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Årsredovisning

för

Primagaz Sverige AB

556708-5948

Räkenskapsåret

2021

Fastställelseintyg

Undertecknad styrelseledamot i Primagaz Sverige AB intygar att resultaträkningen och balansräkningen i årsredovisningen har fastställts på årsstämma 2022-05-30. Årsstämman beslutade att godkänna styrelsens förslag till resultatdisposition.

Jag intygar också att innehållet i årsredovisningen och revisionsberättelsen stämmer överens med originalen.

Stenungsund 2022-05-30

Ewa Gawrys-Osinska

Ewa Gawrys-Osinska

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Årsredovisning

för

Primagaz Sverige AB

556708-5948

Räkenskapsåret

2021

ank=20220607-20220608080948

Styrelsen och verkställande direktören för Primagaz Sverige AB avger följande årsredovisning för räkenskapsåret 2021.

Årsredovisningen är upprättad i svenska kronor, SEK. Om inte annat särskilt anges, redovisas alla belopp i tusentals kronor (Tkr). Uppgifter inom parentes avser föregående år.

Förvaltningsberättelse

Information om verksamheten

Primagaz Sverige AB dotterbolag till det världsledande LPG bolaget SHV Energy.

SHV Energy är en familjeägd multinationell koncern som består av en grupp specialiserade energiföretag. Dessa företag förser människor och företag med decentraliserade och personliga energilösningar och service. Koncernens kunder bor och verkar ofta i områden som ligger utanför gasnät och förlitar sig på våra företag som sina viktigaste energikällor.

Bolagets huvudsakliga verksamhet är inköp och försäljning av gasol samt gasolförbrukande utrustning och därmed förenlig verksamhet.

Primagaz Sverige AB bildar tillsammans med Primagaz Danmark A/S och Primagaz Gasol Sverige AB, SHV Energys skandinaviska LPG-verksamhet, vilka har sitt huvudkontor och shared service center i Köge, Danmark.

Företaget har sitt säte i Stenungsund.

Väsentliga händelser under räkenskapsåret

Utbrottet och spridningen av coronaviruset har en global inverkan på samhället som helhet med ekonomiska konsekvenser. Lyftningen av Corona restriktioner jämfört med 2020 har lett till at volymen er kvar på tidigare nivåer. Eventuella framtida konsekvenser analyseras och utvärderas fortlöpande.

Förväntad framtida utveckling samt väsentliga risker och osäkerhetsfaktorer

Primagaz Sverige AB vill behålla och stärka sin position på den svenska energimarknaden främst baserat på en långsiktig strategi. Den hårda konkurrensen på LPG-marknaden förväntas fortsätta. Det råder fortfarande stor osäkerhet gällande den ekonomiska återhämtningen kopplat till Covid-19, vilket kan påverka företaget och de globale gaspriserna vilket är väldigt volatibla. Men med tanke på den starka presentation som gjordes förra året är företaget övertygat om att det framgångsrikt kommer att navigera sig genom dessa utmanande och osäkra tider och förväntar sig vinst i 2022.

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Efterlevnad av aktuella regler

Primagaz Sverige AB:s policy är att fatta egna kommersiella beslut baserat på bolagets övergripande intresse att vara helt oberoende från konkurrenter.

Bolagets kommersiella beslut sker i överenstämmelse med principerna om en öppen marknad och fri konkurrens. Det innebär att bolaget undviker att vidta åtgärder som strider mot EU:s och nationella lagar samt konkurrenslagstiftning.

Alla anställda är utbildade i, och tränas fortlöpande i, bolagets interna regelverk.

Miljö och säkerhet

SHV Energy har säkerhet som sin viktigaste fråga och Primagaz Sverige AB lägger regelbundet ner stora resurser till att ytterligare förbättra arbetsmiljö och säkerhet både på bolagets påfyllnadsstationer och genom hela distributionskedjan.

Ägarförhållanden

Bolaget ägs till 100% av det holländska bolaget SHV-Energy N.V med org. nr.30098428.

Flerårsöversikt (Tkr)	**2021**	**2020**	**2019**	**2018**	**2017**
Nettoomsättning	201 160	193 050	169 546	162 649	123 483
Resultat efter finansiella poster	-38 101	8 816	2 717	-6 148	39 488
Balansomslutning	298 728	330 870	510 624	115 926	109 982
Soliditet (%)	34,3	45,2	28,1	35,7	44,6
Avkastning på totalt kap. (%)	3,9	4,5	1,4	neg	38,5
Avkastning på eget kap. (%)	neg	5,9	1,9	neg	81,9

För definitioner av nyckeltal, se Redovisnings- och värderingsprinciper.

Förändring av eget kapital (Tkr)

	Aktie-kapital	**Överkurs-fond**	**Balanserat resultat**	**Årets resultat**	**Totalt**
Belopp vid årets ingång	300	51 700	91 443	6 134	**149 577**
Disposition enligt beslut av årets årsstämma:					
Balanseras i ny räkning			6 134	-6 134	**0**
Årets resultat				-46 991	**-46 991**
Belopp vid årets utgång	**300**	**51 700**	**97 577**	**-46 991**	**102 586**

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Förslag till vinstdisposition

Styrelsen föreslår att till förfogande stående vinstmedel (kronor):

fri överkursfond	51 700 000
balanserad vinst	97 576 967
årets förlust	-46 991 424
	102 285 543

disponeras så att

i ny räkning överföres	102 285 543
	102 285 543

Företagets resultat och ställning i övrigt framgår av efterföljande resultat- och balansräkning samt kassaflödesanalys med noter.

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Resultaträkning

Tkr

	Not	2021-01-01 -2021-12-31	2020-01-01 -2020-12-31
Nettoomsättning	2	201 160	193 050
Kostnad för såld vara		-130 150	-132 183
		71 011	**60 867**
Rörelsens kostnader			
Försäljningskostnader		-24 246	-21 306
Administrationskostnader		-35 872	-25 062
		-60 118	**-46 368**
Rörelseresultat	3, 4, 5, 6, 7	**10 893**	**14 499**
Resultat från finansiella poster			
Resultat från andelar i koncernföretag	8	-45 291	0
Övriga ränteintäkter och liknande resultatposter	9	920	385
Räntekostnader och liknande resultatposter	10	-4 623	-6 068
		-48 994	**-5 683**
Resultat efter finansiella poster		**-38 101**	**8 816**
Bokslutsdispositioner	11	-9 199	0
Resultat före skatt		**-47 300**	**8 816**
Skatt på årets resultat	12	308	-2 682
Årets resultat		**-46 991**	**6 134**

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Balansräkning

Tkr

	Not	2021-12-31	2020-12-31
TILLGÅNGAR			
Anläggningstillgångar			
Immateriella anläggningstillgångar			
Licenser	13	313	436
Goodwill	14	936	1 071
		1 249	**1 507**
Materiella anläggningstillgångar			
Byggnader och mark	15	7 706	7 976
Inventarier, verktyg och installationer	16	20 891	21 232
		28 597	**29 207**
Finansiella anläggningstillgångar			
Andelar i koncernföretag	17, 18	154 557	199 848
Fordringar hos koncernföretag	19	0	30 000
Uppskjuten skattefordran	20	450	141
Andra långfristiga fordringar	21	37	37
		155 043	**230 026**
Summa anläggningstillgångar		**184 890**	**260 740**
Omsättningstillgångar			
Varulager m m			
Råvaror och förnödenheter		45 559	39 068
		45 559	**39 068**
Kortfristiga fordringar			
Kundfordringar		26 187	23 261
Fordringar hos koncernföretag		21 562	854
Aktuella skattefordringar		2 184	1 004
Övriga fordringar		714	1 176
Förutbetalda kostnader och upplupna intäkter		2 101	361
		52 749	**26 656**
Kassa och bank		15 530	4 406
Summa omsättningstillgångar		**113 838**	**70 129**
SUMMA TILLGÅNGAR		**298 728**	**330 870**

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Balansräkning

Tkr

	Not	2021-12-31	2020-12-31
EGET KAPITAL OCH SKULDER			
Eget kapital	22, 23		
Bundet eget kapital			
Aktiekapital		300	300
		300	**300**
Fritt eget kapital			
Fri överkursfond		51 700	51 700
Balanserat resultat		97 577	91 443
Årets resultat		-46 991	6 134
		102 286	**149 277**
Summa eget kapital		**102 586**	**149 577**
Avsättningar			
Övriga avsättningar	24	1 480	1 800
Summa avsättningar		**1 480**	**1 800**
Långfristiga skulder			
Skulder till koncernföretag		0	158 167
Summa långfristiga skulder		**0**	**158 167**
Kortfristiga skulder			
Leverantörsskulder		15 381	8 186
Skulder till koncernföretag		167 626	3 688
Övriga skulder	25	3 278	1 010
Upplupna kostnader och förutbetalda intäkter	26	8 376	8 441
Summa kortfristiga skulder		**194 662**	**21 325**
SUMMA EGET KAPITAL OCH SKULDER		**298 728**	**330 870**

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Kassaflödesanalys

Tkr

	Not	2021-01-01 -2021-12-31	2020-01-01 -2020-12-31
Den löpande verksamheten			
Resultat efter finansiella poster	27	-38 101	8 816
Justeringar för poster som inte ingår i kassaflödet	28	48 315	203 253
Betald skatt		-1 180	323
Kassaflöde från den löpande verksamheten före förändring av rörelsekapital		**9 034**	**212 392**
Kassaflöde från förändring av rörelsekapitalet			
Förändring av varulager		-6 491	13 074
Förändring av kundfordringar		-2 926	-8 934
Förändring av kortfristiga fordringar		-21 986	-1 270
Förändring av leverantörsskulder		7 195	548
Förändring av kortfristiga skulder		2 202	-88 008
Kassaflöde från den löpande verksamheten		**-12 972**	**127 802**
Investeringsverksamheten			
Investeringar i immateriella anläggningstillgångar		-49	0
Investeringar i materiella anläggningstillgångar		-2 427	-943
Investeringar i finansiella anläggningstillgångar		0	-31 770
Avyttring/amortering av finansiella anläggningstillgångar		30 000	0
Kassaflöde från investeringsverksamheten		**27 524**	**-32 713**
Finansieringsverksamheten			
Ökning/minskning kortfristiga finansiella skulder		5 771	0
Amortering av lån		0	-92 833
Förändring checkräkningskredit		0	-5 366
Erhållet/lämnat koncernbidrag		-9 199	0
Kassaflöde från finansieringsverksamheten		**-3 428**	**-98 199**
Årets kassaflöde		**11 124**	**-3 110**
Likvida medel vid årets början		4 406	7 516
Likvida medel vid årets slut		**15 530**	**4 406**

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Noter
Tkr

Not 1 Redovisnings- och värderingsprinciper

Allmänna upplysningar
Årsredovisningen är upprättad i enlighet med årsredovisningslagen och BFNAR 2012:1 Årsredovisning och koncernredovisning (K3).

Fordringar och skulder i utländsk valuta har värderats till balansdagens kurs. Kursvinster och kursförluster på rörelsefordringar och rörelseskulder redovisas i rörelseresultatet medan kursvinster och kursförluster på finansiella fordringar och skulder redovisas som finansiella poster.

Redovisningsprinciperna är oförändrade jämfört med föregående år.

Intäktsredovisning
Intäkter har tagits upp till verkligt värde av vad som erhållits eller kommer att erhållas och redovisas i den omfattning det är sannolikt att de ekonomiska fördelarna kommer att tillgodogöras bolaget och intäkterna kan beräknas på ett tillförlitligt sätt.

Vid försäljning av varor redovisas normalt inkomsten som intäkt när de väsentliga förmåner och risker som är förknippade med ägandet av varan har överförts från företaget till köparen.

Ersättning i form av ränta, royalty eller utdelning redovisas som intäkt när det är sannolikt att företaget kommer att få de ekonomiska fördelar som är förknippade med transaktionen och när inkomsten kan beräknas på ett tillförlitligt sätt.

Ränta redovisas som intäkt enligt den så kallade effektivräntemetoden. Royalty periodiseras i enlighet med den aktuella överenskommelsens ekonomiska innebörd. Utdelning redovisas som intäkt när företagets rätt till betalning är säkerställd.

Anläggningstillgångar
Immateriella och materiella anläggningstillgångar redovisas till anskaffningsvärde minskat med ackumulerade avskrivningar enligt plan och eventuella nedskrivningar.

Avskrivning sker linjärt över den förväntade nyttjandeperioden med hänsyn till väsentligt restvärde. Följande avskrivningstider tillämpas:

Immateriella anläggningstillgångar	
Goodwill	10 år
Licens	3-5 år

Avskrivningstiden på goodwill med 10 år är baserat med styrelsens erfarenhet av bolagets verksamhetsinriktning. Det är styrelsens bedömning att avskrivningstiden ger en rättvisande bild över tillgångarnas förväntande nyttjandetid.

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Materiella anläggningstillgångar

Byggnader	40 år
Inventarier, verktyg och installationer	3-15 år

Finansiella tillgångar och skulder

Finansiella tillgångar och skulder redovisade i enlighet med kapital 11 (Finansiella instrument värderade till anskaffningsvärdet i BFNAR 20212:1).

Finansiella instrument värderas utifrån anskaffningsvärdet. Instrumentet redovisas i balansräkningen när bolaget blir part i instrumentets avtalsmässiga villkor. Finansiella tillgångar tas bort från balansräkningen när rätten att erhålla kassaflöden från instrumentet har löpt ut eller överförts och bolaget har överfört i stort sett alla risker och förmåner som är förknippade med äganderätten. Finansiella skulder tas bort från balansräkningen när förpliktelserna har reglerats eller på annat sätt upphört.

Derivatinstrument

Bolaget använder olika typer av derivatinstrument (terminskontrakt och swappar) för att säkra olika finansiella risker och då framförallt valutarisker och råvaruprisrisker.

Säkringsredovisning

Säkringsredovisning tillämpas endast då det finns en ekonomisk relation mellan säkringsinstrumentet och den säkrade posten som överensstämmer med företagets mål för riskhantering. Dessutom krävs att säkringsförhållandet förväntas vara mycket effektivt under den period för vilken säkringen har identifierats samt att säkringsförhållandet och företagets mål för riskhantering och riskhanteringsstrategi avseende säkringen är dokumenterade senast när säkringen ingås.

Derivatinstrument där kriterier for säkringsredovisning inte är uppfyllda

Bolaget innehar och genomför derivattransaktioner enbart i syfte att hantera risk genom ekonomisk säkring med hjälp av standardiserade derivatinstrument.

Bolagets innehav och transaktioner med valutaderivat sker enbart i syfte att hantera risk och handlas på en aktiv marknad med standardiserade instrument. De redovisas och värderas därför konsekvent i en värdepappersportfölj i enlighet med K3.

Råvaruderivat värderas löpande i enlighet med lägsta värdets princip (LVP) post för post. Valutaderivat värderas också i enlighet med lägsta värdets princip, men värderingen sker i en värdepappersportfölj som helhet. Det innebär att vid prövning av lägsta värdets princip avräknas orealiserade förluster mot orealiserade vinster inom portföljen. Bolaget redovisar negativa derivat till verkligt värde enligt officiella marknadspriser.

De värdeförändringar som uppkommer vid LVP för positioner med negativa värden redovisas i resultaträkningen som en orealiserad förlust (Övrig rörelsekostnad) eller orealiserad intäkt (Övrig rörelseintäkt). Värdeförändringar pa orealiserade negativa derivat redovisas som kort respektive lång skuld i balansräkningen.

För respektive kategori av bolagets derivatinnehav redovisas dessas verkliga värde per balansdagen vid noten för orealiserade negativa derivat (Not 25).

Kundfordringar/kortfristiga fordringar

Kundfordringar och kortfristiga fordringar redovisas som omsättningstillgångar till det belopp som förväntas bli inbetalt efter avdrag för individuellt bedömda osäkra fordringar.

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Låneskulder och leverantörsskulder
Låneskulder och leverantörsskulder redovisas initialt till anskaffningsvärde efter avdrag för transaktionskostnader. Skiljer sig det redovisade beloppet från det belopp som ska återbetalas vid förfallotidpunkten periodiseras mellanskillnaden som räntekostnad över lånets löptid med hjälp av instrumentets effektivränta. Härigenom överensstämmer vid förfallotidpunkten det redovisade beloppet och det belopp som ska återbetalas.

Kvittning av finansiell fordran och finansiell skuld
En finansiell tillgång och en finansiell skuld kvittas och redovisas med ett nettobelopp i balansräkningen endast då legal kvittningsrätt föreligger samt då en reglering med ett nettobelopp avses ske eller då en samtida avyttring av tillgången och reglering av skulden avses ske.

Nedskrivningsprövning av finansiella anläggningstillgångar
Vid varje balansdag bedöms om det finns indikationer på nedskrivningsbehov av någon av de finansiella anläggningstillgångarna. Nedskrivning sker om värdenedgången bedöms vara bestående och prövas individuellt.

Bolagets finansiella instrument värderas och redovisas utifrån anskaffningsvärden i enlighet med K3 kap 11.

Leasingavtal
Företaget redovisar samtliga leasingavtal, såväl finansiella som operationella, som operationella leasingavtal. Operationella leasingavtal redovisas som en kostnad linjärt över leasingperioden.

Varulager
Varulagret har värderats till det lägsta av dess anskaffningsvärde och dess nettoförsäljningsvärde på balansdagen. Med nettoförsäljningsvärde avses varornas beräknade försäljningspris minskat med försäljningskostnader. Den valda värderingsmetoden innebär att inkurans i varulagret har beaktats.

Inkomstskatter
Total skatt utgörs av aktuell skatt och uppskjuten skatt. Skatter redovisas i resultaträkningen, utom då underliggande transaktion redovisas direkt mot eget kapital varvid tillhörande skatteeffekter redovisas i eget kapital.

Aktuell skatt
Aktuell skatt avser inkomstskatt för innevarande räkenskapsår samt den del av tidigare räkenskapsårs inkomstskatt som ännu inte redovisats. Aktuell skatt beräknas utifrån den skattesats som gäller per balansdagen.

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Uppskjuten skatt
Uppskjuten skatt är inkomstskatt som avser framtida räkenskapsår till följd av tidigare händelser. Redovisning sker enligt balansräkningsmetoden. Enligt denna metod redovisas uppskjutna skatteskulder och uppskjutna skattefordringar på temporära skillnader som uppstår mellan bokförda respektive skattemässiga värden för tillgångar och skulder samt för övriga skattemässiga avdrag eller underskott.

Uppskjutna skattefordringar nettoredovisas mot uppskjutna skatteskulder endast om de kan betalas med ett nettobelopp. Uppskjuten skatt beräknas utifrån gällande skattesats på balansdagen. Effekter av förändringar i gällande skattesatser resultatförs i den period förändringen lagstadgats. Uppskjuten skattefordran redovisas som finansiell anläggningstillgång och uppskjuten skatteskuld som avsättning.

Uppskjuten skattefordran avseende underskottsavdrag eller andra framtida skattemässiga avdrag redovisas i den omfattning det är sannolikt att avdragen kan avräknas mot framtida skattemässiga överskott.

På grund av sambandet mellan redovisning och beskattning särredovisas inte den uppskjutna skatteskulden som är hänförlig till obeskattade reserver.

Avsättningar
Som avsättning har redovisats förpliktelser gentemot tredje man som är hänförliga till räkenskapsåret eller tidigare räkenskapsår och som på balansdagen antingen är säkra eller sannolika till sin förekomst men oviss till belopp eller till den tidpunkt då de ska infrias.

Ersättningar till anställda
Ersättningar till anställda avser alla former av ersättningar som företaget lämnar till de anställda. Kortfristiga ersättningar utgörs av bland annat löner, betald semester, betald frånvaro, bonus och ersättning efter avslutad anställning (pension). Kortfristiga ersättningar redovisas som kostnad och en skuld då det finns en legal eller informell förpliktelse att betala ut en ersättning till följd av en tidigare händelse och en tillförlitlig uppskattning av beloppet kan göras.

Koncernförhållanden
Företaget är moderföretag men med hänvisning till undantagsreglerna i årsredovisningslagen 7 kap 2§ upprättas ingen egen koncernredovisning. Det överordnade moderföretaget SHV Holdings N.V. The Neatherlands, organisationsnummer 30065974 med säte i Utrecht upprättar koncernredovisning.

Kassaflödesanalys
Kassaflödesanalysen upprättas enligt indirekt metod. Det redovisade kassaflödet omfattar endast transaktioner som medfört in- eller utbetalningar.

Som likvida medel klassificerar företaget, förutom kassamedel, disponibla tillgodohavanden hos banker och andra kreditinstitut samt kortfristiga likvida placeringar som är noterade på en marknadsplats och har en kortare löptid än tre månader från anskaffningstidpunkten. Förändringar i spärrade medel redovisas i investeringsverksamheten.

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Nyckeltalsdefinitioner
Nettoomsättning
Rörelsens huvudintäkter, fakturerade kostnader, sidointäkter samt intäktskorrigeringar.

Resultat efter finansiella poster
Resultat efter finansiella intäkter och kostnader men före bokslutsdispositioner och skatter.

Balansomslutning
Företagets samlade tillgångar.

Soliditet (%)
Justerat eget kapital (eget kapital och obeskattade reserver med avdrag för uppskjuten skatt) i procent av balansomslutning.

Avkastning på totalt kap. (%)
Rörelseresultat plus finansiella intäkter i procent av balansomslutningen.

Avkastning på eget kap. (%)
Resultat efter finansiella poster i procent av justerat eget kapital (eget kapital och obeskattade reserver med avdrag för uppskjuten skatt).

Not 2 Nettoomsättningens fördelning

	2021	2020
Nettoomsättningen per geografisk marknad		
Sverige	201 160	193 050
	201 160	**193 050**

Not 3 Inköp och försäljning mellan koncernföretag

	2021	2020
Andel av årets totala inköp som skett från andra företag i koncernen	0,00 %	56,10 %
Andel av årets totala försäljningar som skett till andra företag i koncernen	0,50 %	0,00 %

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Not 4 Anställda och personalkostnader

	2021	2020
Medelantalet anställda		
Kvinnor	14	11
Män	20	17
	34	**28**
Löner och andra ersättningar		
Övriga anställda	15 564	13 285
	15 564	**13 285**
Sociala kostnader		
Pensionskostnader för övriga anställda	2 252	0
Övriga sociala avgifter enligt lag och avtal	4 716	5 405
	6 968	**5 405**
Totala löner, ersättningar, sociala kostnader och pensionskostnader	**22 532**	**18 690**
Könsfördelning bland ledande befattningshavare		
Andel kvinnor i styrelsen	67 %	67 %
Andel män i styrelsen	33 %	33 %
Andel kvinnor bland övriga ledande befattningshavare	100 %	100 %
Andel män bland övriga ledande befattningshavare	0 %	0 %

Not 5 Avskrivningar, nedskrivningar och återföringar

	2021	2020
Årets avskrivningar samt vinst/förlust vid avyttring		
Licenser	172	166
Goodwill	135	136
Byggnader och mark	269	269
Inventarier, verktyg och installationer	2 768	2 681
	3 344	**3 252**
Vilka ingår i resultaträkningen med följande belopp		
Kostnad för sålda varor	1 335	1 285
Försäljningskostnader	135	135
Administrationskostnader	1 874	1 832
	3 344	**3 252**

ank=20220607;20220608094970

Not 6 Leasingavtal

Årets leasingkostnader avseende leasingavtal, uppgår till 1 099 tkr.

Framtida leasingavgifter, för icke uppsägningsbara leasingavtal, förfaller till betalning enligt följande:

	2021	**2020**
Inom ett år	620	953
Senare än ett år men inom fem år	479	295
Senare än fem år	0	0
	1 099	**1 248**

Not 7 Arvode till revisorer

Med revisionsuppdrag avses granskning av årsredovisningen och bokföringen samt styrelsens och verkställande direktörens förvaltning, övriga arbetsuppgifter som det ankommer på bolagets revisor att utföra samt rådgivning eller annat biträde som föranleds av iakttagelser vid sådan granskning eller genomförandet av sådana övriga arbetsuppgifter.

	2021	**2020**
KPMG		
Revisionsuppdrag	184	200
	184	**200**

Not 8 Resultat från andelar i koncernföretag

	2021	**2020**
Erhållna utdelningar	0	200 000
Nedskrivningar	-45 291	-200 000
	-45 291	**0**

Not 9 Övriga ränteintäkter och liknande resultatposter

	2021	**2020**
Ränteintäkter från koncernföretag	900	350
Övriga ränteintäkter	20	17
Kursdifferenser	0	18
	920	**385**

Not 10 Räntekostnader och liknande resultatposter

	2021	**2020**
Räntekostnader till koncernföretag	-4 195	-5 986
Övriga räntekostnader och valutakursdifferenser	-20	-82
Kursdifferenser	-408	0
	-4 623	**-6 068**

ank=20220607-20220608094981

Not 11 Bokslutsdispositioner

	2021	2020
Lämnade koncernbidrag	-9 199	0
	-9 199	**0**

Not 12 Aktuell och uppskjuten skatt

	2021	2020
Skatt på årets resultat		
Aktuell skatt	0	-1 342
Uppskjuten skatt	308	-1 340
Totalt redovisad skatt	**308**	**-2 682**

Avstämning av effektiv skatt

		2021		2020
	Procent	**Belopp**	**Procent**	**Belopp**
Redovisat resultat före skatt		-47 300		8 816
Skatt enligt gällande skattesats	20,60	9 744	21,40	-1 887
Skatteeffekt av ej avdragsgilla kostnader		-9 465		-42 934
Skatteeffekt av ej skattepliktiga intäkter		81		42 800
Skatteeffekt tidigare års underskott		0		1 116
Skillnad avskrivning byggnad		17		16
Omräkning skattesats		0		-14
Skatteeffekt temporära skillnader		-68		-1 779
Redovisad effektiv skatt	**0,65**	**308**	**30,42**	**-2 682**

Not 13 Licenser

	2021-12-31	2020-12-31
Ingående anskaffningsvärden	809	809
Inköp	49	0
Utgående ackumulerade anskaffningsvärden	**858**	**809**
Ingående avskrivningar	-373	-207
Årets avskrivningar	-172	-166
Utgående ackumulerade avskrivningar	**-545**	**-373**
Utgående redovisat värde	**313**	**436**

ank=20220607;20220608094999

Not 14 Goodwill

	2021-12-31	2020-12-31
Ingående anskaffningsvärden	70 526	70 526
Utgående ackumulerade anskaffningsvärden	**70 526**	**70 526**
Ingående avskrivningar	-69 455	-69 319
Årets avskrivningar	-135	-136
Utgående ackumulerade avskrivningar	**-69 590**	**-69 455**
Utgående redovisat värde	**936**	**1 071**

Not 15 Byggnader och mark

	2021-12-31	2020-12-31
Ingående anskaffningsvärden	11 461	11 461
Utgående ackumulerade anskaffningsvärden	**11 461**	**11 461**
Ingående avskrivningar	-3 486	-3 216
Årets avskrivningar	-269	-269
Utgående ackumulerade avskrivningar	**-3 755**	**-3 485**
Utgående redovisat värde	**7 706**	**7 976**

Not 16 Inventarier, verktyg och installationer

	2021-12-31	2020-12-31
Ingående anskaffningsvärden	36 942	36 155
Inköp	2 427	943
Försäljningar/utrangeringar	0	-156
Utgående ackumulerade anskaffningsvärden	**39 369**	**36 942**
Ingående avskrivningar	-15 710	-13 185
Försäljningar/utrangeringar	0	156
Årets avskrivningar	-2 768	-2 681
Utgående ackumulerade avskrivningar	**-18 478**	**-15 710**
Utgående redovisat värde	**20 891**	**21 232**

ank=20220607;20220608095000

Not 17 Andelar i koncernföretag

	2021-12-31	2020-12-31
Ingående anskaffningsvärden	399 848	398 115
Inköp	0	1 733
Utgående ackumulerade anskaffningsvärden	**399 848**	**399 848**
Ingående nedskrivningar	-200 000	0
Årets nedskrivningar	-45 291	-200 000
Utgående ackumulerade nedskrivningar	**-245 291**	**-200 000**
Utgående redovisat värde	**154 557**	**199 848**

Not 18 Specifikation andelar i koncernföretag

Namn	Kapital-andel	Rösträtts-andel	Antal andelar	Bokfört värde
Primagaz Gasol Sverige AB	100	100	50 000	154 557
				154 557

	Org.nr	Säte
Primagaz Gasol Sverige AB	559087-5737	Malmö

Not 19 Fordringar hos koncernföretag

	2021-12-31	2020-12-31
Ingående anskaffningsvärden	30 000	0
Tillkommande fordringar	0	30 000
Avgående fordringar	-9 199	0
Omklassificeringar	-20 801	0
Utgående ackumulerade anskaffningsvärden	**0**	**30 000**
Utgående redovisat värde	**0**	**30 000**

Not 20 Uppskjuten skatt på temporära skillnader

2021-12-31

Temporära skillnader	Uppskjuten skattefordran	Uppskjuten skatteskuld	Netto
Avsättning	305		305
Uppskjuten skatteskuld avseende skillnader mellan byggnaders skattemässiga och bokföringsmässiga värde		-232	-232
Underskott	376		376
	681	**-232**	**450**

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2020-12-31

Temporära skillnader	**Uppskjuten skattefordran**	**Uppskjuten skatteskuld**	**Netto**
Avsättning	371		371
Uppskjuten skatteskuld avseende skillnader mellan byggnaders skattemässiga och bokföringsmässiga värde		-230	-230
	371	**-230**	**141**

Not 21 Andra långfristiga fordringar

	2021-12-31	**2020-12-31**
Ingående anskaffningsvärden	37	0
Tillkommande fordringar	0	37
Utgående ackumulerade anskaffningsvärden	**37**	**37**
Utgående redovisat värde	**37**	**37**

Not 22 Antal aktier och kvotvärde

	Antal aktier	**Kvot-värde**
Antal aktier	3 000	100
	3 000	

Not 23 Disposition av vinst eller förlust

	2021-12-31
Förslag till vinstdisposition	
Styrelsen föreslår att till förfogande stående vinstmedel:	
fri överkursfond	51 700
balanserad vinst	97 577
årets förlust	-46 991
	102 286
disponeras så att	
i ny räkning överföres	102 286
	102 286

ank=20220607;20220608095502

Not 24 Avsättningar

	2021-12-31	2020-12-31
Övriga avsättningar		
Belopp vid årets ingång	1 800	1 800
Under året återförda belopp	-320	0
	1 480	**1 800**

Not 25 Verkligt värde på orealiserade derivatinstrument

	2021-12-31 Bokfört värde	2021-12-31 Försälj. pris	2020-12-31 Bokfört värde	2020-12-31 Försälj. pris
Tillgångar - Derivat för vilka säkringsredovisning gäller				
Gasol SWAP	18 413	20 858	11 458	17 800
	18 413	**20 858**	**11 458**	**17 800**
Tillgångar - Derivat för vilka säkringsredovisning inte gäller				
	17 795	17 756	5 022	5 022
	17 795	**17 756**	**5 022**	**5 022**
Skulder - Derivat för vilka säkringsredovisning gäller				
Valutaterminskontrakt	0	15 129	0	0
Gasol SWAP	3 024	2 829	0	0
	3 024	**17 958**	**0**	**0**
Skulder - Derivat för vilka säkringsredovisning inte gäller				
Gasol SWAP	0	0	0	0
	0	**0**	**0**	**0**

Verkligt värde för valutaterminskontrakt bestäms baserat på noterade priser, om tillgängliga. Det är inte tillgängligt, det verkliga värdet mäts genom att diskontera skillnaden mellan den överenskomna terminsräntan och den terminsränta som kan tecknas vid rapporteringsdagen för återstående period av kontraktet. Diskonteringen sker med en riskfri ränta baserad på

Not 26 Upplupna kostnader och förutbetalda intäkter

	2021-12-31	2020-12-31
Upplupna semesterlöner	2 404	2 254
Upplupna sociala avgifter	1 358	1 201
Upplupna fraktkostnader	0	630
Upplupen kundbonus	2 994	2 272
Övriga poster	1 620	2 084
	8 376	**8 441**

ank=20220607;20220608095503

Not 27 Räntor och utdelning

	2021-12-31	2020-12-31
Erhållen ränta	920	367
Erhållen utdelning	0	200 000
Erlagd ränta	-4 215	-5 986
Valutakursdifferenser	-408	-64
Nedskrivning	-45 291	-200 000
	-48 994	**-5 683**

Not 28 Justering för poster som inte ingår i kassaflödet

	2021-12-31	2020-12-31
Avskrivningar	3 344	3 253
Nedskrivning	45 291	200 000
Justering avsättning	-320	0
	48 315	**203 253**

Resultat- och balansräkningen kommer att föreläggas på årsstämma för fastställelse.

