Annual Report 2024

STRUKTON GROEP B.V.

Strukton

Contents

We contribute to **safe**, **sustainable** and **accessible infrastructures**, now and in the future. That has been our commitment for **over 100 years**. Our focus is on sustainable infrastructures in **Western Europe**.

Strukton

Photographer cover: Stefan Verkerk

1. Message from the Executive Board

A solid foundation for the future

2024 was a year of hard work. The previous year had been an extremely turbulent one for Strukton Group. Mid 2023, a new Executive Board was appointed to bring back (financial) stability. Our analysis made it crystal clear that the liquidity of the company was seriously at risk, primarily due to a limited number of heavy loss-making projects. The 'way forward' we agreed on with the Supervisory Board was based on two pillars: strengthening Strukton's position as a sustainable infrastructure specialist service provider, with a focus on rail-related activities in our home countries, and divesting other, non-core business activities including resolving the backlog in annual reports for the years 2020, 2021 and 2022.

Developments in 2024

The date of publication of this Annual Report shows that the backlog in annual reports has been resolved and that we are now back on a normal reporting schedule.

Our focus is firmly on our five home countries in Europe (Netherlands, Italy, Belgium, Sweden, and Denmark).

We have succeeded in strengthening our cash position and improving our working capital. Improving the management and control of our projects with clear procedures and processes contributed to this. Polaris, a Netherlands-wide programme to professionalise and optimise the internal organisation, is one of the initiatives. In addition, within the Oranjewoud group, a new financing arrangement has been secured with a private lender. Loss-making key projects (including the MEET RIVM and Groningen Hoofdstation projects) were significantly derisked. And thanks to the new tender management procedure, all projects won since mid 2023 are under control.

The divestment of several non-core activities also boosted our financial position. 2024 saw the completion of the sale of the grid solutions activities to SPIE and the divestment of A1 Electronics to Gimv. Strukton Integrale Projecten was divested to Aiber Sevices and Strukton Prefab Beton became part of the Roevla Group. Strukton Groep also sold its 25% stake in asphalt production plants APA and APRR.

'Our focus is firmly on our five home countries in Western Europe.'

During the last quarter of 2024 GBN Artificial Grass Recycling was divested, Van Rens was divested to Groupe IT and Ooms Producten was sold to Pankas.

Relations with all our stakeholders have been restored and our contact with key principals including ProRail, Trafikverket, Rete Ferroviaria Italiana, Banedanmark, Infrabel, Rijkswaterstaat and Rijksvastgoedbedrijf is particularly good. As a result, our general reputation has also improved. Positive developments in our internal organisation include the appointment of a new IT director, a new Safety director and the introduction of a uniform reporting system for safety, group wide. Additionally, we have regained our status as an attractive employer, further contributing to our positive outlook. Preparations were also made for CSRD reporting. Saskia Kunst was appointed to the board of Strukton Rail Italy to strengthen the links with the Group and a new MD was appointed at Strukton Rail Sweden.

FIOD

On 12 November 2024, Strukton Group (on behalf of Strukton International B.V. and Strukton Civiel Projecten B.V.) reached a provisional agreement

with the Public Prosecution Office *(Openbaar Ministerie)* on a settlement *(schikking)* regarding the allegations of bribery *(omkoping)* and forgery *(valsheid in geschrifte)* related to the Riyadh Metro Project in the Kingdom of Saudi Arabia.

Financial results
Over 2024, Strukton Group realised an EBIT of EUR 36.9 million with a revenue of EUR 1.6 billion. This includes the transaction results (EUR 10.0 million positve) of sold activities.

Financial highlights

- Revenue: EUR 1.6 billion (2023: EUR 1.4 billion)
- EBITDA: EUR 93.8 million, 5.9% (2023: EUR 63.2 million, 4.4%)
- EBIT: EUR 36.9 million, 2.3% (2023: EUR 11.4 million, 0.8%)
- Net result: EUR 39.4 million (2023: EUR 13.4 million)
- Group equity position improved to EUR 135.1 million (2023: EUR 107.4 million); solvency ratio raised to 10.8% (2023: 9.1%)
- Orderbook: EUR 3.3 billion (2023: EUR 3.4 billion)

Where we currently stand
The projects, programmes and actions resulting from the 'way forward' were successfully implemented in 2024. Strukton Groep ended this year in considerably calmer waters. There is harmony, stability and perspective. This forms a solid foundation for the future.

We rejoined the sector association *Bouwend Nederland*, enabling us to take a leading role in sustainability initiatives, innovation, the energy transition and technology.

Looking ahead
Although a lot of important work was done in 2024, now is not the time to sit back and relax. For instance, actions and measures resulting from the Polaris programme are currently being implemented. There are also additional improvements in Denmark and Sweden.

We are confident that the change in company culture will help us to keep the current momentum. Working together and learning from each other has quickly become the norm. This change in mentality has in turn enabled us to take enormous steps forward in all areas and create an environment in which cooperation, uniformity, and transparency can thrive. This creates great opportunities to increase our sustainable impact and further improve our results.

With a solid foundation for the future of Strukton in place, the assignment of the Executive Board that was appointed in 2023 has come to an end. Having guided the company toward stability and a positive outlook, the interim period of the CEO Rob van Wingerden came to an end. He was succeeded by the new CEO Lieve Declercq, who took up her position on 1 March 2025. Furthermore on 1 May 2025 Willem Mentz (CFO) strengthened the statutory board of Strukton Groep. They will begin to develop a strategy for the mid and long term, and steer Strukton Groep to new successes.

We would like to thank all our stakeholders for their continued confidence in Strukton Groep and for their invaluable support during the past year. Our employees in our five home countries deserve special thanks for their hard work and commitment. The works council deserves a special thank you for their hard work and cooperative contribution. We can be proud of what we have achieved together, under difficult circumstances. The future looks bright and Strukton Groep is ready for it.

2.Our Organisation

Illustration: Thijs Unger

Our organisation

Strukton's legal structure has been changed from a public limited company (nv) to a private limited company (bv) as per 18 April 2025.

Strukton Groep contributes to safe, sustainable, and accessible infrastructure, now and in the future. That has been our commitment for over 100 years. The Group consists of five business units. The rail business units (Strukton Rail Netherlands & Belgium, Strukton Rail Nordics and Strukton Rail Italy) create and maintain railway networks in a safe, future-proof, and sustainable way. Strukton Infrastructure Specialties is specialised in infrastructure, with a focus on rail-civil engineering, hydraulic engineering, and tunnels. Strukton Roads & Concrete's expertise lies in the predictable organisation of the realisation of sustainable infrastructure in the civil engineering domain, such as (drinking) water infrastructure, road construction and maintenance, and civil infrastructure for the energy transition. Our operating companies join forces where they can, to maximise value for the projects we work on.

Strukton Infrastructure Specialties and Strukton Roads & Concrete operate in the Netherlands.

Our profile

We help our clients to build tomorrow today by contributing to sustainable infrastructure for a safe, climate-friendly, future-proof, and pleasant world. The work we do in infrastructure has an enormous impact; this is how we can make the difference. We are motivated to channel all our energy and passion into designing, building, and maintaining future-proof infrastructure. Safety is always our key priority; sustainability is a must; quality and integrity are self-evident. Our trained professionals and experts combine their wealth of experience and craftmanship with technical, digital, and process innovations to do so.

Our mission

We are committed to playing a leading role in the transition to a safe and future-proof infrastructure and a sustainable way of working. Therefore, we challenge our clients and partners to explore boundaries, making work processes and solutions as sustainable and safe as possible. Functionality, quality, durability, and a good balance between price and quality are always top of mind.

We design, build, and maintain sustainable infrastructure, focussing on green transportation and energy. We truly shine in projects in which technology is key and in which our expertise can make a difference. Assignments in which all our specialisms come together.

Balance

All we do should be in balance with:
- What the earth gives us
- The interests and needs of our employees
- The interests and needs of our clients and our partners in the chain and our company
- The interests and needs of society.

Experienced teams

During 2024, our more than 4,000 colleagues generated business in five home countries: Belgium, Denmark, Italy, the Netherlands, and Sweden. We work on a national basis in each of these countries, based on maintenance contracts or (mostly long-term) projects.

We have clocked up over 100 years, but we still have our eye firmly on the future. We are pragmatic go-getters and work safely, sustainably, with integrity, professionally, and skilfully. And we are extremely proud of what we do. We will keep investing in our colleagues to maintain a high level of experience.

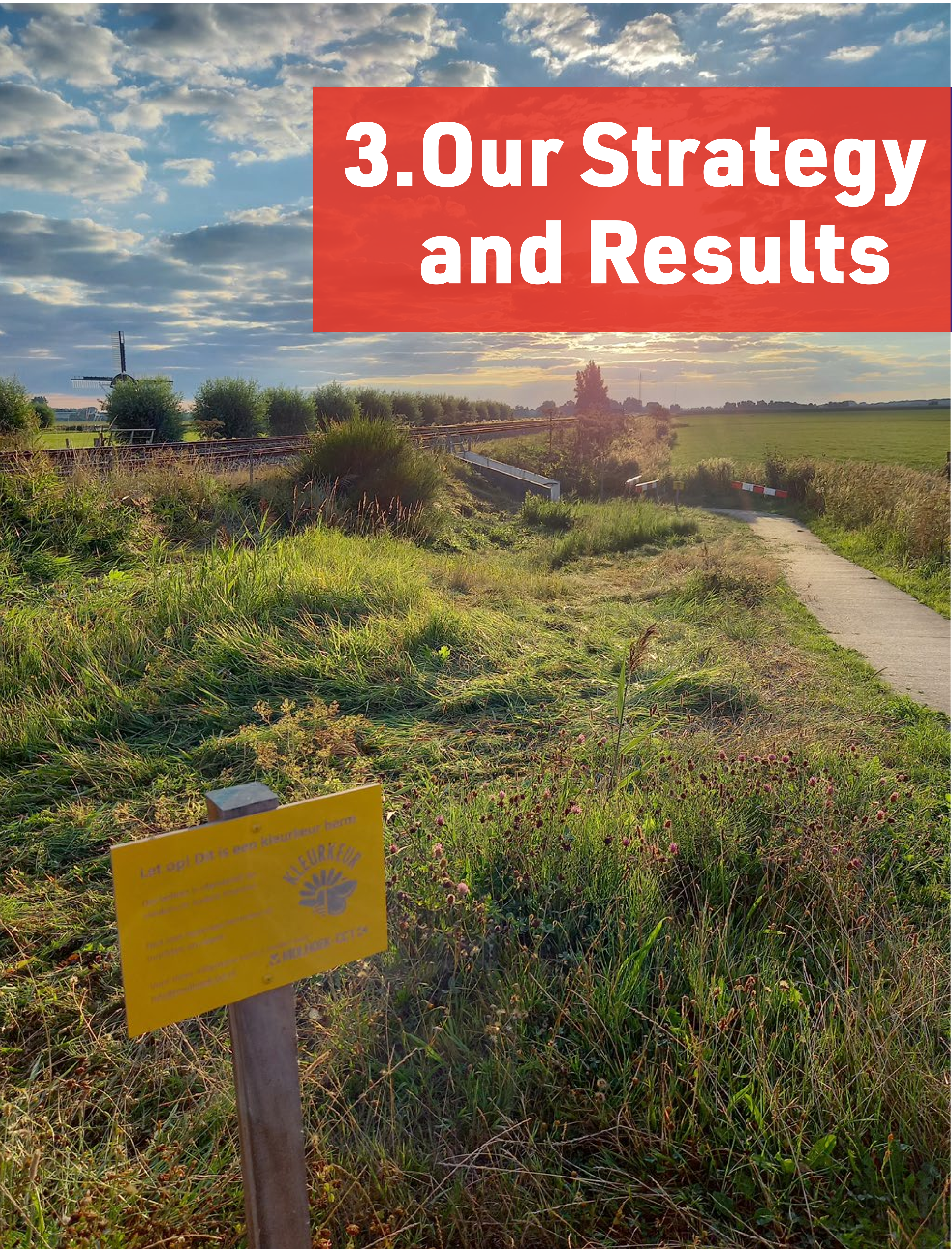
Our core activities

We offer a comprehensive package of services in sustainable infrastructure, ranging from design up to and including management and the circular reprocessing of some materials. In particular, our strength lies in management and maintenance in areas where we can combine high-quality technology, domain knowledge and professionalism.

