cash and cash equivalents included in assets held for sale		**-**	5.9
Cash as included on the consolidated statement of financial position		**1,866.0**	1,780.7

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Basis of preparation

The condensed interim consolidated financial statements presented are those of HAL Trust (the 'Trust'), a Bermuda trust formed in 1977, and its subsidiaries as well as the interests in associates and joint arrangements. HAL Trust shares are listed and traded on Euronext in Amsterdam. For the periods presented, the Trust's only asset was all outstanding shares of HAL Holding N.V. (the 'Company'), a Curaçao corporation. Accordingly, the condensed interim consolidated financial statements of the Trust are identical to those of the Company.

The condensed interim consolidated financial statements of the Company were authorized for issue on August 29, 2023, and have been prepared in accordance with IAS 34, *Interim Financial Reporting.* The accounting policies applied in these condensed interim consolidated financial statements are consistent with those applied in the consolidated financial statements for the year ended December 31, 2022. Certain amounts in prior periods have been reclassified to conform to the current year presentation. These reclassifications did not have any effect on net income, shareholders' equity or earnings per share.

The condensed interim consolidated financial statements do not include all the information and disclosures as required in the annual financial statements and should therefore be read in conjunction with the consolidated financial statements for the year ended December 31, 2022, dated March 29, 2023, which have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS). The condensed interim consolidated financial statements have not been audited nor reviewed by an external auditor.

Due to the nature of the Company's activities, investments and disposals can have a significant impact on net income and equity. Accordingly, the results for the first six months may not be representative of the results for 2023 as a whole.

Use of estimates and judgements

The preparation of the condensed interim consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported assets and liabilities and the disclosure on contingent assets and liabilities at the date of the condensed interim consolidated financial statements as well as the reported amounts of revenues and expenses during the reporting period. In preparing these condensed consolidated interim financial statements, the significant estimates and judgments made by management in applying the accounting policies and the key sources of estimation were the same as those applied in the consolidated financial statements as of December 31, 2022. Actual results ultimately may differ from those estimates. Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future period affected. Accordingly, it is reasonably possible that outcomes within the next financial period, that are different from the assumptions applied, could have an impact on the carrying amount of the asset or liability affected. Accounting policies that are critical to the condensed interim consolidated financial statements presentation and that require complex estimates or significant judgment are described below.

Deemed control over quoted minority interests

This is described in the consolidation section, hereafter.

Useful life and residual value of property, plant and equipment

Property, plant and equipment of Vopak and Boskalis represent a substantial part of the total assets of the Company and the related depreciation forms a substantial part of the annual operating expenses. The useful life and residual value of these assets, determined by the boards of Vopak and Boskalis based on its estimations and assumptions, have a major impact on the measurement of property, plant and equipment.

Allowance for inventory obsolescence

Finished goods are regularly subjected to specific assessment tests to identify damaged, slow moving or obsolete inventory, taking into consideration past experience, historic results and the probability of sale under normal market conditions. Based on these analyses, management asserts judgement to determine the write-downs required to reduce the value of the inventory to its net realizable value.

Expected results on the completion of projects

The contracting businesses of Boskalis, GreenV and Van Wijnen require significant judgment in the assessment of contract (financial) performance. Recognition of revenue and margin are based on the stage of completion and the expected results of individual contracts. Negative margins are recognized immediately when these are foreseen.

Management of Boskalis and Van Wijnen regularly review the status of contracts and apply significant judgement in their assessment of the valuation of contract variations, progress on the performance obligations, claims and liquidated damages, as well as the forecasted cost to complete and the ability to perform within agreed-upon timescales. Changes in these estimates and judgments can have significant positive and negative impact on income and balance sheet positions.

Recognition of carry-forward losses and tax provisions
Deferred tax assets, including those arising from carry-forward losses, are recognized if it is likely that taxable profits will be available against which losses can be set off. Management exercises judgment to establish the extent to which expected future profits substantiate the recognition of a deferred tax asset.
Significant judgement is required in determining the worldwide provision for income tax, as subsidiaries are subject to income taxes in numerous jurisdictions. There are many transactions and calculations for which the ultimate tax determination is uncertain. Provisions for anticipated tax audit issues are recognized based on management's estimates of whether additional taxes will be due.

Assumptions pension benefits
The defined benefit obligation is determined on the basis of assumptions for future developments in variables such as salary increase, price index increase, life expectancy and discount rate. All assumptions are assessed at the reporting date. Changes in the assumptions may significantly affect the liabilities and pension costs under the defined benefit plans.

Estimated impairment of non-current assets
The recoverable amounts in impairment testing are determined based on the value in use and fair value less costs of disposal of the asset or cash-generating unit. The calculation of these values requires the use of estimates.
Calculation of the value in use requires management to apply judgements around future cash flows, discount rates and growth rates. In calculating fair value less cost of disposal the selection of relevant market multiples is the primary judgement made by management. Where preliminary or indicative non-binding offers are used as inputs, management needs to assess that these offers are a good reflection of fair value. A change in one of these assumptions could potentially lead to a future impairment.
The primary impairment tests for the Company relate to annual goodwill impairment testing. These tests are carried out in the fourth quarter, unless there is reason to do so earlier.
Property, plant and equipment (primarily tank storage terminals, vessels and floating equipment) as well as joint ventures are reviewed and, when required, tested. This primarily occurs at the level of Vopak and Boskalis whereby judgement is exercised by Vopak and Boskalis management.

Lease term
The lease term comprises of the non-cancellable period agreed in the lease contract and the periods covered by renewal or termination options that are reasonably certain to be exercised. Significant renewal and termination options primarily relate to the lease of real estate. Renewal and termination options are assessed at the lease commencement date and subsequently, if there is a change in circumstances within control of the Company. When assessing renewal and termination options, considerations include the quality and performance of the leased asset and the extent of leasehold improvements undertaken, potential relocation and termination expense including penalties and potential favorable extension terms.

Discount rate applied to lease contracts
In absence of interest rates implicit in the lease contracts, the Company applies the incremental borrowing rate (IBR) as the discount rate to determine the lease liabilities. The IBR is an approximation of the rate that a lessee would pay to attract the required funding to purchase the asset over a similar term, with similar security and in a similar economic environment. The IBR is determined as the sum of a reference rate, a credit risk premium and a country risk premium. The calculation of the IBR takes into account the currency of the lease contract, the lease term, the type of leased asset, the country and the credit quality of the lessee. A single IBR may be applied to a portfolio of leases within a country, which are similar in nature and lease term.

Recent accounting developments

New and amended standards and interpretations adopted

On May 23, 2023, the International Accounting Standards Board published the "International Tax Reform - Pillar Two Model Rules" amendment to IAS 12 *Income Taxes*. The amendment provides a temporary mandatory exception from deferred tax accounting for the top-up tax, which is effective immediately, and requires new disclosures about the Pillar Two exposure from December 31, 2023. The mandatory exception applies retrospectively. However, because no new legislation to implement the top-up tax was enacted or substantively enacted at 31 December 2022 in any jurisdiction in which the Group operates and no related deferred taxes were recognized at that reporting date, the retrospective application has no impact on the Company's condensed interim consolidated financial statements. The relief will also be reflected in the Company's consolidated financial statements as at and for the year ending December 31, 2023.

Apart from the application of the above amendment, no other new or amended standards and interpretations had significant impact on the Company's condensed interim consolidated financial statements.

New standards, amendments and interpretations issued but not yet effective

There are no new standards, amendments to existing standards or new IFRIC interpretations that are not yet effective that are expected to have a material impact on the Company.

Supplemental information
As a result of the 2014 implementation of IFRS 10, *Consolidated Financial Statements*, the Company consolidates the financial information of Koninklijke Vopak N.V. ('Vopak') and Safilo Group S.p.A. ('Safilo'). Supplemental information has been included on pages 30 through 37 whereby Vopak and Safilo are accounted for on an unconsolidated basis using the equity method as applied in the years until 2014. The inclusion of this information is considered appropriate and useful as the control model of the Company with respect to Vopak and Safilo is materially different than the model with respect to the other consolidated entities, where the Company's ownership interest exceeds 50%, and the effect of the inclusion of Vopak and Safilo in the consolidation has a significant effect on the financial statements.