Stenungsund 2022-05-30

Anna Maria Schöningh
Ordförande

Michael Kossack

Ewa Gawrys-Osinska
Verkställande direktör

Vår revisionsberättelse har lämnats 2022-05-30

KPMG AB

Elisabeth Lundström
Auktoriserad revisor

ank=20220607-20220608090504

Revisionsberättelse

Till bolagsstämman i Primagaz Sverige AB, org. nr 556708-5948

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för Primagaz Sverige AB för år 2021.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av Primagaz Sverige ABs finansiella ställning per den 31 december 2021 och av dess finansiella resultat och kassaflöde för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till Primagaz Sverige AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.
- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens och verkställande direktörens uppskattningar i redovisningen och tillhörande upplysningar.
- drar vi en slutsats om lämpligheten i att styrelsen och verkställande direktören använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om huruvida det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.
- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning för Primagaz Sverige AB för år 2021 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

ank=20220607;20220608095O5

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till Primagaz Sverige AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt.
Verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat om förslaget är förenligt med aktiebolagslagen.

Malmö den 30 maj 2022

KPMG AB

Elisabeth Lundström

Elisabeth Lundström
Auktoriserad revisor

PRIMAGAZ

22nd September 2022

20220926050085

Bolagsverket
Årsredovisningar
SE-851 98 Sundsvall
Sweden

Ärendenummer 9275382/2022

With reference to your letted dated 13th of September 2022, to Primagaz Sverige AB, Kraftversvägen 6, 444 32 STENUNGSUND, we hereby send you the requested copy of the consolidated financial statement of the ultimate parent company, SHV Holdings N.V.

If you have questions to the enclosure, please do not hesitate to contact me.

Best regards,

Torben Höyer Andersen
Finance Manager, Scandinavia

Primagaz Danmark A/S

202209260S086

KVK	
Kv Nummer	30065974
Datum ontvangst	08 APR 2022
Datum vaststelling	08-04-2021

2021 ⊿ SHV

SHV Energy /

Makro

Mammoet

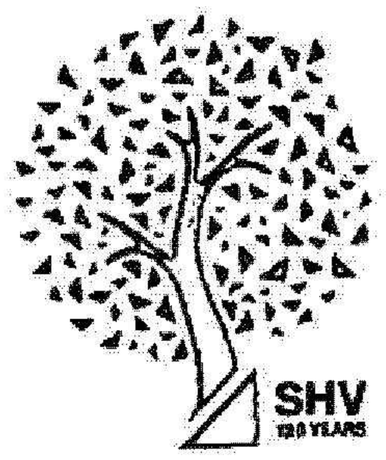
ERIKS

Intrieco

Kiwa

NPM Capital

ONE-Dyas



20220926050087

2021 ◿ SHV

SHV Holdings N.V.

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Bonaire

Chamber of Commerce
Bonaire no. 7111

SHV
126 YEARS

1 SHV in 2021

20220926050088

INTEGRITY
Courage to stay true to our principles

TRUST
Courage to let people lead

CURIOSITY
Courage to shape the future

INCLUSIVITY
Courage to see the best in all people

PASSION
Courage to deliver the exceptional

20220926050089

Our purpose

Courage to care for generations to come

We are tens of thousands talented individuals from all around the world. We are a family of companies active in various industries operating across continents. Our purpose with five accompanying values is the glue that connects us. A defined purpose makes the difference between knowing how we should go about our work and understanding why we are all proud to do so. A long-term vision supported by our shareholders.

From the day we began in 1896, our story has always been about people. Together, we forge our own path rather than follow short-term trends. We see change as an opportunity, not a threat. And we dare to seek new horizons, because they lead to real progress.

Our story is about people with the confidence to believe in themselves and trust in each other. We are driven by a bold entrepreneurial spirit to show curiosity. Think creatively. And shape the future rather than simply adapting to it. We are passionate about making exceptional things happen.

Our story is about people with a genuine determination to lead the way. We are inclusive, see the best in each other, and work with integrity. Never afraid to make tough choices, we stay true to our principles.

Above all, our story is about people with the courage to care for what we do. How we do it. And the impact this has on others, on performance, and on the planet. Always looking ahead. Always moving forwards.

Our story will always be written by people with the **courage to care** about a better world for today. And a better tomorrow **for generations to come.**

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Supervisory Board of Directors

Mrs A.M. Fentener van Vlissingen, Chairman
R.W.J. Groenink, Deputy Chairman
P.J. Kennedy, Deputy Chairman
A.D. Boer
W. Dekker
J.M. Etlin
R.J. Frohn
Ph.C.O.E.A. von Hammerstein-Loxten
Ms P. Mars Wright
M.L. Mautner Markhof
Mrs M.J. Oudeman

Executive Board of Directors

J.P. Drost, CEO
R. Kandelman
F.J.C. van Lede (until 15 August 2021)
F.F.J. de Ryck

Staff

Company Secretary
B. van Hunnik

Finance
J. Oskam

Human Resources
J.C. de Vries

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Other information

Statutory requirements

Article 16

1. *Of the profit shown in the profit and loss account approved by the General Meeting, an* amount shall be reserved to be determined by the General Meeting at the proposal by the managing board submitted with the approval of the Supervisory Board.
2. The amount of profit then remaining is at the disposal of the General Meeting.

Independent auditor's report Report on the accompanying financial statements

To: the General Shareholders Meeting of SHV Holdings N.V.

Our opinion

We have audited the 2021 financial statements of SHV Holdings N.V., having its statutory seat in Bonaire. The financial statements comprise of the consolidated financial statements and the company financial statements.

In our opinion the accompanying financial statements give a true and fair view of the financial position of SHV Holdings N.V. as at 31 December 2021 and of its result for 2021 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The consolidated financial statements comprise:

- the consolidated balance sheet as at 31 December 2021;
- the consolidated statements of income and comprehensive income for 2021;
- the consolidated statement of cash flow for 2021; and
- the notes to the consolidated financial statements, comprising of the accounting policies and other explanatory information, as included on pages 57-106.

The company financial statements comprise:

- the parent company balance sheet as at 31 December 2021;
- the parent company statement of income for 2021; and
- the notes to the parent company financial statements, comprising of the accounting policies and other explanatory information, as included on pages 108-112.

Basis for our opinion

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

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

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

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Report on the other information included in the annual report

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

- the report of the Supervisory Board of Directors ''Foreword'';
- the report of the Executive Board of Directors ''Highlights'', ''Care for our people'', ''Care for our planet'' and ''Care for our performance'';
- other paragraphs as included on pages 1-9 and pages 117-118; and
- other information pursuant to Part 9 of Book 2 of the Dutch Civil Code;

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

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

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

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

The Executive Board of Directors is responsible for the preparation of the other information, including the Directors' report, in accordance with Part 9 of Book 2 of the Dutch Civil Code, and other information pursuant to Part 9 of Book 2 of the Dutch Civil Code.

Description of the responsibilities for the financial statements

Responsibilities of Executive Board of Directors and the Supervisory Board of Directors for the financial statements

The Executive Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Executive Board of Directors is responsible for such internal control as the Executive Board of Directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to errors or fraud.

As part of the preparation of the financial statements, the Executive Board of Directors is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the Executive Board of Directors should prepare the financial statements using the going concern basis of accounting unless the Executive Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Executive Board of Directors should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

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Other information

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

Our responsibilities for the audit of the financial statements

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

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

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

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

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

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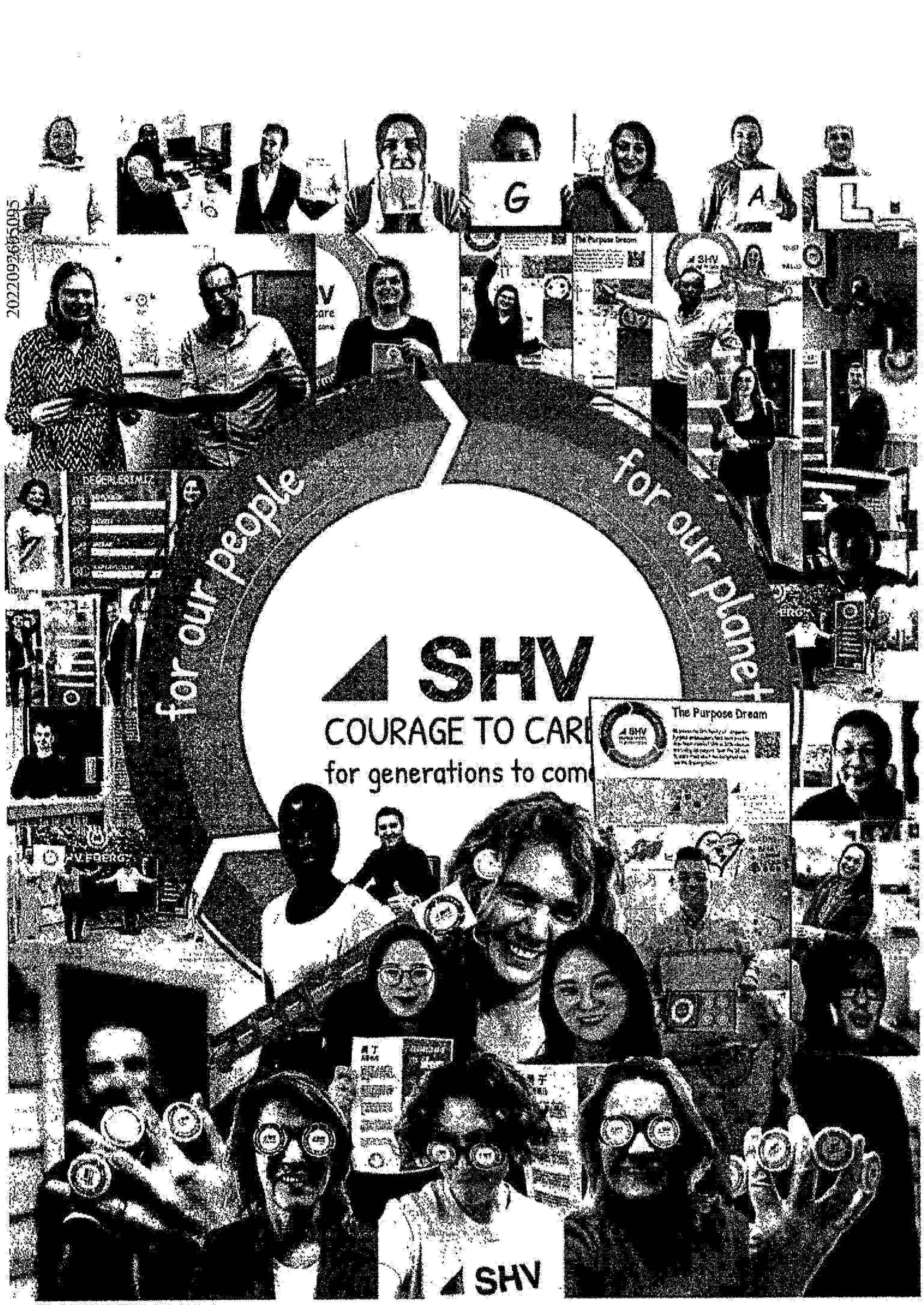
for our people
for our planet
SHV
COURAGE TO CARE
for generations to come
The Purpose Dream
SHV

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Key figures

20
net sales (€ bn)

979
Net income (€ mln)

15
total assets (€ bn)

6,438
shareholders equity (€ mln)

15%
return on shareholders' equity

44%
solvency ratio

73
countries

56,750
employees

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A family of companies

SHV is a privately held family company with a strong position in a number of operational areas and selected investment activities.

Energy distribution

SHV Energy provides low-carbon and clean energy solutions to business and residential customers in over 23 countries across four continents. It is a leading global distributor of off-grid energy including LPG, small-scale LNG and biofuels.

Heavy lifting and transport

Mammoet provides clients with Smarter, Safer and Stronger solutions to any heavy lifting or transport challenge. Through deep and longstanding engineering expertise, combined with the highest quality and safety standards, Mammoet brings an intelligent and flexible approach to projects across a wide range of industry sectors.

Food cash-and-carry

Makro is a modern food cash-and-carry targeting professional food customers as well as end-consumers. Makro is present in Argentina, Brazil, Colombia and Venezuela. Makro operates 111 stores.

Industrial services

ERIKS is an international industrial service provider. As a multi-product specialist it offers a wide range of high-quality mechanical engineering components and associated technical and logistical services.

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Animal nutrition and aquafeed

Nutreco is a global leader in animal nutrition (Trouw Nutrition) and aquafeed (Skretting) and has offices in 37 countries and sales in over 90 countries. Its advanced feed solutions are at the origin of food for millions of consumers worldwide.

Private equity investments

NPM Capital invests in medium-sized companies in the Benelux region, supporting them so they can complete the next growth phase of their development. The current portfolio comprises 24 companies with both majority and minority stakes and includes growth capital.

Testing, inspection and certification

Kiwa is an independent global company in Testing, Inspection and Certification (TIC). Kiwa creates trust in its customers' products, services, processes, (management) systems and employees, in a wide variety of market segments.

Oil & gas investments

SHV owns 49% of ONE-Dyas, the largest privately-owned Dutch oil & gas exploration and production company. Its core area of interest is the oil & gas basins of the North Sea.

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Foreword

SHV has been 125 years in the making. And at heart, we remain the same highly adaptable, family-owned business that began our story back in 1896 – a milestone we are looking forward to properly commemorating in 2022.

People have always been at the core of what we do, and as part of the celebrations we have created a virtual 3D experience for iPad depicting the history of SHV, our employees, and inspiring examples of people outside SHV who have contributed to making the world a better place. The project has generated a large number of videos that will themselves become a part of our story - and hopefully serve to inspire generations to come. We have also digitised the SHV archives, preserving numerous insights from our rich history for all time. Some of this fascinating content will be incorporated into a digital walkthrough of our past on the SHV website.

All SHV Groups faced highly challenging operating environments and we truly admire the way they have navigated these difficult times. The easing of restrictions sparked a revival in economic activity in the second and third quarter, driving significantly higher results compared to last year. The hard work, however, has only just begun. Climate change, the demand for corporate transparency, diversity and inclusion, and cybersecurity are just some of the key issues in the world today. SHV is finding its own path to addressing them.

Another milestone was reached with the acquisition of Kiwa, the Testing, Inspection and Certification (TIC) specialist. Kiwa has been a portfoilio company of NPM Capital for over 10 years and we welcome them as part of the SHV Family. Throughout our 125 years, SHV has aimed to protect and strengthen the company for generations to come. Now more than ever, we need to continue looking ahead and assessing the possible impact of global challenges. Kiwa represents a valuable addition to our preparations for the future as well as to the diversification of our activities.

On April 28, we announced a settlement had finally been reached with the Dutch Public Prosecutor concerning irregularities at ERIKS and Mammoet. We are taking every measure necessary to ensure this can and will never happen again.

Our way of working in 2021 remained very similar to the year before. For the Supervisory Board of Directors (SBD), this entailed online meetings with the single exception of a face-to-face meeting in the summer when an easing of restrictions allowed. Five regular meetings covered a wide variety of topics such as health and safety, the financial and strategic progress of the Groups, SHV liquidity levels, the Performance Management cycle, investment proposals, and risk management. Another five meetings took place to discuss large acquisition opportunities such as Kiwa and other important projects. In June, a 'virtual visit' to Adaptfy was followed by an in-depth discussion on sustainability.

In line with our objective to open cross-Group career paths for our employees, it was good to see several internal transfers taking place. Fulco van Lede, left the Executive Board of Directors (EBD) to succeed Nutreco CEO Rob Koremans, who has decided to pursue personal interests. We want to thank Fulco for his contribution to the EBD and feel confident that, together with Pieter van Holten, the former CFO of SHV Energy, he will successfully lead Nutreco through these challenging times.

The EBD launched an intensive internal and external search for his successor and we will be happy to announce the appointment of Eelco Hoekstra, former CEO of Royal Vopak, at the next

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Shareholders' meeting on April 8, 2022. Eelco will start life at SHV with an extensive immersion into the different business Groups.

For the second year running, the Annual Shareholders' Meeting took place online due to COVID-19 restrictions. Mr Wout Dekker and Mr Patrick Kennedy were re-appointed for terms of four years.

Mr Rijkman Groenink will step down from the SBD after 15 years. The SBD proposes to the shareholders to nominate Mr Karl Guha to join the SBD. Following his long career in the banking industry, Mr Guha will bring, amongst others, an extensive knowledge around treasury, financing, and hedging to the Board.

COVID-19 restrictions again posed a significant challenge to all SHV employees. We have been impressed by and thankful for the dedication and perseverance shown in running the business as well as they have. And once again, the support and encouragement of the EBD, Jeroen, Ricardo, Floris and, for part of the year, Fulco have been instrumental to our success.

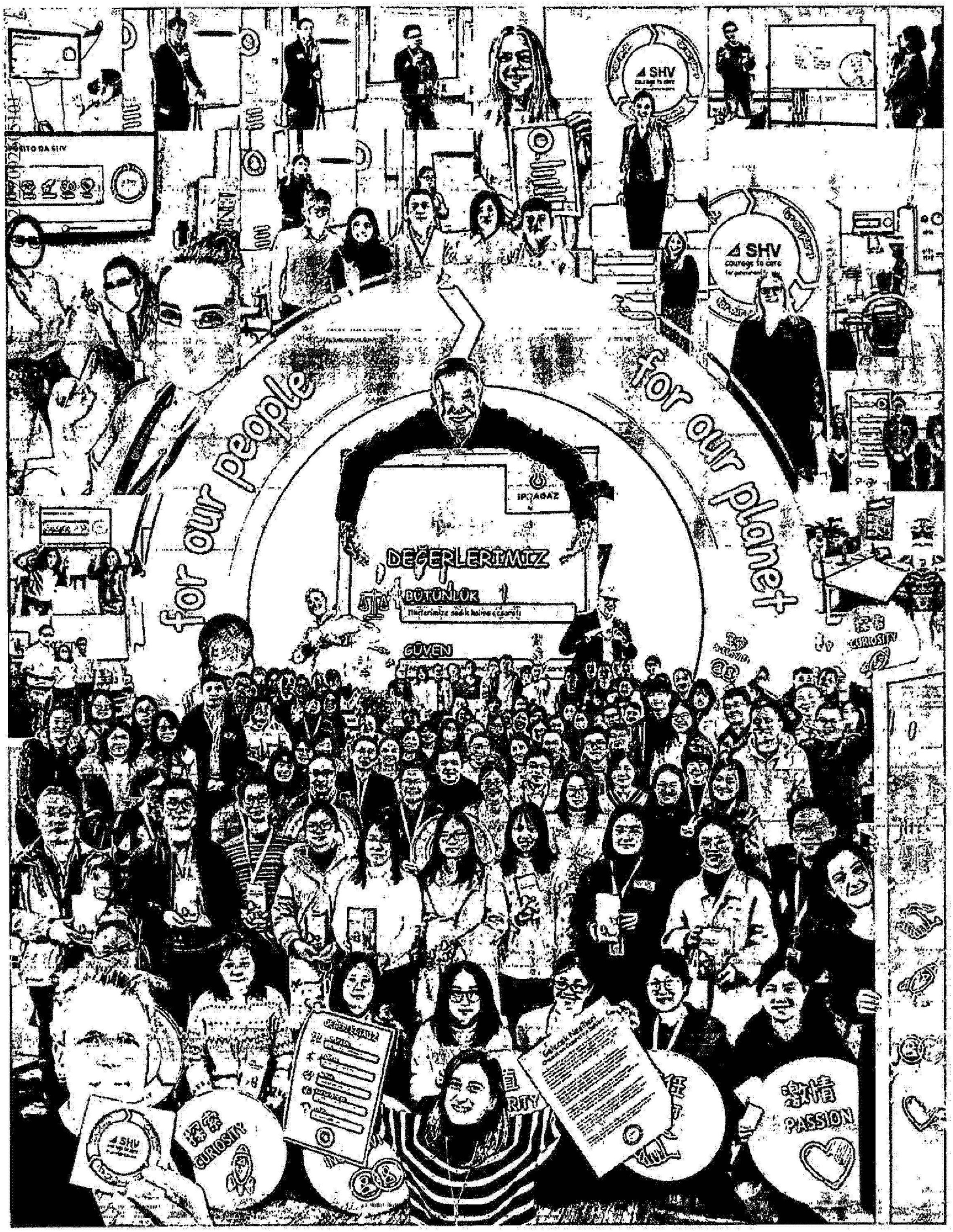
We have followed the tragic events in Ukraine with sadness and disbelief. Our deepest sympathy goes out to all the people and families seeking safety, shelter and peace following the violation of the territorial integrity of Ukraine by Russia. Our first priority is the well-being of our over 1,100 employees and their families in the region. Together with the EBD we will closely monitor developments.

It is clear that times remain uncertain but we firmly believe that, together, we are in a position to make SHV even stronger for today, for tomorrow, and for generations to come.

Utrecht, 7 March 2022

On behalf of the Supervisory Board of Directors,

A.M. Fentener van Vlissingen
Chairman


for our people
for our planet
DEĞERLERİMİZ
BÜTÜNLÜK
GÜVEN
CURIOSITY
PASSION
SHV

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Highlights

2021 was once again a year of constant adjustment in a world dominated by COVID-19. It began with numerous countries in lockdown, which restricted economic activity, travel, tourism, and Horeca. The success of vaccine programmes then allowed many western countries to gradually ease restrictions, reviving business as we returned to a kind of normality.

Yet the uptick in economic activity also resulted in a number of negative side effects, such as rapidly rising raw material and commodity prices and sky-rocketing freight rates. In addition, a lack of materials and components hindered production across a number of sectors. Last but not least, a shortage of personnel slowed down economic activity, a trend we expect to continue for some time. On balance, however, the easing of restrictions powered global economic growth of over 5%, compared to a fall of more than 3% in 2020.

Milestones

On April 28 we were finally able to announce an agreement with the Dutch Public Prosecutor regarding irregularities that took place at ERIKS and Mammoet. This outcome follows an enormous effort over the last seven years. We would like to take this opportunity to reiterate once again that SHV regrets that these irregularities ever took place, that we never accept unethical behaviour, and that we are continuously strengthening measures to prevent such cases from happening again.

The acquisition of Kiwa represented another major landmark in the year. Active in the Testing, Inspection and Certification (TIC) industry, Kiwa also provides related auditing and laboratory activities supported by training, technology and data services. Adding Kiwa to the SHV family of companies will serve to strengthen an already solid foundation for future growth. Both the company's way of doing business and its culture have a good fit with SHV and our purpose and we foresee many opportunities to support Kiwa's strategy in a market that continues to grow. Ongoing consolidation also offers new possibilities for add-on acquisitions to expand the business.

We were also excited to announce an investment in Lightyear, a company developing a long range solar electric vehicle designed to be grid independent and to drive anywhere. The transaction perfectly fits our vision of a sustainable future for generations to come. While it by no means represents a diversification into vehicle production, we envisage several opportunities for cooperation and the exchange of technical knowledge between Lightyear and SHV businesses.

As has been the case since the outbreak of COVID-19, the health and safety of our colleagues has remained a top priority. Safety measures across all offices and operating facilities, many already implemented in 2020, were adjusted and optimised when and where necessary. To our everlasting regret, however, we could not prevent the loss of 24 colleagues to the virus in 2021. We feel for their families and loved ones and wish them the strength to come to terms with their loss.

Strong performance

The operating environment affected all Groups, albeit in different ways and to different extents. On balance, the easing of restrictions, the pick-up of the economy, and above all the efforts of all colleagues had a positive effect on performance, resulting in a net income of €979 million, compared to €488 in 2020.

SHV Energy performed well, supported by the resilient domestic volumes and growing industrial and commercial volumes that followed the easing of restrictions and subsequent pick-up of economic activity. Makro was initially heavily impacted by COVID-19, but sales

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improved later in the year. Mammoet benefitted from the growth of activity in the oil & gas sector, as did ONE-Dyas with the increase in oil & gas prices. ERIKS was also positively affected by the pick-up in industrial activity, despite supply constraints and material shortages. Nutreco experienced persistently low levels of activity in the leisure and Horeca sectors as well as high commodity prices. Even so, volumes increased. NPM Capital was able to realise several divestments, which significantly boosted results. The pandemic had limited impact on the business of Kiwa.

SHV launched its purpose in 2020: *'Courage to care for generations to come'*. A dedicated taskforce, comprising colleagues from every Group, continued to embed this purpose throughout the organisation. Websites and dedicated communications have been supported by workshops, training a large number of ambassadors to spread the message. The purpose has also been integrated into processes and documentation across several areas such as HR and Finance. Our purpose has been warmly received, with a vast majority of colleagues embracing a shared sentiment that brings us together and connects us, whichever Group we work for.

In a time of rapidly changing customer behaviour, technology trends, and competitor moves, SHV has recognised an even greater need for strategic planning in attaining the speed and flexibility required to meet ambitious targets. An upgraded strategy, together with a strengthened performance management system focusing on strategy execution through delivery and development, will enable both SHV and the Groups to successfully navigate the disrupted landscape.

A new, highly detailed performance management cycle has been fully embedded into core processes and decision making across the Groups. To support the rollout, cross-Group training has taken place for Finance and Strategic teams across the Groups as well as Group Management Boards, and the EBD. Next steps will focus on integrating performance management still further while harmonising quality standards.

People are key to a future of sustainable success – and providing opportunities to grow within our family of companies remains a high priority. An Emerging Talent strategy is now fully operational, with six career tracks supporting talented colleagues in their early career development with targeted professional and personal growth. Structured succession planning and leadership development has resulted in many executive roles being filled by internal candidates.

Development programmes for senior leaders were all successfully aligned with COVID-19 restrictions and blended both physical and virtual learning. A dedicated cross-Group Diversity and Inclusion taskforce focused on increasing structural awareness of all aspects of the subject, which included a global D&I week. 'Taking the Stage', a training programme by females for females, was rolled out further. And an extensive study into Equal Pay for Equal Work has been conducted in five major countries to discuss and, where necessary, to resolve pay differentials.

Since being established in July 2020, Adaptfy, SHV's global Data & Analytics (D&A) organisation, has scoped, built and delivered a number of D&A solutions for SHV Groups. Adaptfy has grown to over 50 people, completed 23 projects, and has 14 projects live at the time of writing. The organisation is now widely accepted by the Groups as a trusted partner and an expert in the field of data science, data engineering, technology, digital, and

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business consulting. It has started to develop new customer analytics, demand forecasting, and pricing solutions to scale across the Groups, while also developing the first modules of a Data Academy to train Group leadership.

Procurement continued its transition to a higher level of performance across all SHV Groups. To meet the challenge of recurring shortages, Procurement will focus on safeguarding material and service availability, reducing the impact of inflation, and continuing to define sustainability targets together with suppliers - including a reduction of CO_2 emissions. A number of SHV-wide initiatives will serve to expand and further professionalise the function, such as implementing a job-competence framework and embedding advanced data analytics into daily operations.

Ethics and Compliance

Acting with integrity and in compliance with laws and regulations ultimately depends on the conduct of individual colleagues. SHV management takes responsibility for shaping the appropriate working environment, with ethics and compliance departments in each Group providing the tools and knowledge required to navigate challenging circumstances and business dilemmas. In-depth assessments have also taken place to assess the state of play of the organisation's compliance culture.

Needless to say, we expect our partners to uphold similar values when doing business with us - especially when working on our behalf. In 2021 we bolstered third party due diligence procedures, while formalising the integration of Ethics and Compliance in the merger and acquisition process. Our whistle-blower programme 'Speak-Up' has also been enhanced, offering all employees and stakeholders the opportunity to report concerns about workplace incidents and business practices.

The internal audit department continues to add value by identifying opportunities for improvement; helping the businesses to grow; and preventing issues such as fraud, corruption, and avoidable losses. A welcome review at Kiwa generated valuable insights that were used to shape the structure of integration plans. Internal audit also supported management by providing insights into the progress of strategic projects. In partnership with SHV Procurement, Adaptfy, and the external auditor, data-driven insights have also been supplied to support the Groups in improving operational procurement processes.

As working from home continued to be the norm, the constant monitoring of IT systems allowed colleagues to work smoothly and effectively without disruption. Hybrid working has emphasised the business risks faced by remote users and the urgent need to safeguard security. With digital information and technology so heavily integrated into our day-to-day work, the world has become far more vulnerable to cyber-attacks. In addition, attacks targeting both information and critical infrastructure are becoming far more sophisticated. By establishing an SHV-wide monitoring centre, we are in a position to detect and protect from attacks, as well as ensure a fast response in the case of an incident. Because human behaviour is often a weak link in the security chain, the focus has not only been on technology but also on raising awareness among colleagues.

Special thanks

In a challenging year during which we all had to react to unexpected situations time and time again, the ability to report such an impressive set of results represents a real achievement. All through the year, the EBD and the Management across all Groups have been well aware just how complicated it has been to get the job done in the best way possible. Colleagues worldwide have shown just how much they care about the success of our company. Without their ongoing

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support and dedication, we simply would not be where we are today. For this, we express our sincere and heartfelt thanks to everybody, everywhere.

As we go forward, a number of very real challenges lay ahead. COVID-19 and related issues such as product and labour shortages are just the beginning. We also need to constantly address keeping our colleagues not only safe, but also healthy in mind as well as body. Shaping a truly inclusive workplace. Safeguarding our corporate culture. Contributing to the fight against climate change. And enhancing life for communities in the countries where we operate. At the same time, we cannot overlook the more everyday aspects of business, such as paying taxes not only in accordance with the letter of the law but also in the spirit of it and to conduct our business in an ethical and compliant way.

Needless to say, the current situation in Russia and the Ukraine is of great and immediate concern. The safety of our colleagues always comes first, and we will adopt every measure possible to ensure their safety. Events will undoubtedly have a direct impact on Mammoet and Nutreco who both have a presence in the region. Other Groups are also sure to be affected, albeit indirectly, but it is far too soon to grasp the full ramifications of such a grim scenario.

As society becomes increasingly transparent, SHV is ready to demonstrate a clear response to these challenges and build a solid foundation for the next 125 years. And we are looking forward to doing this together with Eelco Hoekstra, who will join the EBD following his appointment in April.

J.P. Drost
CEO

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Care for
our people

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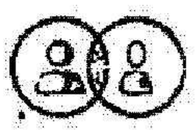
Care for our people

People have always been at the heart of the SHV story, a fact reflected in our purpose: *"Courage to care for generations to come"*.

Our values, and our alignment with Sustainability Development Goal (SDG) 8, both promote ongoing, inclusive and sustainable economic growth; full and productive employment; and decent work for all. We pursue the development of a highly engaged workforce that reflects the makeup of the societies in which we operate, believing that diverse and inclusive teams better understand and reflect customers and stakeholders; enhance business performance; and work more creatively and innovatively.

By 2030, we aim to see women occupy a minimum 25% of senior leadership positions, and senior management teams to comprise at least two different nationalities. This target will be continuously reviewed following external developments.

The differences in business activities across SHV Groups mean that some will achieve these targets sooner than others. Definitions, functions, and job levels will need to be harmonised to provide an accurate representation of the progress. Yet the process of measuring and benchmarking our targets is in full swing and we aim to report reliable and comparable figures by 2023.



