NEWAYS ELECTRONICS INTERNATIONAL N.V.

HALF YEAR REPORT 2021

Course of events in the first half year

Highlights

- Net turnover declines 3.8% to € 233.8 million, due in part to the downscaling of less profitable turnover and disruptions in the supply chain;
- Order book increases to € 334.4 million, up 32.6% compared with end-June 2020 and up 48.6% compared with year-end 2020, driven by a recovery in demand in the Automotive sector and continued strong demand in other market sectors;
- Order intake up by 69.0%; on top of regular growth with existing clients, Neways won multi-year orders from 13 new clients across all strategic market sectors with a total turnover value of more than € 50 million which will materialise in the coming years;
- Gross margin increases by 3.0% to € 91.7 million; rises to 39.2% from 36.6% as a percentage of turnover, due to positive mix effects;
- Net cash flow comes in at € - 6.3 million, due to higher working capital requirements and extra cash out in connection with the previously announced reorganisations and the settlement of COVID-19-related government support;
- Neways' order book is well filled and when compared with 2021 profitability is recovering in line with expectations. Regular order book growth is partly driven by market uncertainty regarding the availability of products; this has a dampening effect on recovery.

Operational developments

In the first half of 2021, we saw continued recovery of our operating result, due to the effect of the measures taken. We are on track with the transformation of our company to One Neways. Turnover was lower than last year, partly due to disruptions in our international supply chain and our deliberate divestment of less profitable turnover. Our order intake and order book increased strongly and e decided to tap the flexibility of certain parts of the organisation to quickly scale up to meet rising demand. We saw a recovery in demand in the Automotive sector, while demand in other sectors, such as Semiconductor, Medical and Industrial, remains strong with a pipeline of 22 prospects with a total turnover potential of more than € 120 million. This is on top of the 13 newly acquired clients divided across all our strategic market sectors with a total turnover value of more than € 50 million which will materialise in the coming years.

In the second half of 2021, we expect the materials shortages at suppliers, in particular suppliers of semiconductor components, combined with the uncertainties related to the COVID-19 Delta variant, to continue to put pressure on turnover. Nevertheless, in the coming months we expect to be able to deliver more products and innovative systems, which will help us record higher turnover than in the first half of the year. On top of this, we will also see the structural cost savings from the now completed reorganisations in Germany and the Netherlands reflected more clearly in our results. We will continue on the path we set out on last year: acting as a System Innovator, we will focus more and more expressly on delivering higher added value to our clients.

Financial data

Net turnover declined by 3.8% to € 233.8 million, partly due to the downscaling of less profitable turnover and disruptions in our supply chain. The order book increased to € 334.4 million, up 32.6% compared to end-June 2020, and 48.6% higher than at year-end 2020, driven by a recovery in demand in the Automotive sector, a continued strong demand in other market sectors, and clients anticipating shortages in the market.

Turnover came in higher in the Semiconductor and Automotive sectors. The Industrial sector continued to lag slightly, but did record higher turnover in the second quarter of 2021 than in the first quarter of the year. Supply chain disruptions put a brake on turnover growth across the board, while the impact differed per sector.

The gross margin increased by 3.0% to € 91.7 million. As a percentage of turnover, the gross margin increased to 39.2% from 36.6%, largely driven by the positive mix effects and Neways' stronger focus on higher added value activities. This rise was limited by higher material and logistics costs in connection with the disruptions in the supply chain. We managed to limit the impact of these factors through strict chain management, plus close cooperation and improved agreements with our clients regarding the passing on of price increases.

The reorganisations were largely completed in the second quarter of this year. The cost savings we realised as a result of the completed reorganisations in Germany and the Netherlands were partly offset by the lower use of the short-time work benefit (Kurzarbeit) scheme in Germany. Due in part to the reorganisation, the number of employees fell by 187 FTEs compared with June 2020 and by 75 FTEs compared with year-end 2020. The associated reorganisation provision decreased to € 3.6 million at the end-June 2021, compared to € 7.1 million at year-end. Operating expenses also included € 1.1 million in one-off consultancy costs in connection with the public bids for Neways. The higher gross margin, combined with our continued strict costs controls, led to a recovery in profits.

Financing expenses fell by € 0.5 million, as a result of lower borrowings. The tax rate rose to 35.1% due to a higher tax rate in Germany as a result of an adjustment to the tax charges from previous years. The net result came in at € 3.1 million. The number of outstanding ordinary shares stood at 12,218,634 at end-June 2021, which resulted in earnings per share of € 0.25.