Principal clients

Our principal clients are central government organisations (including Rijkswaterstaat, ProRail, RFI, Infrabel, Trafikverket, Banedanmark), decentralised government bodies (municipalities, utility authorities and provinces) and the industry.

3. Our Strategy and Results



In 2024, we strengthened our position as a sustainable infrastructure specialist service provider. Rail-related activities play an increasingly important role, with support from specialist civil-engineering activities. In addition, we focussed on de-risking and future-proofing our organisation. Our new tender management procedure and improved management and control of existing projects played an important role in this. We paid special attention to preparing Strukton Groep for reporting in line with CSRD from 2025 onwards. Despite the proposed Omnibus package, we will report voluntarily over 2025 and 2026. In 2025, we will report on a selection of our material topics. The goal for the upcoming years is to optimally prepare for 2027, as this will be the first year that reporting will be mandatory for Strukton.

There are three key values that shape all we do: safety, sustainability, and integrity.

3.1 Safety

The work we do has intrinsic health & safety risks. Therefore, health & safety is our number one priority. We take responsibility for this together. Strukton is committed to working in accordance with the 24Safe safety policy: we work safely, reside safely on site, and travel safely to and from our projects, 24 hours per day and seven days per week. Nothing is more important than the safety of our employees, of those of the parties we work with, of visitors and passers-by. That is why we see safety at work as an integral part of the professional skills of all Strukton employees and of the people with whom we work.

Safety principles

There are ten safety principles that guide our daily work:

1. We work safely or not at all
2. We teach new colleagues to work safely
3. We focus on the prevention of incidents and accidents
4. We plan our work well
5. We work in an ordered and tidy manner
6. We check and follow up (e.g. regular workplace inspections)
7. We regularly evaluate safety with our partners
8. Everyone has the right to stop work if safety is at risk
9. We follow up on safety procedures to learn
10. We collaborate with the industry to continuously improve safety

Incidents and accidents

Our key safety indicator is the internationally recognised IF rate, the number of lost time accidents x 1,000,000 / the number of at-risk hours. By comparing the number of lost time accidents with the number of at-risk hours this factor can provide more information than the number of accidents alone. In 2024, the Injury Frequency (IF) rate in the Netherlands was 3.56 (2023: 4.78). For the whole group together, the IF rate was 9.03.

Group-wide cooperation

Sharing experiences and expertise between business units and countries contributes to improving safety. In 2024, we further intensified the group-wide cooperation in this area. The quarterly international safety meetings between Belgium, Denmark, the Netherlands and Sweden are a good example of this. We also introduced a uniform reporting system for safety for all business units and countries, and appointed a new director for Safety. In 2025, we will continue to explore ways of further improving health & safety, both within the units and countries, and as a group.

Broad definition

There is more to a safe working environment than safety procedures alone. Mental safety and well-being are equally important factors. Strukton wants to create an environment that is physically, mentally and socially safe, for our own employees and everyone we work with. This is an environment in which everyone is respected, and all voices are heard. You can read more about the social and mental aspects of safety under Sustainability.

3.2 Sustainability

Our sector has a significant impact on the living environment with respect to the use of raw materials, waste, emissions, and loss of biodiversity. This brings both great responsibility as well as opportunities to make the world more sustainable.

Strukton is committed to designing, constructing, and maintaining sustainable infrastructure. We aim to do so by embracing our corporate social responsibility (CSR) across the entire value chain, collaborating with our suppliers, partners, customers and other stakeholders to shape a future that prioritises safety, sustainability, and quality. Financial sustainability is integral to our commitment, ensuring that our efforts in sustainable infrastructure development continue to be economically viable and impactful.

Sustainability is a mindset. Fully embracing this enables us to think outside the box and discover exciting new opportunities that are good for our people, for the planet and for our business. Innovation plays an important role in this; we actively encourage the development and implementation of new ideas and technology that contribute to sustainability in all our operating companies.

CSR policy

In 2023, we published a new Strukton-wide CSR policy. This was completed and published internally and externally in 2024. Our operating companies formulate, evaluate, and improve measures and actions to achieve the ambitions defined in this policy in a way that fits their organisation and local circumstances. There is also a lot that we can learn from each other. We therefore actively encourage the exchange of expertise and best practices. This year we also worked hard on preparations to meet CSRD requirements, as Strukton will voluntarily report on this from 2025 onwards. You can read more about these in Preparations for CSRD.

Strukton's CSR policy is aligned with international efforts for a sustainable future. We contribute to the Sustainable Development Goals (SDGs) of the United Nations (UN). Our main impact areas are SDGs 7, 8, 9, 12, 13,15, 17. They are aligned with our strategic focus and our key activities. We respect the fundamental human rights based on the universal declaration on human rights by the UN, the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct and the International Labour Standards by the International Labour Organization (ILO).

To address climate-related issues, we have defined four main targets:

- Our business operations are climate-neutral in 2035
- Our working locations (offices and projects) are free of harmful emissions and residual waste in 2030
- We design our products and projects in a circular way, re-use materials and build with circular materials in 2030
- All our projects contribute to better soil quality and biodiversity in 2030.

Our CSR policy focusses on four key areas: climate-neutral operations; circular economy; biodiversity & ecosystems and diversity & inclusion. Our CSRD reporting also includes health & safety.

Climate-neutral operations

It is our ambition to reduce emissions in our operations and our chain, and to operate in a clean and silent manner. To achieve this, we are focussing on the introduction of zero and low-emission vehicles and equipment, on using renewable energy sources, and on increasing our energy efficiency.

Strukton performs in accordance with the highest level of the Dutch CO2 Performance Ladder, an instrument that helps organisations reduce their carbon emissions in the organisation, in projects and in the business sector.

From 2024 onwards, new Strukton company cars in the Netherlands are electric. We can already see the impact of this measure on our CO2-reduction. During the year, we worked on a new mobility policy to offer employees other, more environmentally friendly modes of transport for their commute to work. This new policy became effective in the Netherlands on 1 January 2025. Strukton Rail Netherlands explored options for the use of electric vans and a pilot is set to start in 2025. Strukton Rail Netherlands also introduced the first electric rail crane, which was successfully used in several projects, among others by Strukton Roads & Concrete on the restructuring of the N270 highway.

In general, more and more electrical machines and equipment is now in use, both by retrofitting our own machines and equipment, and by hiring electrical machines and equipment. In dialogue with clients, suppliers and other industry peers, we are

Photographer: Jason Setzer

'Sustainability is a mindset and makes us think out of the box and discover new opportunities that are good for the planet and for business'

continuing to work on feasible solutions for electrical energy supply on construction sites and the use of electrical equipment. This is, for instance, the case in the projects Dijksgracht and C11 in Amsterdam. During 2025 we will further invest in climate-neutral equipment.

We regularly publish CO2 Progress and Energy Action Plans to report on our progress. In 2024, we significantly reduced our CO2 emissions. Our total gross emissions were reduced by 8.9%. Compared to our operating income, the reduction was no less than 18.1% per million euros.

Circular economy
We believe that a circular economy is key in solving sustainable development challenges. The topic also turned out to be material for Strukton, based on the double materiality assessment. To improve in this area, we are working on design for disassembly and reuse, material reuse and recycling, and nature-based infrastructure practices.

We are, for instance, members of the 'Groene Liggers V.O.F.' initiative for circular viaducts (the successor of the Closing the Loop initiative), which focuses on increasing the reuse ratio of beams. Also, we actively supported MVO Nederland, an organisation that promotes sustainability in business, in their call to enable the use of circular concrete to increase, by presenting a case.

In 2024, we continued our work on catenary foundations and portals made of circular concrete. We ran various tests to verify the quality, strength and durability of the material, in order to get the product included in the product catalogue for the rail sector. Also, we reused elements whenever possible and allowed by clients (switches, sleepers, pillars, transitions) and materials (circular concrete for platforms).

Working closely with clients and chain partners, we hope to further expand the share of circular materials and elements in our projects.

Biodiversity and Ecosystems
Loss of forest, land degradation, and the extinction of species pose severe threats to our planet and the people living on it, and therefore also to our infrastructure. With our work and our expertise, we are the right party to prevent land degradation and the loss of flora and fauna, and to restore biodiversity wherever possible. Our focus lies on green infrastructure design, flora and fauna protection, and environmental impact assessment.

Interest in this topic is on the rise. The topic also turned out to be material for Strukton, based on the double materiality assessment. This year, we took mitigation measures to minimise the impact of our activities on the natural environment in several of our projects, for instance by creating an alternative habitat for badgers and planting new and a more diverse mix of trees to replace ones that were cut down. We joined the Natuurladder (Nature ladder) initiative from two major Dutch construction companies for more focus on biodiversity and ecosystems in new and existing projects. There is also expertise within Strukton Groep: our portfolio company Molhoek Infratechniek specialises in certified ecological verge management and Roads & Concrete builds eco ducts.

Health & Safety
This is a top priority for Strukton and one of our key values, as mentioned above under Safety.

Diversity & Inclusion
Diversity and inclusion are essential to our success and are integral to creating a positive and innovative work environment. Therefore, we are committed to embracing differences and nurturing a workplace that values and respects the unique perspectives and backgrounds of all our employees.

In 2024, we rolled out a policy for diversity and inclusion for Strukton as a whole. Local policies in place in the Nordics and Italy were a source of inspiration for this. In 2025, we will work on campaigns and programmes to create awareness and address specific issues, such as undesired behaviour. We will also gather data about for instance the wage gap between men and women, since gender equality turned out to be a material topic, based on our double materiality analysis.