Courage to see the best in all people

Inclusivity

We recognise the true potential in all people, welcoming everyone as valued members of our family. We actively contribute to a safe working environment built on respect for each other.

To further establish a reputation as a place where women can flourish, SHV introduced the 'Taking the Stage' development programme in 2020. The programme is designed to provide female colleagues with guidance on becoming more effective leaders, as well as support them in combatting bias. It provides a unique environment for women not only to learn, but also to connect and network with other women in the organisation. Over 30 colleagues have trained as facilitators and then delivered the programme to over 500 female participants. To honour our commitment to being foremost an inclusive company, a 'Sharing the Stage' programme is in the making, a platform for both male and female colleagues to discuss what is needed to create a true unbiased culture throughout SHV.

Full and productive employment and decent work for all goes beyond Diversity and Inclusion. It also involves the development and improvement of a wide variety of HR and HR-related processes to create an inspiring, safe, and considerate workplace. This is even more relevant in these challenging times dominated by COVID-19. All SHV Groups recognise and fully support this vision and *Care for People* is a top priority for all.

Employee engagement and wellbeing came to the fore at SHV Energy, with many office employees still working from home during 2021 and limited travel only possible during the second half of the year. SHV Energy piloted the tool that was built together with Korn Ferry, to evaluate progress on fair pay in five countries. When combined with the implementation of the global job framework, this tool allows for clear comparison between roles. The global roll-out of Workday, the HR information and performance management system, was also

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completed during the year, aligning talent management and performance tracking across all business units. To address labour shortage in many of its markets, SHV Energy strengthened its employer branding, placing an emphasis on making sure that potential applicants fully understand the company's role in the energy transition and its long-term position in the energy industry.

At Makro, Diversity and Inclusion agendas have been set out in every operating country aimed at engaging and retaining staff. The company implemented a number of initiatives such as development programmes for women and minority groups; antiracist awareness campaigns; D&I committees; as well as surveys measuring adherence to D&I principles and best practices. In line with the corporate strategy, Makro continues to focus on increasing gender diversity and cultural representation in leadership positions at all levels.

In response to COVID-19 restrictions, Mammoet supported field crews with frequent check-in conversations and coaching. Succession and talent pipelines were both strengthened and a greater number of talent was promoted, including a large proportion of female colleagues. A focus on performance management, supported by relevant tools and training, resulted in increased awareness of and higher adherence to processes and enhanced performance levels in individuals, teams, and the business as a whole.

ERIKS reinforced its approach to building a high performance organisation with performance management, training, and the fostering of a learning-based culture. Over 50,000 individual learning sessions were completed by employees over the course of 2021. Diversity and inclusion also plays an essential role and a number of initiatives took place to promote the theme. External experts were invited in to raise awareness on issues such as unconscious biases. Efforts to promote diversity continued to yield results, with a growing share of females in management. Senior management has also been significantly strengthened by new appointments representing several nationalities and a variety of industries, such as automotive and logistics.

Nutreco remains focused on three key areas of balanced gender representation, increased national representation, and an inclusive culture. This involves acquiring and investing in talent, shaping leadership behaviours, and building a more diverse workforce. A dedicated career site was launched in support of these goals, providing candidates with access to relevant stories and an engaging overall experience. The company included world-class learning in its course catalogue, and used the platform to launch a curated Management Essentials programme on new leaders. Employees also received the opportunity to undertake digital coaching on an individual basis.

Diversity and inclusion are also an integral part of Kiwa's recruitment strategy. Attracting women and colleagues from minority backgrounds into operational and management positions remains a key goal. The online Kiwa Academy, which offers a wide range of professional training modules, was supplemented by over 100 new courses aimed at personal development and growth. The Leadership Development Program continued to support colleagues in their current—and future—line management roles. A new global career website was also launched, including new employer branding elements and a modernised vacancy management system.

Although the private equity sector remains male-dominated, NPM has increased both the diversity of its workforce and the retention and development of female talent. This is visible in the ongoing internal promotions of female colleagues into more senior roles. Internal training,

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focused on improving negotiation and valuation skills, is available to all colleagues with some also participating in wider SHV management development programmes.

Courage to deliver the exceptional

Passionate about the ongoing success of our people, our business, and the communities around us.

We strive to help shape the future by driving sustainable development around us through education and knowledge, including supporting the sustainable and positive development of the society in which we work and live. To offer education is to make a long-term investment in people and, ultimately, in communities.

Start from the Heart

Through our internal campaign "Start from the Heart" we commit to investing in people through education.

With a presence in so many countries all over the world, our Groups are uniquely positioned to understand the challenges and needs of their local communities and are encouraged to initiate and support local projects. By supporting educational programmes, we enable people to support themselves.

In recognition of all the great initiatives that take place locally, a Lapwing Award is presented to the best projects each year. The award encourages and acknowledges all the great work being done throughout SHV with respect to "Start from the Heart" activities.

Health and Safety

Caring about people means creating and maintaining safe and healthy working conditions for everyone who works with us and for us.

This remained a top priority throughout the organisation in the face of the continuing global pandemic. Extensive safety measures across stores, factories, filling plants, distribution centres, and offices were tailored to each workplace's requirements, with an emphasis on the importance of clear communications, good hygiene, protective equipment, working from home, and following government guidelines.

The unwavering aim across all Groups is that every single person safely returns home every single day. We call this philosophy 'Zero Harm, Zero incidents'.

Our journey to 'Zero Harm, Zero Incidents' has focused on a single, transparent system of recording all incidents globally and consistently. From 2022 onwards, this will include the Total Recordable Frequency Rate (TRFR), clearly showing the number of reported injuries within a particular category per 100 employees per year, helping to analyse issues and prevent their reoccurrence within key areas such as:

- Internal transport and material handling
- Fire and explosion risks
- Road Safety
- Machines
- Handling of hazardous substances

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Other essential factors in meeting our target of zero incidents include leadership acting as a role model, and a competent, well-trained workforce that takes responsibility for its own safety – and for the safety of others. Appropriate training and guidance are provided for everyone.

We also implemented and improved a wide range of processes and programmes to support our goals over the year, such as:

- Life-Saving Rules setting out the standards protecting people against the highest risks.
- Process safety ensuring the safest possible design across all plants and installations to prevent hazards such as fire, chemical reactions and explosion.
- Reporting all incidents and near misses to support cross-Group learnings and the adoption of best practices.

In October, a global Safety Week featured expert speakers and a number of specialist workshops both at SHV Holdings and across the Groups. A cross-Group safety video was also produced to highlight the importance we place on Health and Safety, aimed at both internal and external audiences.

On top of umbrella activities coordinated by SHV Holdings, each Group also adopts a specific safety plan covering all relevant activities. Numerous safety-related initiatives and actions took place across the Groups over the year.

SHV Energy continued to develop, roll out, and improve its Safe Systems of Work. This includes a revised, globally aligned Health and Safety Risk Assessment Process. It also extends Operational Discipline and Process Safety to cover an additional 100 or so filling plants. The Visible Felt Leadership assessment tool demonstrated a clear improvement in the company's Health and Safety culture over the year.

SHV Energy also developed CARE - its Health and Safety Change programme. CARE sets out a roadmap for progressing from the reactive '9 H&S Life Saving Rules' to the proactive '7 H&S CARE Habits'. The programme is designed to help the company achieve its ultimate goal of zero fatalities and zero life-changing events due to a failure of its plant, equipment, or safety management systems.

Makro set a goal of zero incidents involving people and zero occupational diseases. A focus on Health and Safety reduced the Recordable Incidents Rate by 65%, supported by a highly committed management that took part in the Visible Felt Leadership workshops. Other initiatives included a 'Lessons Learned' analysis of every incident to share knowledge between Business Units and guide the implementation of best practices.

For Mammoet too, Health and Safety remained up front and centre and included an emphasis on mental well-being and the preservation of social cohesion. This was supported by frequent check-in conversations, toolbox meetings with field crews, and even support from specialist coaches. The company's existing Safety Health Environment and Quality (SHE-Q) management system continues to meet the strictest global requirements. One significant development came in the form of the Inbisco Process Management tool. This new software will support the documentation of Mammoet's core processes, which will then be accessible to all employees.

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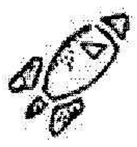
At ERIKS, safety is one of its core values, ensuring all colleagues return home safely. During 2021, ERIKS was focusing on safety leadership. The 8 Life Saving rules were introduced during the Safety week and embracing these rules will support to mitigate high risk by training people. The target is to focus on zero harm mindset everywhere, from Shopfloor to Management Boards, and this target will be achieved by the deployment of the 8 Life Saving rules during 2022.

Nutreco fully embraced SHV's purpose, *Courage to care for generations to come*, with Health and Safety taking a prominent role in the business. A dedicated Global HSE Centre of Expertise has been set up to promote the theme across the company, supported by a range of initiatives to influence leadership behaviour and control operational risks: training senior management teams in Leadership Behaviours Through Safety; the development of a Nutreco Health, Safety and Environment Policy statement; the deployment of the Nutreco Life Saving rules; and last but not least, a four-year strategic safety roadmap called 'Zero Harm Mindset'. Nutreco continues to invest significant resources into the enhancement of safety in existing and future projects.

Health and safety plays an inherent role in Kiwa's business and, as such, is also deeply engrained into company culture. The Kiwa Health and Safety policy sets out the steps every employee can take to supporting a safe and healthy working environment both at Kiwa and at client sites – which can be a potential source of risk. The policy also details a Health and Safety plan for each country in which the company operates. The plan includes targeted actions to identify, reduce and eliminate relevant risks, and the precise procedures to follow in the event of an accident. In 2021, a global safety compliance audit confirmed that all operations conformed to local regulations and the overall corporate policy. The annual Incident Report recorded zero major accidents, incidents, or fatal injuries.

Health and Safety is also an intrinsic part of NPM Capital and its goal of Zero Harm, with risk assessments integral to the due diligence of any acquisition. NPM then ensures the theme remains a consistent topic on the agenda of the Supervisory Board throughout the investment period. In 2021, NPM reinforced this approach to safety still further by working closely with SHV Holdings and implementing best practices from other SHV Groups, such as a focus on leadership training and lifesaving rules.



Courage to shape the future

Innovation

Driven by an entrepreneurial mindset, we explore different perspectives on the road to progress, while we listen, learn, and react to create and seize new opportunities.

Innovation has played a key role throughout the history of SHV. We have always shown curiosity and thought creatively, from the first mechanical coal transporter way back in 1904 to today's Digital search tool WIKI (ERIKS) and smart scale solutions for cylinders (SHV Energy).

Thanks to innovation, we have continually adapted to—and often shaped—changing markets by finding new ways to grow. In 2017, we launched an SHV-wide Innovation Movement to accelerate innovation and stimulate further growth. Our guiding principles around this movement are captured in the SHV Innovation Manifesto, to guarantee a common language for collaboration and clear understanding of innovation success elements. This ongoing work will

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enable us to stay ahead in our markets and contribute to a sustainable future. It may take some time, however, before the results are reflected in our financial performance.

Innovation Movement

The Innovation Movement aims to embed innovation deeply within every Group, while keeping customer needs front and centre. It supports cross-Group cooperation and the exchange of best practices, while at the same time recognising differences in industries and market maturity.

Each Group works with an assigned, dedicated Innovation Lead to focus on the delivery of innovative products, services, and process improvements by managing innovation funnels and ideas. Innovation Leads will also foster cross-Group collaboration and knowledge exchange to enhance our ability to innovate.

In 2021 we organised a successful SHV-wide Innovation Day, sharing learnings on *How to organise innovation beyond our core-business*. Colleagues from our boards, innovation- and IT teams joined from all Groups, presenting and discussing cases that inspire and promote better innovation across the eco-system. External speakers also joined to keep a fresh outside in view and trigger our curiosity.

TEXAS - an open-innovation programme developed to reinforce our digital capabilities, connect to the eco-system, and learn faster than others – delivered two pilots in 2021 in collaboration with technology scale-ups. One was a Proof of Concept at Calor Ireland to explore remote maintenance for LPG tank inspections to increase the quality of the inspection and reduce the amount of onsite presence needed. In the other pilot we tested Artificial Intelligence to lock and unclock knowledge at ERIKS.

Courage to stay true to our principles

Ethics and Compliance

Working openly and honestly, we never compromise our values to boost our results. Our values are visible in our everyday actions.

SHV has always been committed to achieving the highest standards of ethics and integrity, with everyone expected to take business decisions that reflect our values.

We all share a responsibility to act with integrity in line with both the law and our own policies. As part of a culture that never has—and never will—tolerate unethical or unlawful behaviour, we have a duty to ensure we do business in a compliant and ethical manner. Any failure to do so will be immediately looked into and appropriate action will be taken.

SHV management is responsible for embedding this commitment across the business. Independent Ethics and Compliance departments in each Group provide insights into the expected behaviour and support management in maintaining unimpeachable standards. Ethics and Compliance departments also provide colleagues with the right tools to deal with challenging circumstances and difficult dilemmas.

SHV Holdings has in place a clear Ethics and Compliance framework and associated policies. The SHV Groups are responsible for implementing and continuously updating this framework

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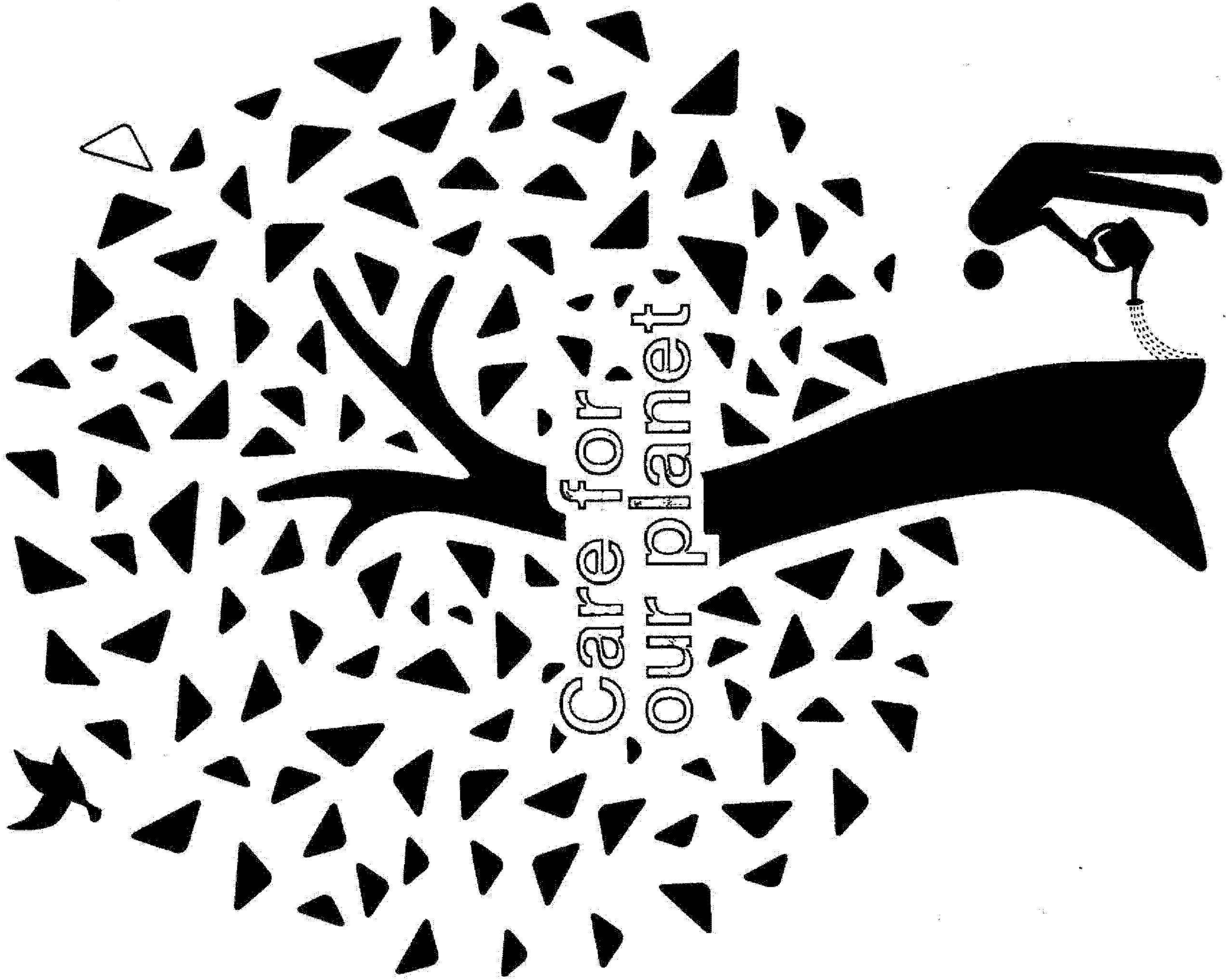
in their organisations. The Ethics and Compliance function works closely with, amongst others, management, HR, Legal and Internal Audit.

As part of the Ethics and Compliance programme, SHV offers a company-wide service within a safe environment for all employees and other stakeholders to voice any concerns about workplace practices. This service, called "Speak Up", is a confidential phone line and webservice that is used throughout SHV.

Together, this comprehensive set of measures helps SHV to meet its strong commitment to an company-wide culture of integrity and trust.



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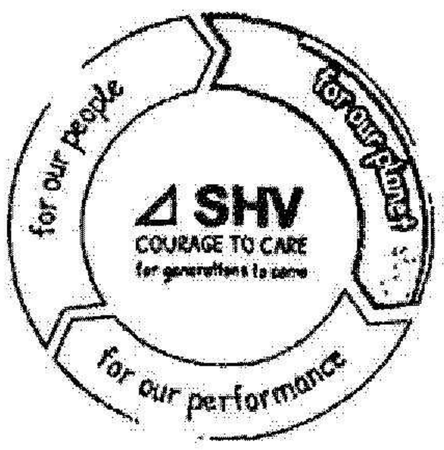
Care for our planet



Sustainability plays a key role in our purpose. In 2021 the theme came to the fore more than ever in society, business, investments, and new regulations all across the globe. Continuously looking to the outside world to understand current and future trends, we initiated a leadership discussion to redefine our sustainability targets and review the scope of our efforts. This profound debate will be completed early 2022, and an update on our scope will follow.

We have also started to prepare ourselves for new EU legislation - the Corporate Sustainability Reporting Directive. CSRD makes it mandatory for businesses to provide independently-verified reports on the environmental and social impact of their activities in an effort to increase transparency. The directive will be fully unveiled in Q3 2022 and then implemented in 2023. In preparation, we have put in place a cross-functional taskforce representing legal, audit, finance, and sustainability functions and identified the necessary actions required.

We expect the CSRD to include disclosure of Green House Gas emissions – an area in which we have already been hard at work. Over the year we have focused on harmonising and improving our infrastructure to collect company-wide emission statistics based on accurate data rather than estimates. The size and diversity of our business means this remains an ongoing process, but CSRD-compliant figures should be ready by 2023.

Beyond an overall group perspective, sustainability also runs deeply through every company in the SHV family and 2021 saw this progress continue.

SHV Energy supplies over 30 million customers worldwide with the energy they need for domestic heating, industrial heating, cooking, and transportation. They include a significant number not yet connected to the gas grid. These households or businesses are often based in rural areas and rely on high-carbon, more polluting sources such as coal and oil. The provision of cleaner, safer, lower-carbon energy is an essential step towards de-fossilisation and an integral part of the company's approach to driving the energy transition. At the same time, SHV Energy strives to minimise its own impact on the environment, all without compromising on the highest standards of health and safety.

The company emphasises its commitment to 'Advancing Energy Together' by involving all key stakeholders, rather than just colleagues and customers. Only by collaborating with the energy industry as a whole can the energy solutions of the future become a reality.

Back in 2020, SHV Energy took an historic step with the acquisition of EM3, an industrial energy efficiency specialist. Energy efficiency services represent an important milestone on the journey to more sustainable energy. A number of highlights followed in 2021, such as a first step into solar power with the acquisition of a majority stake in SunSource Energy. As a leading provider of distributed energy for commercial and industrial customers across India, SunSource also has a presence across South-East Asia.

SHV Energy launched the Open Innovation Challenge, designed to identify transformative new opportunities in sustainable bioLPG production. 2021 also saw rDME successfully positioned as a pivotal, cost-effective solution for de-fossilising the LPG industry. A new joint venture with UGI International, a subsidiary of UGI Corporation, is being established to make rDME widely available. And finally, the company integrated a new carbon counter into the global SHV Energy website, allowing all businesses to seamlessly integrate relevant data into their own local websites, along with real-world comparisons that make the results more tangible.

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Makro focused its strategy on the three pillars of people, profit, and planet. With regards to the planet, the strategy has concentrated on waste management, the reduction of CO_2 emissions, and increasing the efficiency of stores.

As part of a zero-landfill project to minimise waste, Makro piloted two new stores aimed at diverting all waste away from landfill towards more sustainable methods of disposal such as recycling, composting, waste-to-fuel etc. The chain also implemented *Why Waste* in Brazil, an app that tracks the expiry dates of products, making it easier to consume more efficiently. In 2021, volunteer tree-planting programmes were also carried out across the business to contribute to the rebalancing of the ecosystem.

ERIKS, in partnership with sustainability consultants *Sustainalize*, asked employees, customers, suppliers, and SHV-wide colleagues for their views on where the company should focus its efforts moving forwards. The top three responses—a healthy and safe working environment, customer solutions, and sustainable innovation— provide a clear direction for the future. ERIKS' customers are in a position to exert a significant influence over the future of our planet, and the company faces a golden opportunity to help shape ever-more sustainable industry.

With this in mind, it has approached several major customers to become their preferred sustainability partner, offering joint sustainability improvement programmes to identify new opportunities for improvement – for example by reducing energy consumption and CO_2 emissions.

As the market leader for heavy lifting and transport, Mammoet aims to be at the forefront of sustainability. Perhaps the most important goal is helping to rebalance the world's energy mix in collaboration with customers and supply chain partners. For example, the company was active in a large number of initiatives in the renewables sector during the year, particularly in onshore and offshore wind projects. It has also been involved with the construction and upgrade of energy-efficient facilities to reduce carbon emissions and incorporate carbon capture. One of the most significant of these projects was the ITER in France - a landmark experiment to build the world's largest tokamak. This magnetic fusion device is designed to test the potential of fusion energy in the development of future non-fossil energy production.

Mammoet is also taking steps to reduce its own carbon footprint and move away from a dependence on fossil fuels. Lower carbon methods of transporting heavy and complex loads include the use of hydrogen to power the SK range of cranes; electric and hybrid power systems for cranes and trailers; new low carbon innovations for erecting wind turbines; and identifying new opportunities for introducing alternative lower carbon fuels. One alternative to traditional diesel is the HVO (hydrotreated vegetable oil), made primarily from waste and residues and 90% carbon-free. HVO also emits fewer direct exhaust emissions, including nitrogen oxides. In 2021 Mammoet carried out its first ever HVO-powered project.

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Nutreco remains committed to delivering sustainable products and services, beginning with sustainable sourcing. A new 2025 sustainability roadmap aligns with the company's purpose of feeding the future and is shaped around three key themes: Health & Welfare, Climate & Circularity, and Good Citizenship. Progress will be tracked by an online progress assessment tool. Bold goals require action, not words, and Nutreco is an active participant in industry discussions and initiatives. The Skretting CEO is Co-Chair of Seafood Business for Ocean Stewardship (SeaBOS). And Nutreco's Sustainability Director chairs Task Force 1 aimed at reducing illegal, unreported and unregistered (IUU) fishing as well as eradicating modern slavery in the seafood supply chain.

One crucial aspect of protecting the oceans is ensuring that fish stocks are managed responsibly, and Nutreco strives to ensure that marine feed ingredients come from sustainable sources. Skretting launched a transparent policy for the first time: concrete targets highlight a commitment to conserving marine resources and ensuring that local communities and fishermen are treated with dignity and respect.

Nutreco is also working to help customers reduce their environmental impact. Trouw Nutrition, for example, has developed MyFeedPrint. This comprises a complete database of ingredients linked to feed formulation software and will allow customers to optimise their feed formulations with sustainability in mind. It will also contribute to achieving the company's Science Based Targets, an initiative that helps the private sector to make lasting, positive changes by setting science-based emissions reduction targets.

Trouw Nutrition also launched the Circular Farm, an extensive sustainable farming service platform that supports farmers with a nitrogen and phosphorus emissions calculator; certification of their performance levels based on planet and people; environment, and animal welfare; and the issue of Environmental Product Declarations in partnership with a specialist consultant.

One shining example of Skretting's efforts in sustainable innovation has been CarbonBalance® - shortlisted as a finalist in the Product Innovation of the Year category at the 2022 edie Sustainability Leaders Awards. The solution helps fish farmers to reduce their carbon footprint and includes the first ever carbon-neutral aquafeed, making carbon-neutral fish farming a reality.

Newly acquired Kiwa is a global leader in Testing, Inspection and Certification (TIC) services and contributes to making products, processes, organisations, homes, and working environments as clean, healthy, safe, and sustainable as possible. Even though the core business inherently addresses many areas related to sustainability, the company has formulated a wider Corporate Social Responsibility (CSR) strategy shaped by two general aims.

The first aim is achieving Level 3 CSR Performance Ladder certification through external audit.

The Performance Ladder measures the success of a company's CSR policy based on 33 indicators covering people, the environment, and local communities and represents the foundation of Kiwa's CSR efforts. A system of internal auditing has already been established, while a fellow certification institution audits Kiwa externally. By the end of 2022, the goal is to ensure all offices are certified in reducing their CO_2 footprints, improving employee health

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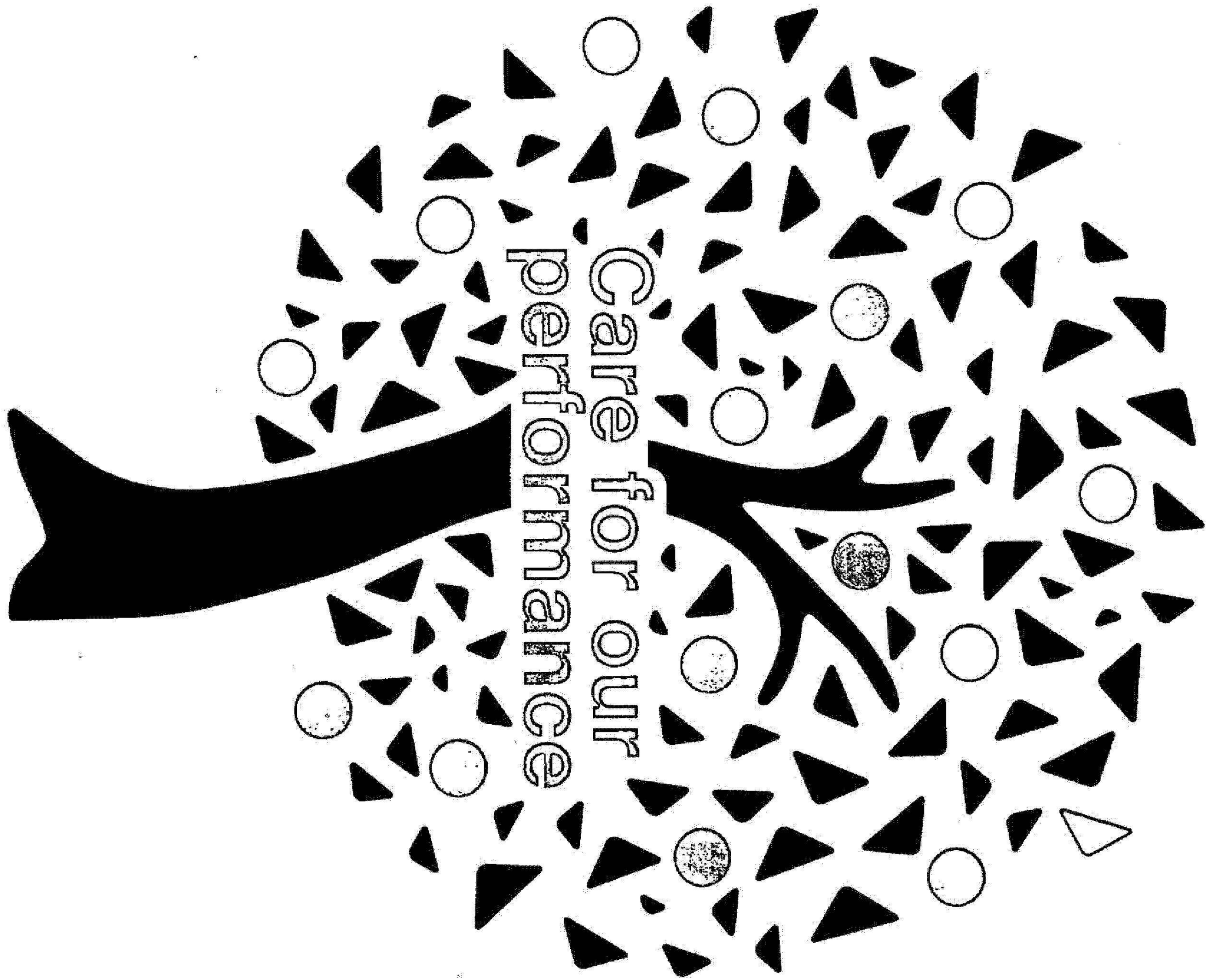
and satisfaction, giving stakeholders a real say in CSR, and magnifying the positive impact of services on society.

The second general aim is to follow the United Nations' 17 Sustainability Development Goals. Companies that have been certified to Level 3 of the CSR Performance Ladder are challenged to emphasise their commitment to CSR by selecting and implementing relevant SDG goals.

NPM integrates sustainability into its business operations in a number of ways. Sustainability plays an important part in the due diligence process when evaluating potential portfolio companies. Biannual sustainability assessments of portfolio companies have become standard practice. And building a stronger business for the future through sustainability has been incorporated into an investment strategy that focuses on four key areas: Feeding the World, Future of Energy, Healthy Life & Learning, and Everything is Digital. This approach has influenced participations in Groendus and Dieseko among others.

Dieseko focuses on delivering sustainable foundation solutions for both onshore and, increasingly, offshore end-markets. One milestone has come in the form of the world's largest vibratory hammer, which allows foundations to be laid with far less impact on the environment by reducing noise and accelerating both handling and installation times.

Groendus (previously Rooftop energy) supports business customers on their journeys towards 100% clean energy through a combination of smart energy saving, proprietary power generation, and direct renewable energy transactions. So far, Groendus has worked with retailers such as Coolblue, Picnic and Suitsupply , generating over 150 MWp in primary roof-based solar PV projects in The Netherlands. And their 'Mijn Groendus' energy management platform connects renewable energy producers and end-users without the need for a traditional energy supplier or utility company, with over 42,000 connections made to date.


Cargo
for our
performance

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Financial review

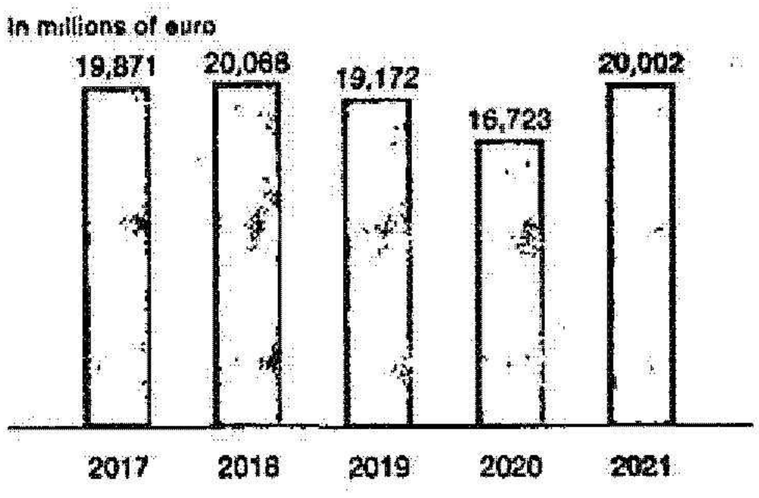
Financial performance

In 2021, net sales rose by 20% to €20.0 billion (2020: €16.7 billion), growth supported by a partial recovery in the markets and the acquisition of Kiwa. All Groups made a positive contribution to sales, although Makro's share was offset by the divestment of Makro Peru at the end of 2020. The negative impact of adjustments for foreign currency translation totalled €351 million, resulting in an adjusted growth of 22% - mostly driven by the devaluation of the Turkish lira and the Argentinian peso.