Net cash flow came in at minus € 6.3 million, due to higher working capital utilisation driven by the rapidly increasing demand and disruptions in the supply chain. On top of this, we saw higher cash out in connection with the reorganisations we announced last year in Germany and the Netherlands. In the first half of this year, we also settled the (tax) payments to the government that were deferred last year in connection with the COVID-19 pandemic. Driven by our focus on cost controls, investments were in line with the investments we made in the first half of 2020.

Risk factors and uncertainties with potential effect in the second half year 2021

The inventories, trade and other receivables, and trade and other payables increased because of the higher activity level in the first half year 2021. The second half year 2020 was affected by a sharp decline in turnover due to the COVID outbreak. Furthermore in the first half year 2021 a shortage of components results in pressure on the inventory levels that were increased. Taxes and social security premiums decreased by delayed payments of taxes based on COVID related government facilities in the first half year. Overall payables increased due to the higher activities in the first half year 2021.

Infestos public offer

Infestos Sustainability B.V. has announced that its subsidiary Infestos Sustainable Solutions B.V. is planning to make a recommended public offer (the Offer) for all outstanding Neways shares at a price of € 14.55 in cash per share (*cum dividend*). The Board of Directors and Supervisory Board fully support the transaction and unanimously recommend the Offer. We expect Infestos to formally submit the Offer in September. The Offer is subject to certain customary conditions, including acquiring at least 60% of the outstanding shares of Neways, and is expected to complete in the second half of 2021 if successful.

A change of control upon Infestos acquiring the majority of the shares in the second half year will possibly impact recoverability of tax losses carried forward in Germany (€ 6.9 million as at 30 June 2021) and accelerate vesting of the performance shares. A change of control could also trigger repayment of the outstanding balance of the facility agreement (€ 15.5 million as at 30 June 2021), but we anticipate that the facility agreement will be continued.

On termination of the Merger Agreement by Infestos on account of, amongst others, a material breach of the Merger Agreement by Neways or in case the Merger Agreement is terminated by either Infestos or Neways pursuant to a Superior Offer that is not matched by Infestos Neways will forfeit a € 2.25

million termination fee to Infestos. On termination of the Merger Agreement by Neways on account of Infestos failing to commence the Offer on the commencement date or the settlement has not taken place on the settlement date, Infestos will forfeit a € 2.25 million termination fee to Neways.

Infestos supports Neways' strategy and is well equipped to support Neways in the expansion of its market position as a distinctive System Innovator. With Infestos as majority shareholder, Neways expects to accelerate its chosen strategy on an independent basis.

Outlook

We expect our order intake to remain at a good level and our order book to remain well filled for the remainder of 2021. The demand in the Semiconductor sector remains strong and we are seeing a clear recovery in the Automotive sector. Medical and Industrial clients are also more positive in terms of their planning and projections. We are seeing more interest and demand across the board for System Innovator solutions. We continue to invest in distinctive innovative technology and expertise in system solutions, for instance in the fields of power electronics, energy conversion, Internet of Things (IoT) and data processing.

At the same time, there is still a certain amount of uncertainty regarding the duration and seriousness of the disruptions in the supply chain, which will impact our turnover growth and puts pressure on our margins due to rising purchase prices. We will continue to maximise our focus on controlling these challenges in close cooperation with our clients and our suppliers. Neways is closely monitoring the developments related to the Delta variant and the impact of these developments on the supply chain. We are also keeping a very close eye on cost levels and cash flows. In the coming months, we expect our strategic shift towards offering more high-value and innovative solutions to have a positive impact on turnover growth.

If we look further ahead, Neways is well-positioned in strategic growth sectors, with increasing demand for ever more complex electronic systems and technological innovations. By constantly adding to the depth and quality of our role as a System Innovator, we can profit from this trend and take Neways' profitability to a higher level on a structural basis.

Board of Directors' statement of responsibilities for the 2021 half year financial report

The Board of Directors of Neways Electronics International N.V. declares that, to the best of its knowledge:

- The 2021 condensed consolidated interim financial statements for the six-month period ended 30 June 2021, which have been prepared in accordance with IAS 34, "Interim Financial Reporting" as adopted by the EU, give a true and fair view of the assets, liabilities, the financial position and profit or loss of Neways Electronics International N.V. and the entities included in the consolidated accounts;

- The 2021 half year report gives a true and fair view of the developments and performance during the first half year of 2021 of Neways Electronics International N.V. and their impact on the condensed consolidated interim financial statements for the six-month period ended 30 June 2021 and describes the principal risk factors and uncertainties facing the company.