Preparations for CSRD
Strukton is dedicated to report on non-financial information and is on track to report in line with the CSRD. Due to the proposed Omnibus package released by the European Commission, Strukton has no mandatory CSRD reporting requirement for 2025 or 2026. 2027 will be the first year for which the mandatory reporting requirement is valid. In order to ensure the quality of the 2027 sustainability statements, we will report on a voluntary basis in 2025 and 2026. In 2025, we will report over a selection of the material European Sustainability Reporting Standards (ESRS). This will provide us with enough time to improve and implement our relevant data collection processes to be compliant for the remaining standards.

We are confident in our progress and will report on the topics for which we can guarantee the data quality. The reporting requirements are further detailed in the ESRS. Companies are expected to report on sustainability matters based on the principle of double materiality as prescribed in the ESRS.

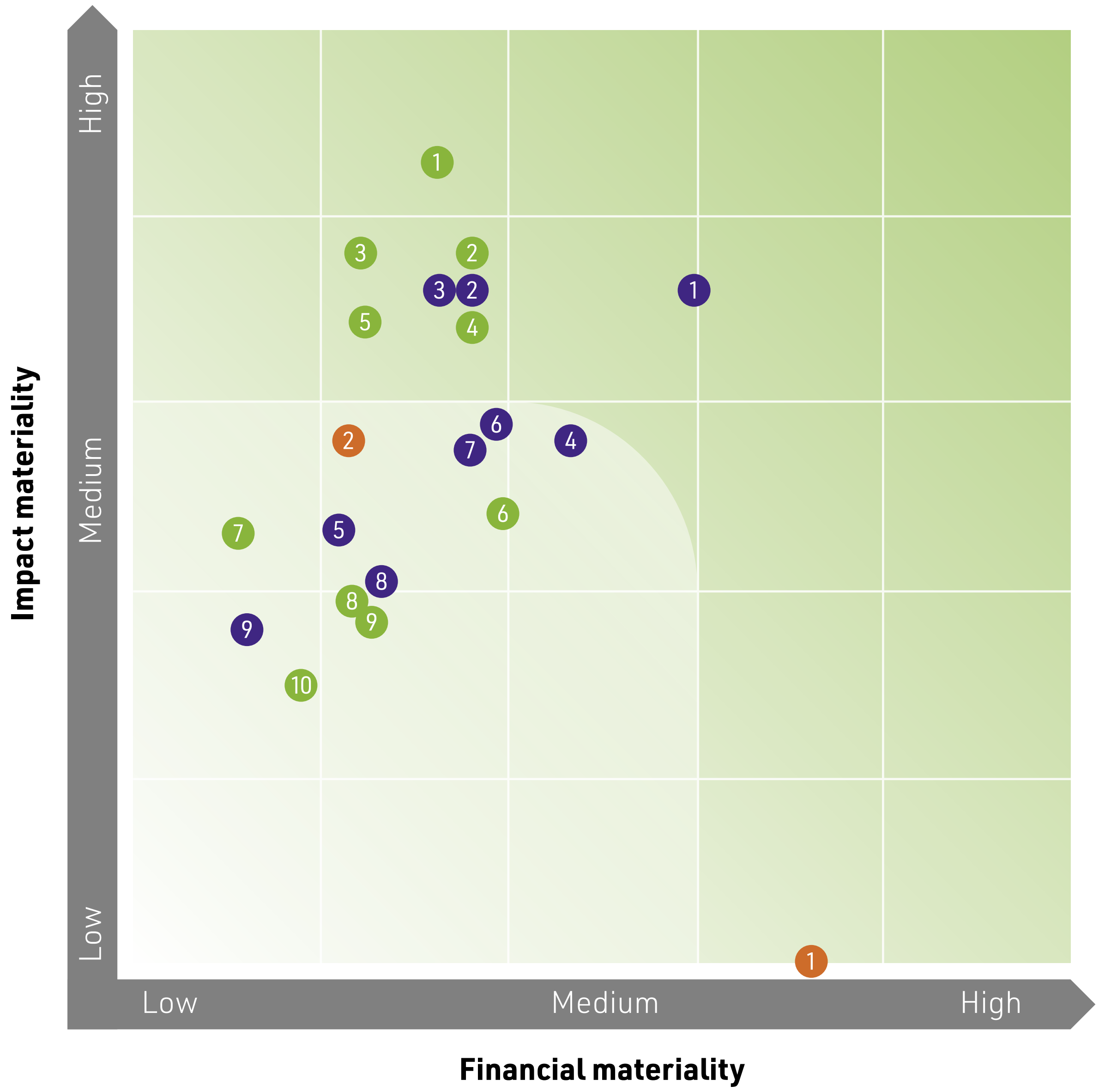
We are confident in our progress and will report on these topics, in line with our original planning. The reporting requirements are further detailed in the European Sustainability Reporting Standard (ESRS). Companies are expected to report on sustainability matters based on the principle of double materiality as prescribed in the ESRS.

Approach
In 2023, we performed a double materiality assessment to comply with the ESRS. Double materiality covers impact materiality (the effect of our activities on the outside world) and financial materiality (the impact of the outside world on our activities). An external agency supported us throughout this process.

The first step was scoping potential impacts and risks though literature review. The impacts, risks and opportunities we found were first validated internally and then externally through engagement with our shareholders. Furthermore, we assessed the materiality of the individual impacts, risks and opportunities. This assessment was validated and reviewed by management.

Stakeholders
Engaging with our stakeholders was an important part of the double materiality assessment. It was vital to ensure that all possible perspectives were included. Firstly, a stakeholder analysis was performed to identify our key stakeholders regarding CSR. Based on this analysis, internal and external stakeholders were consulted using a survey and interviews. This provided us with valuable insights into the most important issues and topics.

Material topics
We identified our impacts on the environment and society as well as sustainability related risks and opportunities that we are exposed to.
The following topics were found to be material:



Environmental

1. **Climate change mitigation**
2. **Impact on biodiversity & ecosystems**
3. **Circularity**
4. Air pollution*
5. **Climate change adaptation**
6. Soil Pollution
7. Water withdrawal
8. Water consumption, discharge and habitat degradation
9. Substances of (high) concern & contamination of organisms and food sources
10. Water pollution

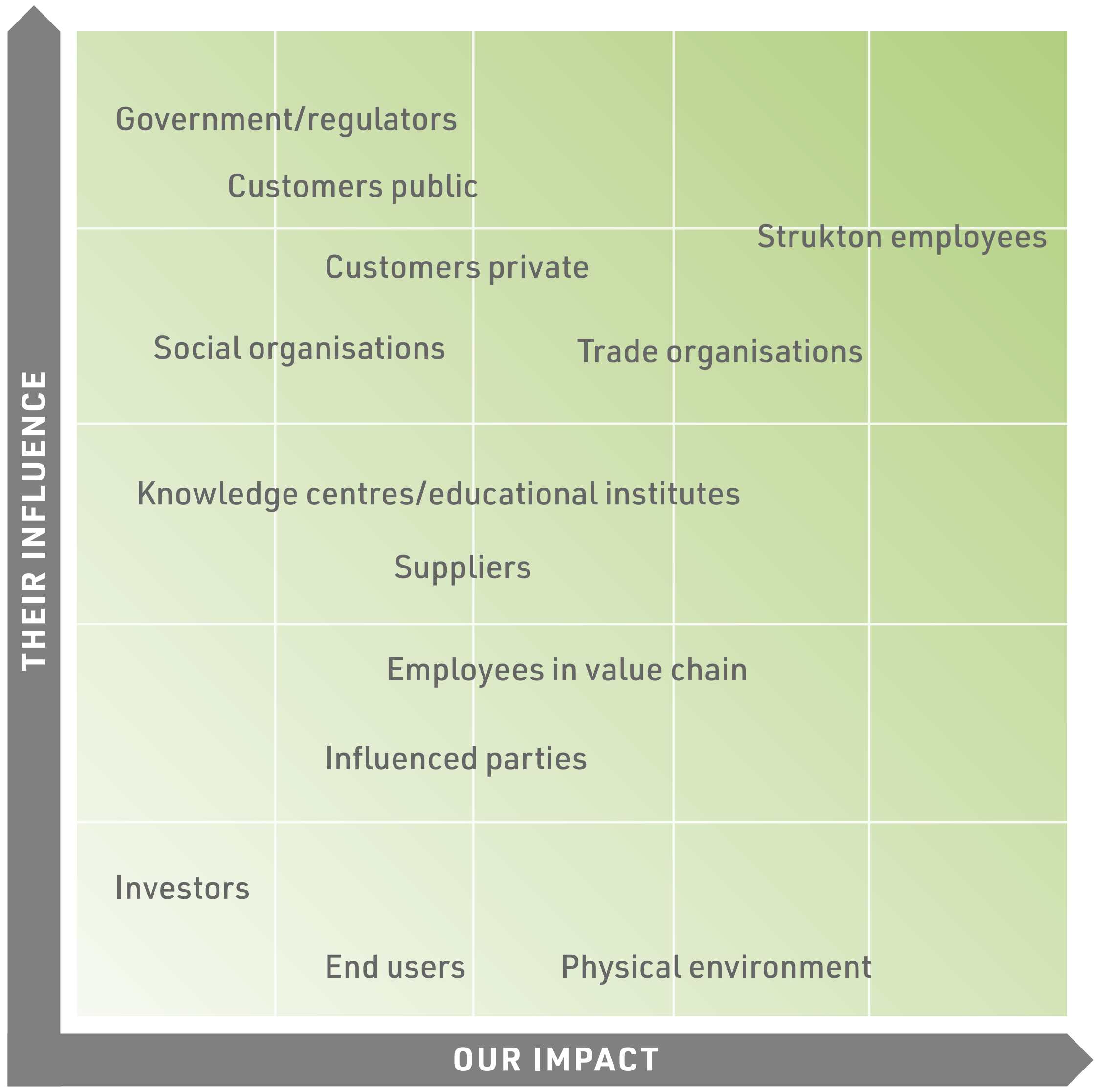
* Not considered material after validation with thresholds set in Regulation No. 166/2006 of the European Parliament and of the Council.

Social

1. **Safety & health (own employees & subcontractors)**
2. **Learning & development (own employees)**
3. **Gender equality (own employees)**
4. Recruitment (own employees)
5. Working conditions (own employees)
6. Affected communities
7. Working conditions (value chain)
8. Diversity & equality (own employees)
9. Human rights (employees in value chain)

Governance

1. **Corruption and bribery**
2. Code of Conduct (suppliers)



- Climate change mitigation & adaptation
- Impact on biodiversity & ecosystems
- Circularity
- Safety & health of our own employees
- Learning & development
- Gender equality
- Safety & health of subcontractors
- Corruption and bribery

Data collection
In 2024 we continued working on a solid basis for data collection. This included implementing uniform methods, on a group-wide level where possible. We have implemented these methods in a new reporting structure, which allows us to measure and retrieve new and existing sustainability data on the various material topics across our entire organisation. We are on track for reporting over 2025.

3.3 Integrity

Good business practices, integrity, respect, transparent reporting, and accountability are leading aspects of our business. We owe our success to our core competencies in the implementation of projects and to always acting ethically correct and with integrity. Integrity is key on a personal, business, and social level.