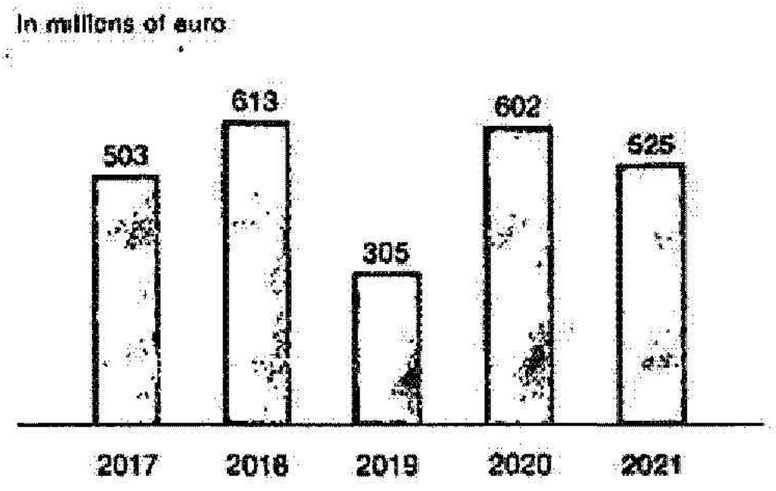
Net income doubled in 2021 to €979 million (2020: €488 million) with bottom-line growth driven by successful exits at NPM Capital (including deals delayed in 2020 due to the pandemic); a stronger oil and gas market that boosted results for both SHV Energy and ONE-Dyas; a recovery in sales for Mammoet and ERIKS; and stricter cost controls across all Groups.

Income from operations fell to €525 million (2020: €602 million) mostly due to a lower income of €66 million from exceptional items (2020: €214 million). However, excluding exceptional items, adjusted income from operations grew in 2021, totalling €459 million (2020: €388 million) thanks to the improvement in operational performance by SHV Energy, Mammoet, and ERIKS, as well as the addition of the newly-acquired Kiwa.

Net sales



Income from operations



Group performance

Overall operational performance in 2021 showed a growth in both sales and net income. SHV Energy benefited from the fast recovery in the oil and gas market, a well-positioned hedge portfolio, and active cost management. Mammoet and ERIKS also profited from post-lockdown recoveries and made good progress with their strategic agendas, including tighter cost controls and enhanced operational efficiency. Nutreco managed to record higher volumes, although margins were squeezed by stretched supply chains and rising raw material costs. The negative outcome of a tax case in Spain also impacted net income. Makro continued to feel the effects of COVID-19 restrictions as well as intensifying competition in the market, with 2021 sales lower than expected. The sale of stores in Brazil, however, made a positive contribution to net income. NPM Capital took advantage of high valuations in the market to make a number of successful exits. And finally, the acquisition of Kiwa delivered additional growth in sales on the back of a positive operational performance trend - especially in the European markets.

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Income tax

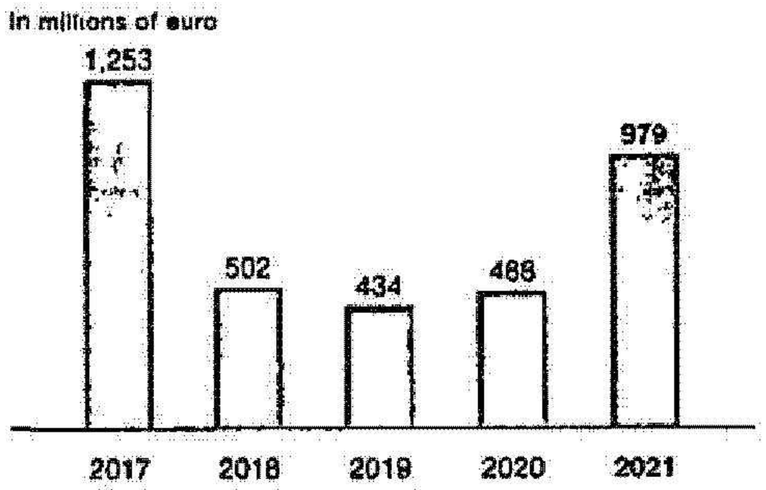
The 2021 effective tax rate remained stable at 21.4%. The effective income tax impact for this year mainly relates to higher non-taxable capital gains and dividends realised by NPM Capital, offset by non-recoverable withholding tax charges and higher taxes on income from investments in affiliates related to the result of ONE-Dyas.

Cash flow

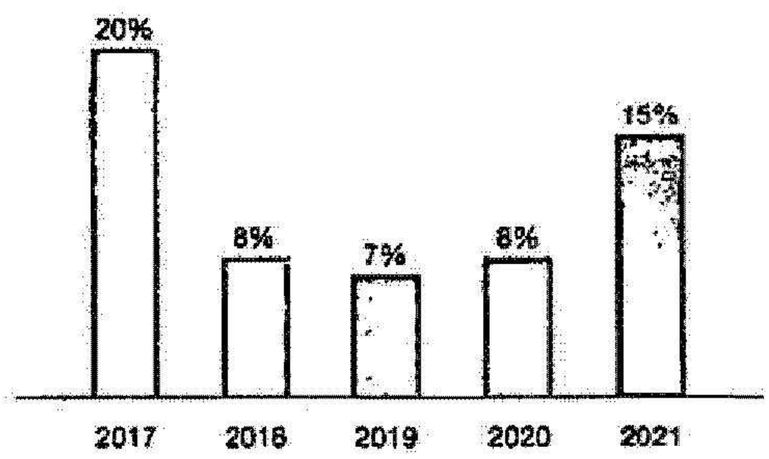
Operational cash flow remained stable at €1,060 million (2020: €1,063 million). Investment cash flow grew to €1,292 million (2020: €701 million) thanks to acquisitions and an increase in replacement investments, following a more conservative 2020. After reducing working capital in 2020 to preserve cash, 2021 saw an increase of €323 million driven mostly by higher receivables from SHV Energy and Mammoet, an increase in inventories at SHV Energy, and the inclusion of Kiwa.

Net income to SHV

In millions of euro



Income as % of Shareholders Equity



Investing in the future

A total of €762 million was invested in tangible fixed assets during 2021, channelled mainly into gas cylinders & tanks, and installations at SHV Energy as well as product lines and equipment at Nutreco and Mammoet. The Groups also made several investments to accelerate growth and strengthen market positions. These include, amongst others SunSource Energy and United Propane at SHV Energy; Bigsal and Nutrimin at Nutreco and Intega at Kiwa. NPM Capital invested in Infinitas Learning, an educational publishing company; ICT Group, an industrial technology and service provider; and Kubo, specialised in greenhouse projects.

The year closed with Group equity growing to €6.5 billion (2020: €6.4 billion), which includes a negative FX effect of €142 million when converting local currency equity to euros. Total liquidity levels remained strong at €1.1 billion, while net debt increased to €1.4 billion to fund acquisitions. Overall return on shareholder equity rose to 15% from 8% in 2020.

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Risk

As part of the annual risk management cycle, the Executive Board of Directors (EBD) conducted a company-wide risk assessment over the course of 2021. The assessment aimed to identify key risk areas, validate the effectiveness of internal control measures, and identify the actions required to manage risk within SHV parameters.

The assessment confirmed the company's risk appetite as strategically open with a conservative attitude to operations and finance. SHV remains committed to a way of working that makes no compromise on safety, quality, and compliance. With respect to the latter, the Executive Board of Directors reiterated a zero-tolerance approach to areas such as fraud, bribery and corruption.

By adopting an outside-in perspective, the assessment identified 14 key risks currently faced by the organisation. Geopolitical and macro-economic factors remain in wake of the global pandemic and political unrest - the effects of which will continue to be felt in the coming years. Challenges in the supply chain also pose a threat, linked to pandemic measures as well as climate change. The pace of digitalisation and technological developments also needs to be addressed by Group business models. And with the world confronted by increasingly severe cyber-attacks and ever more sophisticated cyber threats, IT security needs to be continually managed.

Risk is also present in continued tight labour markets that limit the company's ability to attract and retain the talent and specialist skills required by certain areas of the business. And finally, the speed and breadth of legislative change around the world creates a continuous need to stay abreast of all necessary compliance measures, laws, and regulations. For example, potential changes to ESG-related regulation represent a significant new risk - mainly pertaining to the financial sustainability aims of the European Commission and its Corporate Sustainability Reporting Directive (CSRD).

The company's regular business processes, together with a robust set of internal controls, continue to effectively manage these risks. As part of an update to internal control measurements, a number of processes have been improved to ensure this remains the case. For instance, the rolling forecasting process has been refined to ensure strategic delivery agendas incorporate an outside-in perspective, in addition to relevant actions aimed at enhancing managerial responsiveness.

In terms of safety, we continued to increase awareness and promote a safe and healthy work environment through safety leadership programmes and Group-specific Life Saving Rules. On a cultural level, our purpose "*Courage to care for generations to come*" underpins the company culture by highlighting our core values.

The company tests the effectiveness of internal control measures throughout the organisation twice a year, with the results reported to local management, Group Management, the Executive Board of Directors, and Supervisory Board of Directors.

Overall, the EBD considers that these measures, together with existing operating procedures and control frameworks, effectively address the risks that confront SHV both now and in the foreseeable future.

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Tax

SHV is committed to achieving the highest standards of Ethics and Integrity. In line with this commitment, SHV believes its obligation as a responsible taxpayer is to comply with the tax legislation of the countries in which it operates and pay the right amount of tax at the right time. SHV does not only comply with the letter of the law, but also with its spirit.

SHV uses business structures that are aligned with the business activities and that are only driven by commercial considerations. SHV only makes use of tax incentives where they are aligned with business activities and operational objectives, generally available to all market participants and specified by law. As such, tax always follows the business.

SHV pays tax on profits according to where value is created within the normal course of its business activities. SHV does not use aggressive tax planning strategies or tax havens to minimise its tax burden. The transfer pricing of intercompany transactions is done in accordance with the arm's length principle developed by the OECD and is applied consistently.

SHV maintains an open and constructive dialogue with tax authorities based on transparency and trust. SHV engages with them with honesty, integrity and respect.

SHV and its Groups have more than 700 legal entities in 73 countries. Each year, SHV files a so-called country-by-country report with the Dutch tax authorities containing high-level data on the global allocation of income and taxes, and certain other measures of economic activity for all companies over which SHV has management control. The Dutch tax authorities exchange this information with other tax authorities around the world.

SHV provides an overview of the total corporate income tax expenses and corporate income tax payments in 2021 to tax authorities in the ten countries where SHV has the largest presence. These 10 countries represent around two-third of the business.

For each country SHV reports the earnings before tax, the corporate income tax expense in the income statement as well as the amount of corporate income tax paid and received on a cash basis. The tax expense reported in the income statement is the amount of current and deferred tax expense incurred in this financial year based on accounting rules. The tax paid means the net amount of corporate income tax actually paid to or received from the tax authorities in this year.

The following table specifies the net sales, earnings before tax, income tax expense and income tax paid in 2021 for the top 10 countries. In this table, tax expenses are presented as negative amounts (income as positive amounts) and tax payments are presented as negative amounts (refunds as positive amounts). The data shown in the table on the next page is derived from internal management information systems.

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#	Country	Net sales	Income before income taxes	Income tax expenses	Income tax paid
1	France	3,135.3	57.8	(17.0)	(17.1)
2	The Netherlands	1,890.8	689.8	(38.7)	6.6
3	Spain	1,877.4	(28.5)	(29.9)	2.1
4	Brazil	1,751.4	111.9	(35.5)	(42.2)
5	United States of America	1,433.5	(51.2)	(4.7)	8.4
6	United Kingdom	1,364.9	158.2	(36.0)	(12.0)
7	Canada	1,307.9	24.6	(13.4)	(10.6)
8	China	906.6	12.6	(3.1)	(4.8)
9	Italy	771.7	49.0	(14.3)	(12.6)
10	Germany	760.5	8.9	(12.2)	(11.5)
	Total top 10	15,199.8	1,033.1	(204.8)	(93.8)
	Other countries	8,756.4	244.5	(68.5)	(63.3)
	Total	23,956.2	1,277.6	(273.3)	(157.1)

Note: net sales represent sales on a country level and are reported on a non-consolidated basis.

In 2021, SHV reported an effective corporate income tax rate of 21.4%, reflecting earnings before taxes of €1.278 million and a corporate income tax expense of €273 million. SHV paid a net amount of €157 million in corporate income taxes. Besides corporate income tax, SHV collected and paid many other taxes and contributions, such as state and local taxes, payroll taxes and consumption taxes.

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SHV
CARE

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Business review

SHV Energy

SHV Energy is a leading global distributor of off-grid energy, including LPG and small-scale LNG. The company is also active in sustainable fuels and renewable energy. With products and services predominantly used for heating, cooking and transport, SHV Energy provides decentralised, low-carbon, and clean energy solutions to 30 million business and residential customers in 23 countries across four continents. Brands include Calor, Ipragaz, Liquigas, Pinnacle, Primagaz, Xiwei, and Supergas.

The company's main goal is to make relatively clean and safe energy options accessible and affordable to as many customers and companies as possible. To meet increasing demand, it is constantly looking for cleaner and economic energy sources, while also meeting the challenge of climate change with innovative solutions that contribute to a more sustainable and environmentally-friendly future. The provision of cleaner energy alternatives and partnerships with communities also contribute to securing and growing a sustainable business.

The strategy of 'Advancing Energy Together' supports growth, efficiency, and sustainability across all brands. The aim is to activate the full potential of the company through increased international collaboration; leverage shared opportunities; and identify and solve common challenges through a combination of organic growth, add-on acquisitions, geographic expansion, productivity improvement, and advocacy for—and promotion of—sustainable fuels.

High demand for LPG

The economic recovery, together with a regular cold winter in both Europe and the USA, resulted in a sustained high demand for LPG. The supply side was more volatile, with storms impacting LPG production capacity on the US Gulf Coast and low refinery utilisation rates in Europe. This imbalance resulted in a continuous increase in LPG prices, before the new Omicron variant and bearish macroeconomic data for the USA and China began to reverse the trend.

Similar trends occurred in the LNG sector. In Europe, the increase in supply was outpaced by a double-digit rise in demand as most US LNG cargoes were shipped to Asia, leaving regional storage levels low. The ongoing geopolitical uncertainty around the Nord Stream pipeline from Russia to Germany has also had a significant impact on LNG prices, which almost quintupled in 2021.

In the second year of a global pandemic, many economies started to recover and grow in the wake of vaccination programmes. SHV Energy benefitted from the rise in industrial and commercial activity, with the partial normalisation of travel and the easing of restaurant lockdowns driving Hospitality and Autogas sales. At the same time, the company continued to benefit from strong domestic sales volumes: partly driven by a regular winter and fresh spring weather in Europe, and partly by people working and cooking at home more often. Although the cost of gas significantly increased in the first part of the year, margins remained strong across the board. Automotive LNG sales volumes also increased in most countries.

Sustainable fuels

2021 marked a year in which SHV Energy took significant steps towards its objectives for renewable solutions and sustainable fuels. SunSource Energy was acquired, an Indian-based solar solutions company delivering mid- to large-scale solar projects for commercial and industrial customers. A process to set up a joint venture with UGI, to develop rDME, a sustainable molecule that will help to de-fossilise the LPG industry, is underway. A joint venture was also established with KEW Technology to begin the first industrial rDME production in 2022.

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SHV Energy took steps to rebalance its portfolio with the divestment of Primagaz in the Netherlands and Balcas, a non-core sawmill and wood pellet producer in Ireland. At the same time, the company finalised a density acquisition in the US to drive further synergies, while also taking new opportunities to strengthen positions in growth countries.

SHV Energy continues to invest in innovative solutions including new services; business models; processes; and technologies aimed at bringing consistency across business units to improve efficiency and increase customer satisfaction.

Innovation

One key project over the year involved the manufacture of smart cylinders to unlock new value propositions. In Brazil, a large pilot scheme was rolled out to 1,500 customers offering a new pay-per-consumption model, which uses a connected device to remotely monitor gas consumption. Unique in the global LPG industry, the model is now being evaluated for implementation in China. To improve efficiency, a new analytical model was also developed to optimise the planning of cylinder deliveries in France. This has now been implemented across all depots and is expected to generate significant savings.

Operational performance considerably improved in 2021. Total volumes increased compared to 2020 due to the release of COVID-19 restrictions having a positive effect on both industrial and commercial segments, especially in Europe and Asia, combined with stable high domestic volumes in particular in Brazil. Higher margins as result of the well-positioned hedge portfolio and active cost management also contributed to strong results.

Makro

Makro is a modern food cash-and-carry company targeting professional food (Horeca) customers and end consumers. The current strategy is aimed at significantly increasing its customer base; providing a better shopping experience; and strengthening the company's position as the most relevant partner for both target groups. With a presence in Argentina, Brazil, Colombia, and Venezuela, Makro operated 111 stores at the end of 2021.

2021 focused on growing store traffic and sales by shaping the product range around customer needs, and establishing competitive own-brand products to increase loyalty. New concept stores were also tested to offer an enhanced shopping experience based on technology and differentiated services.

Digital channels

E-commerce is growing quickly in the sector. The online grocery market is expected to develop further in the coming years, creating the need for digital sales channels. Delivery could become the main sales channel of the future, especially for Horeca. To maintain a competitive position, Makro accelerated the deployment of several new sales channels. The company also explored new partnerships with e-commerce platforms as important alternatives to store traffic and to enable delivery from stores; the implementation of 'click & collect' and 'click & deliver'; and the development and improvement of its own online proposition.

The impact of COVID-19 was felt across all markets. Political instability, slow vaccination programmes, social tensions, and public protests all negatively affected operating conditions. Restrictions and limited store opening hours reduced store traffic and changed buying behavior. In the second half of the year, however, a rise in vaccination rates encouraged governments to carefully reduce social restrictions and support economic recovery. As always, the wellbeing of employees and customers remained a top priority for Makro, with a strict action plan supported by regular safety audits in all countries.

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In Brazil, COVID-19 wasn't the only challenge. Fierce competition from - and fast expansion by - the main players also dominated the market. The remodelling of São Paulo stores continued as part of the food cash-and-carry strategy, while in December the company concluded the sale of the stores outside the São Paulo region.

In Argentina, the negative impact of COVID-19 restrictions was sharpened by social, political, and economic instability as well as hyperinflation. Moreover, sales were also affected by government-set price controls aimed at reducing inflation and increasing consumption. With all these factors at play, the company focused on reducing operating costs, expanding the product range, increasing the proportion of own-brand and fresh-food, and improving the delivery process.

In Colombia, the economic and political environment remained relatively stable. Increasing vaccination rates led to a pick-up in the second half of the year driven by a rebound in commercial and industrial activity, higher domestic demand, and growing private and public consumption. A lifting of most COVID-19 restrictions and an increase in household consumption provided the retail business with a significant boost.

Succesfull cooperation

Venezuelan operating conditions have been challenging for some years due to the difficult political and humanitarian situation. The COVID-19 crisis only made matters worse and the deterioration of basic services continued. With distribution restricted and controlled by the government, the resulting impact on production and supply chains led to a scarcity of finished goods. One positive development was the alliance with Redvital - a provider of medicines and medical supplies and equipment. The partnership has shown promising results with a significant increase in sales following more traffic in the stores. So far, together with Redvital, four stores have been adapted to the new concept, with 15 more expected to follow in 2022.

Operational performance for Makro was severely impacted by continued COVID-19 related social restrictions leading to store closures and lower store traffic in all Makro countries. Market retraction in Brazil led to lower out-of-home consumption impacting both end consumer and Horeca sales, whereas Argentina was affected by hyperinflation and price controls. The sale of stores outside the São Paulo region made a significant contribution to the net results for 2021.

Mammoet

Mammoet provides customers with smarter, safer, and stronger solutions to any heavy lifting or transport challenge. A unique global network and an unparalleled fleet of equipment, combined with in-depth engineering expertise and the highest standards of quality and safety, result in an intelligent and flexible approach across a wide range of industry sectors. In building long-term relationships, the company is able to develop a deep understanding of each customer's needs and offer the most efficient and cost-effective solution.

Mammoet has taken further steps in the execution of the strategy to be the leading and most sustainable heavy lift and transportation specialist. The geographical footprint was reviewed to find a right balance between local presence with yards and equipment and sufficient operational flexibility to serve clients globally. Driven by the energy transition, the diversification to more sustainable end markets—and wind power in particular —has become an important strategic pillar. Meanwhile, a strong focus on cost control sustainably lowered the cost base.

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After a year of crisis, markets gradually started to improve during 2021. Even so, worldwide travel restrictions and international differences in regulations made it difficult, and sometimes impossible, to mobilise people and equipment to project sites, which created operational inefficiencies. The increase in workload put a strain on the workforce, especially in Europe & Russia and North America.

Strong order intake

In 2020 the market was dominated by postponed investments and delayed maintenance. With an easing of pandemic-related restrictions and an increase in the price of oil, confidence started to return and project investments were released, resulting in a strong order intake during 2021.

The increase in workload in the oil & gas sector was further amplified in the second half of 2021 by the on-site execution of the Arctic LNG project, in addition to several mega projects in North America. Maintenance and turnaround work in the sector also returned to normal levels, which powered a strong performance from the rental business. The Civil sector showed solid growth driven by a variety of smaller projects such as the transportation of tunnel boring machines and bridge replacements/removals in Europe. Large volumes were realised in the power sector, especially in European wind projects. These trends are expected to continue into 2022, a forecast reflected in the current strength of the order book.

Offshore wind sector projects mostly related to the handling of monopiles and jackets for offshore wind turbines in the APAC region. A rise in utilisation rates for the fleet of large global cranes is expected to continue in 2022. The organisational restructuring that started in 2020 led to a further reduction of both the asset base and workforce in various locations. Finally, in anticipation of next year's growing workload, investments were stepped up in Europe and North America.

Introduction Focus crane

Innovation plays an increasingly essential role in achieving strategic goals. Several innovations, such as the Focus crane, were introduced to help customers boost efficiency. The digitisation process was accelerated by investing in remote monitoring technologies, enabling real-time insights into on-site equipment, engine data, and emissions. And the electrification of the equipment fleet provided another focus for innovation, not only through the purchase of new assets and reducing pollution, but also by converting existing fuel-powered equipment.

All in all, Mammoet strengthened its foundation to be ready to fully leverage market opportunities in 2022.

Litigation on the NY Wheel project incurred delays due to procedural matters, with a court decision on the merits of the case not expected before 2023. In November, Mammoet received a positive ruling in the Amuriyah arbitration. The focus will now shift to a fulfilment of the ruling by the parties involved.

Operational performance improved strongly in 2021 as the heavy lift and transport market recovered further and Mammoet additionally benefited from a focus on cost control. The ramp up of large projects and the strong offshore wind market supported a high workload towards the end of the year which will continue to benefit Mammoet in 2022. Net Income was furthermore positively impacted by the positive ruling in the Amuriyah arbitration. Whilst these developments are positive, restrictions in travel and other regulations linked to the COVID-19 pandemic continued to result in a challenging operational environment requiring the organisation's full dedication to reliably serve customers.

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ERIKS

ERIKS is a specialist provider of industrial services. A wide range of technical products, co-engineering and customisation solutions, and related services all help customers to improve product performance and reduce total cost of ownership.

With a presence spanning Western Europe, North America, and Asia, ERIKS serves customers in original equipment manufacturing (OEM) and maintenance, repair and overhaul operations (MRO) across a wide variety of industrial segments.

The tagline *Let's make industry work better* emphasises the company's mission to increase efficiency and reduce waste within industrial processes, helping customers to become more sustainable.

To maintain its position as a leading industry provider, the strategy is focused on digital solutions, innovation, and sustainability as a business driver for growth.

Solid recovery

After a slow start to the year in a challenging and unstable environment, ERIKS saw a solid post-lockdown recovery in its markets which in turn had a positive effect on the business. Indeed, all business units improved their performance compared to last year as business activity gradually gained traction and orders at hand slowly returned to pre-COVID-19 levels. Supply chain constraints and a shortage of materials, however, negatively affected delivery performance due to delayed orders and forced cancellations. Especially ERIKS Germany was affected by these circumstances and a new management team is in the process of restructuring and implementing a one European supply approach.

Further progress was made with *Fuel for Growth*. This long-term strategic improvement programme is aimed at returning ERIKS to benchmark profitability; establishing the business as a leading player in the industries it serves; and securing profitable growth by focusing on five key areas: driving organic growth, improving pricing, enhancing procurement and core assortment, increasing organisational efficiency, and developing a high performance organisation and mindset.

To pursue organic growth, the company has established a dedicated support function composed of strategic product group Centres of Expertise (CoE), international sales capabilities, and pricing. The aim is to develop and scale commercial offerings in key industries and targeted growth segments including semiconductor, food, and pharma & agriculture. The new support function will also leverage global product and sales marketing expertise from across the organisation, while safeguarding local customer relationships.

The negotiation of improved conditions with strategic suppliers has resulted in significant savings for ERIKS' procurement and core assortment enhancement (PACE) activities. Focused on the sale of core assortments from set strategic and preferred suppliers, PACE achieved procurement savings by reducing the cost of goods sold. Core assortments were identified and bundled by the product CoE. Plans to train sales teams across the company on the unique selling points of the core assortment brands and products have been put in place for 2022.

Centralised distribution

A dedicated pricing leader joined the global senior leadership team in 2021, developing a pricing strategy model for ERIKS' product and services across all markets. The company also operationalised its central distribution centres in Germany and the UK, serving customers more efficiently by optimising distribution and increasing capacity to fulfil orders more accurately.

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The need for digital solutions continues to grow quickly, with customers looking to improve productivity and safety. ERIKS has made significant progress towards its goal of going to market as a digital distributor in the next few years and serving customers across multiple channels. Beginning with an internal overhaul to digitise and simplify business processes, the focus is on value-added solutions that provide superior data-driven digital experiences. From Smart Asset Management to an industry-leading digital self-service platform, ERIKS helps customers to operate more safely, work more sustainably, and predict downtime more accurately to allow real-time visibility and interactions.

A revised innovation strategy will be deployed in 2022, identifying three areas that will drive the development of new responses to ever-changing customer needs: capitalising on specialism, accelerating digitisation, and anticipating the future – for example, by monitoring the development of hydrogen.

Operational performance considerably improved in 2021, mainly driven by the UK, Netherlands & North America, and was positively impacted by the booming semi-conductor, oil & gas and automotive industry. Sales growth was supported by International Sales Development & Centers of Expertise, while pricing and procurement initiatives aided to improve margin performance. Execution of the *Fuel for Growth* initiatives led to better financial results and improved organisational efficiency.

Nutreco

Nutreco's purpose of *Feeding the Future* is more relevant than ever in a world whose population is expected to grow to almost 10 billion by 2050. The global food value chain needs to transform by focusing on precision, added value, integration, and sustainability. Nutritional expertise will play a key role in this transformation and Nutreco is both well placed and highly motivated to deliver the solutions to support customers through change.

Animal protein markets are growing, with fish-based proteins the largest driver and poultry offering the most potential for development. Emerging markets will see the highest growth in protein production, even as western markets stagnate. Nutreco's core market of shrimp is also showing strong growth prospects, as are the feed additive and young animal feed markets.

Nutreco is pursuing a strategy it believes will position the brand as a leading provider of functional and nutritional solutions for sustainable farming. A detailed roadmap outlines how the company plans to implement this strategy and achieve goals related to safety, sustainability, staff engagement, diversity, and top- and bottom-line growth.

Restructuring

This strategy consists of three key elements. The first is a focus on improving cost competitiveness: under the new leadership of Fulco van Lede a restructuring of the organisation was initiated, by addressing cost structures, centralising functions and services aimed to create a more efficient organisation and to achieve significant cost savings. Second, Nutreco will invest in improving its portfolio of higher added-value products such as feed additives and young animal feed, as well as in digital initiatives to support both customers and internal operations. Third, the company will also actively invest in building or strengthening leading positions in existing markets, while continuing to establish a presence in growth markets.

2021 was a year of challenge and uncertainty due to new outbreaks of COVID-19, African Swine Fever, and Avian Influenza. Next to ongoing restrictions in tourism and Horeca, commodity

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prices were high and sales prices low. In particular Trouw Nutrition was severely impacted. In addition, its Spanish operations were impacted by low swine prices. Also in Spain, an unforeseen negative outcome of a tax case significantly affected net results. The price of both wheat and soy, which represent a large share of Nutreco's spend, hit nine-year highs in November. As these cost hikes could not be immediately or fully passed on to customers, they had a direct and significant impact on gross margins. A recovery in demand from the second half of 2021 led to supply-chain bottlenecks and labour shortages.

Higher volumes

Despite these challenges, Nutreco was able to minimise disruption and supply customers with high quality products and services. This was the result of a sustained focus on operational and commercial excellence, as well as close co-ordination with customers and suppliers. Efforts also continued to source raw materials more sustainably. Volumes were boosted by a combination of rising demand, especially in the Ecuadorian shrimp feed business, and by higher prices.

The expansion of operations into growth markets continued with the acquisition of Bigsal, a ruminant nutrition company in Brazil's fastest-growing beef cattle region; Nutrimin, a leading supplier of farm minerals to Denmark's swine sector, and a platform for growth for specialty products in the growing 'home-mixing' segment; and a dedicated fish feed plant in Tasmania. The latter provided an immediate lift in production capacity at a time of strong market growth, which is expected to continue in the longer term. Furthermore, a joint-venture agreement has been signed with Unga, establishing a foothold in the growth markets of Kenya and Uganda.

NuFrontiers, Nutreco's venture capital and investment team, continues to fuel the company's innovation pipeline by investing in technology start-ups, scale-ups, projects, and partnerships. 2021 saw investments in Proteon, a Poland-based scale-up developing animal health solutions based on bacteriophages; Stellapps, an India-based end-to-end dairy technology solutions company; and further investments in sustainable aquaculture farming companies.

Innovative products

Innovation remains an important driver of future growth, in developing new feed solutions and products that help customers to operate more efficiently. In 2021, four new global products were launched under the Skretting brand for aquaculture species.

On the digital side, Skretting's AquaSim team launched a pocket version of the AquaSim Advisor, which can be used offline to support a greater number of smallholder fish farmers in Africa. Skretting also invested in the construction of a new shrimp research facility in Ecuador.

The Trouw Nutrition brand continued to focus on driving growth in young animal feed with the introduction of several new promising feed and digital products.

Nutreco's operational performance strongly decreased in 2021. This results from the very challenging market environment Nutreco experienced as the economic recovery resulted in stretched supply chains and a strong increase in raw material costs which could not all be passed on to customers. Margins further came under pressure as specific price points decreased strongly, for example the swine prices in Spain. Beyond these effects Net Income was further strongly impacted by an unforeseen negative legal outcome of a tax case.

Kiwa

Kiwa is an independent global supplier of Testing, Inspection and Certification (TIC) services across a wide variety of international markets from renewable energy to food, feed & farm;

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industrial safety to cyber security; building & construction to drinking water. Alongside these core activities, Kiwa also provides education and training courses, R&D technical consultancy, and data services. To safeguard the company's objectivity, these latter activities are strictly separated from the core TIC offering.

Globalisation has led to a growing need for trust in all aspects of international manufacturing and trade. This requires measurable, tangible proof to substantiate claims related to the quality, health, safety, sustainability, and reliability of people, products, and services. Kiwa provides this impartial verification through laboratory testing, statutory inspection, auditing, calibration, and certification based on widely-supported and independently-defined standards and requirements. In doing so, it helps to make clear comparisons between - and to build trust in - organisations. Kiwa itself is supervised by multiple accreditation bodies and authorities such as the EU.