Son, 24 August 2021

Eric Stodel – CEO
Paul de Koning – CFO
Steven Soederhuizen – COO

Condensed consolidated interim financial statements for the six month period ended 30 June 2021

Condensed consolidated interim statement of profit or loss and comprehensive income

Amounts x € 1,000 for the six month period ended 30 June 2021/2020	first half year 2021	first half year 2020
Revenue from sale of goods	233.787	242.954
Raw materials and consumables	-142.108	-153.978
Personnel costs	-65.565	-66.767
Depreciation and amortisation	-6.758	-7.197
Impairment loss on trade receivables and contract assets	328	52
Other expenses	-14.249	-13.125
Operating result	**5.435**	**1.939**
Finance costs	-672	-1.219
Result befor tax	**4.763**	**720**
Tax income/(expense)	-1.671	59
Net result	**3.092**	**779**
Other comprehensive income		
To be reclassified to profit or loss in subsequent periods:		
Foreign exchange translation differences for non-Dutch participations	-302	72
Other comprehensive income for the period net of tax	**-302**	**72**
Total comprehensive income for the period net of tax	**2.790**	**851**
Earnings per share (in €):		
- Basic earnings per share	0,25	0,06
- Diluted earnings per share	0,25	0,06

Condensed consolidated interim statement of financial position

Amounts x € 1,000 as at 30 June 2021, as at 31 December 2020	30-06-2021	31-12-2020
Assets		
Fixed assets		
Property plant and equipment	64.440	69.406
Intangible fixed assets	6.326	6.917
Financial fixed assets	6.985	6.883
	77.751	**83.206**
Current assets		
Inventories	99.508	82.304
Contract assets	8.846	10.129
Trade and other receivables	64.300	56.179
Taxes and social security premiums	0	327
Corporate income tax	0	28
Cash and cash equivalents	3.624	2.043
	176.278	**151.010**
Total assets	**254.029**	**234.216**
Equity and liabilities		
Issued and paid-in capital	6.109	6.087
Share premium	46.023	45.913
Retained earnings	52.317	49.225
Currency translation reserve	476	778
Equity attributable to holders of equity instruments in the parent company	**104.925**	**102.003**
Non-current liabilities		
Lease liabilities	23.576	25.764
Pension and jubilee provisions	5.555	5.628
Deferred tax liabilities	1.052	1.146
	30.183	**32.538**
Current liabilities		
Overdraft facility	15.463	4.587
Lease liabilities	5.140	5.148
Trade and other payables	80.339	68.720
Taxes and social security premiums	11.752	9.362
Corporate income tax	1.207	3.227
Provisions	5.020	8.631
	118.921	**99.675**
Total equity and liabilities	**254.029**	**234.216**

Condensed consolidated interim cash flow statement

Amounts x € 1,000 for the six month period ended 30 June 2021/2020	first half year 2021	first half year 2020
Operating activities		
Result before tax	4.763	720
Adjusted for:		
Depreciation of property palnt and equipment	6.167	6.490
Amortisation of intangible fixed assets	591	707
Costs of employee options granted	0	12
Costs of employee performance shares awarded	-45	-32
Finance costs	672	1.219
Movements in provisions and pension obligations	-3.684	-344
Movements in working capital *)	-9.460	20.462
	-995	**29.234**
Other changes:		
Interest paid	-637	-1.219
Corporate income tax paid	-3.859	0
Cash flow from operating activities	**-5.492**	**28.015**
Investing activities		
Payments to acquire property plant and equipment	-798	-1.921
Cash flow from investing activities	**-798**	**-1.921**
Financing activities		
Repayments from interest-bearing borrowings	0	0
Payments pursuant to leases	-2.880	-1.891
Increase/(decrease) in overdraft facility	10.876	-24.449
Proceeds from exercise of options	177	0
Cash flow from financing activities	**8.173**	**-26.340**
Change in cash and cash equivalents	**1.883**	**-246**
Net currency translation difference	-302	-72
Cash and cash equivalents as at 1 January	2.043	2.240
Cash and cash equivalents as at 30 June	**3.624**	**1.922**

***) Movements in working capital**		
Inventories	-17.204	1.795
Trade and other receivables	-6.838	5.624
Trade and other payables	11.865	-6.918
Taxes and social security premiums	2.717	19.961
	-9.460	**20.462**