Consolidation

Critical accounting estimates and judgements
In the preparation of these financial statements, management has applied significant judgement to assess if the Company is deemed to have (de facto) control over entities where the Company's ownership interest does not exceed 50%. Although the Company's ownership interest in Vopak and Safilo is below 50%, IFRS requires these entities to be consolidated in these financial statements as the Company is deemed to have control, as defined in IFRS 10 and more specifically in example 4 of the application guidance in appendix B of this standard, over these two entities. Vopak and Safilo are both publicly traded companies. Whereas HAL has board representation and, accordingly, may be considered to have significant influence over these entities, in the past neither operational nor strategic control was exercised. Moreover, Vopak and Safilo are, for example, not part of the Company's management reporting system which monitors the performance of the consolidated companies on a monthly basis. In addition, in view of its minority interest, the Company has no formal instruction rights with respect to Vopak and Safilo. The Company has set up a process to obtain information from Vopak and Safilo in order to prepare consolidated financial statements in accordance with IFRS. The Company does not, however, have access to the financial books and records, contracts and related information of Vopak and Safilo in order to independently verify that these are complete, valid and accurate.

Management performed an assessment with respect to the other minority-owned entities and asserted that (de facto) control was not deemed present for these entities.

All amounts in millions of euro, unless otherwise stated

1. Segmentation

The Company's reportable segments are defined as follows:

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

In July 2022, HAL obtained (de facto) control over Boskalis and the company was delisted as per November 9, 2022. Therefore, Boskalis has been included in the unquoted segment as of the date of first consolidation. As a result, in these financial statements Boskalis is included in the unquoted segment in the 2023 figures and in the quoted segment in the comparable figures over the first half year of 2022.

Operating income (for the purpose of this report defined as earnings before interest, exceptional and non-recurring items of the unquoted segment, taxes and amortization of intangible assets but including amortization of software) can be detailed as follows:

	2023	2022
Unquoted	**351.3**	179.9
Quoted minority interests	**454.5**	(30.2)
Real estate	**(2.2)**	45.2
Liquid portfolio	**222.9**	(162.5)
Total operating income	**1,026.5**	32.4
Reconciling items:		
- Amortization and impairment of intangibles	**(82.8)**	(299.5)
- Other	**0.5**	33.2
Operating result as per the consolidated statement of income	**944.2**	(233.9)
Financial expense, net	**(135.9)**	(52.0)
Profit / (loss) before tax as per the consolidated statement of income	**808.3**	(285.9)

The "other" reconciling items represent mostly corporate overhead and exceptional items (excluding those of Vopak, Safilo, SBM Offshore and, for the first half of 2022, Boskalis).

The composition of revenues by segment is as follows:

	2023	2022
Unquoted	**4,734.5**	2,825.8
Quoted minority interests	**1,290.5**	1,257.9
	6,025.0	4,083.7

2. Exceptional items

The summary of exceptional items is as follows:

	Notes	**2023**	2022
Capital gain on sale of terminal Koninklijke Vopak N.V.	5	**48.7**	-
Restructuring		**(20.3)**	(2.9)
Impairments at Koninklijke Vopak N.V., net of reversals	13	**-**	(464.1)
Impairment of goodwill and other intangibles	13	**-**	(234.8)
Capital gains on sale of subsidiaries		**-**	59.0
Exceptional gain at Royal Boskalis B.V.		**-**	27.0
Impairments at Royal Boskalis B.V.		**-**	(7.1)
Other impairments, net of reversal	13	**(3.8)**	(1.2)
Other		**13.2**	(9.6)
Effect on operating profit / (loss)		**37.8**	(633.7)
Revaluation of options on non-controlling interest Safilo Group S.p.A.		**(8.6)**	8.7
Effect on profit / (loss) before income tax		**29.2**	(625.0)
Income tax		**(27.2)**	3.2
Effect on net profit / (loss)		**2.0**	(621.8)

Restructuring
The restructuring expenses mainly relate to the announced disposal of Safilo's Longarone production facility to third parties (refer to note 10).

Safilo - Revaluation of options on non-controlling interest
Safilo holds reciprocal put and call options on the non-controlling interest in Blenders and Privé Revaux. During the first half of 2023, Safilo agreed an extension of the second and third tranche of the put and call options on the non-controlling interest in Blenders, from 2024 and 2025 to 2026 and 2027 respectively. As a result of this extension, the liability related to this put and call option increased by € 8.6 million, reported within financial expense.

3. Property, plant and equipment

Movements in property, plant and equipment were as follows.

	Land and buildings	Vessels and floating equipment	Tank storage terminals	Equipment and other	**Total**
Cost value	1,093.1	664.1	6,312.5	1,963.8	**10,033.5**
Cost value - under construction	72.2	31.3	322.1	96.6	**522.2**
Accumulated depreciation and impairments	(492.9)	(238.0)	(3,090.4)	(1,517.9)	**(5,339.2)**
Balance on January 1, 2022	672.4	457.4	3,544.2	542.5	**5,216.5**
Investments	63.7	343.4	340.8	126.9	**874.8**
Consolidation	150.0	2,836.1	-	20.1	**3,006.2**
Disposals	(7.4)	(23.2)	(2.1)	(4.5)	**(37.2)**
Depreciation and impairments, net of reversals	(58.2)	(174.9)	(677.1)	(110.3)	**(1,020.5)**
Reclassification	3.1	(1.8)	0.3	(1.1)	**0.5**
Reclassification to held for sale	(4.1)	-	(26.5)	(5.2)	**(35.8)**
Exchange differences	4.2	(6.0)	87.9	4.9	**91.0**
Balance on December 31, 2022	823.7	3,431.0	3,267.5	573.3	**8,095.5**
Cost value	1,255.9	3,570.6	6,771.1	1,993.3	**13,590.9**
Cost value - under construction	94.9	270.0	318.6	149.4	**832.9**
Accumulated depreciation and impairments	(527.1)	(409.6)	(3,822.2)	(1,569.4)	**(6,328.3)**
Balance on December 31, 2022	823.7	3,431.0	3,267.5	573.3	**8,095.5**
Investments	14.9	256.1	159.5	97.8	**528.3**
Consolidation	6.0	-	-	127.8	**133.8**
Disposals	(0.3)	(10.3)	(0.2)	(1.8)	**(12.6)**
Depreciation and impairments, net of reversals	(21.0)	(158.7)	(119.6)	(63.6)	**(362.9)**
Reclassification	4.3	-	(0.5)	(4.8)	**(1.0)**
Reclassification to held for sale	(9.4)	-	(53.6)	(5.7)	**(68.7)**
Exchange differences	(7.3)	(10.6)	(61.1)	(5.8)	**(84.8)**
Balance on June 30, 2023	810.9	3,507.5	3,192.0	717.2	**8,227.6**
Cost value	1,268.2	3,746.5	6,605.4	2,281.5	**13,901.6**
Cost value - under construction	71.0	316.7	285.9	150.6	**824.2**
Accumulated depreciation and impairments	(528.3)	(555.7)	(3,699.3)	(1,714.9)	**(6,498.2)**
Balance on June 30, 2023	810.9	3,507.5	3,192.0	717.2	**8,227.6**

In the first half of 2022, Vopak recorded impairment charges of € 431.7 million on its tank storage terminals (refer to note 13).

4. Intangible assets

Intangible assets consist of:

	Goodwill	Software	Trade-marks	Customer relationships	Other	**Total**
Cost value	1,282.4	452.9	646.8	664.2	188.1	**3,234.4**
Accumulated amortization and impairments	(148.9)	(294.9)	(180.2)	(202.8)	(94.4)	**(921.2)**
Balance on December 31, 2021	1,133.5	158.0	466.6	461.4	93.7	**2,313.2**
Investments	1,301.7	32.5	0.3	-	17.4	**1,351.9**
Consolidation	-	0.7	369.4	7.2	60.0	**437.3**
Disposals	-	(0.2)	(0.1)	-	-	**(0.3)**
Amortization and impairments	(312.1)	(39.9)	(46.5)	(32.5)	(28.8)	**(459.8)**
Reclassification	-	(0.9)	-	-	-	**(0.9)**
Reclassification to held for sale	(18.0)	(2.8)	-	-	(1.5)	**(22.3)**
Exchange differences and other	11.7	1.8	10.3	1.8	1.7	**27.3**
Balance on December 31, 2022	2,116.8	149.2	800.0	437.9	142.5	**3,646.4**
Cost value	2,533.2	487.6	1,028.2	673.1	245.8	**4,967.9**
Accumulated amortization and impairments	(416.4)	(338.4)	(228.2)	(235.2)	(103.3)	**(1,321.5)**
Balance on December 31, 2022	2,116.8	149.2	800.0	437.9	142.5	**3,646.4**
Investments	121.9	15.7	-	-	7.6	**145.2**
Consolidation	-	9.6	8.9	68.7	67.7	**154.9**
Purchase price accounting adjustments	0.4	-	-	-	-	**0.4**
Disposals	-	-	-	-	(0.2)	**(0.2)**
Amortization and impairments	-	(19.8)	(27.9)	(17.4)	(17.7)	**(82.8)**
Reclassification	(0.1)	0.5	(5.7)	-	5.8	**0.5**
Exchange differences and other	(1.9)	(0.1)	(2.7)	(4.1)	(1.4)	**(10.2)**
Balance on June 30, 2023	2,237.1	155.1	772.6	485.1	204.3	**3,854.2**
Cost value	2,653.9	501.6	1,027.8	736.3	333.7	**5,253.3**
Accumulated amortization and impairments	(416.8)	(346.5)	(255.2)	(251.2)	(129.4)	**(1,399.1)**
Balance on June 30, 2023	2,237.1	155.1	772.6	485.1	204.3	**3,854.2**

In the first half of 2022, an impairment of € 234.8 million was recognized on the goodwill of Pro Gamers Group (refer to note 13).

