



Press release

HAL

NET INCOME FOR 2023 OF € 1,001 MILLION (2022: € 647 MILLION)

NET ASSET VALUE INCREASES BY € 700 MILLION

Net income of HAL Holding N.V. for 2023 amounted to € 1,001 million (€ 11.17 per share) compared with € 647 million (€ 7.23 per share) for 2022. 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 € 700 million in 2023. After taking into account the cash portion of the 2022 dividend (€ 221 million) and the purchase of treasury shares (€ 3 million), the net asset value amounted to € 13,563 million (€ 150.12 per share) on December 31, 2023, compared to € 13,087 million (€ 147.72 per share) on December 31, 2022.

Dividend

On November 23, 2023 an amendment of the dividend policy was announced. The current dividend policy is, barring unforeseen circumstances and provided sufficient liquid assets, to base the dividend (in cash) on 2.5% 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 cash dividend per share over 2023 amounts to € 2.85 (cash dividend 2022: € 2.50 per share).

Prospects

Due to the fact that a significant part of the Company's net income is determined by the results of the quoted companies and in view of the broad composition of the investment portfolio as well as potential capital gains and losses, we generally do not express expectations with respect to net income. During the period from December 31, 2023, through March 22, 2024, the market value of the ownership interests in quoted companies and the liquid portfolio was positively impacted by changes in market prices for approximately € 440 million (€ 4.87 per Share).



Corporate reorganization

Mr. M.F. Groot, Chairman of the Executive Board since 2014, will retire from the Executive Board effective March 31, 2024. He will be succeeded as Chairman of the Executive Board by Mr. J.N. van Wiechen, member of the Executive Board since 2014. In connection with this change and in order to better align the organizational structure of HAL, also given the size of the investments of HAL that are located in and/or managed from the Netherlands, the place of effective management of HAL Holding N.V. will be transferred to the Netherlands as from April 1, 2024. As a consequence, HAL Holding N.V. will become subject to the Dutch corporate income tax regime as from April 1, 2024, and dividends will be subject to the deduction of Dutch dividend withholding tax (currently at the rate of 15%).

In view of the transfer of HAL Holding's place of effective management, an extraordinary general meeting of shareholders of HAL Trust was held on March 22, 2024. This meeting approved an amendment of the trust deed of HAL Trust and the articles of association of HAL Holding N.V.

Acquisitions

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 2023 sales of € 27 million. On March 8, 2023, GreenV acquired the activities of Voshol in the Netherlands, active in the engineering and installation of heating and electrical systems for greenhouses with 2023 sales of € 36 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 2023 amounted to € 4 million. In August 2023, GreenV acquired a 25% interest in Apex. This company designs, manufactures and builds greenhouses in Australia and New-Zealand and reported 2023 revenues of AU \$ 28 million.

In February 2023, HAL acquired the remaining 1.1% shares in Boskalis it did not yet own. HAL is now 100% shareholder of Boskalis.

In March 2023, MSPS Holding B.V. (previously named Infomedics Holding B.V.) acquired Vertimart. This company provides software for dental practices.

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 2023 amounted to € 176 million. On August 11, 2023, HAL announced it had agreed to sell 40% of IQIP to AvH Growth Capital N.V. ('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 regulatory clearance. The obtaining and timing of this clearance is uncertain.

On April 24, 2023, HAL increased its ownership interest in Prodrive Technologies Group B.V. from 31.45% to 47.03%. The company is active in the research, development and manufacturing of high-tech electronics, software and mechatronic products and systems. Sales for 2023 amounted to € 506 million.

On October 27, 2023, Boskalis has signed a contract with Dutch shipbuilding company Royal IHC to build a large trailing suction hopper dredger. The vessel will have a hopper capacity of 31,000 m³ and will be built at the IHC yard in Krimpen aan den IJssel, the Netherlands, over the next few years. In connection with this contract and the acquisition of IQIP, HAL has provided certain guarantee facilities with an exposure for HAL of an amount of up to € 150 million. This is in addition to a loan of € 30 million provided by HAL to IHC in June, 2023, and a liquidity standby facility of up to € 50 million provided by HAL to IHC in October 2023.

On February 15, 2024, HAL invested € 140 million in preferred share capital in Koppert TopCo B.V. ('Koppert'). Koppert, based in Berkel en Rodenrijs (the Netherlands) is the global leader in biological solutions for agriculture. The company has approximately 2,700 employees and revenues over 2023 of € 450 million.

On February 29, 2024, Boskalis acquired a 100% interest in ALP Maritime Group B.V. The company is a specialist in marine services and operates a fleet of 8 powerful long distance towing and anchor-handling vessels.