Condensed consolidated interim statement of changes in equity

Amounts x € 1,000	Issued and paid-up capital	Share premium	Retained earnings	Currency translation reserve	Total equity
Balance as at 1 January 2020	**6.075**	**46.313**	**53.000**	**701**	**106.089**
Profit for the period	0	0	779	0	779
Other comprehensive income	0	0	0	72	72
Total comprehensive income for the period	0	0	779	72	851
Award of share options	0	12	0	0	12
Award of performance shares	0	-379	347	0	-32
Issue of shares	11	0	-11	0	0
Total transactions with holders of shares in the parent company	11	-367	336	0	-20
Balance as at 30 June 2020	**6.086**	**45.946**	**54.115**	**773**	**106.920**
Balance as at 1 January 2021	**6.087**	**45.913**	**49.225**	**778**	**102.003**
Profit for the period	0	0	3.092	0	3.092
Other comprehensive income	0	0	0	-302	-302
Total comprehensive income for the period	0	0	3.092	-302	2.790
Exercise of options	13	164	0	0	177
Award of performance shares	0	74	0	0	74
Issue of shares	9	-128	0	0	-119
Total transactions with holders of shares in the parent company	22	110	0	0	132
Balance as at 30 June 2021	**6.109**	**46.023**	**52.317**	**476**	**104.925**

Notes to the condensed consolidated interim financial statements

1. Reporting entity

Neways Electronics International N.V. (“Neways”) is a company that is incorporated and domiciled in the Netherlands and its shares in are publicly traded on the Euronext Amsterdam stock exchange (symbol: NEWAY). The company has its registered office in Eindhoven and its actual head office is located in Son. The Group consists of Neways Electronics International N.V. and its subsidiaries. The Group is an international one-stop provider of advanced integrated electronic components, assemblies, and systems for the industrial electronics sector.

2. Basis of preparation

The condensed consolidated interim financial statements of Neways Electronics International N.V. and its subsidiaries have been prepared in accordance with IAS 34, ‘Interim Financial Reporting’ as adopted by the European Union (EU). The consolidated interim financial statements do not meet the full requirements for annual financial statements in accordance with IFRS, and should be read in conjunction with the consolidated financial statements of Neways as at and for the year ended 31 December 2020. The applied standards for valuation and result determination are equal to the standards applied in the 2020 consolidated financial statements, with the exception of the first application of new and revised IFRS-standards and IFRIC-interpretations as adopted by the EU.

The condensed consolidated interim financial statements do not contain all information that is required under a complete IFRS financial statement. An explanation is given, however, for specific events and transactions that are of significant importance for gaining insight into the changes in the financial position and performance since the last financial statements.

The half year financial statements have been prepared based on the assumption that the business will continue to trade as a going concern.

These condensed consolidated interim financial statements were approved for publication by the Board of Directors and the Supervisory Board on 24 August 2021.

The 2021 condensed consolidated interim financial statements have been reviewed by KPMG Accountants N.V. The condensed consolidated interim financial statements 2020 are not reviewed nor audited. Consequently, the corresponding figures included in the condensed consolidated interim statement of profit or loss and comprehensive income, changes in equity and cash flows and related notes have not been reviewed and are unaudited.

3. New standards and interpretations

Application of the revised standards and interpretations effective for accounting periods beginning on or after 1 January 2021 do not have a significant impact on the condensed consolidated interim financial statements of Neways for the period ended 30 June 2021.

4. Important judgements, estimations and assumptions made in accounting

When preparing the Group’s condensed consolidated interim financial statements, management has made judgements, estimates and assumptions on the balance sheet date that affect the reported amounts of revenues, expenses, assets, liabilities and off-balance sheet commitments. However, the inherent uncertainty relating to these assumptions and estimates may lead to actual outcomes that are different from those assumptions and estimates.

Important judgements, estimates and assumptions made by management regarding the application of financial accounting principles are equal to those described in the latest annual accounts.

5. Operational segments

The Group's long-term strategy is aimed at strengthening its position as a one-stop provider of customer-specific industrial and professional electronic components, assemblies and systems for the Electronic Manufacturing Services (EMS) market. Intensive collaboration and clear communication between the different Neways operating companies ensures that customers in this market are optimally served, with all customer contacts being channelled through a designated point of contact.