In 2024, we published an update of Strukton All Right, our Code of Conduct on doing business with integrity. The aim was to re-emphasise what we mean by sustainability, safety, and integrity at Strukton, to create uniformity, and take the next step in professionalising our approach. We also finetuned and formalised the role of trust counsellors to whom employees can turn. The Strukton Reporting Procedure, which describes the appropriate way to report integrity-related matters, was also updated. In 2024, eight matters were reported through the Strukton Reporting Procedure. One of the reports was assessed and evidenced.

In 2025, we will assess several integrity-related policies within the All Right programme and update them, if necessary. There will also be a campaign to increase awareness of the Code of Conduct and the Strukton Reporting Procedure. This will firmly emphasise the importance of integrity as one of our key values.

4. Governance

In 2023, we devoted much time and effort to developing a plan to get the organisation back on track. In 2024, we worked hard to build a solid basis for the middle to long term. This is the foundation on which Strukton Groep can continue to build from now on.

We have gained much better insights into potential risks and have taken appropriate measures to counteract them. The introduction of a new tender board procedure, for instance, was a milestone in this area. The Polaris project has enabled us to identify key areas for improvement regarding internal processes in the Netherlands.

Safety continues to be our top priority, before all other risk factors. Our focus on integrity as one of our company's key values was reinforced with the introduction of a new Code of Conduct and the update of underlying policy documents. Lastly, corporate governance has been reinforced and relationships with internal and external parties have been fully restored.

4.1 Risk management

Strukton Groep continuously monitors, evaluates and manages the risks it encounters in various areas.

Risk appetite
We have tightened the selection criteria for new projects and implemented stronger group-wide controls. In accordance with our new tender board procedure, we now only tender for maintenance and construction projects that are a good match with our core competencies, with limited risks and justified expectations of healthy earning capacity. Projects with a mid-term maintenance and management component are particularly interesting to us as they align to core competencies and contribute to stabilising our financial performance.

Strategic risks and market risks
The scarcity in specific areas of the labour market makes it increasingly challenging to recruit and retain sufficient people with the technical skills that Strukton needs. We are therefore investing in our position as a preferred employer, by focussing on creating an appealing work environment with competitive terms of employment, room for personal and professional development, and a focus on mental and physical well-being.

The market volume generated by the main principals has decreased and new parties are being encouraged to enter the market. We focus on remaining competitive and on differentiating ourselves through research & development and sustainable solutions. In addition, we aim to expand our activities to include non-principal work and work for municipal public transport companies. In addition, we strive to make long-term, repetitive orders a substantial part of our operating income.

As mentioned above, our tender procedure has been revised to limit risk. Additionally, as tender costs have been increasing over the past years, we are becoming increasingly selective in tendering.

Operational risks and compliance risks
By their nature, our operational activities can potentially result in accidents, injuries, and loss of reputation or non-compliance with the occupational health and environmental regulations. We work to minimise risks with careful preparation of activities, safety awareness programmes, and analysis of accidents and near-misses.

All colleagues have access to the Quality, Health, Safety and Environment (QHSE) systems that are frequently audited by external accredited and certifying bodies.

Control measures relating to safety include safety awareness campaigns; active encouragement of safety reporting for continuous improvement; preventive measures to avoid calamities; and active encouragement of working with a Last-Minute Risk Analysis (LMRA).

As raw material prices continue to fluctuate, we are cautious in accepting inflation risks. In long-term projects, we focus on adequate indexation schemes. We deploy our fleet of machines and equipment and our employees in all home countries. Throughout Strukton, we focus on increasing the share of non-project-based activities to limit the risk of understaffing.

The protection of information and connections in our information technology systems is a continuous focus, to enable us to stay in control.

Last but certainly not least, we are committed to 'hard' compliance with rules and regulations and are making significant progress in 'soft' compliance, for instance in diversity and inclusion - see Our strategy and results, Sustainability.

Financial risks
The company's liquidity requirement is forecasted on a frequent basis, and the application of the facilities is continually monitored. Using insights acquired with the help of external parties we have improved our work capital and cash position. For 2025 onwards, we have access to a new financing arrangement within Oranjewoud Group.

With Strukton's strengthened focus on Belgium, Denmark, Italy, the Netherlands and Sweden, almost all of Strukton's activities are now carried out within their own currencies and are naturally hedged due to the high extent of locally sourced costs and wages in countries.

It is our policy to insure risks – in particular, operational and financial risks - that we are not able or willing to bear. We assess our insurance policies for amended legislation and regulations, sums insured and new risks on an annual basis and adjust our insurance programme where necessary.

Risk management and control systems
Our risk control framework consists of, among others, our Code of Conduct, the Delegation of Authority, the procedure for authorisation applications relating to complex and large-scale projects, the planning and control cycles and relevant reports.

In 2024, we worked with an external consultant to identify and assess internal procedures and processes in the Strukton companies in the Netherlands, with the aim to improve them where possible and encourage uniformity. We also updated the Code of Conduct and began preparations for reporting in line with the Corporate Sustainability Reporting Directive (CSRD). In addition, we successfully implemented improvement programmes focussing on operational processes, working capital and cash management and safety.The main reporting risk lies in the estimate and judgement made by management, which are inherently subject to uncertainty.

'Safety continues to be our top priority, before all other risk factors'

Business continuity
Major external events like pandemics, wars or climate change can have a material effect on Strukton's operation and business results. We have a multidisciplinary business continuity organisation in place to ensure that our activities can continue on project and contract sites, in our offices and at home, in a safe and healthy manner.

In 2024, we made preparations to comply with the requirements of the CSRD, this provided further insight into related risks and the action we can take to address them.

Going concern assessment
Strukton has concluded that there are no material uncertainties that may cast significant doubt on the company's ability to continue as a going concern. Therefore, it is appropriate to prepare the 2024 financial statements based on going concern.

Conclusion
In 2024, we focused on further improving the internal control and procedures throughout the business units and creating uniformity where possible. The tender procedure we introduced in 2023 has been developed into a full stage gate risk review. Group-wide controls have been strengthened and project management structures further enhanced. As a result, our working capital and cash flow positions have improved compared to 2023. Preparations have also been made for voluntary reporting in line with the CSRD requirements. For 2025, this will only concern a selection of our material topics. This enables us to optimally prepare our internal processes to be fully compliant in 2026 and 2027.

'Focus on the physical and mental health, well-being, and safety of our employees and partners'

4.2 Company culture and integrity

People are Strukton's most important asset. Creating an open and safe corporate culture is our top priority.

The new leadership culture brings clarity and transparency at all levels of the organisation. Teamwork is more important than ever. In addition, there is a clear focus on the physical and mental health, well-being, and safety of our own employees and of the partners with whom we work. This is reflected by, among others, our policy on diversity and inclusiveness. In 2024 we published an update of this policy.

Integrity
Integrity is one of our key values. We always act ethically correct and with professional integrity, at all levels of our organisation and in all operating companies. Our Strukton All Right integrity programme lays the foundation for this. It is the umbrella for all related documents and policies – on preventing corruption and inappropriate conduct, for instance – which are based on our Code of Conduct. Strukton All Right and all related documents are available on our website and on our Intranets. In 2024 we published a new version of our Code of Conduct and updated underlying policy documents.

Regulatory and legal compliance
Strukton Groep is transparent about our regulatory compliance, and we act with integrity at all times. We are keen to ensure that we adhere to all the applicable laws and regulations and abide by the standards and values in force. In other words, that we are 'compliant'. The body of rules and obligations, both internal and external, is extensive and complex.

Data privacy
Strukton Groep has a privacy structure in place. We continuously take appropriate technical and organisational measures to protect personal data, such as applying the IT Code of Conduct and using secure storage and connections. There were no data breaches reported to the Authoriteit Persoonsgegevens in 2024.

Information security
To ensure it can withstand the increasing cyber threats, Strukton Groep is continuing to improve the security of its information technology (IT) and operational technology (OT) systems.

4.3 Corporate Governance

Good business practices, integrity, respect, supervision, transparent reporting and accountability are the leading aspects on which our corporate governance policy is based.

Strukton Groep B.V. is a limited liability company governed by Dutch law. The company is managed by the Group Executive Board, under the supervision of the Supervisory Board.

Management
The Group Executive Board manages the company and determines the vision and the ensuing mission, strategy, and objectives of the company. The Group Executive Board is responsible for transparent governance within the company and frequently provides information and tools to the shareholder and the Supervisory Board as required for the adequate fulfilment of their tasks. The Management Teams of the operating companies are responsible for defining and executing the strategies of their respective operating companies within the overall group strategy framework.

'In 2024, we focussed on further improving the internal control and procedures throughout the business and creating uniformity where possible'

Appointment and remuneration of CEO
The shares of Oranjewoud N.V. held by Sanderink Investments B.V. (with the exception of one share) have been in the custody of Marnix Holtzer, partner of DLA Piper, since 1 June 2023. Marnix Holtzer was appointed by the Enterprise Chamber as the custodian.

In 2024 the Group Executive Board consisted of Rob van Wingerden (as Chief Executive Officer (CEO)) and Mark de Haas (as Chief Transition Officer (CTO)), Arthur Vlaanderen (as Chief Financial Officer (CFO)) and Willem-Jan Wieland (Chief Legal Officer (CLO)). Rob van Wingerden (until 1 March 2025) and Mark de Haas (until 1 January 2025) were statutory directors of Strukton Groep.

The general meeting determines the remuneration of the statutory members of the Group Executive Board based on an advice issued by the Supervisory Board. Please also refer to note 27 of the consolidated financial statements for the remuneration of management during 2024.

Supervisory Board
The company installed a Supervisory Board in 2017. In 2024, Monica Bremer was appointed a member as of 21 March 2024 and Petra Koselka joined the Supervisory Board on 25 July 2024. The Supervisory Board is now complete.

Diversity
We aim for a balanced workforce in all positions in terms of age, gender and background, training, education, and professional experience.
In the selection and appointment of potential new members of Strukton Group's Supervisory Board and Executive Board, diversity has been considered. With the appointments of Monica Bremer in March 2024 and Petra Koselka in July 2024 as members of the Supervisory Board, Strukton complied with the Dutch Diversity Act.

The executive board consisted of 4 male members at the end of 2024. With the appointments of Lieve Declercq and Willem Mentz, the executive board consists of 1 female member (chairman) and 1 male member, bringing the gender diversity balance to 50%. When new members are to be selected for the Supervisory Board or the Executive Board in the future, gender diversity will be considered again.

Gender diversity in sub top
The sub top consists of management of the separate divisions within Strukton Groep. Currently, we are determining specific targets for gender diversity in the sub top.

'We aim for a balanced workforce in terms of age, gender, background, training, and professional experience'

Conflict of interest and transactions between related parties
The Supervisory Board of Strukton Groep B.V. is responsible for resolving any conflicts of interest between the company on the one hand and the Executive Board of Oranjewoud N.V., the Supervisory Board, the Group Executive Board and the external auditor on the other. Transactions with the shareholder or affiliated companies are conducted in line with market practice.