Liquid portfolio

The corporate liquid portfolio, excluding the investment in Technip Energies N.V., amounted to € 2.9 billion as of December 31, 2023 (2022: € 3.0 billion). On December 31, 2023, the liquid portfolio consisted for 95% (2022: 93%) of fixed-income instruments and cash balances amounting to € 2.8 billion (2022: € 2.8 billion), and for 5% (2022: 7%) of equities, for an amount of € 0.2 billion (2022: € 0.2 billion). The fixed-income instruments and cash balances provided a return of 4.3% (2022: negative 3.1%). 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 3.9%. These bonds are managed by external asset managers. Equities provided a return of 17.3% (2022: negative 11.8%).

The 14.9% ownership interest in Technip Energies N.V. of € 574 million (2022: € 345 million, 13.1%) is included in Other financial assets in the balance sheet.

Results

Revenues from the unquoted subsidiaries for 2023 amounted to € 9,854 million (2022: € 7,626 million), representing an increase of € 2,228 million (29.2%). This increase is primarily the result of the full year consolidation of Boskalis (consolidated as from July 1, 2022). Excluding the effect of acquisitions, divestitures and currency exchange differences, revenues from the unquoted subsidiaries increased by € 81 million (1.1%). The operating income of the unquoted companies for 2023 amounted to € 915 million (2022: € 403 million), an increase of € 512 million. Excluding the effect of acquisitions, divestitures and changes in currency exchange rates operating income increased by € 286 million. This increase is primarily due to higher results from Boskalis.

Revenues of Boskalis for 2023 amounted to € 4,283 million (2022: € 3,578 million). EBITDA (earnings before interest, taxes, depreciation and amortization excluding exceptional items and purchase price accounting adjustments) of Boskalis amounted to € 920 million (2022: € 556 million). Boskalis reported an EBITDA including exceptional items and excluding the effect of purchase price accounting adjustments of € 1,016 million (2022: € 604 million). Operating income (income before interest, exceptional items, taxes and amortization of intangible assets but including amortization of software) of Boskalis excluding the effect of purchase price accounting adjustments amounted to € 606 million (2022: € 250 million). Net income of Boskalis excluding the effect of purchase price accounting adjustments and including exceptional items for 2023 amounted to € 601 million (2022: € 241 million).

Net income from quoted minority interests increased by € 378 million to € 477 million. This increase is primarily due to higher income from Vopak (effect € 302 million) and the increase in value of the ownership interest in Technip Energies (€ 169 million). In 2022 Vopak reported exceptional losses of € 462.8 million (HAL share € 223 million). These losses were mainly due to impairments on property, plant and equipment.



This segment included HAL's share in the earnings from Boskalis until July 1, 2022. As from that date Boskalis was consolidated and is now reported in the segment unquoted companies.

Operating income from real estate decreased by € 66 million to a loss of € 13 million. The 2022 results included realized capital gains of € 64 million on the sale of two apartment buildings in Seattle.

Income from the liquid portfolio increased by € 258 million to € 139 million. This is primarily due to an increase in value of the fixed-income portfolio whereas in 2022 this portfolio provided a loss.

The 2023 results include a net exceptional gain of € 28 million, mainly relating to capital gains and reversal of impairments at Boskalis. The 2022 results included a net exceptional gain of € 655 million. This net gain primarily consisted 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), partly offset by a € 111 million impairment on the minority interest in Prodrive Technologies (net of a € 19 million release of an earn-out liability). In addition, impairments on goodwill were recorded in 2023 for an amount of € 233 million (2022: € 312 million) and other intangibles of € 54 million. These impairments relate to Pro Gamers Group and GreenV.

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 2023 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 2023. These financial statements will be made available on the Company's web site (www.halholding.com) on April 2, 2024. The printed version will be available by the end of April.

HAL Holding N.V.

March 27, 2024

Financial calendar

Shareholders meeting HAL Trust and interim statement
Publication of 2024 half-year results
Interim statement
Publication of dividend proposal
Publication of 2024 annual results
Shareholders meeting HAL Trust and interim statement

May 16, 2024
August 29, 2024
November 26, 2024
January 28, 2025
March 27, 2025
May 16, 2025