Neways' Western European operating companies play an important part in promoting the company's one-stop provider strategy. These operating companies are close to their customers, both in terms of customer contact and geographically. The operating companies in Eastern Europe and Asia focus primarily on producing high-volume, less complex and stable series with a view to achieving cost benefits for customers. This production is usually commissioned by sister companies in Western Europe.

Continuous improvement in the collaboration at all levels in the organisation is essential in order to operate in respect of customers as a homogeneous, integrated group of companies with a coherent quality policy, recognisable cultural and a shared vision.

The Group's management takes decisions based on its own assessments and direct communication with all those involved. Financial management is based on consolidated information. Neways is therefore only active in one operating segment as defined in IFRS 8.

6. Taxes

Income tax expenses are recognized based on the expected full year effective tax rate per country. The effective tax rate for the first half of 2021 is caused by tax rate differences between the countries where the Group operates, which deviate from the corporate income tax rate of 25% in the Netherlands and incremental tax charges in Germany following the outcome of tax audit adjustments.

7. Goodwill

Goodwill is tested for impairment annually in the fourth quarter and when circumstances indicate the carrying value may be impaired. For the six month period ended 30 June 2021 no triggers for goodwill impairment were identified in the key assumptions as applied in the annual impairment test.

Furthermore as at 30 June 2021, the Group's stock market capitalisation was higher than the carrying amount of the Group's equity.

8. Developments in working capital

The inventories, trade and other receivables, and trade and other payables increased because of the higher activity level in the first half year 2021. The second half year 2020 was affected by a sharp decline in turnover due to the COVID outbreak. Furthermore in the first half year 2021 a shortage of components results in pressure on the inventory levels that were increased. Taxes and social security premiums decreased by delayed payments of taxes based on COVID related government facilities in the first half year. Overall payables increased due to the higher activities in the first half year 2021.

9. Equity

9.1 Issuance of ordinary shares

In the context of the current share option plan for the members of the Board of Directors and a select group of key company officers, Neways issued 25,000 ordinary shares in connection with the exercise of share options (2020: no shares). In the context of the applicable performance shares plan for members of the Board of Directors and a select group of key company officers, 18,597 ordinary shares were issued in the first half of 2021 (2020: 22,003 shares) as a result of the final vesting of 2018 awarded performance shares. As per 30 June 2021, the total number of outstanding ordinary shares stood at 12.217.634.

9.2 Dividend paid and proposed

No dividend has been proposed or paid in the first half of 2021.

10. Financial instruments – fair values and risk management

Methods and assumptions used to estimate fair values are consistent with those used in the year ended 31 December 2020. The fair value for each financial instrument of the Group approximates the carrying amount.
Shortages of components in the supply chain limits the ability of planning and projection of turnover.

11. Other financial liabilities

The credit facility available as at 30 June 2021 (overdraft facility and bank guarantee facility) amounted to a total of € 65 million (interest charge: 1-month Euribor + 1.3% to 2.2%, depending on the senior net debt/EBITDA ratio). On the balance sheet date, € 18.6 million of this amount was used for the overdraft facility and bank guarantees (31 December 2020: € 7.7 million). In early 2021, the credit agreement was extended for a term of one year until the beginning of 2024.

12. Provisions

A provision of € 7.1 million was recognised as at 31 December 2020 in respect of the Group's committed restructuring relating to three operating companies. The remaining obligation as at 30 June 2021 amounts to € 3.6 million. The restructuring is expected to have been completed during the second half year of 2021.

13. Related party transactions

The table below shows the total related parties transactions for the first half year of 2021 and 2020:

Amounts x € 1,000		**Sales to**	**Purchases/ services from**	**Owed by**	**Owed to**
Entity with significant influence on the Group:					
VDL Groep	30/06/2021	14,606	2,321	8,262	803
VDL Groep	30/06/2020	14,293	1,716	6,027	959

Outstanding balances are not secured by arm's length collateral, are not interest bearing and are settled in cash. No guarantees have been given or received for the receivables owed by, or the payables owed to the related parties.

Public offer Infestos

Infestos Sustainability B.V. announced that its subsidiary Infestos Sustainable Solutions B.V. would issue a recommended public offer (the Offer) for all outstanding shares of Neways at an offer price of € 14.55 in cash per share (cum dividend). The Board of Directors and Supervisory Board fully support the Offer and unanimously recommend the Offer. The Offer will according expectation be formally issued in September and is subject to certain customary conditions, including acquiring at least 60% (under conditions to be reduced to 50.01%) of the outstanding shares of Neways, and is expected to complete in the second half of 2021 if successful.