Growth strategy

As the value of trust increases around the world, Kiwa's short- and mid-term business strategy focuses on expanding the service portfolio and geographical reach to achieve the right balance of local density and global-scale. The current strategic plan aims to at least double annual turnover through organic growth and acquisition, making sure that the company remains an independent and significant player within a consolidating, globalising TIC market.

As part of this strategy, the company has defined a business transformation programme to harmonise internal processes and create a robust structure. The extensive programme covers all field services, the certification and inspection processes, laboratory services, education, and financial and back-office processes – in terms of both software and, more importantly, internationally-aligned work practices. The entire customer journey from orientation to payment, meanwhile, will be incorporated into a single comprehensive business flow. A phased introduction got underway in 2020 with the programme rolling out in Belgium, the Netherlands, Germany, and Spain.

Despite the COVID-19 pandemic, the strategy has proven achievable. While the coronavirus had only limited impact on Kiwa's business or financial health, it did have a profound impact on colleagues around the globe. With numerous inspection and audit visits postponed due to government-imposed restrictions, Kiwa employees 'in the field' in particular required a high level of flexibility, quickly learning to adapt by working via online video.

To further support growth, the first North American company was acquired at the beginning of 2021: Photovoltaic Evolution Labs (PVEL), based in California, offers solar panel testing and consultancy services.

Numerous acquisitions

This was followed by Dutch-based EMC & electrical lab DARE!! and cyber security organisation Hudson Cybertec; Polish agri-food TIC Cobico; German companies ZERTPUNKT, an education certification specialist, and Wijnveld Ingenieure, a fire safety outfit; Valiguard in Sweden and CyD in Ecuador, both active in agri-food; Australian system certification provider GlobalCert; Spanish system certification provider IVAC; and the UK fire safety expert IFC. Existing stakes in TIC companies across the globe were also increased, most notably a majority in Chinese system certification company BCC, to be finalised in the first quarter of 2022.

Until October 2021, NPM Capital was the principal investor in Kiwa, allowing the company to evolve from a Dutch into a European and then into a truly global TIC organisation employing over 5,000 colleagues in 35 countries across Europe, Latin America, and the Asia-Pacific

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region. In October, Kiwa became part of the SHV family of companies to drive progress to the next stage and safeguard an independent future. Since then, an integration process was started, deepening alignment on Kiwa's strategy and to roll out the SHV support framework. In addition, several activities were organised to get Kiwa colleagues acquainted with SHV.

Two major acquisitions soon followed. At the beginning of December, a merger was concluded with Belgium's leading TIC company Vinçotte, strengthening Kiwa's footprint in the Benelux. The transaction is subject to approval of the relevant authorities in the Netherlands and Belgium. Then, towards the end of the month, Intega—offering testing and inspection activities in construction and infrastructure—was acquired and delisted from the Australian stock exchange. This acquisition has added complementary services in a well-known industry as well as a local presence on the ground in Australia, New Zealand, the USA, and Canada.

The improved net sales in 2021 compared to 2020 were driven by increased revenue within Europe despite productivity challenges in the Nordics following prolonged COVID-19 impact. Kiwa was part of SHV's consolidated figures since July 2021 and made a positive contribution to net income in this period.

NPM Capital

NPM Capital invests in medium-sized companies in the Benelux region, providing the support they need to move to the next phase of growth. Benefitting from all the capabilities required to facilitate flexible, generally long-term, investment horizons, the portfolio currently comprises both majority and minority stakes in 24 companies and includes growth capital.

NPM Capital focuses on four investment themes, each underpinned by a strong set of investment criteria: Everything is Digital, Feeding the World, Future of Energy, and Healthy Life. In addition to in-house studies and expert support, advisory boards also help the company to increase its knowledge and its network around these themes.

Strong transaction market

2021 saw most segments of the economy rebound from COVID-19, helped by the stimulus money supply of central banks as well as an easing of restrictions during the summer. The resulting economic growth boosted a transaction market that reached new heights building on the momentum achieved in the fourth quarter of 2020. Low and stable interest rates, an ever increasing influx of money into Private Equity in search of returns, and lenders eager to provide credit for acquisitions all sustained high valuations. These same circumstances, however, also intensified the challenge in identifying new investments with the potential to generate attractive returns.

Strong economic growth had a positive impact on the activities of NPM Capital participations, increasing both revenues and financial performance. Attracting skilled people and managing the supply chain posed major challenges for many companies during the year. On several occasions, NPM Capital supplied businesses with the growth capital required to expand - both organically and via add-on acquisitions.

Succesful divestments

2021 was a very successful year for NPM with many divestments taking place. The sale of Mentaal Beter, a chain of mental health support practices, was followed by that of Deli Home, a supplier of wood, closets, and various other supplies to the DIY industry. Next came exits from HAK, a supplier of vegetables in glass and pouches, and Nile Dutch Holding, a shipping line with a West African focus.

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In August NPM sold the majority of its stake in Bergman Holding, a leading privately-held chain of medical clinics in the Netherlands. Finally, NPM sold its majority stake in Kiwa to SHV, a transaction that provides Kiwa with an ideal foundation for accelerating growth. At the close of the year, NPM came to an agreement to sell its stake in Hendrix Genetics. The completion is expected to take place in the first half of 2022.

Despite the crowded market, NPM was able to make a number of promising investments as well.

In September, the delisting of ICT Group led to NPM Capital acquiring this renowned industrial automation company active in Western Europe – and in the Netherlands in particular.

NPM also announced the completion of its acquisition of Infinitas Learning, owner of established educational content and service providers such as Noordhoff (Netherlands), Plantijn (Belgium), and Liber (Sweden). These leading companies have all developed strong positions in the provision of content that has helped generations of students to master their studies. A minority stake in Infinitas was subsequently sold to Rabo Participations and PGGM, a large Dutch pension provider.

NPM was also able to take a minority stake in Kubo, an international turn-key supplier of glasshouses, aimed at continuing that company's strong growth trajectory.

In contrast to 2020, NPM capital was able to present a positive net income in 2021 mainly driven by capital gains on above mentioned exits resulting in a significant contribution to SHV's net income.

ONE-Dyas

Established in 2019 following the merger of Oranje-Nassau Energie and Dyas, ONE-Dyas is the largest privately-owned Dutch oil & gas exploration and production company. Its core interests are in North Sea oil and gas.

Company strategy is focused on developing an already strong portfolio of operated and non-operated assets and investments in the UK, the Netherlands, Norway, Denmark, and Gabon. ONE-Dyas is uniquely positioned to take growth opportunities and create both short- and long-term value for all stakeholders - including SHV, which owns a 49% share of the entity.

The last year has seen a resurgence of growth opportunities in North Sea oil and gas production. While gas prices reached a record low in 2020, the trend reversed in 2021 as commodities recorded unprecedented growth.

2021 also saw number of positive developments on the operational front. The operated portfolio was buoyed by two exploration successes, in addition to a highly satisfactory set of results from producing assets. As for the non-operated portfolio, the Arran field came on stream and the Buzzard Phase II development was successfully completed. Further investments were also made, most notably in Breagh, an onshore electrified compression project in the UK; and Nova, an oil development project powered by electrical energy in Norway.

ESG strategy

ONE-Dyas continued to roll out and implement its Environmental Social and Governance (ESG) strategy over the course of the year. This has gone beyond merely embedding a new approach

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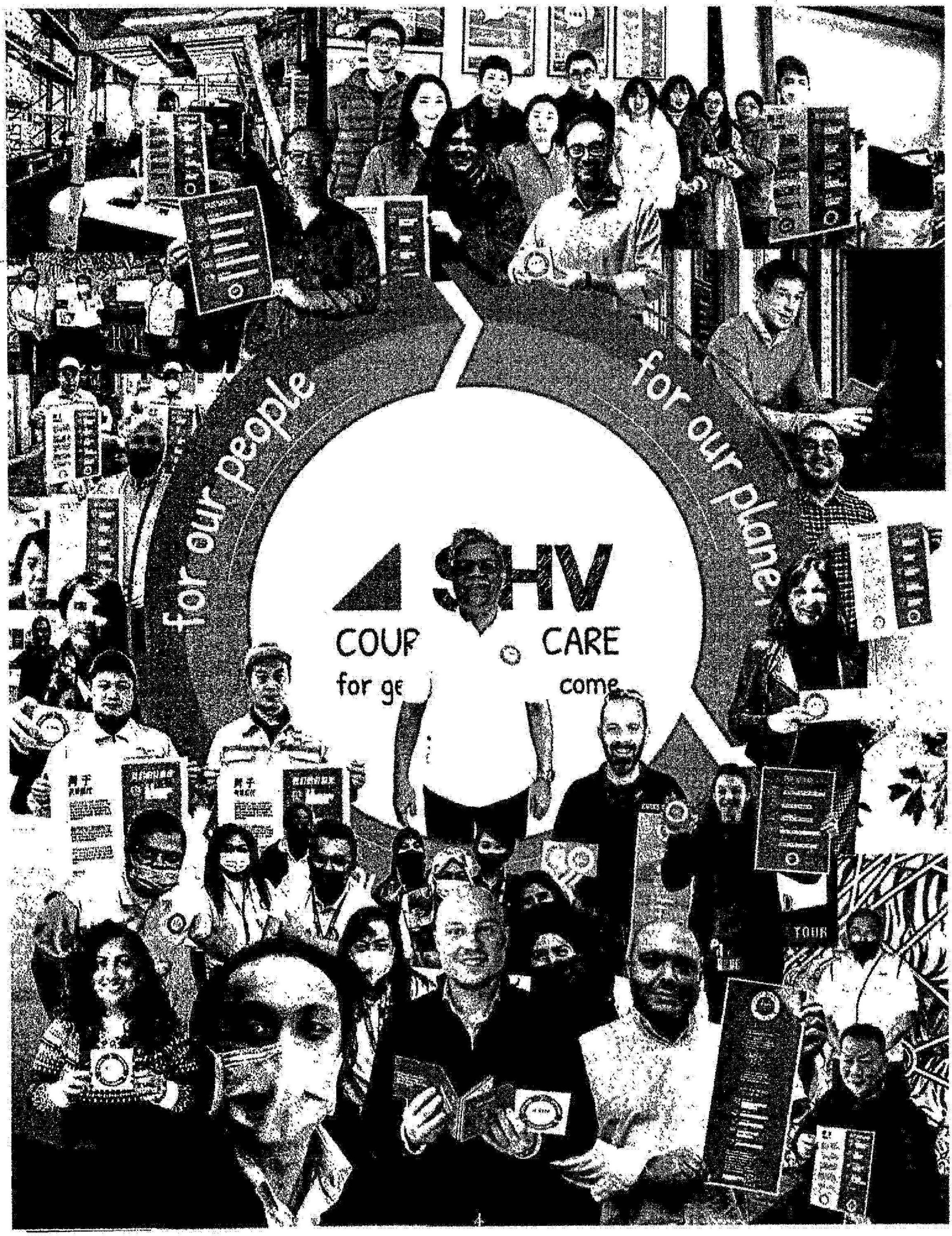
into the organisation, especially since the 'S' and the 'G' already played an intrinsic part of company culture. The main focus is now on the 'E', which for ONE-Dyas represents the energy transition.

This focus is making a positive impact in all kinds of ways, such as seeing shareholders, financiers, partners, and suppliers all willing to support an entrepreneurial approach to the energy transition. From electric drilling powered by offshore wind energy to using biofuel on the platforms, ONE-Dyas is dedicated to producing local gas, which plays a key role in the energy transition, with near-zero emissions.

Steady production, alongside rising oil and gas prices and operational expenses and capital expenses in line with forecasts, has resulted in a very successful year both in terms of cash flow and net profit.


for our people
for our planet
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Five year overview

	2017	2018	2019	2020	2021
Results, in millions of euro					
Net sales	19,871	20,068	19,172	16,723	20,002
Income from operations	503	613	305	602	525
Income	1,253	502	434	488	979
Amortisation, depreciation and impairments	770	766	680	663	671
Income taxes	219	168	100	138	273
Dividend	289	289	251	233	291
Cash flows, in millions of euro					
Changes in working capital	(312)	(276)	(88)	345	(323)
Operational cash flow	1,864	806	927	1,063	1,060
Investment cash flow	(1,093)	(1,153)	(628)	(701)	(1,292)
Financing cash flow	(285)	(141)	(485)	(121)	161
Financial position, in millions of euro					
Shareholders' equity	6,208	6,175	6,381	6,331	6,438
Equity of the Group	6,378	6,279	6,489	6,412	6,520
Total assets	13,756	13,211	13,078	12,535	14,722
Ratio information					
Income as a percentage of shareholders' equity	20%	8%	7%	8%	15%
Equity of the Group as a percentage of total assets	46%	48%	50%	51%	44%
Current assets in relation to short-term liabilities	1.45	1.33	1.32	1.39	1.16
Employees, at December 31					
Nominal number	60,100	59,000	57,500	51,600	56,750
Amounts per share					
Income	172.36	68.96	59.68	67.13	134.55
Dividend	39.75	39.75	34.50	32.00	40.00

The figures for the years 2017 - 2020 have been restated.

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⊿Financial Statements 2021

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Consolidated balance sheets at December 31

(after proposed distribution of income)
In millions of euro

		2021	2020
Assets	Intangible fixed assets	1,311.3	900.9
	Tangible fixed assets	4,274.1	3,905.4
	Financial fixed assets	2,790.2	2,663.1
	Fixed assets	**8,375.6**	**7,469.4**
	Inventories	1,776.4	1,314.3
	Projects in progress	0.1	
	Trade and other receivables	3,446.2	2,565.2
	Money market investments	10.7	6.1
	Cash and cash equivalents	1,112.8	1,179.6
	Current assets	**6,346.2**	**5,065.2**
	Total	**14,721.8**	**12,534.6**
Equity and liabilities	Shareholders' equity	6,437.9	6,331.4
	Minority interests	82.3	80.6
	Equity of the Group	**6,520.2**	**6,412.0**
	Provisions	**1,266.1**	**1,409.7**
	Non-current liabilities	**1,482.7**	**1,075.4**
	Current liabilities	**5,452.8**	**3,637.5**
	Total	**14,721.8**	**12,534.6**

The notes on pages 57 to 106 are an integral part of these consolidated financial statements.

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Consolidated statements of income

(comparative figures for 2020 have been restated)
In millions of euro

	2021	2020
Net sales	20,002.0	16,723.2
Other income	87.1	280.2
Total revenue	**20,089.1**	**17,003.4**
Cost of raw materials and consumables	(14,413.3)	(11,711.9)
Cost of outsourced work and other external cost	(2,157.2)	(1,847.2)
Salaries and wages	(1,909.9)	(1,740.5)
Social security and pension cost	(343.0)	(387.3)
Other operating expenses	(69.3)	(51.5)
Amortisation, depreciation and impairments	(671.4)	(663.0)
Total operating expenses	**(19,564.1)**	**(16,401.4)**
Income from operations	**525.0**	**602.0**
Income from private equity investments	632.3	10.9
Income from investments in affiliates	202.7	(72.7)
Interest income and expenses	(92.7)	(67.2)
Other financial results	10.3	169.4
Total financial income	**752.6**	**40.4**
Income before income taxes	**1,277.6**	**642.4**
Income taxes	(273.3)	(137.6)
Income of the Group	**1,004.3**	**504.8**
Income to minority interests	(25.8)	(17.0)
Income	**978.5**	**487.8**

Consolidated statements of comprehensive income

	2021	2020
Income	**978.5**	**487.8**
Foreign currency translation	141.5	(321.8)
Changes in unrealised derivatives	55.9	51.3
Related tax	(20.6)	(16.3)
Total of direct movements in equity	**176.8**	**(286.8)**
Comprehensive income	**1,155.3**	**201.0**

The notes on pages 57 to 106 are an integral part of these consolidated financial statements

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Consolidated statements of cash flow

In millions of euro

	2021	2020
Operational cash flow		
Income from operations	525.0	602.0
Income from private equity investments	632.3	10.9
Adjustments for:		
- Amortisation, depreciation and impairments	671.4	663.0
- Changes in provisions	(215.6)	(79.9)
- Non-cash in income from financial fixed assets	(17.1)	27.7
- Result on sale of fixed assets	(87.1)	(273.2)
Cash flow from operations before changes in working capital	**1,508.9**	**950.5**
Changes in:		
- Inventories	(433.6)	169.1
- Trade receivables	(486.3)	231.9
- Trade payables	515.1	(41.2)
- Other receivables, payables and accruals	81.6	(14.4)
Total changes in working capital	**(323.2)**	**345.4**
Net interest and other financial results paid and received	(37.4)	(100.1)
Dividends received from investments in affiliates	56.3	16.5
Net taxes paid and received	(157.1)	(162.8)
Other changes	12.6	13.3
Net cash flow from operating activities	**1,060.1**	**1,062.8**
Investment cash flow		
Investments:		
- Tangible fixed assets	(761.8)	(591.3)
- Acquisitions and intangible assets	(579.5)	(468.3)
- Investments in affiliates, private equity investments and trade investments	(572.1)	(362.0)
Disposals:		
- Tangible fixed assets	215.4	411.1
- Divestments and intangible assets	91.4	268.2
- Divestments in affiliates, private equity investments and trade investments	314.5	41.4
Net cash flow from investing activities	**(1,292.1)**	**(700.9)**
Financing cash flow		
Dividends to own shareholders	(232.7)	(223.6)
Dividends to minority shareholders	(23.4)	(37.9)
Capital changes by own and minority shareholders	58.9	0.3
Net cash flow to/from shareholders	**(197.2)**	**(261.2)**
Issuance of non-current liabilities	678.8	349.5
Redemption of non-current liabilities	(440.6)	(96.2)
Changes in payables to banks	119.6	(113.1)
Net cash flow to/from banks	**357.8**	**140.2**
Net cash flow from financing activities	**160.6**	**(121.0)**
Net cash flow	(71.4)	240.9
Currency exchange differences	9.2	(62.2)
Change in cash and cash equivalents	**(62.2)**	**178.7**

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Basis for consolidation, valuation of assets and liabilities and determination of income

General

SHV Holdings N.V., having its legal address at Boulevard Gob. N. Debrot 36 in Kralendijk, Bonaire, is a limited liability company under Dutch law. The head office is located at Rijnkade 1 in Utrecht, the Netherlands. SHV ('the Group') is composed of SHV Holdings N.V. ('SHV Holdings' or 'the Company') and its group companies ('the Groups'), being SHV Energy, Makro, Mammoet, ERIKS, Nutreco, Kiwa, NPM Capital and One-Dyas. The Group consists of a number of operational activities and selected investment activities. The operational activities are in the areas of energy distribution and low-carbon and clean energy solutions, food cash-and-carry, heavy lifting and transport, industrial services, animal nutrition and aqua feed and Testing, Inspection and Certification (TIC). Further, SHV invests in medium-sized companies in the Benelux region, and is involved as investor in the exploration and production of oil & gas primarily in the North Sea.

Developments in the Group and changes in the scope of consolidation

On May 28, 2021 SHV Energy acquired 79,8% of the shares and voting rights in SunSource Energy Private Ltd. SunSource is a leading provider of distributed solar energy for commercial and industrial customers in India. SHV Energy has a put / call option to acquire the remaining shares in 2024 or 2025.

On June 30, 2021 SHV Energy divested all off its LPG activities in the Netherlands via the sale of 100% of the shares in Primagaz Nederland B.V. to DCC Energy Nederland B.V.

On July 1, 2021, Nutreco completed an agreement to acquire all shares in Bigsal Nutricao Animal from H.I.G Captal. Bigsal is a market leader in the animal nutrition market in northern Brazil with a complete portfolio that ranges from farm minerals to complete feeds focused on beef and dairy cattle.

As per the end of June 2021, the decision was taken to no longer hold Kiwa as a private equity investment and thereby withdrawing the defined exit strategy from a SHV perspective. As a result, Kiwa is treated as a group company and fully consolidated into the consolidated accounts of SHV as of the beginning of July 2021. On July 9, 2021 an agreement was reached on the acquisition by SHV of a 9.5% interest in Kiwa from management of Kiwa in addition to the 80% already held by NPM Capital in the previously considered private equity investment. The transaction was closed on October 15, 2021, after which the shares owned by NPM Capital were transferred to SHV.

On October 29, 2021, SHV Energy divested all off its timber activities in Northern Ireland via the sale of 100% of the shares in Balcas Ltd. to Highlands and Island Enterprise.

Furthermore, SHV Energy acquired several companies and activities engaged in the local downstream business in the North-Eastern part of Taxas in the United States of America on November 30, 2021.

On December 1, 2021, Vinçotte decided to join the international Kiwa group in order to build a strong, shared portfolio of services. Vinçotte is the largest inspection, auditing and certification company in Belgium. The closing of the merger is subject to local regulatory approval and completion of the transaction is expected in the first half year of 2022.

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On December 7, 2021, Nutreco completed the acquisition of all shares in Nutrimin, one of the leading Danish producers of farm minerals, concentrates and piglet feed, following the approval of the Danish authorities.

After approval from the Australian authorities, Kiwa delisted and acquired all ordinary shares of Intega Group, on December 20, 2021. Intega is a provider of Assurance, Testing, Inspection, Certification services with a focus on the infrastructure and energy sectors primarily operating in Australia, the United States of America, Canada and New Zealand.

The total amount spent on acquisitions amounts to € 580 million and represents, amongst others, Kiwa and Intega.

Basis of preparation

The consolidated financial statements are stated in euro and are prepared in accordance with Part 9 of Book 2 of the Dutch Civil Code based on 'Wet Formeel Buitenlandse Vennootschappen'. All financial information in euro has been stated in millions of euro, unless otherwise indicated. These financial statements cover the year 2021, which ended at the balance sheet date of December 31, 2021.

Application of Section 402, Book 2 of the Dutch Civil Code

The financial information of the parent company is included in the consolidated financial statements. For this reason, in accordance with Section 402, Book 2 of the Dutch Civil Code, the separate statements of income of the company exclusively state the share of the result of participating interests after tax and the other result after tax.

Going concern

These financial statements have been prepared on the basis of the going concern assumption.

General accounting policies

Assets and liabilities are measured at nominal value, unless otherwise measured in the further principles. The accounting policies applied for measurement of assets and liabilities and determination of results are based on the historical cost convention, unless otherwise stated in the accounting principles. An asset is recognised in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the asset has a cost price or value of which the amount can be measured reliably. Assets that are not recognised in the balance sheet are considered as off-balance sheet assets.

A liability is recognised in the balance sheet when it is expected that the settlement of an existing obligation will result in an outflow of resources embodying economic benefits and the amount necessary to settle this obligation can be measured reliably. Provisions are included in the liabilities of the Company. Liabilities that are not recognised in the balance sheet are considered as off-balance sheet liabilities.

An asset or liability that is recognised in the balance sheet, remains recognised in the balance sheet if a transaction (with respect to the asset or liability) does not lead to a major change in the economic reality with respect to the asset or liability. Such transactions will not result in the

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recognition of results. When assessing whether there is a significant change in the economic circumstances, the economic benefits and risks that are likely to occur in practice are taken into account. The benefits and risks that are not reasonably expected to occur, are not taken into account in this assessment.

An asset or liability is no longer recognised in the balance sheet, and thus derecognised, when a transaction results in all or substantially all rights to economic benefits and all or substantially all of the risks related to the asset or liability are transferred to a third party. In such cases, the results of the transaction are directly recognised in the statement of income, taking into account any provisions related to the transaction.

If assets are recognised of which the Company does not have the legal ownership, this fact is being disclosed.

Income is recognised in the profit and loss account when an increase in future economic potential related to an increase in an asset or a decrease of a liability arises of which the size can be measured reliably.

Expenses are recognised when a decrease in the economic potential related to a decrease in an asset or an increase of a liability arises of which the size can be measured with sufficient reliability.

Income and expenses are allocated to the period to which they relate. Income is recognised when the Company has transferred the significant risks and rewards of ownership to the buyer.

Changes in accounting principles

For the preparation of the 2021 financial statements, SHV has changes it's accounting policies and principles as applied in relation to (1) the cash flow statement and (2) recognition and subsequent measurement of written put / call options with respect to minority interests (non-controlling interests in consolidated group companies).

Up to prior year, changes in cash and cash equivalents within the consolidated statement of cash flows were presented as reconciling items related to 'changes in consolidation' within the change in cash and cash equivalents. As of 2021, this is presented as part of the cash flows from investing activities and considered in the amounts presented as acquisitions and divestments. This change is the result of changes to Dutch Accounting Standards, effective for 2021 reporting periods. As a result, an amount of € 3.3 million has been reclassified within the consolidated statement of cash flows in the comparative figures from change in cash and cash equivalents to the aforementioned items in investing activities. The impact on the investment cash flow of this accounting policy for the financial information of the period 2021 amounts to positive € 96.5 million in terms of a reclassfication from the change in cash and cash equivalents to the items in investing activities. Similar impact (in nature) is expected for future reporting periods.

Until 1 January 2021, SHV accounted for the initial recognition and subsequent measurement of changes in liabilities related to put / call options (presented as part of provisions) as interest expenses in the statement of income. The use of and exposure to written put / call options on non-controlling interests was previously limited to activities within Nutreco. However, as such instruments are expected to be used more throughout SHV, the accounting policy was re-assessed and it was concluded to align the accounting treatment of these instruments

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(both initial recognition as well as subsequent measurement changes in the related liability) more with the existing policy applied with respect to buy-outs of minority shareholders of consolidated group companies, which are considered shareholder transactions and of which the effects are recognised in other reserves within equity. As a result of this assessment, SHV now recognises both the effects of initial recognition, as well as subsequent measurement changes of the liabilities arising from written put / call options with respect to minority interests of consolidated group companies in other reserves within equity, except for the accretion of interest (the unwinding of discounting of the related liability), which is accounted for as part of interest expenses within the statement of income. As a result of this change in accounting policy, the comparative information has been revised and the effects thereof amount to € 18.6 million in lower interest expenses and € 18.6 million in additional movements directly accounted for in other reserves within equity. The impacton on other reserves within equity of this accounting policy for the financial information of the reporting period 2021 amounts to € 12 million in lower interest expenses and movements directly accounted for in other reserves within equity. Similar impact (in nature) is expected for future reporting periods.

Comparative figures

Several reclassifications within the face of the consolidated statement of income have been made in order to closer align with the categorical model within the Decree Model Financial Statements. For comparison purposes, the comparative information has been revised. In doing so, previously presented 'third party costs' and 'other operating expenses' have been reclassified in accordance with their nature to 'cost of raw materials, consumables and costs to resale' and 'cost of outsourced work and other external costs'. Remaining 'other operating expenses' that remain are related to costs that in their nature are not part of 'cost of raw materials and consumables' and 'cost of outsourced work and other external costs'. Furthermore, previously aggregated 'social security and pension costs' within 'salaries and wages' are presented separately on the face of the consolidated statement of income. The related notes to the consolidated statement of income have been altered in response of the changes described above.

Finally, related tax on direct movements in equity within the consolidated statement have been presented separately from the related movements, which are as such presented gross and excluding their related tax effects.

Consolidation

The consolidated financial statements include the financial data of the Company, its group companies and other companies over which the Company has control. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Group companies are participating interests in which the Company has a direct or indirect controlling interest.
In assessing whether controlling interest exists, potential voting rights that are currently exercisable are taken into account. Group companies exclusively acquired with an exit strategy within the foreseeable future are exempted from consolidation. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control can be exercised until the date that control ceases.

The consolidated financial statements include the separate financial statements of:
- SHV Holdings N.V.;
- companies over which SHV has control.

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Total assets, liabilities and results of operations of these companies are included in the consolidation. Minority interests in consolidated companies are presented separately within group equity separate from parent's equity.
Assets, liabilities and results of the above companies are calculated in accordance with the accounting principles that apply for the financial statements of SHV Holdings N.V.

Investments in affiliates include companies in which SHV:
- does not have control;
- has control along with other participants (joint ventures);
- has significant influence (to be presumed if SHV holds an interest of 20% or more); and
- intends to maintain a long-term relationship for the benefit of SHV's own activities.

Interests in companies resulting from private equity activities are included in private equity investments. The financial statements of companies in which SHV holds a private equity interest and exercises predominant management influence are, in accordance with Section 2: 407 sub 1c of the Dutch Civil Code, not included in the consolidated financial statements, as these interests are not intended to be permanently held. For these companies SHV has defined an exit strategy. Interests in other companies are included in investments. A complete list of shareholdings has been filed with the Chamber of Commerce in Utrecht.

In preparing the consolidated financial statements, intercompany transactions, profits and balances among group companies are eliminated. The results on transactions between group companies are eliminated to the extent that the results are not realised through transactions with third parties outside the group and no impairment loss is applicable.

The SHV group companies are listed on pages 117 and 118. In accordance with article 379 sub 5 of Book 2 of the Dutch Civil Code, a complete list of shareholdings has been filed with the Chamber of Commerce in Utrecht.

Acquisitions and disposals of companies

Acquired companies in which SHV owns an interest of 20% or more, and intends to maintain a long-term relationship for the benefit of SHV's own activities, are initially valued at SHV's share in the fair value of the net assets of these companies at the date of acquisition.

Identifiable assets acquired and liabilities assumed in an acquired company, in which SHV exercises predominant management influence, are recognised in the consolidated financial statements from the acquisition date, being the moment from which control can be exercised in the acquired company. Group companies continue to be consolidated until control ceases to exist. The acquisition price consists of the cash consideration, or equivalent, agreed for acquiring the company plus any directly attributable external expenses. Refer to the accounting policy under the heading 'Intangible fixed assets' for the recognition of positive or negative goodwill resulting from an acquisition. Interest in companies available for sale are stated at the lower of their carrying amount and net realisable value.

If an acquisition is achieved in stages (step acquisitions), the consideration is the sum of the considerations paid for the individual transactions. The fair values of the acquired company's identifiable assets and liabilities are subsequently determined to the date on which each individual acquisition is included in the acquiring company's financial statements. Only when control is obtained in the acquired company, the identifiable assets and liabilities of the already

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held interest are remeasered at fair value. Revaluation differences are accounted for in a revaluation reserve in shareholders equity, taking into account the effects of deferred tax liabilities in relation to assets which are revaluated to a higher fair value.

The revaluation reserve is decreased with the amount recognised in the reserve in relation to a certain asset, which is being derecognised from the balance sheet.

If revaluations of assets have been recognised in the revaluation reserve, decrease in value of these assets, like depreciation, amortisation and impairments are charged against the revaluation reserve, taking into account any deferred tax effect.

In case of contribution in or sale of assets by the Company to a joint venture, the company recognises that part of the result in the statement of income that corresponds to the relative share of the other participants in the joint venture. No result is recognised if the non-monetary assets contributed by the participants approximately equal each other in terms of type, use (same business activity) and fair value. Consequently, the Company recognises any loss on current assets or an impairment of fixed assets immediately and in full.

Capital gains and losses resulting from the (partly) sale of companies represents the difference between the selling price of the sold companies and the (relative share in) carrying value of the net assets of these companies at the date of divestment, deducted by the external costs directly related to the (partly) sale and are recognised in the statement of income under financial results.

When the Company has a controlling interest and the proportion of the equity held by the minority shareholder changes, the Company adjusts the carrying amounts of the controlling and the minority interests to reflect the changes in their relative interests in the subsidiary. The Company recognises any difference between the amount by which the minority interests are adjusted and the fair value of the consideration paid or received, directly in equity.

When a company enters into a so called put / call arrangement with third party shareholders, whereby the company has the obligation to buy (written put) the third party share at the moment the third party shareholder exercises its right to sell its shareholding to the company (put), this written option qualifies as a contract resulting in the obligation to buy equity instruments.

In case that the minority shareholder, based on the contract, does not have the access to the returns associated with the underlying ownership interest, a third party share as part of group equity cannot be accounted for. In case that the minority shareholder, based on the contract, does have the access to the returns associated with the underlying ownership interest, a third party share as part of group equity is accounted for.