5. Acquisition and divestment of subsidiaries

Acquisitions

IQIP
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. The intangible assets recognized relate to proprietary technology, customer relationships and the IQIP trademark. In addition, the company’s rental equipment, work in progress and (options to acquire) real estate were revalued at market value.
On August 11, 2023, HAL signed an agreement to sell part of its shareholding in IQIP, refer to note 16 for further details.

GreenV
During the first half year of 2023, GreenV (74.6% HAL) expanded its service offering and geographical footprint by completing three acquisitions in the greenhouse construction and installation industry. The company acquired majority interests in Prins USA, a significant local player in the US greenhouse construction market, Voshol, a Dutch-Canadian supplier of advanced climate control systems for the greenhouse industry, and Green Simplicity, a knowledge and

technology company for crop cultivation based in the Netherlands. Intangible assets recognized in the acquisitions relate mainly to customer relationships and brand names. The company is still working on the notional purchase price allocation for these transactions and expects to finalize this within twelve months after acquisition date.

There were no other individually significant acquisitions during the first half year of 2023. Details on the acquisitions in this period are as follows:

	IQIP	GreenV	Other	**Total**
Cash paid	267.7	80.6	23.6	**371.9**
Future consideration	-	3.5	1.0	**4.5**
Equity instruments issued	-	18.6	-	**18.6**
Fair value of net assets acquired	(195.5)	(63.7)	(13.9)	**(273.1)**
Goodwill	72.2	39.0	10.7	**121.9**

The goodwill on the acquisitions is not deductible for tax purposes.

Details of the net asset values acquired are set out below:

	IQIP	GreenV	Other	**Total**
Property, plant and equipment and investment properties	120.9	3.6	2.7	**127.2**
Right-of-use assets	5.2	5.2	3.2	**13.6**
Intangible assets	96.4	46.0	12.0	**154.4**
Other financial assets	6.6	-	-	**6.6**
Deferred tax assets	10.7	-	-	**10.7**
Cash	59.6	10.5	7.6	**77.7**
Non-current debt	(31.0)	-	-	**(31.0)**
Lease liabilities	(5.2)	(5.3)	(3.2)	**(13.7)**
Deferred tax liabilities	(38.3)	(3.0)	(3.1)	**(44.4)**
Other non-current liabilities	-	-	(4.0)	**(4.0)**
Current debt	(3.6)	-	(0.1)	**(3.7)**
Accounts receivable	*31.6*	*21.3*	*1.8*	***54.7***
Inventories	*24.8*	*3.5*	*2.8*	***31.1***
Other current assets	*21.9*	*7.7*	*0.6*	***30.2***
Income tax payable	*(2.4)*	-	-	***(2.4)***
Accounts payable	*(26.2)*	*(6.7)*	*(0.4)*	***(33.3)***
Accrued expenses	*(13.4)*	*(4.7)*	*(0.4)*	***(18.5)***
Contract liabilities	*(61.9)*	-	*(5.5)*	***(67.4)***
Other current liabilities	-	*(0.1)*	*(0.1)*	***(0.2)***
Current provisions	*(0.2)*	-	-	***(0.2)***
Net working capital	(25.8)	21.0	(1.2)	**(6.0)**
Non-controlling interest	-	(14.3)	-	**(14.3)**
Fair value of net assets acquired	195.5	63.7	13.9	**273.1**

The above acquisitions generated the following results:

	IQIP	GreenV	Other	**Total**
Contribution to 2023 first half year revenues	48.8	18.1	8.1	**75.0**
Contribution to 2023 first half year operating income	8.0	3.0	1.5	**12.5**
Contribution to 2023 first half year net income	4.7	2.0	1.2	**7.9**
2023 first half year revenues	80.9	22.5	11.9	**115.3**
2023 first half year operating income	16.9	1.6	2.4	**20.9**
2023 first half year net income	4.6	0.6	2.1	**7.3**

Reconciliation to the interim consolidated statement of cash flows:

	Total
Cash paid for the above acquisitions	**371.9**
Cash acquired in the above acquisitions	**(77.7)**
Cash outflow due to acquisition of subsidiaries, net of cash acquired	**294.2**
Acquisition of groups of assets, net of cash acquired	**(37.4)**
Acquisition of and investments in associates and joint arrangements	**141.4**
Cash outflow due to acquisition of subsidiaries, joint arrangements and associates, net of cash acquired	**398.2**

Refer to note 6 for details on acquisition of associates and joint ventures.

Acquisition of a group of assets

Vopak Energy Park Antwerp
On May 10, 2023, Vopak acquired 100% of shares of Gunvor Petroleum Antwerp N.V., subsequently renamed to Vopak Energy Park Antwerp N.V. ('VEPA'), from commodity trader Gunvor Group Ltd ("Gunvor"), giving Vopak access to the Gunvor concession in the Antwerp port area. Vopak is committed to sustainably redeveloping the site. VEPA does not constitute a business but a group of assets and therefore does not give rise to goodwill. Recognized amounts of identifiable assets acquired and liabilities assumed:

	VEPA
Intangible assets	0.5
Property, plant and equipment	6.8
Right-of-use assets	14.1
Other non-current assets	4.6
Total non-current assets	26.0
Cash	39.5
Other current assets	11.1
Total current assets	50.6
Total assets	76.6
Equity attributable to owners of parent	2.1
Total equity	2.1
Lease liabilities	9.4
Pensions and other employee benefits	0.8
Provisions	60.5
Other payables	3.8
Total liabilities	74.5
Total equity and liabilities	76.6

Disposals

Vopak - U.S. Savannah terminal
On May 31, 2023, Vopak completed the earlier announced divestment of its 100% shareholding in Vopak Terminals Savannah Inc. Proceeds net of transaction costs were € 95.8 million. As a result, an exceptional gain of € 21.0 million, net of exceptional tax charge of € 28.7 million, was recognized.

Vopak - Canadian terminals
In June 2023, Vopak received the deferred part of the payment of the 2022 divestment of Vopak Terminals of Canada Inc. and Vopak Terminals of Eastern Canada, of € 57.9 million.

Refer to note 6 for details on disposals of associates and joint ventures.

6. Investments in associates and joint arrangements

The movement of investments accounted for using the equity method is as follows:

	Associates	Joint ventures	**Total**
Share of net assets	2,209.6	1,252.7	**3,462.3**
Goodwill	320.1	66.7	**386.8**
Balance on December 31, 2021	2,529.7	1,319.4	**3,849.1**
Investments	644.2	319.7	**963.9**
Consolidation	10.8	59.3	**70.1**
Disposals	(47.4)	(2.5)	**(49.9)**
Share of results - real estate	-	50.0	**50.0**
Share of results - other	893.4	143.9	**1,037.3**
Share of other comprehensive income	191.6	46.7	**238.3**
Dividends	(141.2)	(188.1)	**(329.3)**
Impairments	(165.8)	-	**(165.8)**
Impairment reversal	-	3.8	**3.8**
Reclassification	(2,262.5)	-	**(2,262.5)**
Reclassification to held for sale	(1.5)	(77.8)	**(79.3)**
Exchange differences	8.4	29.3	**37.7**
Other	(4.6)	-	**(4.6)**
Balance on December 31, 2022	1,655.1	1,703.7	**3,358.8**
Share of net assets	1,418.3	1,540.3	**2,958.6**
Goodwill	236.8	163.4	**400.2**
Balance on December 31, 2022	1,655.1	1,703.7	**3,358.8**
Investments	79.1	62.3	**141.4**
Disposals	(1.0)	(47.2)	**(48.2)**
Share of results - real estate	-	(4.9)	**(4.9)**
Share of results - other	69.6	73.7	**143.3**
Share of other comprehensive income	7.6	(2.7)	**4.9**
Dividends	(67.7)	(89.9)	**(157.6)**
Exchange differences	(14.0)	(41.2)	**(55.2)**
Other	(1.9)	(0.2)	**(2.1)**
Balance on June 30, 2023	1,726.8	1,653.6	**3,380.4**
Share of net assets	1,484.4	1,482.2	**2,966.6**
Goodwill	242.4	171.4	**413.8**
Balance on June 30, 2023	1,726.8	1,653.6	**3,380.4**

Vopak - PITSB
In June 2023, Vopak's joint venture PITSB repaid € 46.7 million of share capital. In the consolidated cash flow statement this cash inflow is reported as cash flows from investing activities. For the purpose of Vopak's debt covenants this redemption is considered as a dividend.