A change of control upon Infestos acquiring the majority of the shares in the second half year will possibly impact recoverability of tax losses carried forward in Germany (€ 6.9 million as at 30 June

2021) and accelerate vesting of the performance shares. A change of control could also trigger repayment of the outstanding balance of the facility agreement (€ 15.5 million as at 30 June 2021), but we anticipate that the facility agreement will be continued.

On termination of the Merger Agreement by Infestos on account of, amongst others, a material breach of the Merger Agreement by Neways or in case the Merger Agreement is terminated by either Infestos or Neways pursuant to a Superior Offer that is not matched by Infestos, Neways will forfeit a € 2.25 million termination fee to Infestos. On termination of the Merger protocol by Neways on account of Infestos failing to commence the Offer on the commencement date or the settlement has not taken place on ultimately the settlement date, Infestos will forfeit a € 2.25 million termination fee to Neways.

14. Subsequent events

No material subsequent events occurred.

Son, 24 August 2021

Board of Directors

Eric Stodel – CEO
Paul de Koning – CFO
Steven Soederhuizen – COO

Independent auditor’s review report

To: The Board of Directors of Neways Electronics International N.V.

Our conclusion

We have reviewed the accompanying condensed consolidated interim financial statements for the first half year 2021 of Neways Electronics International N.V. (or hereafter: the “Company”) based in Son. Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34 ‘Interim Financial Reporting’ as adopted by the European Union.

The condensed consolidated interim financial statements comprise:

1 the condensed consolidated interim statement of financial position as at 30 June 2021;

2 the following condensed consolidated interim statements for the six-month period ended 30 June 2021: the statement of profit or loss and comprehensive income, changes in equity and cash flows; and

3 the notes to the condensed consolidated interim financial statements.

Basis for our conclusion

We conducted our review in accordance with Dutch law, including the Dutch Standard 2410, 'Het beoordelen van tussentijdse financiële informatie door de accountant van de entiteit' (Review of interim financial information performed by the independent auditor of the entity). A review of interim financial information in accordance with the Dutch Standard 2410 is a limited assurance engagement. Our responsibilities under this standard are further described in the 'Our responsibilities for the review of the interim financial information' section of our report.

We are independent of Neways Electronics International N.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

Corresponding figures not reviewed

The condensed consolidated interim financial statements for the first half year 2020 are not reviewed. Consequently, the corresponding figures included in the condensed consolidated interim statement of profit or loss and comprehensive income, changes in equity and cash flows and the related notes have not been reviewed.

Responsibilities of the Board of Directors and the Supervisory Board for the condensed consolidated interim financial statements

The Board of Directors is responsible for the preparation and presentation of the condensed consolidated interim financial statements in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union. Furthermore, management is responsible for such internal control as it determines is necessary to enable the preparation of the condensed consolidated interim financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the review of the condensed consolidated interim financial statements

Our responsibility is to plan and perform the review in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

The level of assurance obtained in a limited assurance engagement is substantially less than the level of assurance obtained in an audit conducted in accordance with the Dutch Standards on Auditing. Accordingly, we do not express an audit opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the review, in accordance with Dutch Standard 2410.

Our review included among others:

- Updating our understanding of the entity and its environment, including its internal control, and the applicable financial reporting framework, in order to identify areas in the condensed consolidated interim financial statements where material misstatements are likely to arise due to fraud or error, designing and performing procedures to address those areas, and obtaining assurance evidence that is sufficient and appropriate to provide a basis for our conclusion;
- Obtaining an understanding in the internal control, as it relates to the preparation of the condensed consolidated interim financial statements;
- Making inquiries of management and others within the entity;
- Applying analytical procedures with respect to information included in the condensed consolidated interim financial statements;
- Obtaining assurance evidence that the condensed consolidated interim financial statements agree with, or reconcile to the entity's underlying accounting records;
- Evaluating the assurance evidence obtained;
- Considering whether there have been any changes in accounting principles or in the methods of applying them and whether any new transactions have necessitated the application of a new accounting principle;

- Considering whether management has identified all events that may require adjustment to or disclosure in the condensed consolidated interim financial statements; and
- Considering whether the condensed consolidated interim financial statements have been prepared in accordance with the applicable financial reporting framework and represents the underlying transactions free from material misstatement.

Amstelveen, 24 August 2021

KPMG Accountants N.V.

L.A. Ekkels RA