Auditor
The Supervisory Board of Strukton nominates the external auditor for the group as a whole. Forvis Mazars Accountants N.V. has been appointed for the audit of the financial statements 2024.

Internal stakeholders
Our colleagues are a key stakeholder group. We are in continuous dialogue with our colleagues on developments in the organisation, individual development, performance, safety & health, sustainability, and integrity in meetings and on the job. The main sources of information for colleagues are the intranet sites and meetings.

The colleagues are represented in Strukton's employee participation bodies. Each operating company which meets the required statutory threshold has its own Works Council or other employee participation body. For issues concerning all operating companies, a Central Works Council is installed. Scheduled meetings are held on a regular basis.

External stakeholders
We continuously work in dialogue with our stakeholders and ensure that our business operations remain aligned with their requirements and needs. We have identified our customers, employees, financial partners, suppliers and subcontractors, regulators, and social organisations as our key stakeholders. In addition, knowledge and educational institutions, sector organisations, and NGOs are relevant stakeholder groups for us with whom we wish to maintain a constructive dialogue. We frequently publish about key events on our websites and in press releases.

At the end of 2024, our relations with our key stakeholders were fully restored and back to normal. We rejoined the Dutch construction industry association Bouwend Nederland on 1 January 2025.

Compliance
We owe our success to our core competencies in the implementation of projects and contracts, and to always acting ethically correct and with integrity. In all operating companies, Strukton insists on integrity in doing business. See our paragraph on corporate culture and integrity.

Executive Board and Supervisory Board
As per reporting date 31.12.2024, the Executive Board of Strukton Groep is as follows:
- Rob van Wingerden (Chief Executive Officer)
- Mark de Haas (Chief Transition Officer)
- Arthur Vlaanderen (Chief Financial Officer)
- Willem-Jan Wieland (Chief Legal Officer)

The Supervisory Board of Strukton Groep is as follows:
- Joseph Kuling (Chairman - as of 22 March 2022)
- Monica Bremer (as of 21 March 2024)
- Bernard Fortuyn (as of 1 April 2022)
- Petra Koselka (as of 25 July 2024)
- Hans van Leeuwen (as of 1 May 2022)

5. Financial Results 2024

Fotograaf: Jason Setzer

Revenue

2023	2024
1.44 BILLION EURO	1.60 BILLION EURO

Green revenue*

2023	2024
80 PERCENT	84 PERCENT

Solvency

2023	2024
9.1 PERCENT	10.8 PERCENT

EBITDA

2023	2024
63.2 MILLION EURO	93.8 MILLION EURO

EBITDA margin

2023	2024
4.4 PERCENT	5.9 PERCENT

Scope 1 and 2

2023	2024
26.3 IN TONNES PER MILLIONS EURO REVENUE	21.5 IN TONNES PER MILLIONS EURO REVENUE

EBIT

2023	2024
11.4 MILLION EURO	36.9 MILLION EURO

EBIT margin

2023	2024
0.8 PERCENT	2.3 PERCENT

IF Rate

2024
9.0 (NL: 3.6)

* This concerns the eligible green revenue. The green revenue is determined by estimating the percentage of activities within an entity that are considered green according to the EU Taxonomy. Local financials have assessed which revenue falls under the green revenue definition according to the EU Taxonomy.

Key figures	2024	2023	2022	2021	2020
Amounts in EUR millions (unless stated otherwise)					
Revenue	1,601.7	1,439.5	1,378.2	1,439.6	1,349.8
Operational result (EBITDA)	93.8	63.2	45.2	-100.2	-98.0
Operating result (EBIT)	36.9	11.4	-5.7	-153.0	-178.9
Net operating result	37.0	16.9	-8.0	-181.6	-198.4
Cashflow					
Operating activities	162.3	12.9	-34.9	105.1	52.0
Investing activitities	-65.4	-2.7	237.9	-73.4	-38.6
Financing activities	-57.2	-39.8	-49.7	-21.7	2.7
Total Cash flow	**39.7**	**-29.6**	**153.3**	**10.0**	**16.1**
Investment in property, plant and equipment	30.8	31.6	31.8	22.6	14.2
Depreciation/ impairment on fixed assets	-56.9	-51.8	-50.9	-52.8	-80.9
Excluding PPP SPC financial holding companies					
Balance sheet total	1,099.1	1,030.2	1,010.9	1,034.4	1,067.4
Invested equity [1]	202.0	191.7	112.6	-12.9	158.1
Net debt [2]	-241.0	-198.6	-86.4	-13.4	4.6
Solvency rate (%) based on group equity	14.1%	12.0%	3.9%	–12.8%	4.3%
Including PPP SPC financial holding companies					
Balance sheet total	1,251.6	1,183.4	1,159.3	1,157.9	1,159.3
Total equity	134.8	107.1	22.8	-170.2	8.7
Total group equity	135.1	107.4	23.0	-170.2	8.9
Invested equity [1]	370.8	353.8	271.9	127.3	306.9
Net debt [2]	-104.1	-70.8	28.1	126.4	153.0
Solvency rate (%) based on group equity	10.8%	9.1%	3.1%	–11.4%	4.0%
Net result (in %) of group equity	32.6%	26.1%	10.9%	225.0%	–205.2%
Net result (in %) of revenues with customer contracts	2.5%	1.2%	–0.6%	–12.6%	–10.9%
Orderbook on closing date	3,283.2	3,421.0	2,775.0	2,403.9	1,981.6
Non-financial data					
Average number of employees	4,024.0	4,231.9	4,230.6	6,139.0	6,451.0
Sick leave rate (%)	4.4%	3.5%	5.9%	6.0%	4.8%
Carbon dioxide emission (in tonnes)	34,449.6	37,806.0	37,603.80	41,543.60	36,263.70

[1] Invested equity is calculated as total (group) equity plus financial liabilities as included in note 25 of the consolidated financial statements.

[2] Net debt is calculated as subordinated loans plus non-current liabilities and debt to financial institutions minus cash and cash equivalents (excluding cash blocked within combinations).

[3] PPP SPC financial holding companies are public-private partnership projects. The figures are presented including and excluding the PPP SPC financial holding companies in order to present the significant impact of these projects on the statement of financial position.

5.1 General

2024 was a positive year for Strukton Groep with a net result of EUR 39.4 million.

5.1.1 Operating income

The revenue increased by EUR 162.2 million in 2024 compared to 2023. The increase is in all business units, but mainly relates to the Civil Infrastructure Segment which had an increase in overall performance as a result of focus and well-filled orderbook.
The revenue per segment is as follows:

Revenue (in EUR Millions)	**2024**	**2023**
Rail Infrastructure	1,055.6	1,044.4
Civil Infrastructure	311.5	229.8
Technology and buildings	74.4	28.7
Other	160.2	136.6
Total	**1,601.7**	**1,439.5**

5.1.2 Operational result

The operational result per segment is as follows:

Operational result (EBITDA) (in EUR Millions)	**2024**	**2023**
Rail Infrastructure	124.7	69.4
Civil Infrastructure	1.1	(1.5)
Technology and buildings	(34.4)	(0.6)
Other	2.5	(4.1)
Total	**93.8**	**63.2**

5.1.3 Order book

The order book was well-filled:

Order book (in EUR Millions)	**Netherlands**	**Outside Netherlands**	**Total**
Rail Infrastructure	555.6	1,774.8	2,330.4
Civil Infrastructure	863.8		863.8
Other	88.9		88.9
Total	**1,508.4**	**1,774.8**	**3,283.2**

In the Rail Infrastructure segment, the order book in the Netherlands increased compared to 2023 (2023: 329.1), outside The Netherlands the order book decreased compared to 2023 (2023: 2,014.5). The Dutch order book of the civil engineering segment stabilized compared to 2023 (2023: 870.8).

5.1.4 Cash flow and financing

The cash and cash equivalents increased with EUR 40.2 million, to a total of EUR 356.1 million in 2024 (2023: EUR 315.9 million).

At year-end 2024, the total cash blocked is EUR 44.4 million (2023: EUR 66.4 million) and mainly relates to the execution of our projects.

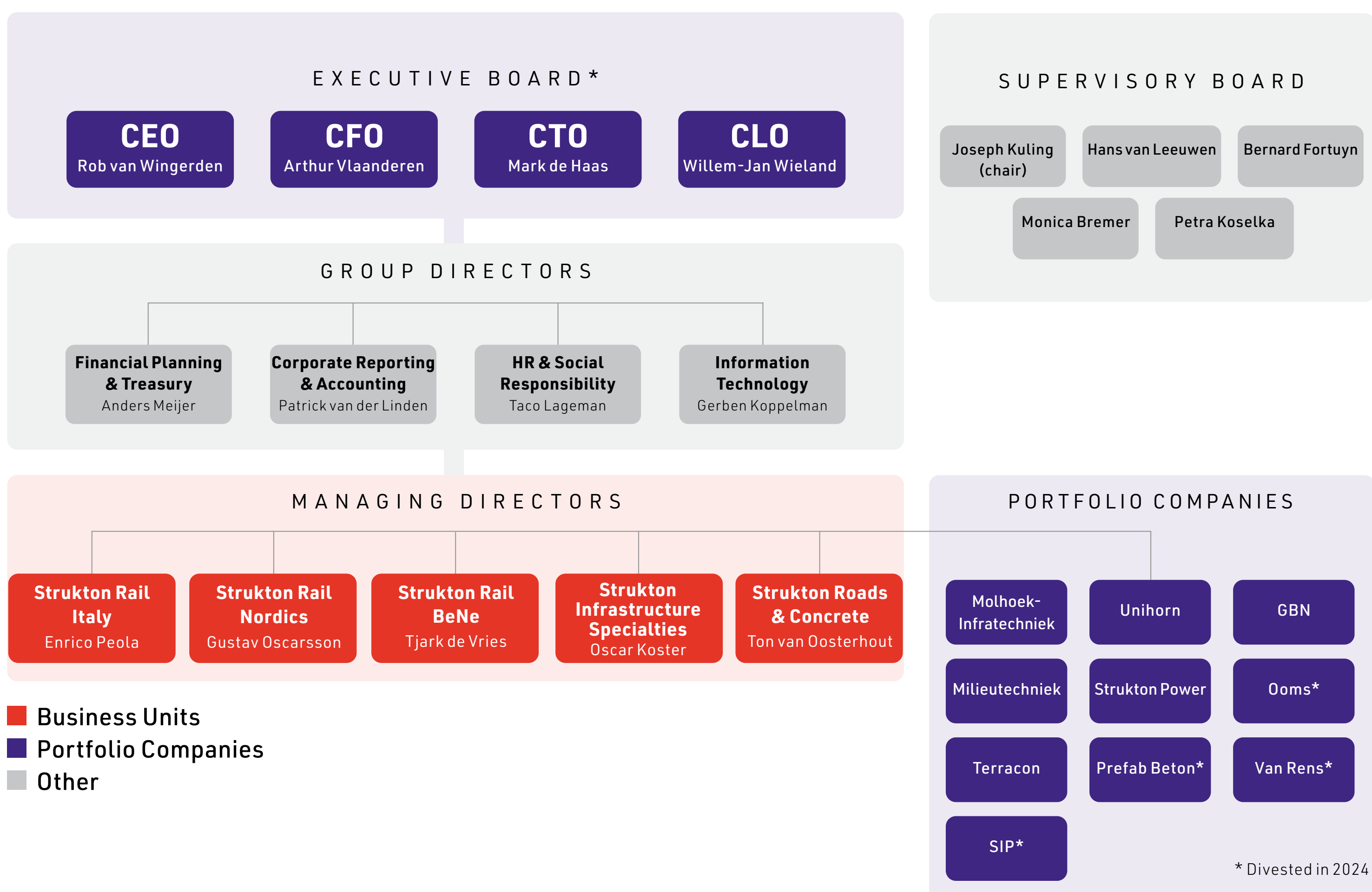
The company's liquidity requirement is being forecasted on a frequent basis, and the application of the facilities is continuously monitored.