Vopak - PT2SB
In March 2020, a fire took place at an anchor client of PT2SB (25% Vopak) in Malaysia, leading to a subsequent closure of the facility. At June 30, 2023, PT2SB has reported € 220 million in net accounts receivable from this client (December 2022: € 173 million). The refinery successfully resumed operations in the first half of 2023. The refinery closure impacted the client's liquidity position, which may impact PT2SB's financial performance in 2023.

Investments

Vopak - Canada
On April 4, 2023, Vopak and AltaGas formed a limited partnership (Ridley Island Energy Export Facility LP Inc) to evaluate a large-scale liquefied petroleum gas (LPG) and bulk liquids export facility in Prince Rupert, Canada. On the completion date of the partnership all assets and liabilities that were previously classified as held for sale were transferred to the newly incorporated legal entity, 50% carrying value of which was reimbursed to Vopak. Vopak's contribution in kind amounted to € 15.5 million. AltaGas has executed a long-term commercial agreement with the joint venture for 100% of the capacity for the first phase of LPG volumes, subject to a positive final investment decision. As such, AltaGas is exposed to, and has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Vopak classified the arrangement as an associate in which it has significant influence.

Publicly traded associates

The difference between the market value of the Company's share in its publicly traded associate SBM Offshore N.V. and the book value is as follows:

	June 30, 2023	Dec. 31, 2022
Market value	**519.2**	606.0
Book value	**804.1**	804.9
	(284.9)	(198.9)

The book value of this publicly traded associate is, as of June 30, 2023, based on unaudited, publicly available information.

7. Marketable securities

Marketable securities consist of equity securities amounting to € 669.1 million (December 31, 2022: € 521.2 million) and fixed-income securities amounting to € 2,060.3 million (December 31, 2022: € 2,839.7 million).

8. Share capital

The issued share capital at June 30, 2023, consists of 90,370,864 shares of which 19,282 are held as treasury stock by the Company.

x 1,000	Issued shares	Treasury shares
Balance on January 1, 2022	86,729.7	26.0
Sale and transfer of treasury shares	-	(20.2)
Stock dividend and purchase of treasury shares	1,869.2	0.5
Balance on June 30, 2022	88,598.9	6.3
Balance on January 1, 2023	88,598.9	6.3
Sale and transfer of treasury shares	-	(22.2)
Purchase of treasury shares, including stock dividend	-	35.0
Stock dividend and purchase of treasury shares	1,772.0	0.2
Balance on June 30, 2023	90,370.9	19.3

x 1,000	**June 30, 2023**
Authorized shares	100,000.0
Outstanding shares	90,351.6
Par value (HAL Holding N.V.) *(in euro)*	0.02
Share capital *(in millions of euro)*	1.8

A 2022 dividend of € 443.0 million (excluding dividend on treasury shares) or € 5.00 per share was distributed on June 16, 2023 (2022: € 494.2 million or € 5.70 per share), of which € 2.50 in cash and € 2.50 in shares. The shareholders received 1 new share per 50.0 existing shares. This conversion ratio was determined based on the volume-weighted average share price of HAL Trust shares traded on Euronext in Amsterdam during the period May 22, 2023, through June 9, 2023. Accordingly, 1,771,977 shares were issued on June 16, 2023. The calculation of the 2022 earnings per share has been adjusted to take account of this stock dividend (in accordance with IAS 33.64).

The net asset value based on the market value of the ownership interests in quoted companies and the liquid portfolio and on the book value of the unquoted companies amounted to € 13,527 million on June 30, 2023, and consists of the sum of the shareholders' equity attributable to the owners of the parent (€ 13,295 million) and the difference between the market value of the ownership interests in quoted companies and their book value (€ 232 million).

9. Debt and other financial liabilities

	June 30, 2023	Dec. 31, 2022
Long-term debt	**2,918.0**	2,956.5
Other financial liabilities	**141.2**	150.2
	3,059.2	3,106.7
Short-term debt	**1,493.1**	2,069.2
Other financial liabilities	**24.8**	27.1
	1,517.9	2,096.3
Total debt and other financial liabilities	**4,577.1**	5,203.0

10. Assets and liabilities held for sale

The composition of assets held for sale and related liabilities is as follows.

	June 30, 2023	Dec. 31, 2022
Property, plant and equipment	**27.3**	71.4
Right-of-use assets	**-**	4.0
Intangible assets	**0.5**	-
Investments in associates and joint arrangements	**221.8**	228.3
Current assets	**6.8**	-
Total assets held for sale	**256.4**	303.7
Non-current liabilities	**4.7**	42.3
Current liabilities	**6.2**	-
Total liabilities related to assets held for sale	**10.9**	42.3
Total net assets held for sale	**245.5**	261.4

At the end of June 2023, the net balance of assets held for sale primarily relates to the Lamnalco joint venture of Boskalis (€ 221.8 million), the net assets of Vopak Colombia S.A., for which a binding offer was received and that Vopak is committed to sell (€ 14.9 million) and the net assets of Safilo's Longarone production facility that is subject to a disposal negotiation (€ 4.8 million). The Lamnalco joint venture of Boskalis was already classified as held for sale as of December 31, 2022. During the first half year, Vopak contributed assets that were held for sale at the end of 2022 to a new partnership with AltaGas (refer to note 6).

11. Revenues

Revenues for the first six months of 2023 are disaggregated as follows:

2023	Europe	USA & Canada	Asia	Other	**Total**	Quoted	Unquoted
Revenue from contracts with customers							
Sale of goods	1,565.7	490.2	140.4	115.8	**2,312.1**	549.3	1,762.8
Construction and offshore contracting activities	1,085.2	122.5	648.6	115.1	**1,971.4**	-	1,971.4
Provision of services	891.6	162.2	365.2	291.3	**1,710.3**	720.8	989.5
	3,542.5	774.9	1,154.2	522.2	**5,993.8**	1,270.1	4,723.7
Revenue from other sources	18.3	3.9	5.5	3.5	**31.2**	20.4	10.8
Total revenue	3,560.8	778.8	1,159.7	525.7	**6,025.0**	1,290.5	4,734.5

Revenues for the first six months of 2022 are disaggregated as follows:

2022	Europe	USA & Canada	Asia	Other	**Total**	Quoted	Unquoted
Revenue from contracts with customers							
Sale of goods	1,692.0	437.4	139.4	123.8	**2,392.6**	570.7	1,821.9
Construction and offshore contracting activities	655.2	15.3	-	-	**670.5**	-	670.5
Provision of services	557.7	128.6	163.6	138.8	**988.7**	662.1	326.6
	2,904.9	581.3	303.0	262.6	**4,051.8**	1,232.8	2,819.0
Revenue from other sources	12.0	9.8	6.1	4.0	**31.9**	25.1	6.8
Total revenue	2,916.9	591.1	309.1	266.6	**4,083.7**	1,257.9	2,825.8

12. Income tax expense

The effective tax rate takes into account non-taxable income from associates and joint ventures and income which is tax exempt under the Dutch participation exemption. For the first half of 2023, the tax charge amounted to € 127.7 million translating to an effective tax rate of 25.9% (first half of 2022: tax charge of € 105 million with a negative consolidated pre-tax income of € 539 million). The change in tax charge is mainly due to the fact that the 2022 pre-tax income included non-tax deductible impairments at Vopak of € 464.8 million and on the goodwill of Pro Gamers Group of € 234.8 million as well as non-tax deductible negative income on the liquid portfolio.

13. Impairment of non-financial, non-current assets

The following impairment losses, net of reversals, are recognized in the first half of 2023 and 2022.