Consolidated Statement of Financial Position

As of December 31

In millions of euro

	2023	2022
Non-current assets		
Property, plant and equipment	7,870.8	8,095.5
Right-of-use assets	1,046.4	1,113.3
Investment properties	85.3	76.5
Intangible assets	3,337.9	3,646.4
Investments in associates and joint arrangements	3,645.5	3,358.8
Other financial assets	1,037.1	360.0
Derivatives	16.0	23.2
Pension benefits	74.5	55.3
Deferred tax assets	145.1	87.7
<i>Total non-current assets</i>	<u>17,258.6</u>	<u>16,816.7</u>
Current assets		
Inventories	1,093.2	1,133.7
Receivables	1,448.2	1,423.8
Marketable securities	2,125.4	3,360.9
Other financial assets	53.5	285.5
Derivatives	20.2	75.6
Unbilled revenue	307.9	372.4
Other current assets	953.8	898.3
Cash and cash equivalents	2,588.4	2,043.9
Assets held for sale	493.4	303.7
<i>Total current assets</i>	<u>9,084.0</u>	<u>9,897.8</u>
Total assets	<u><u>26,342.6</u></u>	<u><u>26,714.5</u></u>
Equity		
Equity attributable to owners of parent	13,675.6	13,010.1
Non-controlling interest	2,196.4	2,227.7
Total equity	<u>15,872.0</u>	<u>15,237.8</u>
Non-current liabilities		
Deferred tax liabilities	645.7	693.7
Pension benefits	99.3	109.7
Derivatives	7.7	2.5
Provisions	188.8	162.1
Deferred income	19.5	18.0
Lease liabilities	960.7	1,044.7
Debt and other financial liabilities	2,370.2	3,106.7
<i>Total non-current liabilities</i>	<u>4,291.9</u>	<u>5,137.4</u>
Current liabilities		
Provisions	208.5	183.3
Deferred income	907.9	683.4
Accrued expenses	1,602.9	1,597.4
Income tax payable	284.8	251.0
Accounts payable	1,245.9	1,317.0
Derivatives	29.2	18.0
Lease liabilities	156.6	150.6
Debt and other financial liabilities	1,531.0	2,096.3
Liabilities related to assets held for sale	211.9	42.3
<i>Total current liabilities</i>	<u>6,178.7</u>	<u>6,339.3</u>
Total equity and liabilities	<u><u>26,342.6</u></u>	<u><u>26,714.5</u></u>

Consolidated Statement of Income

For the year ended December 31

In millions of euro

	2023	2022
Revenues	12,343.8	10,104.3
Income from marketable securities and deposits	138.5	(119.7)
Share of results from associates and joint ventures	346.1	875.4
Income from other financial assets	168.8	(3.0)
Income from real estate activities	(9.5)	58.1
Other income	70.5	127.8
<i>Total income</i>	<u>13,058.2</u>	<u>11,042.9</u>
Usage of raw materials, consumables and other inventory	5,903.6	4,966.4
Employee expenses	2,612.2	2,090.8
Depreciation and impairment of property, plant, equipment and investment properties	697.1	1,022.9
Depreciation and impairment of right-of-use assets	173.7	156.8
Amortization and impairment of intangible assets	460.7	459.8
Other operating expenses	1,607.9	1,539.3
<i>Total expenses</i>	<u>11,455.2</u>	<u>10,236.0</u>
Operating profit	1,603.0	806.9
Financial expense	(324.4)	(272.2)
Other financial income	83.2	146.5
Profit before income tax	1,361.8	681.2
Income tax expense	(194.2)	(185.3)
Net profit	<u>1,167.6</u>	<u>495.9</u>
Attributable to:		
Owners of parent	1,000.5	646.8
Non-controlling interest	167.1	(150.9)
	<u>1,167.6</u>	<u>495.9</u>
Average number of Shares outstanding (in thousands)	<u>89,543</u>	<u>87,724</u>
Earnings per Share for profit attributable to owners of parent during the year (in euro)		
- basic and diluted	<u>11.17</u>	<u>7.22</u>
Dividend per Share (in euro)	<u>2.85*</u>	<u>5.00</u>