5.1.5 Equity position

Equity increased in 2024 by EUR 27.7 million to a total of EUR 135.1 mainly due to the net result of EUR 39.4 million.

5.2 Highlights per division

Strukton Governance and Organisation



* As per 1 January 2025, Mark de Haas stepped down as Chief Transition Officer (CTO), the function will not be replaced. Furthermore, as per 1 March 2025, Lieve Declercq has been appointed Chief Executive Officer, succeeding Rob van Wingerden, and as per 1 May 2025, Willem Mentz has been appointed Chief Financial Officer, succeeding Arthur Vlaanderen. They are both the Statutory Directors of Strukton Groep and as such, jointly form the Group's Executive Board.

5.2.1 Strukton Rail segment

This paragraph includes the three rail-related business units Strukton Rail Belgium-Netherlands, Strukton Rail Nordics (Sweden and Denmark) and Strukton Rail Italy. FTE is based on the situation per year end.

Rail Infrastructure (Revenue in EUR Millions)	**Revenue**	**FTE**
Rail NeBe	378.3	1,266
Rail Italy	331.3	663
Rail Nordics	346.1	1,096
Total	**1,055.6**	**3,025**

The growing importance of rail as a segment is also reflected in the results over 2024 with a combined revenue over the three clusters of EUR 1,055.6 million and an EBITDA of EUR 124.7 million positive.

5.2.2 Strukton Civil segment

2024 was a better year for the Dutch civil engineering segment. The revenue for the year was EUR 311.5 million and the EBITDA was EUR 1.1 million positive. FTE is based on the situation per year end.

Civil Infrastructure (Revenue in EUR Millions)	**Revenue**	**FTE**
Roads & Concrete	178.9	318
Strukton Infrastructure Specialties B.V.	90.2	105
Other	42.4	37
Total	**311.5**	**460**

Hoofdstation Groningen

Strukton Civiel Projecten B.V. is working on the Hoofdstation Groningen project under contract with ProRail. The project has been delayed and the planning has been altered several times backwards. The delays are caused by the complexity of the project and material external circumstances, both resulting in a longer and more expensive design process. The matters were not foreseeable and have arisen during the important execution phase of the project.

At the end of 2024, Strukton identified a delay in the execution phase for the planned train-free period of Q2 2025. During February 2025, Strukton and ProRail agreed to extend the train free period to a total of 64 days, instead of the previously planned 51 days. The impact of this delay has led to a further decrease of the expected project result as per 31 December 2024. Remaining uncertainties included in the project relate to the not yet contracted cost-to-complete and the amount of expected compensation. We are in constructive and active dialogue with ProRail, which has resulted in, amongst others, an agreement on additional remuneration per 15 April 2024.

Furthermore, Strukton is in an active dialogue with ProRail on the risks related to a specific element in the scope of the project. Currently, the impact is uncertain and further discussions with ProRail have led to a further decrease of the final project result. The estimate of the final project result amounts to EUR 137.7 million negative (2023: EUR 122.4 million negative).

Avenue2

Strukton Civiel Projecten B.V. is, via Avenue2 V.O.F., contracted in developing and realising project A2 Maastricht for Rijkswaterstaat and the Municipality of Maastricht. The project was completed in 2017. The client believes that Avenue2 V.O.F. is responsible for various defects and has been in discussion with

Avenue2 V.O.F. The defects are disputed by Avenue2 V.O.F. This has not yet led to a conclusion, different outcomes of the current process are possible and may influence future results. The client has drawn on the provided bank guarantee of EUR 4.2 million in November 2024. For a portion of this amount, a provision has been made, based on the management's best estimate.

A-Pier
In 2018, the legal predecessor of Strukton Roads & Concrete (50%) formed a joint venture with Ballast Nedam Road Specialties (50%) for a subcontract regarding the realisation of specific civil works on the A-Pier at Schiphol, as subcontractor for the main contractor, a JV between Ballast Nedam and TAV. In the execution of the project, Ballast Nedam TAV was involved in discussions with Schiphol based whereon ultimately Schiphol decided to terminate the contract with Ballast Nedam TAV. Subsequently, the main contractor terminated the contracts with its subcontractors. There is currently a dispute with Ballast Nedam TAV as to the amount of compensation we are entitled to receive for this premature termination.

The outcome of the current process between Schiphol and Ballast Nedam TAV, and the subsequent implication for Ballast Nedam Road Specialties and Strukton Roads & Concrete is uncertain. The process has not yet led to an agreement on (additional) remuneration and the time consequences. The best estimate on potential remuneration from the client on these matters has been included in the evaluation of the expected project result. A provision is formed for Strukton's share of the net balance amounting to EUR 16.5 million (2023: EUR 16.5 million). If no remuneration will be granted, which Strukton deems unlikely, an additional loss would have to be recognised.

A15 MCO
Exploitatie Maatschappij A-Lanes A15 B.V. (Strukton share: 50%) is contracted for the design, build and long-term maintenance of the A15 project.

The client requested to use quieter but less durable asphalt and to execute the asphalt overlay earlier than planned, whereby it was the understanding of the consortium that the client would cover the additional costs (compared to those of the original long-term maintenance strategy). This led to an arbitration procedure. In October 2024, the consortium and the client agreed upon a settlement on the scope and adjustment of the maintenance strategy. The arbitration procedure is therefore ceased.

Management has assessed the possibility of additional changes in the expected project result in the remaining contractual period. This assessment is inherently uncertain given the long period of the contractual obligations. The total estimated contractual loss amounts to EUR 15.6 million (2023: EUR 15.6 million) for Strukton. This has led to an impairment of receivables on the consortium and participation value held by Strukton in 2023 and is still reflected in the financial figures December 31, 2024. The recoverability of the additional financing / cash-calls in 2024 presented as financial fixed asset has been taken into account. Based on the assessment of the recoverability of this long-term loan, considering the total project loss of the Exploitatiemaatschappij A-Lanes A15 B.V. (resulting in a total available cash position for repayment at the end of the project) and the total financing by the shareholders, we do not consider an impairment necessary.

5.2.3 Strukton International
Strukton International used to be a separate division, operating in projects outside of Europe, with a focus on the Middle East. Following the strategic roadmap with focus on sustainable infrastructure in Europe, Strukton International is being wound down, with the intention to withdraw and cease Strukton International's activities.

Riyadh Metro Project (Saudi-Arabia)
Strukton International's single largest project (acting through Strukton Civiel Projecten B.V.) was the Riyadh Metro project in Saudi Arabia with the Royal Commission for Riyadh City (RCRC) as the client. Strukton was part of the so-called FAST consortium with FCC Construccion S.A., Samsung C&T Corporation, Freyssinet Saudi Arabia and ALSTOM Transport S.A. as the consortium members. However, Strukton's relationship with RCRC and the other consortium members deteriorated significantly due to a complex legal event regarding our operations in the country. This event has led to a material breach of confidence between the FAST consortium members and Strukton, ultimately leading to the exclusion by the other consortium members of Strukton in November 2021.

Discussions between Strukton and the other consortium members continued as to the lawfulness of the exclusion(s) and the consequences of such exclusions. We reached an agreement on a process with the other consortium members in January 2023. This agreement regulates a process pursuant to which Strukton transfers the bank guarantees and its participation in the various consortia, joint ventures and entities of the Riyadh metro project to the other members. The agreement handed over responsibilities with regards to the project to the consortium and was effected during June 2023. Strukton is also party in a number of statutory and tax disputes for which we have formed provisions for a total amount of EUR 16.1 million (2023: EUR 16.1 million). Considering the finalisation of the agreement, no further negative financial impact is expected relating to the Riyadh Metro Project, aside from the before mentioned remaining tax uncertainties.

Road work projects (Qatar)
Strukton initially entered the market of Qatar as a platform to market its premium grade asphalt products that perform well in the local climate. Strukton Construction and Trading was involved in multiple medium-size road work contracts supporting the overall infrastructure investments of the country of Qatar. Several disputes contributed to a negative result and also the decision of Strukton not to continue in the region. Currently there remains only one project where Strukton is in the Defined Liability Period. In this 400-day warranty period, Strukton is responsible for addressing and resolving any identified defects. After that, the Qatar activities are foreseen to come to an organic end during 2025 -2026. Management's best estimate of the provision remains the same per year-end 2024.

5.2.4 Technology & Buildings

MEET RIVM project
Since 2014, MEET RIVM CBG (referred to as "MEET", the project company) has been responsible for the construction of new facilities for the RIVM (National Institute for Public Health and the Environment). MEET is responsible for the Design, Build, Maintain, and Operate (DBMO) aspects of the project. A distinct, Strukton-owned special purpose company, MEET Strukton, was established to secure the initial non-recourse project financing.
This unique project has faced considerable challenges, leading to formal dispute resolution proceedings with the Contracting Authority. Key areas of dispute include:
(1) the VC-C vibration control measures implemented in the new building and
(2) several major change orders for the laboratories requested by the Contracting Authority.

These issues have resulted in critical delays and substantial financial impact, which the Contracting Authority contested. The DBFMO Agreement provides a contractual dispute resolution mechanism intended to address these types of challenges. Between 2017 and 2024, these issues resulted in three Committees of Experts for review and resolution. On March 8, 2024, the parties reached a settlement agreement to solve the dispute, setting the Scheduled Availability Date to December 31, 2024, and establishing financial compensation terms. The settlement agreement was signed on 20 November 2024.

Based on the current expectation, the Availability Certificate will be provided in Q3 2025, with some remaining follow-ups which can be solved after providing the Certificate. The expectation of this date is subject to remaining uncertainties related to the provision of grid congestion and specific certificates. Providing the Availability Certificate marks the end of the Build Phase and the start of Maintain and Operate Phase. At that point, the building is besides the before mentioned uncertainties ready for the Contracting Authority to move in.

Management's best estimate has led to a combined project loss of EUR 229.7 million, of which EUR 34.1 million is included in the statement of income for financial year 2024.

"Maintain and Operate" Phase and Financial Implications
The previously reported EUR 229.7 million project loss for MEET RIVM includes anticipated losses for this operational phase. The provision reflects the expectation of a more challenging operational start-up, driven by complexities stemming from the turbulent Design and Build phase and higher-than-budgeted cost and hourly rates, which have outpaced indexation adjustments.