	2023	2022
Property, plant and equipment	**3.8**	432.9
Goodwill	**-**	234.8
Investments in associates and joint arrangements	**-**	32.4
	3.8	700.1

The table below provides the impairment losses by segment.

	2023	2022
Unquoted	**0.3**	235.3
Quoted minority interests	**3.5**	464.8
	3.8	700.1

Impairment losses, net of reversals, are included as follows in the consolidated statement of income.

	2023	2022
Amortization and impairment of intangible assets	**-**	234.8
Depreciation and impairment of property, plant, equipment, right-of-use assets and investment properties	**3.8**	432.9
Share of results of associates and joint arrangements	**-**	32.4
	3.8	700.1

Goodwill

There were no goodwill impairments recorded in the first half year of 2023.

Impairment testing in the first half of 2022 resulted in an impairment charge on the goodwill of Pro Gamers Group of € 234.8 million, in the unquoted segment. This was primarily the result of a contraction of the markets for graphical cards and other computer components, the significant increase of container freight prices and the discontinuing of sales to Russia.

Property, plant and equipment

Impairments of property, plant and equipment amounted to € 3.8 million in the first half year of 2023, mainly related to the Safilo Longarone plant that is held for sale (refer to note 10). This plant has been impaired to its recoverable value, measured based on the advanced ongoing disposal negotiations.

In the first half year of 2022, impairments were recognized at Vopak for an amount of € 431.7 million, including an amount of € 240.0 million for cash-generating unit Europoort in the Netherlands, € 190.0 million for cash-generating unit Botlek in the Netherlands and € 1.7 million for a business development project in Belgium.

Associates and joint ventures

There were no impairments of associates and joint arrangements recorded in the first half year of 2023.

In the first half year of 2022 an impairment was recognized for Vopak's SPEC LNG terminal in Colombia for an amount of € 36.2 million and an impairment reversal of € 3.8 million was recorded as a result of the divestment of Vopak's participation in a German LNG project.

14. Financial instruments

The carrying amount approximates the fair value for all financial assets and liabilities except for the non-current debt. The fair value of these liabilities, mainly from Vopak, exceeds their carrying value by € 82.4 million as of June 30, 2023 (December 31, 2022: € 106.3 million).

The tables below provide an analysis of the Company's financial instruments carried at fair value per line item and those carried at amortized cost with a difference between the book value and fair value, stating the classification of the instruments, their fair value and the applicable level within the fair value hierarchy:

June 30, 2023	Fair value level	Fair value through other comprehensive income	Financial assets at amortized cost	Fair value through profit and loss	**Total book value**	**Total fair value**
Assets						
Other financial assets						
- Unquoted debt securities	2	-	619.8	-	**619.8**	**619.8**
- Unquoted equity securities	3	102.0	-	-	**102.0**	**102.0**
Marketable securities						
- Quoted equity securities	1	-	-	665.7	**665.7**	**665.7**
- Quoted debt securities	1	31.8	-	2,028.5	**2,060.3**	**2,060.3**
- Unquoted equity securities	2	-	-	3.4	**3.4**	**3.4**
Derivatives	2	-	-	56.2	**56.2**	**56.2**
Other current assets		-	260.5	-	**260.5**	**260.5**
Receivables		-	1,590.7	-	**1,590.7**	**1,590.7**
Cash		-	1,866.0	-	**1,866.0**	**1,866.0**
Total financial assets		133.8	4,337.0	2,753.8	**7,224.6**	**7,224.6**

June 30, 2023	Fair value level	Financial liabilities at amortized cost	Fair value through profit and loss	**Total book value**	**Total fair value**
Liabilities					
Debt and other financial liabilities					
- Non-current debt	2	2,918.0	-	**2,918.0**	**3,000.4**
- Current debt	2	1,493.1	-	**1,493.1**	**1,493.1**
- Other financial liabilities	2	17.0	-	**17.0**	**17.0**
- Other financial liabilities	3	-	149.0	**149.0**	**149.0**
Lease liabilities	2	1,225.3	-	**1,225.3**	**1,225.3**
Derivatives	2	-	37.6	**37.6**	**37.6**
Accounts payable		1,181.9	-	**1,181.9**	**1,181.9**
Total financial liabilities		6,835.3	186.6	**7,021.9**	**7,104.3**

December 31, 2022	Fair value level	Fair value through other comprehensive income	Financial assets at amortized cost	Fair value through profit and loss	Total book value	Total fair value
Assets						
Other financial assets						
- Unquoted debt securities	2	-	551.5	-	**551.5**	**551.5**
- Unquoted equity securities	3	94.0	-	-	**94.0**	**94.0**
Marketable securities						
- Quoted equity securities	1	-	-	518.4	**518.4**	**518.4**
- Quoted debt securities	1	33.5	-	2,806.2	**2,839.7**	**2,839.7**
- Unquoted equity securities	2	-	-	2.8	**2.8**	**2.8**
Derivatives	2	-	-	98.8	**98.8**	**98.8**
Other current assets		-	281.1	-	**281.1**	**281.1**
Receivables		-	1,423.8	-	**1,423.8**	**1,423.8**
Cash		-	2,043.9	-	**2,043.9**	**2,043.9**
Total financial assets		127.5	4,300.3	3,426.2	**7,854.0**	**7,854.0**

December 31, 2022	Fair value level	Financial liabilities at amortized cost	Fair value through profit and loss	Total book value	Total fair value
Liabilities					
Debt and other financial liabilities					
- Non-current debt	2	2,956.5	-	**2,956.5**	**3,215.0**
- Current debt	2	2,069.2	-	**2,069.2**	**2,069.2**
- Other financial liabilities	2	15.0	-	**15.0**	**15.0**
- Other financial liabilities	3	-	162.4	**162.4**	**162.4**
Lease liabilities	2	1,195.3	-	**1,195.3**	**1,195.3**
Derivatives	2	-	20.5	**20.5**	**20.5**
Accounts payable		1,317.0	-	**1,317.0**	**1,317.0**
Total financial liabilities		7,553.0	182.9	**7,735.9**	**7,994.4**

There have not been any changes in valuation techniques applied to financial instruments carried at fair value compared to those disclosed in the financial statements of December 31, 2022. There were no transfers between levels 1, 2 and 3 during the period. The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the beginning of the period.

A reconciliation of level 3 financial liabilities for the period is given below:

	2023	2022
Balance on January 1	**162.4**	118.5
Additions	**11.9**	69.5
Consolidation	**-**	19.7
Settlements	**(40.3)**	(26.1)
(Gains)/losses through income	**15.0**	(25.9)
Exchange differences	**-**	6.7
Balance on June 30, 2023, and on December 31, 2022	**149.0**	162.4

Other financial liabilities in level 3 include earn-out and deferred/contingent payments with respect to acquisitions and reciprocal options to acquire non-controlling interests for € 64.2 million (December 31, 2022: € 79.1 million).

15. Financial risk management

The group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the group's annual financial statements as at December 31, 2022. In these financial statements, it is set out that the financial risks of the entities belonging to the quoted minority interests and unquoted segments are managed by these entities and not by the Company. There have been no changes in the risk management objectives and policies since December 31, 2022.

Liquidity risk

Compared to December 31, 2022, there have not been significant changes in the contractual undiscounted cash flows for financial liabilities.

The consolidated net cash (current and non-current bank debt less marketable securities and cash and cash equivalents) as of June 30, 2023, amounted to € 184.3 million (December 31, 2022: net cash € 379.2 million). Excluding the net debt of Vopak and Safilo the net cash position as of June 30, 2023, was € 2,357.0 million (December 31, 2022: € 2,775.0 million).

16. Events after the reporting period

IQIP
In March 2023, HAL acquired 100% of the shares in IQIP (refer to note 5). On August 11, 2023 HAL announced it had agreed to sell 40% of IQIP to AvH Growth Capital NV ("AvH") and 20% to MerweOord B.V. ("MerweOord"). As a consequence, the assets and liabilities of IQIP will be classified as held for sale as of August 2023. MerweOord has the option to increase its shareholding to 33.33% during 2024, which upon exercise would result in HAL, AvH and MerweOord each owning one-third of IQIP's shares. The transaction is based on an equity value of IQIP, adjusted for dividend, of € 250 million. The finalization of the transaction is subject to customary regulatory clearance and is expected to be completed early 2024.