When, the put option should be settled in cash or other financial assets, a liability should be recognised. Initially at fair value, which represents the discounted value of the expected outflow of resources to settle the option. At first recognition the liability is recognised against a change in the other reserves within equity. Future changes in the valuation as a result of changes in the expected outflow of resources are recorded in the other reserves within equity. The discount effect has to be recorded in the income statement as part of the financial result. This should be consistently applied.

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Related party transactions

Transactions with related parties are assumed when a relationship exists between the Company and a natural person or entity that is affiliated with the Company. This includes, among others, the relationship between the Company and its subsidiaries, shareholders, directors and key management personnel. Transactions are transfers of resources, services or obligations, regardless whether any amount has been charged. Significant transactions with related parties are disclosed in the notes insofar as they are not transacted under normal market conditions. The nature, extent and other information are disclosed if this is required to provide a true and fair view.

Foreign currency

Functional currency

Items included in the financial statements of group companies are measured using the currency of the primary economic environment in which the respective group company operates. The consolidated financial statements are presented in euro, which is the functional and presentation currency of the Company. All amounts have been rounded to the nearest million, unless stated otherwise.

Transactions and balances

At initial recognition transactions denominated in foreign currency are translated into the relevant functional currency of the group companies at the exchange rate applying on the transaction date.

Monetary assets and liabilities denominated in foreign currency are translated at the balance sheet date into the functional currency at the exchange rate applying on that date. Translation gains and losses resulting from the settlement of monetary items are taken to the statement of income in the period the translation gain or loss occurs. Exempted from this are gains and losses that are part of a net investment in a foreign operation. Non-monetary assets and liabilities in foreign currency that are stated at historical cost are translated into functional currency at the applicable exchange rates applying on the transaction date.

Foreign operations

The assets and liabilities, including fair value adjustments, that are part of the net investment in a foreign operation are translated into euro at the exchange rate prevailing at the balance sheet date. The revenues and expenses of such a foreign operation are translated into euro at the average exchange rate for the year. Currency translation differences are recognised in the translation reserve within shareholders' equity. Goodwill resulting from the acquisition of a foreign operation translated into functional currency at the exchange rate at the transaction date. Fair value adjustments related to business combinations up financial year 2019 are translated at the transaction date. Fair value adjustments related to business combinations as of financial year 2020 are translated at the closing rate per balance sheet date. When a foreign operation is fully or partially sold, the respective amount is transferred from the translation reserve to the profit or loss account. However, if the foreign operation is a non-wholly owned subsidiary, then the relevant proportion of the translation difference is allocated to minority interests.

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Hedging of the net investment in foreign operations

For recognition of the derivatives which are concluded to offset foreign currency differences arising between the functional currency of the foreign operation and the Company's functional currency the company applies hedge accounting, regardless of whether the net investment is held directly or through an intermediate parent.
Foreign currency differences arising from the translation of a financial liability designated as a hedge of a net investment in a foreign operation are directly recognised in equity to the extent that the hedge is effective, and are presented in the translation reserve. To the extent that the hedge is ineffective, such differences are recognised in the statement of income. When the hedged net investment is disposed of, the respective amount is transferred from the translation reserve to the profit and loss account.

Hyperinflation

The income and expenses of foreign operations in hyperinflationary economies are translated to the functional currency at the exchange rate at the reporting date. Prior to translating the financial statements of foreign operations in hyperinflationary economies, their financial statements are restated to account for changes in the local inflation indices. The adjustment is based on relevant price indices at the reporting date. In case of hyperinflationary economies, the financial statements are adjusted for the effects of changing prices of local currency. The translation to the functional currency is recorded in equity and the restatement for changes in local inflation indices is recorded in the statements of income. Hyperinflation is accounted for the operations in Venezuela and Argentina.

Impairment

Impairment of non-financial assets

For non-financial assets an assessment is made as of each balance sheet date as to whether there are indications that these assets are subject to impairment. If there are such indications, then the recoverable amount of the asset is estimated. The recoverable amount is the higher of the value in use and the net realisable value. If it is not possible to assess the recoverable amount for an individual asset, the recoverable amount is assessed for the cash-generating unit to which the asset belongs.

If the carrying value of an asset or cash-generating unit is higher than the recoverable amount, an impairment loss is recorded for the difference between the carrying value and the recoverable amount. If there is an impairment loss for a cash-generating unit, the loss is first allocated to goodwill allocated to the cash-generating unit. Any residual loss is allocated to the other assets of the unit pro rata to their book values.

An assessment is made on each balance sheet date whether there is any indication that an impairment loss that was recorded in previous years has decreased. If there is such indication, the recoverable amount of the related asset or cash-generating unit is estimated.

Reversal of an impairment loss that was recorded in the past only takes place in case of a change in the estimates used to determine the recoverable amount since the recording of the last impairment loss.

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In such case, the carrying value of the asset or cash-generating unit is increased up to the amount of the estimated recoverable amount, but not higher than the carrying value that would have applied (after depreciation, amortisation and depletion) if no impairment loss had been recorded in prior years for the asset or cash-generating unit.

Losses resulting from goodwill impairments recorded in the past are not reversed.

Impairment of financial assets

A financial asset that is not measured at (1) fair value with value changes reflected in the statement of income, or at (2) amortised cost or lower market value, is assessed at each balance sheet date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, with negative impact on the estimated future cash flows of that asset, which can be estimated reliably.

Objective evidence that financial assets are impaired includes default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers or the disappearance of an active market for a security. Indicators for subjective evidence are also considered together with objective evidence of impairments, such as the disappearance of an active market because an entity's financial instruments are no longer publicly traded, a downgrade of an entity's credit rating or a decline in the fair value of a financial asset below its cost or amortised cost.

The entity considers evidence of impairment for financial assets measured at amortised cost (loans and receivables and financial assets that are held to maturity) at both a specific asset and collective level. All individually significant assets are assessed for specific impairment. Those individually significant assets found not to be specifically impaired and assets that are not individually significant are then collectively assessed for impairment by grouping together assets with similar risk characteristics. In assessing collective impairment, the Company uses historical trends of the probability of default, the timing of collections and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss in respect of a financial asset stated at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's effective interest rate.

Impairment losses are recognised in the statement of income and reflected in an allowance account against loans and receivables or investment securities held to maturity. Interest on the impaired asset continues to be recognised by using the asset's effective interest rate.

Impairment losses below (amortised) cost of investments in equity instruments that are stated at fair value through profit or loss, are recognised directly in profit or loss.

When, in a subsequent period, the amount of an impairment loss decreases, and the decrease can be related objectively to an event occurring after the impairment was recognised, the decrease in impairment loss is reversed through profit or loss (up to the amount of the original cost).

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Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying value of assets and liabilities for financial reporting purposes and their tax bases. Deferred income tax is recorded at nominal value, calculated using tax rates at the balance sheet date or tax rates applicable in future years, to the extent enacted by law. Deferred tax assets, including the tax loss carry forward position, are recognised when it is probable that they can be offset against future taxable income. Deferred tax assets and deferred tax liabilities are offset in the balance sheet if the company has a legally enforceable right to offset current tax assets against current tax liabilities with regard to the same fiscal year, insofar the deferred tax assets relate to income taxes levied by the same tax authority on the same taxable legal entity, or the same fiscal unity.

For taxable temporary differences related to group companies, foreign branches, associates and interests in joint ventures, a deferred tax liability is recognised, unless the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. For deductible temporary differences regarding group companies, foreign branches, associates and interests in joint ventures, a deferred tax asset is only recognised in so far as it is probable that the temporary difference will reverse in the foreseeable future and that taxable profit will be available to offset the temporary difference can be utilised.

The deferred tax assets are presented under financial fixed assets. The current part of deferred tax assets is disclosed under financial fixed assets. Deferred tax liabilities are presented under provisions.

Pensions

Dutch pension plans

The main principle is that the pension charge to be recognised for the reporting period should be equal to the pension contributions payable to the pension fund or insurance company over the period. In so far as the payable contributions have not yet been paid as at balance sheet date, a liability is recognised. If the contributions already paid exceed the payable contributions as at balance sheet date, a receivable is recognised to account for any repayment by the fund or insurance company or a settlement with contributions payable in the future.

If, on the basis of an administration agreement with respect to a group plan / multi-employer plan, there is an obligation at balance sheet date, a provision is recognised when it is probable that the measures, which are necessary for the recovery of the existing funding ratio at balance sheet date, will result in an outflow of resources and the amount thereof can be estimated reliably.

If there are adjustments to rights accrued as at the balance sheet date arising from future salary increases that are already committed to at the balance sheet date and which shall be paid by the Company, a provision is recognised.

In addition, a provision is included as at balance sheet date for existing additional commitments to the fund or insurance company and the employees, provided that it is likely that there will be an outflow of funds for the settlement of the commitments and it is possible to reliably estimate the amount of the commitments. The existence or non-existence of additional commitments is assessed on the basis of the administration agreement concluded with the fund, the pension agreement with the employees and other (explicit or implicit) commitments

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to employees. The liability is stated at the best estimate of the present value of the anticipated costs of settling the commitments as at balance sheet date.

For any surplus at the pension fund as at balance sheet date, a receivable is recognised if the Company has the power to withdraw this surplus, if it is likely that the surplus will flow to the Company and if the receivable can be reliably determined.

Foreign pension plans

Pension plans that are comparable in design and functioning to the Dutch pension system, having a strict segregation of the responsibilities of the parties involved and risk sharing between the said parties (company, fund and members) are recognised and measured in accordance with Dutch pension plans.

For foreign pension plans that are not comparable in design and functioning to the Dutch pension system, a best estimate is made of the commitment as at balance sheet date. This commitment should then be stated on the basis of an actuarial valuation principle generally accepted in the Netherlands.

Estimates

The preparation of financial statements in conformity with the relevant rules requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying SHV's accounting policies. The following accounting policies are in the opinion of management the most critical for the purpose of presenting the financial position and require estimates and assumptions:

- intangible fixed assets
- tangible fixed assets
- investments in affiliates
- private equity investments
- deferred tax assets
- inventories
- receivables
- provisions
- written put / call liabilities

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are applied prospectively.

Intangible fixed assets

Intangible fixed assets are only recognised in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of that asset can be measured reliably. Intangible fixed assets are measured at acquisition or construction cost, less accumulated amortisation and impairment losses.

Expenditures made after the initial recognition of an acquired or constructed intangible fixed asset are included to the acquisition or construction cost if it is probable that the expenditures will lead to an increase in the expected future economic benefits, and the expenditures and the allocation to the asset can be measured reliably. If expenditures do not meet these conditions, they are recognised as an expense in the profit and loss account.

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Goodwill

Goodwill represents the excess of the cost of the acquisition of the participating interest (including transaction costs directly related to the acquisition) over the Company's interest in the fair value of the assets acquired and the liabilities assumed of the acquired entity, less cumulative amortisation and impairment losses. Internally generated goodwill is not capitalised.

Goodwill paid upon the acquisition of foreign group companies and subsidiaries is translated at the exchange rates at the date of acquisition.

The capitalised positive goodwill is amortised on a straight-line basis over the estimated useful life.

In case of a full or partial sale of a participating interest, the positive goodwill that can be allocated to the sold part is written off proportionally and is charged to the book result.

Development costs

Development costs are capitalised in so far as incurred in respect of commercially feasible projects. The development of an intangible fixed asset is considered commercially feasible if the following conditions are met: the completion of the asset is technically feasible, the Company has the intention of completing the asset and then of using or selling it (including the availability of adequate technical, financial and other resources to achieve this), the Company has the ability to use or sell the asset, it is probable that the asset will generate future economic benefits, and the costs during the development phase can be determined reliably. Development costs are measured at construction cost, less accumulated amortisation and impairment losses. The capitalised costs are amortised over the estimated useful life after completion of the development phase (asset ready for usage). The costs of research and other development costs are charged to the result in the period in which they are incurred.

Development costs include software and technology. Software and technology that are acquired by the Company have a definite useful life and are carried at cost less accumulated amortisation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed software includes the following:

- the cost of direct labour;
- any other costs directly attributable to bringing the assets to a working condition for their intended use;
- capitalised borrowing costs.

A legal reserve is formed for the capitalised development costs that have not yet been amortised, insofar required by local law and regulations.

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Brands, concessions, licences and quota

This category includes capitalised costs relating to copy rights, user rights relating to patents, trade- and brand names and licenses, including licences enforced by law.

Brands, concessions, licences and quota are stated at cost less accumulated amortisation and impairment losses.

Customer contracts

This category includes capitalised identifiable and legal enforceable customer contracts. Customer contracts are stated at cost less accumulated amortisation and impairment losses.

Amortisation is recognised by the straight-line method over the following estimated economic lives, with a maximum of 20 years:

goodwill	5 - 10 years
concessions, licences and intellectual property rights	14 - 20 years
development costs	3 years
software and technologies	3 - 10 years
brand names	10 - 20 years
customer contracts	3 - 5 years

Tangible fixed assets

Tangible fixed assets are recognised in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of that asset can be measured reliably.

Tangible fixed assets are carried at cost of acquisition less accumulated depreciation, depletion and impairment losses. The cost comprises the price of acquisition or manufacture, plus other costs that are necessary to get the assets to their location and condition for their intended use. Interest paid to third parties during construction is included in the cost of acquisition. Costs directly attributable to the extension of the estimated economic lifetime of tangible fixed assets are being capitalised in the year of occurrence.

Depreciation is recognised by the straight-line method over the following estimated economic lives:

- commercial buildings	20 - 40 years
- gas cylinders and tanks	5 - 20 years
- machines and installations	5 - 20 years
- transport equipment	3 - 12 years
- office and plant equipment	2 - 10 years

Land and Assets under construction are not depreciated.

Real estate investments

Real estate held to realise rental income or value increases are carried at cost of acquisition less depreciation and impairment losses.

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Maintenance

Maintenance expenditures are only capitalised when the maintenance leads to extension of the useful life of the asset and/or future performance units regarding the asset. For recognition of maintenance expenditures the Company uses the component approach.

Inventories

Inventories are measured at the lower of cost and net realisable value. Cost includes the expenses for acquisition or manufacture, plus other expenditure to bring the inventories to their present location and condition. Net realisable value is based on the most reliable estimate of the amount the inventories will generate, less estimated costs of completion and selling. Cost is determined using the first in-first out (FIFO) principle, for gas volumes and the inventory at Makro and ERIKS are measured by applying weighted average prices.

The cost of purchase include the purchase price and additional expenditure, such as import duties, transport and other costs directly attributable to the acquisition of inventory. Trade discounts, rebates and indemnities (to be) received in connection with purchasing are deducted from the costs of purchase.

Projects in progress

Projects in progress comprises the balance of project costs realised, profit attributed and if applicable, recognised losses and instalments already invoiced. The profit attributed is calculated based upon the percentage of completion method.
Project costs include the cost which directly relate to the specific project, the costs which are attributable to contract activity in general and can be allocated to the project, as well as other costs chargeable to the customer under the terms of the project.

Financial instruments

Financial instruments include investments in shares, trade and other receivables, money market investments, cash items, loans and other financing commitments, derivative financial instruments, trade payables and other amounts payable. These financial statements contain the following financial instruments: investment in affiliates, private equity investments, other financial fixed assets, accounts receivable, money market investments, cash and cash equivalents, non-current liabilities, current liabilities and derivatives.

Financial assets and liabilities are recognised in the balance sheet at the moment that the contractual risks or rewards with respect to that financial instrument originate.

Financial instruments are derecognised if a transaction results in a considerate part of the contractual risks or rewards with respect to that financial instrument being transferred to a third party.

Financial instruments (and individual components of financial instruments) are presented in the consolidated financial statements in accordance with the economic substance of the contractual terms. Presentation of the financial instruments is based on the individual components of financial instruments as a financial asset, financial liability or equity instrument.

Financial instruments are initially stated at fair value, including discount or premium and directly attributable transaction costs. However, if financial instruments are subsequently measured at fair value through the statement of income, then directly attributable transaction

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costs are directly recognised in the statement of income at the initial recognition. After initial recognition, financial instruments are valued in the manner described below.

Investments in affiliates

The accounting principles applicable to investments in affiliates are as follows:

- valuation is based on the share in the affiliate's net asset value, calculated in accordance with the accounting principles that apply for these financial statements, after deducting necessary impairments;
- the share in income or loss is included in the consolidated statements of income.

Investments in affiliates with an equity deficit are carried at nil. A provision is formed if and when SHV is fully or partially liable for the liabilities of the affiliate, or has the firm intention to allow the affiliate to pay its liabilities. Loans to affiliates are included in the valuation. Dividends are recorded at the time when they are declared.

Private equity investments

Private equity investments are valued at cost less impairments. Investments in shares, provided that these are listed, are measured at fair value following their initial recognition. Changes in fair value are recognised directly in equity until the time of realisation, to the extent that the result of the individual investment is cumulatively positive, less any provision for deferred taxes. Upon derecognition of the investment, the accumulated result recognised in equity is transferred to the profit and loss account. Any accumulated decrease in fair value to below cost is recognised in the profit and loss account. Purchases and sales of financial assets that belong to the category investments in listed equity instruments are accounted for at the transaction date. For unlisted shares, an impairment is made when deemed necessary based on circumstances at the respective company. Loans to private equity investments are included in the valuation. Loans are written off or provided for when the private equity investments are considered impaired.

Gains or losses on disposal of a private equity investment are determined based on the difference between the net proceeds and the carrying amount of the private equity investment, and are recognised in the statement of income under income from private equity investments. The consideration receivable on disposal of a private equity investment is recognised at fair value. Any liabilities that the Company retains after disposal of a private equity investment are recognised as disclosed under provisions or contingent liabilities.

Dividends received from private equity investments are recognised in the statement of income under income from private equity investments. Dividends are recorded at the time when they are declared.

Other financial fixed assets

Investments are valued at cost of acquisition or lower market value, when it is expected that they are subject to a permanent impairment in value.

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Bonds, listed and unlisted, that are not held as part of a trading portfolio and which will be held to maturity, are measured at amortised cost on the basis of the effective interest rate method, less impairment losses.

Long-term accounts receivable and loans are carried at amortised cost on the basis of the effective interest rate method, less any impairments and net of the amounts to be redeemed within one year. The amounts to be redeemed within one year are included in the accounts receivables.

Dividends are recorded in the statement of income at the time when they are declared.

Accounts receivable

Accounts receivable are carried at amortised cost on the basis of the effective interest rate method after deduction of an allowance for doubtful accounts.

Money market investments

Money market investments consist of deposits, repurchase agreements and other money market investments which have a maturity as per reporting date of more than 60 days and less than one year. Money market investments are carried at amortised cost on the basis of the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents consist of bank balances and cash on hand, deposits, repurchase agreements and commercial paper which have a maturity as per reporting date of less than 60 days. Cash and cash equivalents are carried at nominal value.

Non-current liabilities

Non-current liabilities are carried at amortised cost on the basis of the effective interest rate method, net of the amounts to be redeemed within one year. Redemption of non-current liabilities that are due next year, are presented under short term liabilities.

Current liabilities

Current liabilities are stated at amortised cost on the basis of the effective interest rate method.

Derivatives

After their initial recognition, the derivatives are normally valued at the lower of cost or fair value. Exceptions to this general principle relate to:

- derivatives used to hedge (monetary assets and liabilities in) foreign currencies that are not part of a net investment of a foreign operation, which are valued at fair value through profit and loss;
- commodity derivatives, for which the own use assumption cannot be applied, which are valued at fair value through profit and loss;
- derivatives for which a model for hedge accounting is applied.

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If forward exchange contracts are concluded to hedge monetary assets and liabilities in foreign currencies, derivatives are recognised at fair value through profit and loss, except if net investment hedge accounting is applied. This is done to ensure that the gains or losses arising from the translation of the monetary items recognised in the statement of income are offset by the changes in the value of forward exchange contracts as at reporting date.

Gains and losses relating to derivatives entered into cover the foreign currency position in a net investment of a foreign operation, are included in the reserve for currency exchange differences within shareholders' equity to the extent that the hedge is effective. The ineffective part is recognised in the statement of income.

Commodity derivatives (LPG), for which the own use assumption cannot be applied, are recognised at fair value through statement of income.

Other derivatives that are concluded to hedge expected future transactions are recognised at the lower of cost or fair value, except if cost price hedge accounting is applied.

If cost price hedge accounting is applied for, then no revaluation of the derivative instrument takes place as long as the derivative hedges the specific risk of a future transaction that is expected to take place. As soon as the expected future transaction leads to recognition in the statement of income, then the profit or loss that is associated with the derivative is recognised in the statement of income. If the hedged position of an expected future transaction leads to the recognition in the balance sheet of a non-financial asset or a non-financial liability, then the cost of the asset or liability is adjusted by the hedge results that have not yet been recognised in the statement of income.

- When a derivative expires or is sold before the hedged transaction takes place, the accumulated profit or loss that has not yet been recognised in the statement of income prior to that time must then be included as a deferral in the balance sheet until the hedged transactions take place. If the transactions are no longer expected to take place, then the accumulated profit or loss is transferred to the statement of income. If a derivative no longer meets the conditions for hedge accounting, but the financial instrument is not sold, then the hedge accounting cannot longer be applied. The accounting is similar to the situation when a derivative expires or is sold before the hedged transaction takes place. Subsequent measurement of the derivative instrument is then at the lower of cost or fair value.

If cash flow hedge accounting is used, the effective portion of the fair value changes of the derivatives is initially recognised in the revaluation reserve. As soon as the expected future transactions lead to the recognition of gains or losses in the statement of income, the respective amounts are transferred from the revaluation reserve to the profit and loss account. If a hedged position in respect of an expected future transaction leads to the recognition in the balance sheet of a non-financial asset or a non-financial liability, the Company adjusts the cost of this asset by the hedging results. This is done through a transfer from the revaluation reserve of the results that have been deferred in this reserve until such time.

If the hedged position of an expected future transaction results in the recognition in the balance sheet of a financial asset or a financial liability, the hedging results not yet recognised in the profit and loss account are recognised in the profit and loss account in the period(s) that the acquired asset or liability incurred affects profit or loss.

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If a derivative no longer meets the conditions for hedge accounting, expires or is sold, or if the Company has decided to no longer apply hedge accounting, the hedging relationship is terminated. The deferred gains or losses recognised at the time of the termination of the hedging relationship remain in equity until the expected future transaction takes place. If the transaction is no longer expected to take place, the deferred gain or loss on the hedge recognised in equity is transferred to the statement of income.

Conditions for hedge accounting

The Company documents its hedging relationships in hedging documentation and regularly checks the effectiveness of the hedging relationships by establishing whether the hedge is effective and that there is no over-hedging.

At each reporting date, the Company assesses the degree of ineffectiveness of the combination of the hedge instrument and the hedged position (the hedging relationship). The degree of ineffectiveness of the hedging relationship is determined by comparing the critical features of the hedging instrument against the hedged position. For this comparison, the Company uses the following critical features: amount, term, hedged risk, method of settlement of the hedging instrument and the hedged position.

If the critical features, assessed in the context of the hedging relationship, have matched each other, there has been no ineffectiveness.

If the critical features, assessed in the context of the hedging relationship, did not match each other, there has been ineffectiveness. In that case, the degree of ineffectiveness is determined by comparing the fair value change of the hedging instrument with the fair value change of the hedged position. If there is a cumulative loss on the hedging relationship over the period between initial recognition of the hedging instrument and the balance sheet date, the ineffectiveness (the result) is directly recognised in the statements of income.

Determination of fair value

The fair value of a financial instrument is the amount for which an asset can be sold or a liability settled, involving parties who are well informed regarding the matter, willing to enter into a transaction and are independent from each other.

- The fair value of listed financial instruments is determined on the basis of the exit price.
- The fair value of non-listed financial instruments is determined by discounting the expected cash flows to their present value, applying a discount rate that is equal to the current risk-free market interest rate for the remaining term, plus credit and liquidity surcharges. For certain items (private equity investments) the determined fair value is based on multiple models (earnings before interest, taxes, depreciation and amortisation (EBITDA), sales or production capacity) using both entry as well as peer group multiples per balance sheet date.
- The fair value of financial instruments involving the exchange of collateral is determined by discounting the cash flows to present value applying the relevant swap curve. This is used because the credit and liquidity risk is mitigated by the collateral exchange.
- The fair value of financial instruments that do not involve exchange of collateral is determined by discounting the cash flows to present value, applying the relevant swap curve plus credit and liquidity surcharges.

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Offsetting financial instruments

A financial asset and a financial liability are offset when the entity has a legally enforceable right to set off the financial asset and financial liability and the Company has the firm intention to settle the balance on a net basis, or to settle the asset and the liability simultaneously. If there is a transfer of a financial asset that does not qualify for derecognition in the balance sheet, the transferred asset and the associated liability are not offset.

Equity

Shareholders' equity

Financial instruments that are designated as equity investments by virtue of the economic reality are presented under shareholders' equity. Payments to holders of these instruments are deducted from the shareholders' equity.
The purchase of own shares is deducted from the other reserves.
As the balance sheet is prepared after appropriation of results, proposed dividends are recognised as a liability.

Amounts contributed by the shareholder(s) of the Company in excess of the nominal share capital, are accounted for as share premium. This also includes additional capital contributions by existing shareholders without the issue of shares or issue of rights to acquire shares of the Company.

Costs and capital taxes associated with the issue of shares that are not capitalized are deducted from share premium, after taken into account tax effects. If the share premium is insufficient for such deductions, the amounts are deducted from retained earnings.

Exchange gains and losses arising from the translation of the functional currency of foreign operations to the reporting currency of the parent are accounted for in this legal reserve. In the case of the sale of a participating interest, the associated accumulated exchange differences are transferred to the profit and loss account.

Increases in the values of assets that are measured at fair value are included in the revaluation reserve.

Minority interests

Minority interests are valued at the proportional share of third parties in the net value of the assets and liabilities, determined in accordance with the Company's accounting principles.

Income attributable to minority interest shareholders is deducted from the income of the Group based on the related proportionate share in the result of the related consolidated group companies.

Provisions

A provision is recognised if the following applies:

- the Company has a legal or constructive obligation, arising from a past event;
- the amount can be estimated reliably; and
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

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Rights and obligations resulting from contracts under which neither party has performed any of its obligations or both parties have partially performed their obligations to an equal extent, are not recognised. Recognition occurs when the consideration to be received is not (or no longer) in balance with the performance obligation of the Company and this imbalance has adverse effects for the Company.

If all or part of the payments that are necessary to settle a provision are likely to be fully or partially compensated by a third party upon settlement of the provision, then the compensation amount is presented separately as an asset.

Provisions are measured at the best estimate of the expenditures that are expected to be required to settle the liabilities and losses, except for the pension provisions which are measured at the present value of the best estimate of the expenditures expected to be required to settle the obligations and losses. If the time value of money is material and the period over which the cash outflows are discounted is more than one year, provisions are measured at the present value of the best estimate of the cash outflows that are expected to be required to settle the liabilities and losses. The provisions are measured at nominal value if the time value of money is not material or if the period over which the cash outflows are discounted is no longer than one year.

A liability for deposits is recognised when a legal or constructive obligation exists to reimburse the customer for gas cylinders or tanks that are (expected to be) returned. The provision in relation to liabilities for deposits is based on the estimated gas cylinders and tanks in the market, the expected return thereof and the respective deposit values.

A provision for claims and other disputes is established when it is expected that the Company will be sentenced in legal proceedings. The provision represents the best estimate of the amount for which the claim can be settled, including the costs of litigation.

Where there are a number of similar obligations, the probability that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Although the likelihood of outflow for any one item may be small, it may well be probable that some outflow of resources will be needed to settle the class of obligations as a whole. If that is the case, a provision is recognised (if the other recognition criteria are met).

A restructuring provision is recognised when at the balance sheet date the entity has a detailed formal plan, and ultimately at the date of preparation of the financial statements a valid expectation of implementation of the plan has been raised to those that will be impacted by the reorganisation. The provision for restructuring costs includes the costs that are directly associated with the restructuring.

Leases

The Company may enter into financial and operating leases. A lease contract where the risks and rewards associated with ownership of the leased property are transferred substantially all to the lessee, is referred to as a financial lease. All other leases are classified as operating leases. In classifying leases, the economic reality of the transaction is decisive rather than its legal form.

At inception of an arrangement, the Company assesses whether the lease classifies as a finance or operating lease.

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Finance leases

If the Company acts as lessee in a financial lease, the leased property (and the related liability) is recognised in the balance sheet at the start of the lease period at its fair value or, if lower, at the present value of the minimum lease payments. Both amounts are determined at the start of the lease. The interest rate applied for the calculation of present value is the implicit interest rate. If it is not practically possible to determine this interest rate, then the marginal interest rate is used. The initial direct costs are included in the initial measurement of the leased property.

The accounting principles for the subsequent measurement of the leased property are described under tangible fixed assets. If there is no reasonable certainty that the Company will become owner of a leased property at the end of the lease period, the property is depreciated over the shorter of the lease period or the economic life of the property.

The minimum lease payments are split into interest expense and redemption of the lease liability. The interest charges are allocated during the lease term to each period in such a way that this results in a constant periodic interest rate over the remaining net liability with regard to the financial lease. Conditional lease payments are recorded as an expense in the period in which the conditions for payment are being met.

Operating leases

If the Company acts as lessee in an operating lease, the leased property is not capitalised. Benefits received as an incentive to enter into an agreement are recognised as a reduction of rental expense over the lease term. Lease payments and benefits regarding operating leases are recognised to the profit and loss account on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern of the benefits from the use of the leased asset.

Revenue recognition

Net sales

For SHV Energy, Makro, ERIKS and Nutreco, revenue from the sale of goods is accounted for in net turnover at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer at the moment of delivery, recovery of consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing involvement with the goods.

Contract revenue and costs

For Mammoet, contract revenue, costs and results are recognised using the 'percentage of completion method'. The stage of completion is measured by reference to the contract costs incurred up to the balance sheet date as a percentage of total estimated contract costs. A provision for loss making contracts is recognised in the statement of income when foreseen. In addition, revenues from capacity services are realised over the period in which the services are provided.

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The result of a fixed price contract can be estimated reliably when total contract revenue, the required contract costs to complete the project and the extent to which the contract is completed can be reliably measured, it is probable that the economic benefits will flow to the Company and the contract costs are clearly and reliable attributable to the contract.

The result of a cost plus contract can be estimated reliably when it is probable that the economic benefits will flow to the Company and the contract costs are clearly and reliable attributable to the contract.

Expected losses on contracts are immediately recognised in the profit and loss account. Losses are determined regardless whether the project has already been started, the stage of realisation of the projects or the amount of profit which is expected on other, non-related projects.

Rental income

Rental income from investment property is recognised in the profit and loss account on a straight-line basis over the term of the lease.

Third party costs

Third party costs include the cost of all raw materials, supplies and trade goods related to the goods sold, including transportation, services rendered and import duties, and third party rental of equipment. Third party costs are recorded based on the first in-first out (FIFO) principle. For gas volumes sold and products sold at Makro and ERIKS the weighted average cost method is applied.

Costs

Costs are allocated to the period in which the related net sales are recognised and risk and rewards have been transferred. Costs that are not related directly to net sales are recognised in the period they are incurred.

Employee benefits are charged to the statement of income in the period in which the employee services are rendered and, to the extent not already paid, as a liability on the balance sheet. For benefits with accumulating rights, the projected costs are taken into account during the employment. An expected payment resulting from profit-sharing and bonus payments is recognised if the obligation for that payment has arisen on or before the balance sheet date and a reliable estimate of the liabilities can be made. If a benefit is paid in case of non-accumulating rights, the projected costs are recognised in the period in which such benefit is payable.

Share in result of participating interest

The share in the result of participating interests consists of the share of the group in the results of these participating interests, determined on the basis of the accounting principles of the group. Results on transactions, where the transfer of assets and liabilities between the group and the non-consolidated participating interests and mutually between non-consolidated participating interests themselves, are not recognised as they can be deemed as not realised. The results of participating interests acquired or sold during the financial year are measured in the group result from the date of acquisition or until the date of sale respectively.