* 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 2023	Effect exclusion Vopak/Safilo	Pro forma 2023	Pro forma 2022
Non-current assets				
Property, plant and equipment	7,870.8	(3,258.2)	4,612.6	4,439.8
Right-of-use assets	1,046.4	(608.4)	438.0	425.7
Investment properties	85.3	-	85.3	76.5
Intangible assets	3,337.9	(332.6)	3,005.3	3,273.9
Investments in associates and joint arrangements	3,645.5	(3.5)	3,642.0	3,150.8
Other financial assets	1,037.1	(340.2)	696.9	79.4
Derivatives	16.0	(9.2)	6.8	7.4
Pension benefits	74.5	(11.1)	63.4	55.3
Deferred tax assets	145.1	(74.1)	71.0	42.7
<i>Total non-current assets</i>	17,258.6	(4,637.3)	12,621.3	11,551.5
Current assets				
Inventories	1,093.2	(228.5)	864.7	875.1
Receivables	1,448.2	(325.5)	1,122.7	1,081.9
Marketable securities	2,125.4	-	2,125.4	3,360.9
Other financial assets	53.5	(27.4)	26.1	277.9
Derivatives	20.2	(13.4)	6.8	16.6
Unbilled revenue	307.9	-	307.9	372.4
Other current assets	953.8	(299.0)	654.8	626.1
Cash and cash equivalents	2,588.4	(271.9)	2,316.5	1,932.4
Assets held for sale	493.4	(26.0)	467.4	236.1
<i>Total current assets</i>	9,084.0	(1,191.7)	7,892.3	8,779.4
Total assets	26,342.6	(5,829.0)	20,513.6	20,330.9
Equity				
Equity attributable to owners of parent	13,675.6	(47.7)	13,627.9	12,961.9
Non-controlling interest	2,196.4	(2,036.5)	159.9	277.4
Total equity	15,872.0	(2,084.2)	13,787.8	13,239.3
Non-current liabilities				
Deferred tax liabilities	645.7	(270.7)	375.0	419.1
Pension benefits	99.3	(19.1)	80.2	87.7
Derivatives	7.7	(6.3)	1.4	0.8
Provisions	188.8	(67.8)	121.0	119.4
Contract liabilities	19.5	(2.6)	16.9	16.0
Lease liabilities	960.7	(637.7)	323.0	321.2
Debt and other financial liabilities	2,370.2	(1,783.4)	586.8	1,262.5
<i>Total non-current liabilities</i>	4,291.9	(2,787.6)	1,504.3	2,226.7
Current liabilities				
Provisions	208.5	(57.4)	151.1	156.0
Contract liabilities	907.9	(30.6)	877.3	659.4
Accrued expenses	1,602.9	(205.6)	1,397.3	1,390.6
Income tax payable	284.8	(46.0)	238.8	208.1
Accounts payable	1,245.9	(313.1)	932.8	972.1
Derivatives	29.2	(26.1)	3.1	6.0
Lease liabilities	156.6	(41.0)	115.6	105.4
Debt and other financial liabilities	1,531.0	(236.2)	1,294.8	1,363.1
Liabilities related to assets held for sale	211.9	(1.2)	210.7	4.2
<i>Total current liabilities</i>	6,178.7	(957.2)	5,221.5	4,864.9
Total equity and liabilities	26,342.6	(5,829.0)	20,513.6	20,330.9

Pro forma Consolidated Statement of Income

For the year ended December 31

<i>In millions of euro</i>	Consolidated 2023	Effect exclusion Vopak/Safilo	Pro forma 2023	Pro forma 2022
Revenues	12,343.8	(2,489.4)	9,854.4	7,625.9
Income from marketable securities and deposits	138.5	-	138.5	(119.7)
Share of results from associates and joint ventures	346.1	(6.2)	339.9	657.0
Income from other financial assets	168.8	(2.1)	166.7	(6.0)
Income from real estate activities	(9.5)	-	(9.5)	58.1
Other income	70.5	(44.9)	25.6	108.8
Total income	13,058.2	(2,542.6)	10,515.6	8,324.1
Usage of raw materials, consumables and other inventory	5,903.6	(347.7)	5,555.9	4,588.9
Employee expenses	2,612.2	(618.8)	1,993.4	1,487.9
Depreciation and impairment of property, plant, equipment and investment properties	697.1	(255.9)	441.2	277.5
Depreciation and impairment of right-of-use assets	173.7	(53.0)	120.7	104.6
Amortization and impairment of intangible assets	460.7	(52.4)	408.3	414.0
Other operating expenses	1,607.9	(726.8)	881.1	824.7
Total expenses	11,455.2	(2,054.6)	9,400.6	7,697.6
Operating profit	1,603.0	(488.0)	1,115.0	626.5
Financial expense	(324.4)	190.4	(134.0)	(79.0)
Other financial income	83.2	(34.5)	48.7	58.3
Profit before income tax	1,361.8	(332.1)	1,029.7	605.8
Income tax expense	(194.2)	78.4	(115.8)	(75.3)
Net profit	1,167.6	(253.7)	913.9	530.5
Attributable to:				
Owners of parent	1,000.5	0.5	1,001.0	647.4
Non-controlling interest	167.1	(254.2)	(87.1)	(116.9)
	1,167.6	(253.7)	913.9	530.5
Average number of Shares outstanding (in thousands)	89,543	-	89,543	87,724
Earnings per Share for profit attributable to owners of parent during the year (in euro)				
- basic and diluted	11.17	0.01	11.18	7.23

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 items of the unquoted segment, 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.

	2023	2022
Unquoted	914.6	402.8
Quoted minority interests	476.9	98.9
Real estate	(12.7)	53.6
Liquid portfolio	138.5	(119.7)
Total operating income	1,517.3	435.6
Reconciling items:		
- Amortization and impairment of intangibles	(408.3)	(414.0)
- Other	6.0	604.9
Operating result as per the pro forma consolidated statement of income	1,115.0	626.5
Financial expense, net	(85.3)	(20.7)
Profit before tax as per the pro forma consolidated statement of income	1,029.7	605.8