List of Principal subsidiaries and minority interests

As of June 30, 2023

Name	Country of incorporation	Nature of business	Interest in common shares	Interest in preferred shares	Non-controlling interest
Subsidiaries					
HAL Holding N.V.	Curaçao	Holding company	100.0%	0.0%	0.0%
HAL International N.V.	Curaçao	Holding company	100.0%	0.0%	0.0%
HAL International Investments N.V.	Curaçao	Holding company	100.0%	0.0%	0.0%
HAL Investments N.V.	Curaçao	Holding company	100.0%	0.0%	0.0%
HAL Investments B.V.	The Netherlands	Holding company	100.0%	0.0%	0.0%
HAL Real Estate Inc.	U.S.A.	Real estate	100.0%	0.0%	0.0%
IQIP Holding B.V.	The Netherlands	Hydro hammers	100.0%	0.0%	0.0%
Koninklijke Boskalis B.V.	The Netherlands	Dredging and offshore	100.0%	0.0%	0.0%
Rotter y Krauss	Chile	Optical retail	100.0%	0.0%	0.0%
FD Mediagroep B.V.	The Netherlands	Media	98.3%	100.0%	1.7%
Broadview Holding B.V.	The Netherlands	Industrial	97.4%	0.0%	2.6%
Koninklijke Ahrend B.V.	The Netherlands	Office furniture	96.0%	100.0%	4.0%
Infomedics Holding B.V.	The Netherlands	Financial services	95.3%	0.0%	4.7%
280ppm B.V.	The Netherlands	GHG reduction investments	95.0%	100.0%	5.0%
Timber and Building Supplies Holland N.V.	The Netherlands	Building materials	94.3%	0.0%	5.7%
AN Direct B.V.	The Netherlands	Hearing aids	90.0%	0.0%	10.0%
SB Real Estate	The Netherlands	Real estate	90.0%	0.0%	10.0%
Van Wijnen Holding B.V.	The Netherlands	Construction	88.0%	100.0%	12.0%
Atlas Professionals B.V.	The Netherlands	Staffing	86.9%	0.0%	13.1%
HR Top Holding B.V.	The Netherlands	HR services	86.7%	100.0%	13.3%
GreenV B.V.	The Netherlands	Greenhouse projects	74.6%	0.0%	25.4%
Pro Gamers Group	Germany	Computer gaming equipment	64.3%	81.2%	35.7%
Anthony Veder Group N.V.	Curaçao	Shipping	62.9%	0.0%	37.1%
Auxilium GmbH	Germany	Orthopedic devices	53.2%	0.0%	46.8%
Controlled minority interests					
Safilo Group S.p.A.	Italy	Optical products	49.84%	0.00%	50.16%
Koninklijke Vopak N.V.	The Netherlands	Tank terminals	48.15%	0.00%	51.85%

All the above entities are included in the consolidation. The proportion of the effective voting rights in the respective entity are virtually equal to the proportion of the ordinary shares held.

Non-controlled interests	
Publicly traded	
SBM Offshore N.V.	22.88%
Other	
Coolblue B.V.	49.00%
Prodrive Technologies Group B.V.	47.18%
DMF Investment Management B.V.	28.50%

Supplemental information

General

The condensed interim consolidated financial statements of HAL Trust include the condensed interim consolidated 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 on pages 11 through 13. The inclusion of this information is considered appropriate and useful as the control model 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 condensed interim consolidated financial statements.

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

- Statement of Financial Position
- Statement of Income
- Statement of Comprehensive Income
- Statement of Changes in Equity
- Statement of Cash Flows

The pro forma condensed interim consolidated statement of financial position, income and comprehensive income include a bridge from the consolidated financial statements (including Vopak and Safilo) to these pro forma statements.

Pro forma Interim Consolidated Statement of Financial Position

As of June 30, 2023, and December 31, 2022

In millions of euro	*Notes*	**Consolidated 2023**	Effect exclusion Vopak/Safilo	**Pro forma 2023**	Pro forma 2022
Non-current assets					
Property, plant and equipment		**8,227.6**	(3,572.2)	**4,655.4**	4,439.8
Right-of-use assets		**1,146.9**	(704.3)	**442.6**	425.7
Investment properties		**81.9**	-	**81.9**	76.5
Intangible assets		**3,854.2**	(357.1)	**3,497.1**	3,273.9
Investments in associates and joint arrangements	2	**3,380.4**	(132.4)	**3,248.0**	3,150.8
Other financial assets	3	**436.2**	(319.4)	**116.8**	79.4
Derivatives		**23.8**	(12.8)	**11.0**	7.4
Pension benefits		**63.2**	-	**63.2**	55.3
Deferred tax assets		**105.3**	(46.5)	**58.8**	42.7
Total non-current assets		**17,319.5**	(5,144.7)	**12,174.8**	11,551.5
Current assets					
Inventories		**1,151.1**	(230.3)	**920.8**	875.1
Receivables		**1,590.7**	(356.7)	**1,234.0**	1,081.9
Marketable securities and deposits		**2,729.4**	-	**2,729.4**	3,360.9
Other financial assets	3	**285.6**	(6.3)	**279.3**	277.9
Derivatives		**32.4**	(27.0)	**5.4**	16.6
Unbilled revenue		**375.5**	-	**375.5**	372.4
Other current assets		**917.3**	(229.8)	**687.5**	626.1
Cash and cash equivalents		**1,866.0**	(145.8)	**1,720.2**	1,932.4
Assets held for sale		**256.4**	(30.7)	**225.7**	236.1
Total current assets		**9,204.4**	(1,026.6)	**8,177.8**	8,779.4
Total assets		**26,523.9**	(6,171.3)	**20,352.6**	20,330.9
Equity					
Equity attributable to owners of parent		**13,294.7**	(49.3)	**13,245.4**	12,961.9
Non-controlling interest		**2,193.3**	(1,942.3)	**251.0**	277.4
Total equity		**15,488.0**	(1,991.6)	**13,496.4**	13,239.3
Non-current liabilities					
Deferred tax liabilities		**717.0**	(266.4)	**450.6**	419.1
Pension benefits		**94.1**	(13.8)	**80.3**	87.7
Derivatives		**5.0**	(2.0)	**3.0**	0.8
Provisions		**199.3**	(90.8)	**108.5**	119.4
Contract liabilities		**19.3**	(2.8)	**16.5**	16.0
Lease liabilities		**1,080.5**	(738.7)	**341.8**	321.2
Debt and other financial liabilities	4	**3,059.2**	(1,846.6)	**1,212.6**	1,262.5
Total non-current liabilities		**5,174.4**	(2,961.1)	**2,213.3**	2,226.7
Current liabilities					
Provisions		**158.8**	(43.4)	**115.4**	156.0
Contract liabilities		**858.7**	(25.2)	**833.5**	659.4
Accrued expenses		**1,672.5**	(198.5)	**1,474.0**	1,390.6
Income tax payable		**283.4**	(71.8)	**211.6**	208.1
Accounts payable		**1,181.9**	(266.2)	**915.7**	972.1
Derivatives		**32.6**	(22.7)	**9.9**	6.0
Lease liabilities		**144.8**	(44.2)	**100.6**	105.4
Debt and other financial liabilities	4	**1,517.9**	(535.7)	**982.2**	1,363.1
Liabilities related to assets held for sale		**10.9**	(10.9)	**-**	4.2
Total current liabilities		**5,861.5**	(1,218.6)	**4,642.9**	4,864.9
Total equity and liabilities		**26,523.9**	(6,171.3)	**20,352.6**	20,330.9

Pro forma Interim Consolidated Statement of Income

For the six months ended June 30

In millions of euro	**Consolidated 2023**	Effect exclusion Vopak/Safilo	**Pro forma 2023**	Pro forma 2022
Revenues	**6,025.0**	(1,290.5)	**4,734.5**	2,825.8
Income from marketable securities and deposits	**222.9**	-	**222.9**	(162.5)
Share of results from associates and joint ventures	**143.2**	0.6	**143.8**	(10.0)
Income from other financial assets	**1.4**	-	**1.4**	1.3
Income from real estate activities	**(0.8)**	-	**(0.8)**	47.9
Other income (net)	**56.8**	(48.7)	**8.1**	59.3
Total income	**6,448.5**	(1,338.6)	**5,109.9**	2,761.8
Usage of raw materials, consumables and other inventory	**2,913.5**	(178.2)	**2,735.3**	1,593.5
Employee expenses	**1,270.1**	(309.8)	**960.3**	587.8
Depreciation and impairment of property, plant, equipment and investment properties	**364.2**	(143.1)	**221.1**	66.1
Depreciation and impairment of right-of-use assets	**84.5**	(26.0)	**58.5**	46.1
Amortization and impairment of intangible assets	**82.8**	(22.0)	**60.8**	277.7
Other operating expenses	**789.2**	(367.4)	**421.8**	398.1
Total expenses	**5,504.3**	(1,046.5)	**4,457.8**	2,969.3
Operating profit / (loss)	**944.2**	(292.1)	**652.1**	(207.5)
Financial expense	**(166.2)**	100.6	**(65.6)**	(34.8)
Other financial income	**30.3**	(16.3)	**14.0**	34.0
Profit / (loss) before income tax	**808.3**	(207.8)	**600.5**	(208.3)
Income tax expense	**(127.7)**	77.9	**(49.8)**	(37.9)
Net profit / (loss)	**680.6**	(129.9)	**550.7**	(246.2)
Attributable to:				
Owners of parent	**550.0**	0.3	**550.3**	(160.9)
Non-controlling interest	**130.6**	(130.2)	**0.4**	(85.3)
	680.6	(129.9)	**550.7**	(246.2)
Average number of Shares outstanding *(in thousands)*	**88,727**	-	**88,727**	86,841
Earnings per Share for profit / (loss) attributable to owners of parent during the period *(in euro)*				
- basic and diluted	**6.20**	-	**6.20**	(1.81)