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Interest income and expenses

Interest income is recognised in the profit and loss account on an accrual basis, using the effective interest rate method. Interest expenses and similar charges are recognised in the period to which they belong.

Tax on income

Tax on income includes:

- current and deferred corporate income tax payable and deductible for the reporting period;
- taxes on income from investments in affiliates; and
- tax withheld at the source for dividends, interest and royalties received, payable and recoverable for the reporting period.

Tax on income is recognised in the statement of income account except to the extent that it relates to items recognised directly in equity in which case it is recognised in equity.

Current tax is the amount of taxes payable (or recoverable) for the reporting period, calculated on the basis of the enacted or substantively enacted tax rates at the reporting date in the various countries, as well as possible adjustments in the taxes on income of previous years made during the reporting period.

If the carrying amount of assets and liabilities for financial reporting purposes differ from their values for tax purposes (tax base), this results in temporary differences.

For taxable temporary differences, a provision for deferred tax liabilities is recognised.

Deferred tax arises from temporary differences between the tax base of an asset or liability and its carrying amount for SHV reporting purposes, which in the future will result in deductible (deferred tax assets) or taxable (deferred tax liabilities) amounts. Deferred tax assets also arise from unused tax losses or tax credits that can be carried forward to future reporting periods.

Related parties

Transactions with related parties (refer to note page 105) are disclosed if they have not been entered into at arm's length. Disclosed are the nature and amounts involved with such transactions, and other information that is deemed necessary for an insight into the transactions.

Subsequent events

Events that provide further information on the actual situation at the balance sheet date and that appear before the financial statements are being prepared, are recognised in the financial statements.

Events that provide no information on the actual situation at the balance sheet date are not recognised in the financial statements. When those events are relevant for the economic decisions of users of the financial statements, the nature and the estimated financial effects of the events are disclosed in the financial statements.

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Intangible fixed assets

	Total	Goodwill	Brands	Conses-sions, licences and quota	Develop-ment costs	Customer contracts
Balance, December 31, 2020						
Cost	1,699.4	694.9	176.3	201.0	561.2	66.0
Accumulated amortisation	(798.5)	(239.2)	(101.1)	(92.7)	(330.4)	(35.1)
Book value	900.9	455.7	75.2	108.3	230.8	30.9
Movements in book value:						
Changes in consolidation	112.3	61.8	6.2	9.2	15.6	19.5
Additions	437.7	312.8	22.8	7.4	84.2	10.5
Disposal	(4.7)	(3.5)	(0.2)	(0.7)	(0.3)	
Amortisation	(173.7)	(87.0)	(18.3)	(13.2)	(49.0)	(6.2)
Impairments	(13.8)	(0.1)			(13.7)	
Foreign currency translation	44.5	23.8	3.1	6.6	9.8	1.2
Other changes	8.1			4.9	3.2	
Net movements	410.4	307.8	13.6	14.2	49.8	25.0
Balance, December 31, 2021						
Cost	2,335.7	1,119.7	210.7	237.9	666.1	101.3
Accumulated amortisation	(1,024.4)	(356.2)	(121.9)	(115.4)	(385.5)	(45.4)
Book value	**1,311.3**	**763.5**	**88.8**	**122.5**	**280.6**	**55.9**

Changes in consolidation represents mainly the inclusion of Kiwa as group company in the consolidated figures of SHV Holdings N.V.

Additions in goodwill is mainly the result of the acquisition of Intega Group by Kiwa and acquisitions in the US and Sunsource in India by SHV Energy.

Concessions, licences and quota mainly relate to a right to sell poultry products in the Canadian market by Nutreco and intellectual property rights relating to the technology of hydroxy based trace minerals, acquired with the acquisition of Micronutrients.

Development costs represent capitalised expenditures on research and development activities by Nutreco, and expenditures on the development of new ERP systems throughout SHV.

Brands represent mainly the brand names Skretting, Trouw and Selko, recognised in Nutreco.

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Tangible fixed assets

	Total	Commercial land and buildings	Gas cylinders and tanks	Machines and installations	Sub-Total
Balance, December 31, 2020:					
Cost of acquisition	9,350.3	1,739.8	3,136.6	2,957.3	1,516.6
Accumulated depreciation and depletion	(5,444.9)	(741.8)	(2,290.3)	(1,692.5)	(720.3)
Book value	3,905.4	998.0	846.3	1,264.8	796.3
Movements in book value:					
Changes in consolidation	71.4	36.5	(15.6)	(1.7)	52.2
Additions	761.8	24.0	186.0	89.4	462.4
Disposals	(128.3)	(31.3)	(27.4)	(42.1)	(27.5)
Depreciation and depletion	(468.2)	(53.2)	(134.7)	(179.2)	(101.1)
Impairments	(15.7)	(12.4)	(0.8)	(1.5)	(1.0)
Transfer between categories		66.4	57.8	186.0	(310.2)
Foreign currency translation	142.1	44.0	16.1	47.9	34.1
Other changes	5.6	7.2	(0.5)	2.1	(3.2)
Net movements	368.7	81.2	80.9	100.9	105.7
Balance, December 31, 2021:					
Cost of acquisition	9,812.6	1,934.8	3,013.5	3,204.2	1,660.1
Accumulated depreciation and depletion	(5,538.5)	(856.6)	(2,086.3)	(1,838.5)	(758.1)
Book value	**4,274.1**	**1,079.2**	**927.2**	**1,365.7**	**902.0**

	Sub-Total	Transport, plant and office equipment	Assets under construction	Asset not used in business
Balance, December 31, 2020:				
Cost of acquisition	1,516.6	1,150.0	264.9	101.7
Accumulated depreciation and depletion	(720.3)	(664.9)		(55.4)
Book value	796.3	485.1	264.9	46.3
Movements in book value:				
Changes in consolidation	52.2	25.8	26.9	(0.5)
Additions	462.4	73.3	389.0	0.1
Disposals	(27.5)	(27.2)	(0.1)	(0.2)
Depreciation and depletion	(101.1)	(100.5)		(0.6)
Impairments	(1.0)		(1.0)	
Transfer between categories	(310.2)	29.5	(319.6)	(20.1)
Foreign currency translation	34.1	18.3	14.9	0.9
Other changes	(3.2)	4.7	(7.9)	
Net movements	105.7	23.9	102.2	(20.4)
Balance, December 31, 2021:				
Cost of acquisition	1,660.1	1,241.4	367.1	51.6
Accumulated depreciation and depletion	(758.1)	(732.4)		(25.7)
Book value	**902.0**	**509.0**	**367.1**	**25.9**

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Change in consolidation represents mainly the acquisition of Kiwa, Sunsource and the sale Balcas and Primagaz Nederland by SHV Energy.

Assets held for sale are included in the operational fixed assets with a book value of €23 million, mainly consist of Stores in Makro Brazil, a plant in Chile and land in Italy and Ecuador.

Finance leases represent € 54 million (2020: € 57 million) of the book value, predominantly in commercial land and buildings and in machines and installations.

Assets not used in business are mainly related to rented out and closed stores in Makro.

Financial fixed assets

	2021	2020
Investments in affiliates	452.1	336.9
Private equity investments	1,582.9	1,677.0
Deferred tax assets	348.9	328.5
Other financial fixed assets	406.3	320.7
	2,790.2	**2,663.1**

Investments in affiliates

Movements in investments in affiliates were as follows:

	Total	Share in equity	Loans
Balance, December 31, 2020	336.9	321.1	15.8
Changes in consolidation	16.5	15.8	0.7
Additions	15.1	13.3	1.8
Disposals	(12.1)	(4.0)	(8.1)
Share in income / losses	202.7	202.7	
Income taxes	(81.1)	(81.1)	
Dividends received	(56.3)	(56.3)	
Foreign currency translation	30.4	30.1	0.3
Balance, December 31, 2021	**452.1**	**441.6**	**10.5**

Share in income is presented in the consolidated statement of income, before deducting income taxes, under income from investments in affiliates.

From the total carrying amount of investments in affiliates an amount of € 300 million (2020: 202 million) relates to ONE-Dyas (49% shareholding). The total revenue of ONE-Dyas amounted to € 662 million (2020: € 280 million) and SHV's share in net profit amounted to € 123 million (in 2020 share in net loss amounted to € 35 million).

As part of the share in net profit, an amount of € 55 million (2020: € 70 million negative) is recognised in relation to the share in reversal of impairments at the level of ONE-Dyas. Key assumptions relate to setting of the applicable cash-generating units and the fair market value valuations, which are dependent on the assessed life of fields, oil & gas year-end forward curves and foreign exchange (spot) rates. In the impairment test carried out, the applied discount rate (weighted average cost of capital) is 10%.

SHV has applied consistent accounting principles for the determination of the net asset value and share in income from investment in affiliates. The gross share in income from investments

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in affiliates is presented as part of the income before income taxes. The related taxes, including state profit share in oil & gas exploration, applicable to the share in income from investments in affiliates are presented as part of the income taxes of SHV.

In relation to the ONE-Dyas affiliate, specific additional accounting principles apply, related to:

- Exploration costs
- Depreciation and depletion of oil & gas interests
- Provisions for abandonment

Exploration costs
Costs of drilling exploratory wells and licence acquisition costs are initially expensed. When recoverable reserves have been demonstrated within 12 months, these costs are capitalised and depleted. Other exploration costs are charged to income from operations when incurred.

Depreciation and depletion of oil & gas interests
Depreciation and depletion of oil & gas interests is based on the units produced in relation to the estimated reserves (unit of production method). Impairments are recognised when required by market circumstances.

Provisions for abandonment
A provision for abandonment is formed based on the present value of the estimated future abandonment expenditures at the moment activities are undertaken which give rise to such abandonment obligation. Additions formed are built up based on the unit-of-production method over the estimated recoverable reserves.

Private equity investments

Movements in private equity investments were as follows:

	Total	Shares	Loans
Balance, December 31, 2020	1,677.0	1,602.5	74.5
Change in consolidation	(280.9)	(280.9)	
Additions	486.5	438.1	48.4
Conversion		26.3	(26.3)
Disposals	(288.0)	(212.6)	(75.4)
Impairments and reversals	(11.7)	(10.6)	(1.1)
Balance, December 31, 2021	**1,582.9**	**1,562.8**	**20.1**

Changes in consolidation represents the inclusion of Kiwa as group company in the consolidated figures of SHV Holdings N.V.

Additions include, amongst others, the investments in Infinitas, ICT Group, Kubo, Ophen, Healthcare Clinic, Groendus and Picnic. Disposals include, amongst others the sale of Healthcare Clinics, Mentaal Beheer, Deli Home and the partly divestment of Infinitas.

The fair value of the portfolio of private equity investments is 75% to 100% higher than the book value at reporting date. Impairments are recognised for investments for which the current book value is not deemed recoverable based on expected future performance, amongst others based on discounted cash flow projections, discounted using specific estimated weighted average cost of capitals and/or other valuations such as multiple assessments for the respective investments.

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Deferred tax assets

Movements in deferred tax assets were as follows:

	2021	2020
Balance, beginning of the year	328.5	322.1
Changes in consolidation	32.7	3.3
Recognised in income	(23.7)	47.8
Foreign currency translation	11.4	(44.7)
Balance, December 31	**348.9**	**328.5**

The deferred tax assets represents the valuation of timing differences resulting from provisioning, recognition of investment allowances for tax purposes, taxable amortisation of goodwill and accumulated tax losses. The total accumulated tax losses in several countries amounts to € 1.5 billion at the end of 2021 (2020: € 1.3 billion). To the extent it is probable that these tax losses can be used in the near future, the related tax benefits amounting to € 173 million have been recognised (2020: € 144 million).

It is expected that € 93 million of the tax losses will be offset within one year (2020: € 100 million). The relating tax benefits amount to € 19 million (2020: € 24 million).

Other financial fixed assets

Movements in other financial fixed assets were as follows:

	Total	Investments	Bonds	Long-term accounts receivable and loans	Miscel-laneous
Balance, December 31, 2020	320.7	22.9	21.3	78.8	197.7
Changes in consolidation	3.0			0.7	2.3
Additions	99.4	21.1	0.3	38.0	40.0
Disposals	(13.5)	(0.5)	(0.6)	(7.7)	(4.7)
Foreign currency translation	0.6			2.2	(1.6)
Other changes	(3.9)	(0.3)		1.0	(4.6)
Balance, December 31, 2021	**406.3**	**43.2**	**21.0**	**113.0**	**229.1**

Additions mainly comprises investments made by NuFrontiers in Nutreco, a loan to Lightyear and recognition of tax credits in Brazil.

Bonds consist mainly of government securities that are required to be held by SHV Energy companies.

Miscellaneous consists mainly of advance payments and tax credits receivables in Brazil.

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Inventories

	2021	2020
Trading inventories	1,186.0	920.0
Raw materials	510.6	349.6
Other inventory	140.9	98.2
Projects in progress	0.1	
Prepayments	10.2	10.8
	1,847.8	1,378.6
Less: provision obsolete stock	(71.4)	(64.3)
	1,776.4	**1,314.3**

Movements in provision for obsolete stock were as follows:

	2021	2020
Balance, beginning of the year	64.3	83.9
Change in consolidation		(1.0)
Additions	20.7	27.7
Release and appropriation	(16.4)	(40.0)
Foreign currency translation	2.8	(6.3)
Balance, December 31	71.4	64.3

Projects in progress

The breakdown of projects in progress are as follows:

	2021	2020
Realised project costs	678.4	712.0
Allocated profits	93.7	86.2
Provision loss making projects	(66.2)	(60.7)
Subtotal	705.9	737.5
Less: Progress payments	(705.8)	(750.6)
Total Projects in progress	**0.1**	**(13.1)**
Value of work done > progress payments	88.9	40.6
Value of work done < progress payments	(88.8)	(53.7)
	0.1	(13.1)

Projects in progress include contracts of which customer progress payments exceed the value of the work done.

Revenues from projects in progress (construction contracts) recognised in the profit and loss account amount to € 718.3 million (2020: € 568.7 million).

For the construction contracts outstanding at balance sheet date, the cumulative total turnover recognised up to that date amounts to € 772.1 million (2020: € 798.2 million) and the cumulative total costs recognised until then amount to € 678.4 million (2020: € 712.0 million).

An amount of € 45 million (2020: nihil) has been deducted from the progress billings.

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Trade and other receivables

	2021	2020
Trade receivables	2,780.9	2,113.8
Sales tax receivable	114.7	87.0
Taxes on profit and equity receivable	77.1	50.4
Prepaid expenditures	302.7	181.4
Other taxes	83.4	96.7
Advances	120.8	71.6
Other receivables	149.7	117.7
	3,629.3	2,718.6
Less: allowance for doubtful accounts	(183.1)	(153.4)
	3,446.2	**2,565.2**

Receivables at December 31, 2021, include € 23 million (2020: € 29 million) for bills of exchange and lease purchase instalments. All receivables are due in less than one year.

Movements in allowance for doubtful accounts were as follows:

	2021	2020
Balance, December 31, 2020	153.4	162.2
Change in consolidation	10.2	11.4
Additions	47.2	18.4
Release and appropriation	(33.7)	(18.7)
Foreign currency translation	6.0	(19.9)
Balance, December 31, 2021	**183.1**	**153.4**

Money market investments

Money market investments consist of deposits, repurchase agreements and other money market investments which have a maturity of more than 60 days and less than one year.

Cash and cash equivalents

	2021	2020
Banks and cash on hand	1,029.4	1,020.2
Deposits and commercial paper	83.4	159.4
	1,112.8	**1,179.6**

Deposits and commercial paper have a maturity of less than 60 days.
In general, cash and cash equivalents are at SHV's free disposal. In a number of countries the Company holds cash balances where it is difficult to transfer cash abroad. This could temporarily result in cash in these countries that is free disposal at local level only.

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Shareholders' equity

Movements in shareholders' equity were as follows:

	2021	2020
Balance, beginning of the year	6,331.4	6,380.5
Income	976.5	487.8
Dividends	(290.9)	(232.7)
Changes in unrealised derivatives	55.9	51.3
Goodwill and other changes	(757.9)	(17.4)
Taxes	(20.6)	(16.3)
Foreign currency translation	141.5	(321.8)
Balance, December 31	**6,437.9**	**6,331.4**

The liability resulting from the dividend proposal 2021 is presented in current liabilities.

Goodwill and other changes represents mainly the acquisition of Kiwa and the recognisition and revaluation of the put / call arrangments in relation to Sunsource, Skretting Ecuador and Kiwa. In addition, this includes the buy-out of minority interests, whereas the most significant buy-out in the year relates to BCC.

Foreign currency translation is mainly caused by the appreciation of the Brazilian real, Chinese Renminbi Yuan, Pound sterling, Canadian dollar and US dollar.

The composition of shareholders' equity is presented on page 109.

Minority interests

Minority interests represent their share in net assets of consolidated companies.

Movements in minority interests were as follows:

	2021	2020
Balance, beginning of the year	80.6	108.5
Changes in consolidation	16.0	(3.6)
Share in income	25.8	17.0
Capital increases	56.9	
Buy-out	(8.2)	
Dividends	(38.4)	(38.0)
Goodwill and other changes	(58.0)	0.3
Foreign currency translation	5.6	(3.6)
Balance, December 31	**82.3**	**80.6**

Minority interests mainly reflect the proportional share of third parties in the net value of assets and liabilities of Primagas Energie in Germany, Skretting Ecuador and Kiwa.

Goodwill and other changes represents mainly the acquisition of Kiwa.

Dividends represent:

- the amount expected to be payable to third party shareholders at December 31, 2021 (included in other current liabilities);
- the difference between payments made in 2021 and the expected amount payable at December 31, 2020.

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Provisions

	2021	2020
Deferred income tax liabilities	302.7	245.8
Pension provision	218.0	299.5
Other provisions	745.4	864.4
	1,266.1	1,409.7

Movements in deferred income tax liabilities were as follows:

	2021	2020
Balance, beginning of the year	245.8	219.5
Changes in consolidation	4.3	11.4
Recognised in income	6.2	24.5
Other changes	49.5	15.3
Foreign currency translation	(3.1)	(24.9)
Balance, December 31	302.7	245.8

The deferred tax liability mainly represents the valuation of timing difference resulting from accelerated depreciation of fixed assets for tax purposes.

The current amount of the deferred tax liability amounts to € 64.5 million.

The Company and the Groups included in the consolidation have temporary differences for group companies, participating interests and joint ventures. These differences arise from withholding tax on the recorded share in result of participating interests. These temporary differences have not been recognised in the balance sheet as the Company can determine the timing of the reversal of these differences based on dividends payments, and it is probable that these temporary differences will not be settled in the foreseeable future due to the dividend strategy of the group.

Movements in pension provision were as follows:

	2021	2020
Balance, beginning of the year	299.5	312.2
Changes in consolidation	4.9	6.1
Additions	37.2	53.4
Appropriation	(53.2)	(38.5)
Release	(77.5)	(15.9)
Foreign currency translation	7.1	(17.8)
Balance, December 31	218.0	299.5

Pension provision

SHV operates a number of pension plans consisting of a mixture of defined benefit and defined contribution schemes. The defined benefit schemes relate both to final and average pay pension plans, some of which are transferred to company pension funds. Some of the company pension funds are in a deficit situation. This primarily relates to pension funds in the Netherlands, UK and Ireland. At December 31, 2021, provisions were recorded for the obligations of SHV to provide additional payments due to the low coverage of the pension funds or the difference between the actual interest rate and the applied discount rate in the pension arrangement. The administration agreements with the pension funds as with the

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insured arrangements run in general for one to five years. Some pension schemes are classified as defined benefit agreements under the Dutch pensions act or similar foreign acts. The post-employment health benefit scheme for employees in Brazil also qualifies as a defined benefit and a provision for this commitment is included.

For the Netherlands, one defined benefit scheme is managed through a company pension fund. All others are with industry pension funds ('bedrijfstakpensioenfonds') or pension insurers.

Employees in the UK and Ireland have pension schemes which are structured and operate similar to the Dutch pension system. A best estimate of the pension commitments of these foreign schemes is made at the reporting date using the actuarial projected unit credit method.

Mainly as a result of falling interest rates in recent years, the pension funds had a funding shortfall at the reporting date. The pension funds have submitted a recovery plan to their relevant regulators for restoring their capital to the minimum requirements. The recovery plans have been drawn up with due regard for the criteria set by these regulators and were subsequently approved. The companies involved have agreed to make additional contributions under the respective recovery plans.

As per 2020 the Calor UK Pension Trust had a deficit of GBP 138 million. In the first half of 2021, a new recovery plan, following the regular tri-annual valuation, has been agreed between the trustees and Calor. The annual deficit recovery payment to the pension scheme is GBP 15.5 million, which will be paid for six years unless the deficit is recovered earlier. In addition to the contribution scheme an additional contribution was paid of GBP 5 million in 2021. As per reporting date a provision is included, based on an actuarial calculation, for an amount of € 57 million (2020: € 108 million). The discount rate is 1.8% (2020: 1.2%).

As per 2013 the Calor Ireland Pension Trust had a deficit of € 29 million. A recovery plan has been agreed with committed additional funding (as required) of a total of € 25 million, reducing the deficit to nil in 2024. As per reporting date a provision is included, based on an actuarial calculation, for an amount of € 3 million (2020: € 3 million). The discount rate is 0.7% (2020: 0.3%).

As per 2015 the ERIKS UK Pension Trust had a deficit of GBP 34 million. In 2019, a new deficit recovery plan has been agreed between the trustees and ERIKS. The annual deficit recovery contribution to the pension scheme is GBP 2.7 million per annum, increasing annually with inflation. As per reporting date a provision is included, based on an actuarial calculation, for an amount of € 32 million (2020: € 52 million). The discount rate is 2% (2020: 1.4%).

Supergasbras Brazil provides a health insurance plan to their employees as part of their total employee benefits. Both retired and/or former employees are able to continue participating in this health insurance plan if certain conditions are met. This health insurance plan results in a liability for future rights of the employees. As per reporting date a provision is included, based on an actuarial calculation, for an amount of € 15 million (2020: € 19 million).

The pensions for Nutreco in the Netherlands are being guaranteed by an insurer for which a guarantee premium is paid. As per reporting date a provision for future guarantee premiums is included for an amount of € 58 million (2020 € 71 million). The discount rate is 1% (2020 0.5%).

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The pension provisions are expected to be used for an amount of € 35 million in the subsequent year and for an amount of € 52 million between one and five years.

Movements in other provisions were as follows:

	Total	Liabilities for deposits	Claims and other disputes	Special risks	Other
Balance, December 31, 2020	864.4	199.0	136.6	441.1	87.7
Changes in consolidation	2.8	(6.8)			9.6
Additions	86.4	18.5	22.7	7.0	38.2
Appropriation	(195.7)	(15.8)	(58.4)	(62.5)	(39.0)
Release	(18.1)	(0.4)	(10.1)		(7.6)
Foreign currency translation	5.6	3.9	0.8		0.9
Balance, December 31, 2021	**745.4**	**198.4**	**91.6**	**365.6**	**89.8**

Liabilities for deposits represent deposits paid by SHV Energy customers for cylinders and tanks.

A provision for claims, disputes and lawsuits is established when it is expected that the Company will be sentenced in legal proceedings. The provision represents the best estimate of the amount for which the claim can be settled. The amounts in the provisions for claims and other disputes and special risks are amongst others based on assessments from and of legal advice.

The other provisions consist mainly of reorganisation and onerous contract provisions.

The provision for special risks is set up for a number of aggregated risks mainly relating to tax risks, compliance risk, contract risks and labour cases, which could result in a cash outflow in the future. These risks result from the nature and geographic spread of SHV's operations. Both governments and tax authorities in some of the countries in which SHV operates increasingly take unexpected positions that, on aggregated level, could impact the financial situation.

Provisions generally are of a long-term nature.
The other provisions are expected to be used for an amount of € 109 million in the subsequent year and for an amount of € 461 million between one and five years.

Non-current liabilities

	2021	2020
Loans from financial institutions	1,109.6	887.9
Finance lease	42.5	23.6
Other	330.6	163.9
	1,482.7	**1,075.4**

SHV Holdings N.V. has two syndicated stand-by-facilities available. The irrevocable credit facility of € 800 million, maturing on November 30, 2024. A new irrevocable credit facility of € 1.000 million, signed on November 11, 2021. This facility has a 5 year tenor and matures on November 11, 2026. The facility has two extension options for one year each. No amounts were drawn under these facilities at December 31, 2021.

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Movements in non-current liabilities were as follows:

	Total	Loans from financial institutions	Finance lease	Other
	€			
Balance, December 31, 2020	1,075.4	887.9	23.6	163.9
Changes in consolidation	44.1	25.5	0.9	17.7
Additions / new loans	678.6	648.2	25.6	5.0
Additional redemption this year	(29.6)	(23.1)	(5.2)	(1.3)
Redemption next year	(528.4)	(479.1)	(8.1)	(41.2)
Foreign currency translation	61.4	50.2	1.3	9.9
Other changes	181.0		4.4	176.6
Balance, December 31, 2021	**1,462.7**	**1,109.6**	**42.5**	**330.6**

Other changes represents mainly the recongnition of liabilities relating to the put / call arrangements.

Loans from financial institutions

	2021	2020	Average interest rate
Corporate Private placement loans:			
- 2012 of initially USD 461 million	86.6	283.5	4.7%
- 2012 of initially GBP 45 million		54.0	
- 2015 of initially EUR 70 million	70.0	70.0	2.5%
- 2015 of initially EUR 40 million	40.0	40.0	2.6%
- 2015 of initially EUR 50 million	50.0	50.0	2.7%
- 2020 of initially USD 100 million	88.4	83.9	2.2%
- 2020 of initially USD 150 million	132.5	122.1	2.7%
- 2021 of initially EUR 100 million	100.0		-0.1%
- 2021 of initially EUR 200 million	200.0		0.3%
- 2021 of initially EUR 100 million	100.0		
Groups			
- Nutreco	59.8	109.2	7.2%
- Makro		0.2	
- SHV Energy	182.3	67.2	8.4%
	1,109.6	880.1	

SHV is in compliance with the financial covenants of these facilities.

The 2012 USD private placement loan has fixed interest rates. The 2012 GBP private placement loan is swapped to euro with a fixed interest rate. The three 2015 EUR private placements have a fixed interest rate.

The private placement of USD 250 million has fixed interest rates. A part of USD 70 million has been swapped to Euro until March 2022.

The interest rates on loans entered into by the business units, except for Nutreco, are predominantly variable, which for a number of loans have been swapped to fixed interest rates using derivatives.

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Finance lease

At December 31, 2021, the weighted average interest rate is 2.5% and the average remaining term 5 years.

Other

At December 31, 2021, other non-current liabilities include the asset-backed long-term commitment for the remediation of a UK pension fund deficit. Other non-current liabilities further consist of seven loans with a weighted average interest rate of 4.6% and an average remaining term of 4 years.

Redemption schedule of non-current liabilities

	Repayment obligation in the years		
	2022	2023-2026	After 2026
Corporate Private placement loans:			
- 2012 of initially USD 461 million	221.3	33.6	53.0
- 2012 of initially GBP 45 million	54.0		
- 2015 of initially EUR 70 million		70.0	
- 2015 of initially EUR 40 million		40.0	
- 2015 of initially EUR 50 million		50.0	
- 2020 of initially USD 100 million		88.4	
- 2020 of initially USD 150 million			132.5
- 2021 of initially EUR 100 million		100.0	
- 2021 of initially EUR 200 million		200.0	
- 2021 of initially EUR 100 million	100.0	100.0	
Groups			
- Nutreco	98.1	55.5	4.3
- Makro	0.2		
- SHV Energy	7.9	170.7	11.6
Total loans from financial institutions	481.5	908.2	201.4
Finance lease	8.1	27.7	14.8
Other	38.8	261.7	68.9
Total	**528.4**	**1,197.6**	**285.1**

The portion of non-current liabilities that will be redeemed in 2022 is included in current liabilities. At December 31, 2021, non-current liabilities of € 113 million (2020: € 104 million) were secured, of which € 75 million were secured by mortgage (2020: € 80 million) and € 38 million otherwise (2020: € 24 million).

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Current liabilities

	2021	2020
Trade payables	2,449.6	1,848.8
Payables to banks	531.8	353.4
Current part of non-current liabilities	528.4	57.3
Dividends to own and third party shareholders	309.9	232.7
Other taxes and social security premiums	201.4	167.4
Income taxes payable	78.1	48.2
Projects in Progress		13.1
Pension fund premium payables	9.6	4.8
Other accrued liabilities	815.1	508.3
Other current liabilities	528.9	403.5
	5,452.8	3,637.5

At December 31, 2021, current liabilities were not secured (2020: € 23 million). All current liabilities fall due in less than one year. The carrying values of the recognised current liabilities approximate their respective fair values, given the short maturities of the positions.

Risk management, derivatives and other financial instruments

Risk management

The current risks facing the business have already been described in the Directors' Report. To mitigate these risks, SHV actively promotes its purpose and values by implementing relevant policies, guidelines, controls, structures, and procedures. One of the main strengths of the company is a wide spread of activities with no overdependence on any one of them.

SHV is fortunate to employ highly talented people at every level who continuously seek new ways to improve operational efficiency and strengthen customer relationships. Long-term investment in both people and assets, combined with a prudent financing strategy, have provided considerable resilience to survive adverse conditions. Contingency planning is part of preparing all businesses for any potential challenges that lie ahead, with an ongoing focus on working capital and cash flow management.

Risk management plays an integral part in the day-to-day responsibilities of leadership within each Group. Management teams are expected to identify and manage any specific risks to their business objectives, while complying with both external regulations and internal policies and guidelines. Within a centrally-defined framework, management teams also decide to what extent specific risks are acceptable for their respective Groups.

Regular risk assessments are conducted at both holdings and Group levels. SHV provides the tools and structured risk response methods that allow Groups to assess their tolerance to strategic, financial, compliance, reputational, and operational risks. In 2021, a smart risk tool was developed to support Groups in identifying risks and tracking follow-up actions.

Risk assessments help to build a clear overview of the main risks faced in terms of likelihood, impact, acceptance, and ability to mitigate. This overall picture then provides a basis for discussion at planning and strategy meetings, as well as a benchmark for the effectiveness of internal controls. PowerBI dashboarding has been developed to support this process.

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Controls are tested twice a year and their performance reported to management, with any necessary improvements identified, implemented, and subsequently monitored.

The first main tool used to manage risk is the SHV Policies and Guidelines covering internal audit, ethics and compliance, finance and control, tax, treasury, human resources, health and safety, IT, sustainability, the SHV Information Security Programme (SISP), fraud reporting, claims and litigation reporting, and the SHV Speak Up Line. It also includes the authorisation limits matrix.

The second major tool, the Business Support Framework (BSF), incorporates SHV's minimum control standards—or key controls—that help to monitor exposure to any risk that could prevent the company from achieving its objectives.

Both BSF and the SHV Policies and Guidelines are updated every year to reflect the outcome of the risk assessments, any relevant external developments, and the latest changes in organisational and internal procedures.

IT is now widely used throughout the organisation. As operational and financial processes become ever more digital, the risk of unavailability, failure, corruption, and the loss of confidential data grows, not to mention the threat posed by cybercrime and fraud. To mitigate these risks, SHV deploys a self-assessment IT security and business continuity programme, in addition to regular audits by external IT experts. SISP, meanwhile, is refined on an annual basis based on the results of risk assessments and audits during the previous year.

An internal audit function at both SHV Holdings and across the Groups ensures the internal control framework is continuously monitored and improved through regular, independent assessments.