The operational phase is marked by considerable uncertainty due to multiple factors, including the project's complexity, the substantial total operational costs, and the 25-year operational term. These factors mean that the projected losses may fluctuate over time as new information emerges and adjustments are made in response to operational realities.

5.2.5 Portfolio companies
The aim of the Portfolio Investments Holding is to create value for Strukton Groep and permit the portfolio companies certain autonomy from the larger business units of Strukton. The structure is designed to allow the individual portfolio companies to operate with a certain degree of freedom from the rest of the Strukton organisation, with support still available and aiming for 'best-for-company'. As a result of the implemented strategy, a significant portion of the portfolio companies has been sold. All shareholdings that Strukton owns in these companies are held by the Portfolio Investment Holding.

Overall, the portfolio companies were showing a reasonable performance.

6. Message from the Supervisory Board

Building a stronger foundation

Following intense challenges in 2023, 2024 was a year in which Strukton Groep worked hard to regain stability across a number of important dimensions. The initiated 'Rescue and Reset' strategy started to deliver momentum and increasingly, Strukton was able to shift its attention towards 'resetting' activities.

The Supervisory Board's points of attention were to:
(a) Support the interim CEO and the Executive Board in building a stronger foundation for Strukton;
(b) Make significant progress on clearing legacy legal and contractual issues which also led to a reduction of internal and external stakeholder reactions ;
(c) Transform governance towards a more regular, hands-off situation.

We pursued the above while balancing the interests of all stakeholders.

Building a strong Strukton

In the first half of the year, we advised the Executive Board in their challenge to improve operations, make progress in safety, risk management, compliance, and further restore relations with our stakeholders. Ties between the Executive Board and countries were strengthened and intensified. We recognised that in this way, Strukton was more capable of working on the challenges of the company. Relations with the works councils were reaffirmed, with constructive conversations on a regular basis. On several occasions, members of the Supervisory Board joined meetings with the works councils. The divestment of non-core business activities ran smoothly and contributed to an improved cash position and focus on the core markets. The organisation was also able to get a firm grip on the few loss-making key projects, resolve many of the underlying issues, and restore client relations. Many new contracts were awarded too and thanks to the new tender board meetings with the Executive Board, we were able to approve proposed decisions for bigger projects, resulting in an increase of results and a solid orderbook.

In the second part of 2024, the Supervisory Board was pleased to see that the hard work and effort from the entire organisation began to pay-off. Furthermore, the Polaris programme was initiated to drive operational excellence across a number of core processes, further professionalising the organisation in the Netherlands and improving profitability. The resulting plans will be implemented in 2025. A change of leadership in Scandinavia was effected to build a similarly strong foundation for profitability.

Clearing legal legacies

On 12 November 2024, Strukton Groep (on behalf of Strukton International B.V. and Strukton Civiel Projecten B.V.) reached a provisional agreement with the Public Prosecution Office (*Openbaar Ministerie*) on a settlement (*schikking*) regarding the allegations of bribery (*omkoping*) and forgery (*valsheid in geschrifte*) related to the Riyadh Metro Project in the Kingdom of Saudi Arabia.

Other, smaller legal legacy issues and disputes are being progressed with focus.

Towards regular governance

On 21 March 2024 and 25 July 2024 respectively, Monica Bremer and Petra Koselka started in their roles as new Supervisory Board members. Their arrival brings a new balance in skills, experience, and gender. Our Supervisory Board is now complete, and the time has come to resume a more regular governance role.

The backlog in annual accounts was successfully cleared and with this 2024 annual report, Strukton has fully caught up with the reporting obligations and is now following a regular reporting cycle.

The Supervisory Board conducted a field visit to Strukton Italy in September. This visit confirmed the strong position of this Business unit, with good profitability contributing solidly to the cash position of Strukton Groep. During the visit we also recognised the need to tighten the relationship and work on alignment with common goals on safety and reporting.

With the assignment of the interim Executive Board nearing its completion and Strukton Groep gradually returning to business as usual, the time has come for new, permanent leadership. Ms. L. Declercq has started as Strukton Groep's new CEO as of 1 March 2025 and with effect from May 1, 2025, Mr. W. Mentz has taken up the position of CFO. Jointly, they will develop a new mid-term and long-term strategy for the Groep latest by mid 2026.

Strukton Groep's cash position and financial position are back on track, and a new credit line is in place. Its solvency is also permanently improving. Throughout the organisation, there is a new drive for improvement and innovation. The company has now reached calmer waters. From now on Strukton is able to focus more on the medium and long-term future strategy and value creation of the Groep, as an autonomous, healthy set of companies under good governance.

Looking ahead

It is important to retain the current momentum and ensure that the plans and measures drawn up in 2024 are successfully implemented. Strengthening the solvency of the company remains a priority. The risk profile of the Groep has become lower and more balanced. We must ensure that we maintain this too for all new projects that Strukton Groep takes on. While the rail segment holds importance for a more liveable and sustainable Europe and offers commercial opportunities, in certain markets a great number of players are chasing single client's contracts with resulting competitive pressures. That situation requires vigilance from the Executive Board. Last but certainly not least, continued attention for health & safety in all countries and business units will help to improve the Groep's performance in this key area.

We would like to warmly thank all employees and the works councils for their commitment and enthusiasm, which were key in getting Strukton Groep back on track. Our thanks also go to the interim Executive Board, led by interim-CEO Rob van Wingerden, for bringing their challenging assignment to a successful conclusion.

The 'Rescue and Reset' plan has built a stronger foundation on which the new Executive Board can now begin to deliver 'Revitalised, Reliable Results'.

We look to the future with confidence.

The Supervisory Board
Joseph Kuling (Chairman)
Monica Bremer
Bernard Fortuyn
Petra Koselka
Hans van Leeuwen

7. Financial Statements 2024

Fotograaf: Jason Setzer

Consolidated statement of financial position

(X EUR 1,000)

	Non-current assets	31 December 2024		31 December 2023	
1	Property, plant and equipment	98,206		105,303	
2	Right-of-use assets	94,383		93,001	
3	Intangible assets	17,508		18,938	
4	Investments in associates and joint ventures	12,500		12,439	
5	Financial non-current assets	112,939		33,491	
6	Deferred tax assets	60,580		33,558	
	Total non-current assets		**396,116**		**296,730**
	Current assets				
7	Inventories	9,521		14,020	
8	Trade and other receivables	304,059		325,396	
9	Contract assets	154,632		176,316	
	Corporate income tax receivable	9,694		12,723	
10	Cash and cash equivalents	356,029		313,595	
	Subtotal	**833,936**		**842,050**	
31	Assets classified as held for sale	21,593		44,645	
	Total current assets		**855,529**		**886,695**
	Total assets		**1,251,645**		**1,183,425**
	Equity				
	Issued share capital	2,269		2,269	
	Share premium reserve	138,803		138,803	
	Other reserves	(45,571)		(47,278)	
	Undistributed result for the year	39,293		13,313	
11	**Total equity**	**134,795**		**107,107**	
12	Non-controlling interest	280		247	
11	**Total group equity**		**135,075**		**107,354**
	Non-current liabilities				
13	Loans and other financing obligations	136,830		151,633	
14	Lease liabilities	47,774		46,807	
6	Deferred tax liabilities	9,705		6,923	
13	Taxes and social security contributions payable	13,340		23,282	
15	Provisions	184,330		215,991	
	Total non-current liabilities		**391,979**		**444,636**
	Current liabilities				
16	Trade and other payables	506,674		508,059	
14	Lease liabilities	24,455		23,234	
	Debt to financial institutions	-		-	
9	Contract liabilities	103,570		76,331	
	Corporate income tax payable	12,174		3,814	
15	Provisions	66,343		4,567	
	Subtotal	**713,216**		**616,005**	
31	Liabilities classified as held for sale	11,375		15,430	
	Total current liabilities		**724,591**		**631,435**
	Total liabilities		**1,251,645**		**1,183,425**

Consolidated statement of income

(X EUR 1,000)

			2024		2023
17	**Revenue**		1,601,706		1,439,461
31	Other income		9,958		16,249
18	Costs of raw materials, consumables, subcontracted work and other external costs	(939,131)		(804,987)	
19	Personnel expenses	(358,512)		(355,643)	
21	Other operating expenses	(221,637)		(232,445)	
	Cost of sales		**(1,519,280)**		**(1,393,075)**
4	Share of result from associates and joint ventures		1,450		554
	Operational result (EBITDA)		**93,834**		**63,188**
1.2.3.4.	Depreciation and amortisation charges	(48,766)		(49,526)	
1.2.3.4.5.6.	Impairment charges	(8,139)		(2,230)	
			(56,905)		(51,755)
	Operating result (EBIT)		**36,929**		**11,433**
22	Financial income	13,308		17,792	
22	Financial expenses	(13,282)		(12,296)	
			26		5,497
	Result before tax (PBT)		**36,955**		**16,930**
23	Income tax		2,431		(3,554)
	Net result		**39,386**		**13,376**
	Attributable to:				
	Shareholders of the Company		39,293		13,313
12	Non-controlling interest		93		63
	Result after taxes		**39,386**		**13,376**

Consolidated statement of comprehensive income

(X EUR 1,000)

		2024		2023	
	Net result for the year		**39,386**		**13,376**
	Items that may subsequently be reclassified to the statement of income				
11	Changes in fair values of derivatives for hedge accounting	-		-	
11	Effect of income tax	-		-	
			-		-
11	Changes in fair values of derivatives for hedge accounting of joint ventures and associates	-		-	
11	Effect of income tax	-		-	
			-		-
11	Translation differences foreign currencies	(7,235)		5,561	
11	Effect of income tax	-		-	
			(7,235)		5,561
	Total items that may subsequently be reclassified to the statement of income		**(7,235)**		**5,561**
	Items that will not be reclassified to the statement of income				
11	Changes in actuarial reserve	632		(5,229)	
11	Effect of income tax	(79)		898	
			553		(4,331)
11	Other movements	(60)		(82)	
11	Effect of income tax	-		-	
			(60)		(82)
	Total items that will not be reclassified to the statement of income		**493**		**(4,413)**
	Total comprehensive income for the year		**32,644**		**14,524**
	Attributable to:				
	Shareholders of the Company		32,551		14,461
	Non-controlling interest		93		63
	Total comprehensive income for the year		**32,644**		**14,524**

Consolidated statement of movements in equity

(X EUR 1,000)

	Share Capital	Share Premium	Foreign currency translation reserve	Actuarial reserves	Retained earnings	Result for the year	Shareholders' equity	Non-controlling interest	Total equity
Balance 1 January 2023	**2,269**	**69,000**	**(1,543)**	**(10,550)**	**(214,593)**	**178,177**	**22,760**	**266**	**23,026**
Appropriation of result 2022	-	-	-	-	178,177	(178,177)	-	-	-
Acquisition of subsidiaries	-	69,803	-	-	-	-	69,803	-	69,803
Other movements	-	-	-	-	-	-	-	-	-
Share premium contribution	-	-	-	-	-	-	-	-	-
Result for the reporting period	-	-	-	-	-	13,313	13,313	63	13,376
Other comprehensive income for the reporting period	-	-	5,561	(4,331)	-	-	1,230	(82)	1,148
Total comprehensive income for the reporting period	-	-	5,561	(4,331)	-	-	14,543	(19)	14,524
Balance 31 December 2023	**2,269**	**138,803**	**4,018**	**(14,881)**	**(36,416)**	**13,313**	**107,106**	**247**	**107,353**
Balance 1 January 2024	**2,269**	**138,803**	**4,018**	**(14,881)**	**(36,416)**	**13,313**	**107,106**	**247**	**107,353**
Appropriation of result 2023	-	-	-	-	13,313	(13,313)	-	-	-
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-
Other movements	-	-	-	(518)	(4,404)	-	(4,922)	-	(4,922)
Share premium contribution	-	-	-	-	-	-	-	-	-
Result for the reporting period	-	-	-	-	-	39,293	39,293	93	39,386
Other comprehensive income for the reporting period	-	-	(7,235)	553	-	-	(6,682)	(60)	(6,742)
Total comprehensive income for the reporting period	-	-	(7,235)	553	-	39,293	32,611	33	32,644
Balance 31 December 2024	**2,269**	**138,803**	**(3,217)**	**(14,846)**	**(27,507)**	**39,293**	**134,795**	**280**	**135,075**

See note 11 for further clarification.