Pro forma Interim Consolidated Statement of Comprehensive Income

For the six months ended June 30

In millions of euro	**Pro forma 2023**	Pro forma 2022
Net profit / (loss)	**550.7**	(246.2)
Other comprehensive income (OCI)		
Items that will not be reclassified to statement of income in subsequent periods		
Actuarial results on post-employment benefit obligations	**5.6**	12.7
Income tax on actuarial results	**(1.4)**	(2.8)
Associates and joint ventures - share of OCI, net of tax	**1.4**	9.4
	5.6	19.3
Items that may be reclassified to statement of income in subsequent periods		
Change in fair value of financial assets through OCI	**(1.1)**	(13.9)
Effective portion of hedging instruments	**(4.1)**	11.3
Income tax related to hedging instruments	**-**	(4.1)
Translation of foreign subsidiaries, net of hedges	**(25.4)**	44.0
Associates and joint ventures - share of OCI, net of tax	**(25.5)**	188.1
	(56.1)	225.4
Other comprehensive income for the half year, net of tax	**(50.5)**	244.7
Total comprehensive income for the half year, net of tax	**500.2**	(1.5)
Total comprehensive income for the half year, attributable to:		
- Owners of parent*	**501.9**	73.9
- Non-controlling interest	**(1.7)**	(75.4)
	500.2	(1.5)

* For both reporting periods there are no differences in other comprehensive income attributable to the owner of parent between the consolidated and the pro forma consolidated statements of comprehensive income.

Pro forma Interim Consolidated Statement of Changes in Equity

	Attributable to owners of parent					
In millions of euro	Share capital	Retained earnings	Other reserves	Total	Non-controlling interest	**Total equity**
Balance on December 31, 2021	1.7	12,267.1	118.4	12,387.2	348.8	**12,736.0**
Net profit / (loss) for the half year	-	(160.9)	-	(160.9)	(85.3)	**(246.2)**
Other comprehensive income for the half year	-	16.8	218.0	234.8	9.9	**244.7**
Total comprehensive income for the half year	-	(144.1)	218.0	73.9	(75.4)	**(1.5)**
Acquisitions and disposals	-	-	-	-	(25.9)	**(25.9)**
Dividend paid	0.1	(247.1)	-	(247.0)	(4.0)	**(251.0)**
Capital increase (decrease)	-	-	-	-	4.2	**4.2**
Transactions with NCI	-	(4.7)	-	(4.7)	-	**(4.7)**
Share-based payment plans	-	4.9	-	4.9	0.9	**5.8**
Treasury shares	-	2.8	-	2.8	-	**2.8**
Other	-	2.7	-	2.7	(0.2)	**2.5**
Transactions with the owners of parent recognized directly in equity	0.1	(241.4)	-	(241.3)	(25.0)	**(266.3)**
Balance on June 30, 2022	1.8	11,881.6	336.4	12,219.8	248.4	**12,468.2**
Balance on December 31, 2022	1.8	12,667.9	292.2	12,961.9	277.4	**13,239.3**
Net profit / (loss) for the half year	-	550.3	-	550.3	0.4	**550.7**
Other comprehensive income for the half year	-	5.1	(53.5)	(48.4)	(2.1)	**(50.5)**
Total comprehensive income for the half year	-	555.4	(53.5)	501.9	(1.7)	**500.2**
Acquisitions and disposals	-	-	-	-	14.4	**14.4**
Dividend paid	-	(221.5)	-	(221.5)	(3.4)	**(224.9)**
Transactions with NCI	-	(1.1)	-	(1.1)	(35.9)	**(37.0)**
Share-based payment plans	-	4.9	-	4.9	-	**4.9**
Treasury shares	-	(1.7)	-	(1.7)	-	**(1.7)**
Other	-	1.0	-	1.0	0.2	**1.2**
Transactions with the owners of parent recognized directly in equity	-	(218.4)	-	(218.4)	(24.7)	**(243.1)**
Balance on June 30, 2023	1.8	13,004.9	238.7	13,245.4	251.0	**13,496.4**

Equity reconciliation	
Equity attributable to owners of parent per consolidated statement of financial position	13,294.7
Equity attributable to owners of parent per pro forma consolidated statement of financial position	13,245.4
Difference	49.3

The difference is due to purchase price accounting adjustments as a result of the retrospective application of IFRS 10 to Vopak and Safilo.

Pro forma Interim Consolidated Statement of Cash Flows

For the six months ended June 30

In millions of euro	*Notes*	**Pro forma 2023**	Pro forma 2022
Cash flows from operating activities			
Profit / (loss) before taxes		**600.5**	(208.3)
Dividend from associates and joint ventures	2	**128.9**	151.4
Changes in working capital		**(93.1)**	(239.2)
Adjustments for other (non-cash) items		**20.0**	543.2
Cash generated from operating activities		**656.3**	247.1
Other financial income received		**1.3**	7.9
Finance costs paid, including effect of hedging		**(29.5)**	(30.8)
Income taxes paid		**(66.3)**	(59.0)
Net cash from operating activities		**561.8**	165.2
Cash flows from investing activities			
Acquisition of associates and subsidiaries, net of cash acquired		**(411.7)**	(670.3)
Net proceeds from divestiture of associates, joint arrangements and subsidiaries		**1.6**	180.4
Proceeds from sale of/(investment in) other intangibles		**(13.6)**	(15.5)
Investment in property, plant, equipment and investment properties		**(343.9)**	(80.0)
Proceeds from sale of property, plant, equipment		**20.2**	1.2
Proceeds from/(acquisition of) other financial assets	3	**(32.9)**	(6.3)
Acquisition of marketable securities and deposits		**(11.4)**	(65.6)
Proceeds from marketable securities and deposits		**828.8**	174.6
Net cash from/(used in) investing activities		**37.1**	(481.5)
Cash flows from financing activities			
Proceeds from non-current debt and other financial liabilities		**67.2**	155.1
Repayment of non-current debt and other financial liabilities		**(93.0)**	(55.3)
Payments on lease liabilities		**(62.1)**	(48.1)
Net proceeds from/(repayments of) short-term financing		**(445.5)**	83.3
Capital increase non-controlling interests		**-**	4.2
Other non-controlling interest transactions (including dividend paid)		**(54.0)**	(28.4)
Movement in treasury shares		**(1.7)**	2.8
Dividend paid		**(221.5)**	(247.0)
Net cash from/(used in) financing activities		**(810.6)**	(133.4)
Increase/(decrease) in cash and cash equivalents		**(211.7)**	(449.7)
Cash and cash equivalents at beginning of year		**1,932.4**	2,084.0
Effect of exchange rate changes and reclassifications		**(0.5)**	7.6
Cash and cash equivalents retranslated at beginning of year		**1,931.9**	2,091.6
Net increase/(decrease) in cash and cash equivalents		**(211.7)**	(449.7)
Cash and cash equivalents at end of period		**1,720.2**	1,641.9
Cash and cash equivalents included in assets held for sale		**-**	5.9
Cash as included on the consolidated statement of financial position		**1,720.2**	1,636.0

All amounts in millions of euro, unless otherwise stated

1. Segmentation

The condensed interim consolidated financial statements are significantly affected by the consolidation of Vopak and Safilo. Accordingly, the segmented information on a basis whereby Vopak and Safilo are not consolidated is materially different. This section provides segmented information excluding the effect of the consolidation of Vopak and Safilo.