Derivatives and other financial instruments

SHV uses various financial instruments in the normal course of business, that exposes it to market, currency, interest, cash flow, credit and liquidity risks. To control these risks, SHV has instituted a policy including a code of conduct and procedures that are intended to limit the risks of unpredictable adverse developments in the financial markets and thus for the financial performance of SHV. SHV applies derivatives, amongst others interest rate swaps, forward exchange contracts and cross currency swaps to control its risks. In principle SHV does not trade in derivatives.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect SHV's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The fair value of most of the financial instruments recognised on the balance sheet, including receivables, securities, cash and cash equivalents and current liabilities, is approximately equal to their carrying amount, unless otherwise disclosed within these financial statements. As such the fair value of the financial instruments recognised on the balance sheet which

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materially differs from their respective carrying values are separately disclosed in the notes to the balance sheet.

The businesses of SHV Energy and ONE-Dyas have a significant, but different, exposure towards the price of crude oil, natural gas and LPG. The responsible management is actively managing these risks including the use of hedging instruments. For this purpose, specific and dedicated hedging policies are in place within each business which, among others, stipulate that hedging contracts only are to be concluded for economic hedging of open positions and in principle not for trading or other speculative purposes.

Currency risk

SHV is exposed to currency risk on sales, purchases and debt that are denominated in a currency other than the respective functional currencies of the operating entities. The purpose of foreign currency hedging activities is to protect SHV from the risk that the net cash flows are adversely affected by changes in exchange rates. SHV's policy is to hedge transactional foreign exchange rate exposures.

Short-term exposures are actively managed and may be hedged using derivatives such as forward contracts, currency swaps and options. As a general rule SHV Groups hedge their receivables or payables which are not denominated in their functional currency. Each derivative used for exposure management must be directly linked to an existing underlying open economic position. Derivatives are also only used to manage the economic hedging of open positions and not for trading or other speculative purposes.

Long-term foreign currency risks result from investments in countries with a different currency than the euro and are therefore dependent on the economic and political stability of these countries. This long-term net investment exposure is partly mitigated by the use of local currency denominated debt financing.

Foreign currency translation risk

SHV is exposed to foreign currency translation risks of investments in foreign operations, including long-term loans to foreign subsidiaries, net income and retained earnings of these foreign operations. The translation exposure resulting out of net investments in long-term loans denominated in a foreign currency is fully hedged, except for a number of long-term loans in certain currencies as the cost of hedging outweighs the hedged risk.
The translation exposure resulting out of net investments in equity of foreign operations is not hedged. SHV measures the translation exposure by the total amount of the capital invested, per foreign currency, reduced by the amount of net investment hedges in the same foreign currency.

At balance sheet date, an amount of € 462 million of external debt in foreign currencies is effectively used as net investment hedge for investments in US dollar.

In addition, SHV has used foreign currency exchange swaps and cross-currency interest rate swaps to further reduce the exposure to translation risks stemming from net investments in long-term loans denominated in a foreign currency.

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At December 31, 2021, the notional amount of outstanding foreign exchange derivatives related to translation risk totalled € 467 million, mainly relating to the British pound, Canadian dollar and US dollar. The net market value of the outstanding foreign exchange derivatives related to translation risk amounted to negative € 6.9 million.

Revaluation of these debts and derivatives used to hedge a net investment in a foreign operation is recognised in the translation reserve.

The translation exposure was as follows:

	Capital investment	Net investment hedge	Translation risk
US dollar	1,246.6	(495.7)	750.9
Canadian dollar	523.7	(239.9)	283.8
Pound sterling	513.5	(187.5)	326.0
Brazilian real	357.3		357.3
Australian dollar	328.9		328.9
Chinese renminbi yuan	214.2		214.2
Swedish krone	161.3		161.3
Indian rupee	122.6		122.6
Colombian peso	109.8		109.8
Polish zloty	108.3		108.3
Argentine peso	85.7		85.7
Russian rouble	81.6		81.6
United Arab Emirates dirham	79.7		79.7
Turkish lira	68.0		68.0
Other currencies	384.3	(6.1)	378.2
	4,385.5	(929.2)	3,456.3
Euro	2,052.4	929.2	2,981.6
	6,437.9	**-**	**6,437.9**

Of the total capital investment in currencies other than euro, amounting to € 4,386 million, an amount of € 929 million has been hedged through net investment hedges.

Foreign currency transaction risk

At December 31, 2021, the notional amount of outstanding foreign exchange derivatives related to foreign exchange transaction risk totalled € 1,691 million, mainly relating to US dollars, Norwegian krona, Canadian dollar, Pound sterling and Australian dollar. The net market value of the outstanding foreign exchange derivatives related to foreign exchange transaction risk hedging amounted to positive € 3.1 million.

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	Notional amount	Market value
US dollar	871.2	8.4
Norwegian krona	268.2	(2.7)
Canadian dollar	341.8	(0.9)
Pound sterling	85.3	(1.1)
Australian dollar	42.5	(1.4)
Other currencies	81.5	0.8
	1,690.5	**3.1**

Credit and liquidity risk

SHV is prudently financed with relatively limited amounts of debt. Most of the related interest rate exposures are fixed, matching the long-term investment strategy of SHV.

Credit risk arises principally from the Company loans and receivables presented under financial fixed assets, trade and other receivables, securities, cash and cash equivalents and the positive market value of derivatives. Credit risk encompasses both the direct risk of default and the risk that the creditworthiness of the counterparty will deteriorate, and the concentration of risks. The maximum credit risk is equal to the carrying amount of each financial instrument as reflected on the balance sheet.

SHV's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the customer base, including the default risk of the industry and country in which customers operate, as these factors may have an influence on credit risk. As SHV has a wide range of businesses there is no concentration of transactions with a single customer and geographically, there is no concentration of credit risk.

Credit policies have been established under which new customers are analysed for creditworthiness before the payment and delivery terms and conditions are offered. This review includes external ratings, when available, and in some cases bank references. Purchase limits are established for customers, which represent the maximum open amount without requiring approval; these limits are reviewed regularly.

With the majority of the customers SHV has been transacting for several years. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or legal entity, whether they are a wholesale, retail or end-user customer, geographic location, industry, aging profile, maturity and existence of previous financial difficulties. Customers which are graded as 'high risk' are placed on a restricted customer list and monitored.

Liquidity risk is the risk that SHV will encounter difficulty in meeting the obligations associated with its financial and contingent liabilities that are settled by delivering cash or another financial asset. SHV's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to SHV's reputation.

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SHV's cash position and treasury function is monitored by using successive liquidity budgets. Management ensures that the cash position is sufficient to meet the SHV's financial obligations towards creditors, to stay within the limits of its loan covenants and to distribute dividends to its shareholders. The counterparty risk of banks in use is actively monitored by SHV and bank balances are streamlined and consolidated into a manageable number. The general principle that SHV adheres to is that cash pools are used whenever possible.

The Company is exposed to liquidity risks following from conditions attached to derivatives, namely interest rate swaps, forward contracts and commodity contracts. Based on the conditions of commodity contracts, banks can exercise margin calls if and when the fair value of the commodity contracts is below certain thresholds.

Interest rate risk

SHV is partly financed with interest-bearing debt. For example private placements and bank loans. Where needed SHV can hedge interest rate exposure by means of, for instance, interest rate swaps. In addition, SHV can hedge currency exposure resulting from external- or intercompany loans by means of cross currency swaps and similar instruments.

At December 31, 2021, the following derivatives were in place to manage the interest rate risk:

	Outstanding amount	Interest payable	Interest receivable	Start date	End date	Market value
GBP	45.0	4.20%	4.57%	28-03-2012	28-03-2022	(0.3)
GBP	7.0	1.50%	0.38%	30-09-2021	30-09-2024	(0.1)
GBP	75.0	0.83%	2.35%	01-12-2021	02-12-2024	(1.2)
GBP	75.0	0.84%	2.35%	01-12-2021	02-12-2024	(1.2)
CAD	97.8	2.84%	0.34%	18-12-2019	27-06-2025	(1.7)
CAD	97.8	2.84%	0.33%	18-12-2019	27-06-2025	(1.7)
SEK	115.0	3.00%	2.42%	12-07-2017	12-07-2022	(0.5)
USD	70.0	1.87%	2.72%	19-10-2020	28-03-2022	2.5

The cross currency swaps of GBP 45 million and USD 70 million relate to external debt. Interest payable in foreign currency is converted to interest payable in euro.

All other instruments relate to the hedging of intercompany loans receivable whereby the interest receivable in foreign currency is converted to an interest receivable in euro.

The net market values are included in the total fair value of the financial instruments used for net investment hedging.

Oil & gas production

The Company is exposed to the risk of fluctuations in prevailing market commodity prices of oil & gas products being produced by ONE-Dyas.

ONE-Dyas enters into derivatives to reduce these price exposures.

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LPG distribution

SHV Energy entered into derivatives to cover mainly the exposure to unfavourable LPG price fluctuations associated with the expected sale of LPG volumes for the period up to 2024.

The derivatives can be specified as follows:

	Volumes		Maturity	Market value
Current assets				
Propane	813,055	mT	2022	122.4
Butane	36,924	mT	2022	
Brent crude oil	2,410,000	BBL	2022	10.5
Naphtha	(103,300)	mT	2022	(6.7)
Natural gas	42,368	MWHr	2022	1.1
Freight	26,000	mT	2022	
Other	6,404	mT	2022	0.9
				128.2
Non-Current assets				
Propane	164,900	mT	2023	12.7
Natural gas	25,950	MWHr	2023-2024	0.2
				12.9

Capital commitments

Commitments for construction or acquisition of operational and financial fixed assets amounted to € 197 million and € 152 million at December 31, 2021, and 2020, respectively.

Long-term commitments

Under operating leases and long-term leasehold commitments, € 142 million will be due in 2022. For 2023 until 2026 the amount will be € 279 million and the total after the year 2026 will be € 190 million. The average remaining term at December 31, 2021, is four years. In 2021, a total amount of € 211 million (2020: € 138 million) was paid under operating leases and long-term leasehold commitments.

Throughout SHV, several types of assets are leased, such as land and buildings, machinery and cars. Conditions for related lease payments vary from contract to contract, so is the existence and content of renewal options, purchase options and pass-trough clauses. In general, no significant restrictions arise from the lease contracts in relation to for example dividend payments, additional financing and conclusion of other leases.

Contingent liabilities

Guarantees

SHV is contingently liable with respect to guarantees given for a total amount of € 1 million and € 27 million at December 31, 2021 and 2020, respectively. Furthermore, banks have provided guarantees on behalf of group companies for amongst others tax and labour claims. In addition warranties and indemnities are provided to buyers as part of the exits of investments. These guarantees are partly insured. Insofar as claims from guarantees given are probable, provisions have been made.
Furthermore the Group issued discounted notes, letters of awareness, performance - and bid bonds for which adequate provision and accruals to cover the financial consequences have been made.

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SHV pledged its shares (49%) in ONE-Dyas B.V. to a consortium of banks acting as lenders in an USD 900 million senior secured borrowing base facility agreement. Furthermore SHV granted a second ranking right of pledge on its shares (49%) in ONE-Dyas B.V. to the lenders in a € 50 million subordinated loan. SHV is not a guarantor under these financing agreements of ONE-Dyas B.V. Per the end of 2021, the aggregate amount outstanding under the ONE-Dyas financing agreements was € 324 million. Any financing to ONE-Dyas B.V. by SHV will be subordinated to the abovementioned financing agreements. By the end of 2020, SHV had no loans outstanding to ONE-Dyas B.V. (2020 € 8 million).

Legal proceedings

The Company and certain of its group companies are or may become involved as a party in legal proceedings, including regulatory and other governmental proceedings, as well as in disputes with (tax) authorities in several jurisdictions.
When no estimate can be made of the financial consequences, if any, or if the risk of a future cash outflow is less than probable, no individual provisions have been recognised. The Company believes that it has made adequate provisions to cover the financial consequences, if a reliable estimate can be made.

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Net sales

Net sales per activity:

		2021	2020
SHV Energy	Energy distribution	8,601.9	6,050.2
Nutreco	Animal nutrition and aqua feed	7,092.7	6,363.8
Makro	Cash-and-carry wholesale	1,124.3	1,635.3
ERIKS	Industrial services	1,618.2	1,545.8
Mammoet	Heavy lifting and transport	1,240.0	1,128.1
Kiwa	Testing, inspection and certification	324.9	
		20,002.0	**16,723.2**

Geographical distribution of net sales:

	2021	2020
Europe	10,792.9	8,471.8
South America	3,502.8	3,529.0
Asia	2,707.0	1,961.4
North America	2,638.0	2,417.9
Australia and Africa	361.3	343.1
	20,002.0	**16,723.2**

Other income

The other income represent mainly the sales of stores Makro Brazil.

Cost of raw materials, consumables and goods for resale

	2021	2020
Cost of goods sold	(8,560.4)	(6,245.7)
Cost of raw material	(5,852.9)	(5,466.2)
	(14,413.3)	**(11,711.9)**

Cost of outsourced work and other external costs

	2021	2020
Cost of outsourced work	(447.9)	(310.2)
Repair, maintenance and cost of equipment	(267.6)	(254.7)
Transportation, Freight and warehousing	(206.4)	(177.8)
Rent	(153.6)	(148.8)
Utilities - Fuels, Power, electricity	(149.9)	(123.3)
IT costs	(127.4)	(101.2)
Audit and advisory costs	(120.2)	(109.3)
Establishment costs	(121.4)	(102.2)
Tempory labor costs	(106.7)	(75.3)
Travel and representation costs	(84.0)	(84.0)
Other personnel expenses	(81.7)	(66.3)
Sales promotion costs	(78.9)	(64.9)
Insurance costs	(56.8)	(42.0)
Other external cost	(154.7)	(187.3)
	(2,157.2)	**(1,847.2)**

In 2021, the remuneration of the (former) members of the Supervisory Board of Directors, as included in other external cost, was € 1.1 million (2020: € 1.1 million).

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The total cost of sales per a functional model considering the costs of raw materials, consumables and goods sold for resale of the cost of outsourced work amounted to € 18,075.2 million (2020: € 12,011.7 million).

Salaries and wages

For the year 2021, the remuneration paid to (former) statutory management, including pension contributions and one-off payments, amounts to € 10.3 million (2020: € 10.2 million). The underlying remuneration policy and structure for statutory management has not been changed in 2021.

Average number of full-time equivalent employees per activity:

	2021	2020
SHV Energy	16,310	16,744
Nutreco	12,168	12,064
Kiwa	7,347	0
Makro	6,655	9,004
Mammoet	6,217	6,981
ERIKS	5,982	6,367
Other	130	132
	54,809	**51,292**

49,677 full-time equivalent employees were employed outside of the Netherlands.

Social security and pension fund premiums

	2021	2020
Social security premiums	(315.1)	(281.1)
Pension cost	(27.9)	(106.2)
	(343.0)	**(387.3)**

Other operating expenses

Other operating expenses represent mainly changes in allowances for doubtful accounts receivable and provisions for future expenditures that are considered to be part of normal business operations and reorganization expenses.

Fees to statutory auditor

	2021			2020		
	Total	KPMG Accountants N.V.	Other KPMG network	Total	KPMG Accountants N.V.	Other KPMG network
Audit of the financial statements	10.7	4.7	6.0	9.3	4.0	5.3
Other assurance services	0.8	0.2	0.6	0.9	0.2	0.7
Tax services	0.1		0.1	0.1		0.1
Other non-audit services	4.2		4.2	0.4		0.4
	15.8	**4.9**	**10.9**	**10.7**	**4.2**	**6.5**

Expenses are allocated to the respective reporting periods.

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Amortisation and depreciation

	2021	2020
Amortisation	(173.7)	(162.1)
Depreciation	(468.2)	(472.1)
Impairments	(29.5)	(28.8)
	(671.4)	**(663.0)**

Exceptional items

The following exceptional items, which are based on internal management information, are included in salaries and wages, other operating expenses and amortisation, depreciation and impairments which can be specified as follows:

	2021	2020
Income from operations (excluding exceptional items)	**459.0**	**388.1**
Sale of assets	81.5	258.6
Restructuring costs	(43.5)	(37.3)
Provision for special risks	(7.0)	11.5
Pensions	67.1	(27.7)
Impairments	(29.6)	(28.8)
Claims and other disputes	(2.5)	37.6
Exceptional items	66.0	213.9
Income from operations	**525.0**	**602.0**

Income from private equity investments

	2021	2020
Dividend income	234.8	41.4
Realised capital gains and losses	405.8	4.2
Received interest	3.8	4.4
Impairments, including reversals	(11.7)	(39.0)
Other	(0.4)	(0.1)
	632.3	**10.9**

Income from investments in affiliates

	2021	2020
Income before income taxes	202.7	(72.7)
Income taxes	(81.1)	31.9
	121.6	**(40.8)**

The income from investments in affiliates represent mainly the operating result of ONE-Dyas.

Interest income and expenses

	2021	2020
Interest income	25.6	11.4
Interest expenses	(118.3)	(78.6)
	(92.7)	**(67.2)**

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Other financial results

	2021	2020
Results on sale of subsidiaries	15.5	192.7
Change fair value derivatives	14.9	(14.2)
Bank charges	(4.9)	(3.5)
Currency exchange differences	(17.1)	(6.2)
Results from trade investments	0.1	3.5
Cost of loans	(3.2)	(3.6)
Other income	5.0	0.7
	10.3	**169.4**

The results on sale of subsidiaries includes the divestment of Balcas, Primagaz Nederland and and sale real estate company in India.

The change in fair value derivatives relates to the commodity derivatives in SHV Energy.

Income taxes

	2021	2020
Current income taxes	(149.7)	(143.7)
Deferred income taxes	(29.9)	23.3
Other taxes on income and equity	(12.6)	(49.1)
Taxes on income from investments in affiliates	(81.1)	31.9
	(273.3)	**(137.6)**

The effective tax rate remains stable at 21.4%. The effective income tax impact for this year mainly relates to higher non-taxable capital gains and dividends under the Dutch participation exemption, offset by higher taxes on income from investments in affiliates and deferred tax assets that could not be recognized.

	Amount	%
Income before income tax	1,277.6	
Nominal weighted average tax rate	(319.2)	25.0%
Permanent differences	129.4	-10.1%
Valuation of temporary differences	(7.8)	0.6%
Tax loss carry forward	(6.8)	0.5%
Additional taxes on income and equity	(9.0)	0.7%
Withholding taxes	(27.4)	2.1%
Taxes on income from investments in affiliates	(30.4)	2.4%
Adjustments prior years	(2.1)	0.2%
Effective income tax	**(273.3)**	**21.4%**

The nominal weighted average tax rate of 25.0% (2020: 24.8%) is based on the statutory income rates applicable in the various countries.

The reconciliation of the nominal average tax rate (as a percentage of earnings before taxes) to the effective tax rate can be mainly explained by permanent differences, non-recoverable withholding tax charges and taxes on income from investments in affiliates.

The effect of permanent differences mainly consists of non-taxable capital gains and dividends realised by NPM Capital € 162 million and non-deductible amortisation of goodwill for an

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amount of € 16 million. Withholding taxes in the amount of € 27 million mainly reflects taxes related to dividends or undistributed reserves and non-recoverable withholding tax charges. Our effective tax rate is further impacted by taxes on income from investments in affiliates. This mainly reflects the ONE-Dyas result, which was impacted by higher oil & gas prices and is subject to supplementary tax.

Currency rates

The following rates have been used in computing the principal foreign currency conversions:

In euro

			Average 2021	Year-end 2021	Average 2020	Year-end 2020
1	AED	United Arab Emirates dirham	0.23	0.24	0.24	0.22
1	AUD	Australian dollar	0.63	0.64	0.60	0.63
1	BRL	Brazilian real	0.16	0.16	0.17	0.16
1	CAD	Canadian dollar	0.67	0.69	0.65	0.64
1	GBP	Pound sterling	1.16	1.19	1.12	1.11
1	PEN	Peruvian nuevo sol	0.22	0.22	0.25	0.22
1	PLN	Polish zloty	0.22	0.22	0.23	0.22
1	TRY	Turkish lira	0.10	0.07	0.12	0.11
1	USD	US dollar	0.85	0.88	0.88	0.81
100	ARS	Argentine peso	0.86	0.86	0.97	0.97
100	CNY	Chinese renminbi yuan	13.10	13.87	12.70	12.44
100	COP	Colombian peso	0.02	0.02	0.02	0.02
100	INR	Indian rupee	1.14	1.19	1.18	1.11
100	NOK	Norwegian krona	9.84	10.02	9.32	9.51
100	RUB	Russian rouble	1.15	1.18	1.21	1.09

Related party transactions

Transactions with related parties occur when relationship exists between the Company, its participating interests, shareholders and key management personnel. There were no transactions with related parties that were not entered into on a commercial basis. In its normal course of business, the Company buys and sells goods and services from and to various related parties in which the Company has an interest. These transactions are conducted on a commercial basis and are subject to conditions that usually govern comparable sales and purchase transactions with third parties.

Subsequent events

On February 14, 2022, ERIKS announced its intention to sell its North American activities, operating under the names ERIKS North America, Rawson-Industrial Controls, ERIKS Seals and Plastics, and CNC Flow Control to LKCM Headwater Investments. The intended transaction is subject to approval of US pre-merger clearance and limited additional conditions. Closing of the transaction is expected in the first half of 2022.

Following the recent escalation of the conflict between Russia and the Ukraine, sanctions were imposed on the Russian government, as well as major financial institutions and certain other entities and individuals in Russia. The imposed and potential future sanctions as well as restrictions introduced by various countries are likely to hamper the operations in certain Groups. It is not yet possible to quantify the financial impact for SHV.

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Notes to the consolidated statements of cash flow

In millions of euro

The consolidated cash flow statements have been prepared in accordance with the indirect method. Liquidity in the consolidated cash flow statements consists of money market investments and cash and cash equivalents. The money market investments are considered liquid investments, as these are directly convertible and the cash that would be received is subject to an insignificant risk of change in value.

Cash flow items in foreign currency are translated at the average currency rates. The currency exchange differences reported in the consolidated statements of cash flow represent the effect of translating the liquidity in foreign currency at the beginning of the year and the change in liquidity during the year using the exchange rate prevailing at the end of the year.

Changes in working capital include the cash flow movement from changes in inventories, accounts receivable and short-term debt, excluding amounts related to:

- redemption of non-current liabilities;
- dividends to be paid;
- payables to banks;
- payables and receivables for taxes on income and equity;
- payables and receivables for interest.

Investments in consolidated companies are stated at the acquisition price. Disposals are stated at sales price. The effect on cash and cash equivalents is separately presented as changes in consolidation.

Net interest paid and received, dividends received from investments in affiliates and net taxes paid and received are included in net cash flow from operating activities.
The payment of finance lease terms is allocated for the part related to the repayment of the lease obligation to the cash flows from financing activities and is allocated for the part related to the interest component to the cash flows from operational activities.

Liquidity

	2021	Change in liquidity	2020
Money market investments	10.7		6.1
Cash and cash equivalents	1,112.8		1,179.6
Liquidity	**1,123.5**	**(62.2)**	**1,185.7**

Reconciliation of cash flows and balance sheet changes

	Foreign currency translation	Changes in consolidation	Cash flow movements	Non cash flow movements	Balance sheet movement
Intangible fixed assets	(44.5)	(112.3)	**(488.1)**	234.5	(410.4)
Tangible fixed assets	(142.1)	(71.4)	**(546.4)**	391.2	(368.7)
Financial fixed assets	(42.4)	228.7	**(257.6)**	(55.8)	(127.1)
Working capital	16.1	1.2	**(323.2)**	51.4	(254.5)
Cash and cash equivalents	9.2		**(71.4)**		(62.2)
Provisions	12.7	7.7	**(215.6)**	(5.3)	(200.5)
Long-term debt	63.9	396.0	**238.2**	180.3	878.4
Payable to banks	(10.3)	69.1	**119.6**		178.4

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Parent company balance sheets and statements of income at December 31

(after proposed distribution of income)

Assets

In millions of euro	2021	2020
Tangible fixed assets	1.5	1.9
Financial fixed assets	6,657.9	6,496.2
Fixed assets	**6,659.4**	**6,498.1**
Accounts receivable	34.8	54.8
Cash and cash equivalents	55.5	29.4
Current assets	**90.3**	**84.2**
Total	**6,749.7**	**6,582.3**

Liabilities

Capital stock	327.3	327.3
Additional paid-in capital	33.8	33.8
Legal reserves	(287.4)	(513.5)
Other reserves	6,364.2	6,483.8
Equity	**6,437.9**	**6,331.4**
Provisions		**0.2**
Final dividend to shareholders	291.2	232.7
Other current liabilities	20.6	18.0
Current liabilities	**311.8**	**250.7**
Total	**6,749.7**	**6,582.3**

Parent company statements of income

	2021	2020
Share of results of participating interests, after tax	979.1	475.4
Other results, after taxes	(0.6)	12.4
Income	**978.5**	**487.8**

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Notes to the parent company financial statements

In millions of euro, unless otherwise indicated

General

Accounting and valuation

The same accounting principles are used for the parent company balance sheets and statements of income as for the consolidated financial statements. Therefore, reference is made to the notes to the consolidated financial statements.

Participating interests in group companies

Participating interests in group companies are accounted for in the separate financial statements according to the equity accounting method on the basis of net asset value. For details we refer to the accounting policy for financial fixed assets in the consolidated financial statements.

Share of result of participating interests

This item concerns the company's share of the profit or loss of these participating interests. Results on transactions involving the transfer of assets and liabilities between the company and its participating interests and mutually between participating interests themselves, are eliminated to the extent that they can be considered as not realised.

Financial fixed assets

	2021	2020
Consolidated companies	6,621.6	6,454.5
Deferred income taxes	25.7	28.5
Other financial fixed assets	10.6	13.2
	6,657.9	**6,496.2**

Consolidated companies represent the 100% owned Dutch subsidiary SHV Nederland B.V. and is valued at net asset value.

Movements in value of consolidated companies were as follows:

	2021	2020
Balance, the beginning of the year	6,454.5	6,562.2
Share in income	979.1	475.5
Additions		1.0
Dividends	(232.7)	(280.0)
Goodwill and other changes	(700.2)	33.9
Taxes	(20.6)	(26.6)
Foreign currency translation	141.5	(311.5)
Balance, December 31	**6,621.6**	**6,454.5**

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Equity

	Total	Capital stock	Additional paid-in capital	Legal reserves	Other reserves
Balance, December 31, 2019	6,380.5	327.3	33.8	(114.4)	6,133.8
Income	487.8			(112.3)	600.1
Dividend	(232.7)				(232.7)
Changes in unrealised derivatives	51.3			51.3	
Goodwill and other changes	(17.4)				(17.4)
Taxes	(16.3)			(16.3)	
Foreign currency translation	(321.8)			(321.8)	
Balance, December 31, 2020	6,331.4	327.3	33.8	(513.5)	6,483.8
Income	978.5			49.3	929.2
Dividend	(290.9)				(290.9)
Changes in unrealised derivatives	55.9			55.9	
Goodwill and other changes	(757.9)				(757.9)
Taxes	(20.6)			(20.6)	
Foreign currency translation	141.5			141.5	
Balance, December 31, 2021	**6,437.9**	**327.3**	**33.8**	**(287.4)**	**6,364.2**

In the separate financial statements, financial instruments are presented on the basis of their legal form. The legal form is consistent with the economic reality of the instruments.

An amount of € 361.1 (2020: € 361.1) is not recognised as paid-up amount within the meaning of Section 3a of the Netherlands Dividend Tax Act 1965 ('Wet op de Dividendbelasting 1965').

Foreign currency translation is mainly caused by the appreciation of the Brazilian real, Chinese Renminbi Yuan, Pound sterling, Canadian dollar and US dollar.

Capital stock

SHV Holdings N.V. has a nominal capital divided into shares of € 45 each.
At December 31, 2021, the number of issued shares is 7,272,733. They are paid in full and have the same rights.

There are no shares of capital stock held by the Company.

Additional paid-in capital

The addition paid-in capital concerns the income from the issuing of shares in so far as this exceeds the nominal value of the shares (above par income).

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Legal reserves

Movements in legal reserves were as follows:

	Total	Translation reserve	Capitalised development costs	Participations	Hedge reserve
Balance, December 31, 2019	(114.4)	(464.2)	251.1	91.3	7.4
Income	(112.3)		(21.0)	(91.3)	
Changes in unrealised derivatives	51.3				51.3
Taxes	(16.3)	(2.3)			(14.0)
Foreign currency translation	(321.8)	(321.8)			
Balance, December 31, 2020	(513.5)	(788.3)	230.1		44.7
Income	49.3		49.3		
Changes in unrealised derivatives	55.9				55.9
Taxes	(20.6)	(7.5)			(13.1)
Foreign currency translation	141.5	141.5			
Balance, December 31, 2021	**(287.4)**	**(654.3)**	**279.4**		**87.5**

Foreign currency translation includes an amount of € 2.4 million, which has been recycled through the income statement as part of the result on the sale of Balcas .

The legal reserve for development costs is determined based on the carrying amounts of the recognised development costs, both at the level of SHV Holdings as well at the level of the consolidated group companies. In doing so, the capitalised development costs and related changes in carrying amounts are regarded as if it relates to assets of SHV Holdings Ifself.

The legal reserve for participating interests, which amounts to nihil (2020 nihil), pertains to participating interests that are measured at net asset value. The reserve is equal to the share in the results and direct changes in equity (both calculated on the basis of the Company's accounting policies) of the participating interests since the first measurement at net asset value, less the distributions that the Company has been entitled to since the first measurement at net asset value, and less distributions that the Company may effect without restrictions.

As to the latter share, this takes into account any profits that may not be distributable by participating interests that are Dutch limited companies based on the distribution tests to be performed by the management of those companies. The legal reserve is determined on an individual basis.

Other reserves

Other reserves consist of retained earnings.

Salaries and wages

	2021	2020
Salaries, wages, gratuities and bonuses	(22.0)	(23.8)
Social security premiums	(1.0)	(1.0)
Pension fund premiums	(1.0)	(0.3)
	(24.0)	(25.1)

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Number of employees

During 2021, the average number of full-time equivalent employees is 98 (2020: 99). No employees were employed outside the Netherlands.

Long-term commitments

Commitments for operating leasing agreements amounted to € 0.8 million at December 31, 2021 (2020: € 0.7 million).

Contingent liabilities

SHV Holdings N.V. has guaranteed loans and credit facilities of its subsidiaries for a total amount of € 3,148 million (2020: € 2,944 million). These loans and credit facilities include predominantly credit facilities and loans of SHV Nederland B.V. such as the irrevocable credit facility of € 800 million, the irrevocable credit facility of € 1,000 million and the private placement loans 2012, 2015, 2020 and 2021 for a total amount of approximately € 1,343 million. Furthermore, the amount includes a number of guarantees given to banks in relation to credit- and cash pooling facilities as well as guarantees given to suppliers of our subsidiaries.

The company has guaranteed the debts arising from transactions entered into by a number of Dutch subsidiaries. A list of subsidiaries is available for information at the office of the Chamber of Commerce in Utrecht.

SHV Holdings N.V. forms a fiscal unity for corporate income tax with a number of Dutch subsidiaries. The company and its subsidiaries, which are part of this fiscal unity, are all severally and jointly liable for the taxes payable by the fiscal unity.

Related party transactions

Reference is made to the notes to the consolidated financial statements.

Subsequent events

Reference is made to the notes to the consolidated financial statements.

Distribution of income

Dividend policy

SHV's dividend policy is to ensure sustainable dividends to our shareholders.

Proposed distribution of income

	2021	2020
Dividend	290.9	232.7
Increase in reserves	687.6	255.1
	978.5	**487.8**

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Manner of dividend distribution

	2021	2020
Final dividend	290.9	232.7

The final dividend for 2021 is € 40.00 per share of € 45 nominal value, no interim dividend was paid in 2021. The final dividend for 2021 is recognised as a liability. The comparable amounts for 2020 were no interim dividend and a final dividend of € 32.00.

Utrecht, March 7, 2022

Supervisory Board of Directors

Executive Board of Directors

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Other information

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

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

Amstelveen, 7 March 2022

KPMG Accountants N.V.

E.J.L. van Leeuwen RA

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