Operating income (for the purpose of this report defined as earnings before interest, exceptional and non-recurring items of the unquoted segment, taxes and amortization of intangible assets but including amortization of software), corrected for the consolidation of Vopak and Safilo, can be detailed as follows:

	2023	2022
Unquoted	**351.3**	179.9
Quoted minority interests	**140.2**	(25.5)
Real estate	**(2.2)**	45.2
Liquid portfolio	**222.9**	(162.5)
Total operating income	**712.2**	37.1
Reconciling items:		
- Amortization and impairment of intangibles	**(60.8)**	(277.7)
- Other	**0.7**	33.1
Operating result as per the pro forma consolidated statement of income	**652.1**	(207.5)
Financial expense, net	**(51.6)**	(0.8)
Profit / (loss) before tax as per the pro forma consolidated statement of income	**600.5**	(208.3)

2. Investments in associates and joint arrangements

The amount of investments in associates and joint arrangements in the condensed interim consolidated financial statements is significantly affected by the consolidation of Vopak. Vopak has a significant amount of associates and joint arrangements on its balance sheet (€ 1,800.8 million at June 30, 2023). This section provides information about the investments in associates and joint arrangements excluding the investments in associates and joint arrangements of Vopak and Safilo. The movement of investments accounted for using the equity method is as follows:

	Associates	Joint ventures	**Total**
Share of net assets	3,513.3	153.9	**3,667.2**
Goodwill	328.4	-	**328.4**
Balance on December 31, 2021	3,841.7	153.9	**3,995.6**
Investments	604.0	99.0	**703.0**
Consolidation	10.8	59.3	**70.1**
Disposals	(43.6)	(2.5)	**(46.1)**
Share of results - real estate	-	50.0	**50.0**
Share of results - other	782.1	4.8	**786.9**
Share of other comprehensive income	239.3	-	**239.3**
Dividends	(155.5)	(25.7)	**(181.2)**
Impairments	(129.9)	-	**(129.9)**
Reclassification*	(2,262.5)	-	**(2,262.5)**
Reclassification to held for sale	(1.6)	(79.1)	**(80.7)**
Exchange differences and other	(1.2)	7.5	**6.3**
Balance on December 31, 2022	2,883.6	267.2	**3,150.8**
Share of net assets	2,645.2	267.2	**2,912.4**
Goodwill	238.4	-	**238.4**
Balance on December 31, 2022	2,883.6	267.2	**3,150.8**
Investments	63.5	54.0	**117.5**
Disposals	(1.0)	(0.6)	**(1.6)**
Share of results - real estate	-	(4.9)	**(4.9)**
Share of results - other	145.4	(1.6)	**143.8**
Share of other comprehensive income	(22.8)	(1.3)	**(24.1)**
Dividends	(121.2)	(7.7)	**(128.9)**
Exchange differences and other	(1.0)	(3.6)	**(4.6)**
Balance on June 30, 2023	2,946.5	301.5	**3,248.0**
Share of net assets	2,701.4	301.5	**3,002.9**
Goodwill	245.1	-	**245.1**
Balance on June 30, 2023	2,946.5	301.5	**3,248.0**

* Mainly related to the acquisition of Boskalis

3. Other financial assets

The specification is as follows:

	June 30, 2023	Dec. 31, 2022
Non-current	**116.8**	79.4
Current	**279.3**	277.9
	396.1	357.3

	June 30, 2023	Dec. 31, 2022
Other financial assets		
Loans to associates and joint ventures	**5.2**	5.2
Other loans	**81.6**	50.0
Escrow	**250.0**	250.0
Other	**59.3**	52.1
	396.1	357.3

The escrow comprises of an amount of € 250 million (2022: € 250 million) representing the part of the proceeds from the sale of the Company's 76.72% shareholding in GrandVision N.V. that is held in escrow for potential liabilities of HAL under the sale and purchase agreement. The escrow amount was due on July 3, 2023, and was received in full at that date.

4. Debt and other financial liabilities

The amount of debt and other financial liabilities in the condensed interim consolidated financial statements (€ 4,577.1 million) is significantly affected by the consolidation of Vopak and Safilo.

The amount excluding Vopak and Safilo is set out below.

	June 30, 2023	Dec. 31, 2022
Long-term debt	**1,128.9**	1,176.4
Other financial liabilities	**83.7**	86.1
	1,212.6	1,262.5
Short-term debt	**963.3**	1,342.2
Other financial liabilities	**18.9**	20.9
	982.2	1,363.1
Total debt and other financial liabilities	**2,194.8**	2,625.6

Statement by the Executive Board

The administrative procedures, the risk management and internal control systems associated with the Company's strategy and its implementation, the financial reporting and compliance are all designed to provide a reasonable degree of assurance that significant risk factors are identified, their development is monitored and, where appropriate, action is taken on a timely basis. The Supervisory Board is regularly informed about these matters.

The companies in which HAL has invested differ in industry, size, culture, geographical diversity and stage of development. Each company is subject to specific risks relating to strategy, operations, finance and (fiscal) legislation. HAL has therefore chosen not to institute a centralized management approach and not to develop a central risk management system. Each investee company has its own financial structure and is responsible for evaluating and managing its own risks. The companies generally have a supervisory board of which the majority of members is not affiliated with HAL. This corporate governance structure allows the operating companies to fully concentrate on developments which are relevant to them and to assess which risks to accept and which risks to avoid. Accordingly, in addition to risks associated with HAL's strategy and its implementation as referred to in the report on the first half year of 2023 and which are further described in the 2022 annual report, there are specific risk factors associated with each individual investee company. It is the responsibility of each investee company to evaluate these specific risks.

HAL's objective is, in the context of the inherent limitations of the decentralized management approach described above, that its internal and external financial reporting is complete, accurate, valid and timely. Financial reporting risk can be defined as any event that impedes HAL to achieve its financial reporting objectives. This risk is impacted by the fact that, although HAL's ownership interest in Koninklijke Vopak N.V. ('Vopak') and Safilo Group S.p.A. ('Safilo') is below 50%, IFRS requires these associates to be consolidated in the consolidated financial statements as HAL is deemed to have control, as defined in IFRS 10, over these two entities. Vopak and Safilo are both publicly traded companies. Whereas HAL has board representation and, accordingly, may be considered to have significant influence over these associates, in the past neither operational nor strategic control was exercised. Moreover, Vopak and Safilo are, for example, not part of the management reporting system which monitors the performance of the consolidated companies on a monthly basis. In addition, in view of its minority interest, the Company has no formal instruction rights with respect to Vopak and Safilo. The Company has entered into Memoranda of Understanding with Vopak and Safilo with respect to confidentiality, the process of exchanging information and visitation rights to the audit committee meetings of Vopak and the meetings of the Control and Risk Committee of Safilo, for an independent financial expert on behalf of HAL. This allows HAL to comply with IFRS and prepare consolidated financial statements which include the financial statements of Vopak and Safilo. However, HAL does not have access to the financial books and records, contracts and related information of Vopak and Safilo in order to independently verify that these financial statements are complete, valid and accurate.

The Chairman of the Executive Board of HAL is a member of the Supervisory Board of Vopak and the Board of Safilo. Mr. J.N. van Wiechen, member of the Executive Board of HAL, is a member of the Supervisory Board of SBM Offshore N.V. The information obtained in these capacities is not used for the preparation of the consolidated financial statements of the Company in order to preserve confidentiality and to allow these quoted associates to operate independently from HAL. Accordingly, the risk management and internal control systems of HAL with respect to financial reporting risks are not designed and are not able to provide assurance that the information relating to quoted associates in HAL's consolidated financial statements does not contain material errors due to the inherent limitations described above. The assessment that HAL's financial statements do not contain material errors attributable to the financial statements of Vopak and/or Safilo, is based on the external audit of the annual financial statements of these companies and the involvement of the independent financial expert referred to above. Vopak and Safilo both have included a description of their risks and risk management system in their respective annual reports. These risks are neither monitored nor managed by HAL.

Based on the above, taking into account the inherent limitations referred to, we declare that, to the best of our knowledge, the condensed interim consolidated financial statements for the six-month period ended June 30, 2023, which have been prepared in accordance with IAS 34, *Interim Financial Reporting*, give a true and fair view of the assets, liabilities, financial position and net income of the consolidated entities taken as a whole, and the interim report of the Executive Board includes a fair view of the information required pursuant to section 5:25d. subsections 8 and 9 of the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*).
The content of this report has not been reviewed or audited by an external auditor.

Executive Board HAL Holding N.V.

M.F. Groot *(Chairman)*
A.A. van 't Hof
J.N. van Wiechen

August 29, 2023