Consolidated statement of cash flows

(X EUR 1,000)

			2024 (*)		2023 (*)
	Cash flows provided by operating activities				
	Net result for the year		39,386		13,376
	Adjustments for non-cash items:				
1.3.	Depreciation, amortisation and impairment on fixed assets	56,905		51,755	
22	Interest charges relating to leases	3,243		2,312	
22	Interest income and expense (non-lease)	(3,269)		(7,809)	
15	Changes in provisions and employee benefits	30,116		(329)	
	Result from disposals of fixed assets	(55)		500	
4	Share of result from associates and joint ventures	(1,450)		(554)	
31	Gain on sale of subsidiaries	(9,958)		(16,249)	
			75,532		29,626
4	Dividends distributed by associates and joint ventures		842		1,000
	Interest received		5,336		7,819
	Interest paid		(13,331)		(9,215)
23	Corporate income tax		(2,431)		3,554
	Corporate income tax paid		(10,499)		(17,819)
7	Changes inventories		4,159		7,160
	Changes in projects in progress and contract balances		46,009		14,964
	Changes in trade and other receivables		15,622		(21,296)
	Changes in trade and other payables		1,627		(16,286)
	Net cash (used in)/generated by operating activities		**162,251**		**12,883**
	Cash flows provided by investing activities				
3	Investments in intangible assets		(1,171)		(870)
1	Investments in property, plant and equipment		(30,758)		(31,577)
	Disposals of property, plant and equipment		10,997		10,895
	Acquisitions/disposals of joint ventures, associates and other investments		(317)		-
5	Investments in PPP projects and other non-current financial assets		(78,762)		328
5	Repayments on PPP projects and other non-current financial assets		210		2,229
31	Net proceeds from sale of subsidiaries		34,400		16,249
	Net cash (used in)/generated by investing activities		**(65,400)**		**(2,746)**
	Cash flows provided by financing activities				
	Acquisition of non-controlling interest		-		-
13	Receipts from non-current loans and borrowings		11,471		40,000
13	Repayments of non-current loans and borrowings		(34,258)		(31,262)
14	Payments arising from lease liabilities		(34,397)		(37,326)
11	Share premium contribution		-		-
	Repayment of subordinated loan		-		(11,194)
	Net cash (used in)/generated by financing activities		**(57,185)**		**(39,782)**
	Composition of net cash (used)/generated				
	Net cash (used in)/generated by operating activities		162,251		12,883
	Net cash (used in)/generated by investing activities		(65,400)		(2,746)
	Net cash (used in)/generated by financing activities		(57,185)		(39,782)
	Total net cash (used)/generated		**39,666**		**(29,645)**
25	Cash and cash equivalents as at 1 January		315,889		345,124
25	Cash and cash equivalents as at 31 December		356,050		315,889
25	Effect of exchange rate differences on cash and cash equivalents (including bank overdrafts)		(495)		(410)
	Net (decrease)/increase in cash and cash equivalents		**39,666**		**(29,645)**

*) The statement of cash flows includes the cash flows of the held for sale entities.
The Notes of the Consolidated financial statements referred to include information excluding held for sale entities.
The total net cash flows from held for sale have been disclosed in note 31.

General information

Strukton Groep B.V. (referred to as "Strukton" or the "Company") is a holding company that directly or indirectly has the ownership of subsidiaries and interests in other entities collectively known as Strukton. Strukton has its registered seat and its actual office at Westkanaaldijk 2, Utrecht, the Netherlands, and it is registered in the Dutch Trade Register under number 30004006.

The Company's 2024 consolidated financial statements comprise the Company itself and its subsidiaries and Strukton's share in associates and entities over which it exercises control jointly with third parties. In 2024, Strukton operated in the rail systems, civil infrastructure, and technology & buildings markets. The Company has issued a declaration of liability for several group companies in accordance with article 403 of Book 2 of the Dutch Civil Code. Note 32 contains an overview of the group companies and interests in other entities; this also shows which companies are included in the consolidation and for which group companies a declaration of liability has been issued.

The immediate parent company of Strukton is Oranjewoud N.V. and the ultimate parent company is Sanderink Investments B.V. The previous CEO of Strukton Groep was suspended and the shares of Oranjewoud N.V., our parent company, held by him were transferred to a custodian who was appointed by the Enterprise Chamber for the duration of the court proceedings.

The consolidated financial statements were approved by the Strukton Executive Board and the Supervisory Board members and authorised for issue on 22 May 2025. The Strukton Executive Board has the power to amend and reissue the financial statements. The financial statements as presented in this report are subject to the adoption by the General Meeting of Shareholders.

Basis of preparation
The consolidated financial statements of Strukton have been prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union and comply with the financial reporting requirements included in Part 9 of Book 2 of the Dutch Civil Code, where applicable.
The consolidated financial statements are presented in euros, the Company's functional currency. All financial figures in euros are rounded off to the nearest thousand, unless where stated otherwise.

The basis for the estimates remains unchanged compared to those described in the 2023 financial statements. The other significant judgements made by management remained the same as those that were applied to the consolidated financial statements for the year ended 31 December 2023. Further information and considerations regarding areas of significant judgements and estimates are disclosed below.

Going concern assumption
The 2024 financial statements of Strukton have been prepared based on the going concern assumption. Strukton made a detailed assessment of the company's ability to continue as a going concern.

The going concern assessment takes into account events including divestments of non-core portfolio companies within the group, the operating plan 2025 and further, developments of Strukton's order book, road map of working capital improvement and attracting external funds. Strukton has assessed whether there are factors that could indicate material uncertainties regarding the company's continuity.

The financial situation of Strukton has further improved compared to the date of publication of the 2023 financial statements, due to a combination of actual cash-outflows being lower than initially assessed by management as well as due to some of the mitigating measures being implemented and carried out by management. These mitigating measures included, amongst others, de-risking large loss making projects, positive developments of Strukton's orderbook, and improving working capital. The further mitigating measures as identified have been assessed by management and are considered to be realistic and feasible. Overall, management concludes there are no indications that cast significant doubt on the company's ability to continue as a going concern.

Several large loss-making projects have caused significant losses in recent years. These projects are elaborated on in paragraph 'Key projects'. The financial impact, delays, and disputes related to projects such as MEET RIVM and Hoofdstation Groningen. Based on this assessment, there are no indications that cast significant doubt on the company's ability to continue as a going concern.
For further explanation of the underlying reasons, please refer to the section 'Liquidity risk' in paragraph 'Financial risk management'.

Accounting policies for the preparation of the consolidated financial statements
The consolidated financial statements have been prepared under the historical cost convention, unless otherwise stated. The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to make judgements, estimates and assumptions that affect the application of Strukton's accounting policies and the reported amounts of assets and liabilities, income and expense.
The accounting policies described below have been applied consistently to the periods presented in these consolidated financial statements, except for the standards and interpretations that have not yet been implemented.
The Company financial statements contain only an abridged statement of income, through the application of Section 402 of Book 2 of the Dutch Civil Code.

Application of new and revised standards and interpretations

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (issued on 25 May 2023)
With these amendments Entities will have to disclose the effects of supplier finance arrangements on their liabilities, cash flows and exposure to liquidity risk. In May 2023, the International Accounting Standards Board issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures. With the amendments, the IASB has introduced new disclosure requirements in IFRS Standards to enhance the transparency and, thus, the usefulness of the information provided by entities about supplier finance arrangements.
These amendments are not expected to have a material impact on Strukton.

Amendments to IAS 1 Presentation of Financial Statements 'Classification of Liabilities as Current or Non-current Date (issued on 23 January 2023)', 'Classification of Liabilities as Current or Non-current – Deferral of Effective Date (issued on 15 July 2020)' and 'Non-current Liabilities with Covenants (issued on 31 October 2022)'
The amendments entail several adjustments on the classification of liabilities as current or non-current. These amendments are not expected to have a material impact on Strukton.

Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback
The amendments clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. These amendments are not expected to have a material impact on Strukton.

These amendments have no material impact on the consolidated financial statements of Strukton.

New standards and interpretations in issue but not yet effective

Amendments to IAS 21 The effect s of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15 August 2023)
These amendments have no material impact on the consolidated financial statements of Strukton.

IFRS 18 Presentation and disclosure in Financial Statements (issued on 9 April 2024)
The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. Currently no full line-by-line item analysis has been performed and as such the impact on Strukton's financial statements is not yet fully known. These amendments have not been endorsed yet.

IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024)
IFRS 19 is a voluntary IFRS Accounting Standard for eligible subsidiaries and provides an opportunity for those companies to benefit from cost savings and reporting simplifications related to the reduced disclosure requirements while still applying all other IFRS recognition, measurement and presentation requirements. IFRS 19 is effective for reporting periods beginning on or after 1 January 2027. Earlier application is permitted. Due to the fact that the amendments have not been endorsed yet, currently no assessment has been made on whether this would be material or not.

Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) (issued on 30 May 2024)
The amendments clarify that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice to derecognise financial liabilities settled using an electronic payment system before the settlement date. Other clarifications include the classification of financial assets with ESG linked features via additional guidance on the assessment of contingent features. Additional disclosures are introduced for financial instruments with contingent features and equity instruments classified at fair value through OCI. These amendments are not expected to have a material impact on Strukton.

Contracts Referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7 (issued on 18 December 2024)
The IFRS 9 amendments clarify own-use requirements for contracts involving nature-dependent renewable electricity and adjust hedge accounting rules to allow variable volume designation and aligned measurement of hedged items. The IFRS 7 and IFRS 19 amendments introduce new disclosure requirements for such contracts. These amendments are not expected to have a material impact on Strukton.

Annual Improvements Volume 11 (issued on 18 July 2024)
It contains amendments to five standards as result of the IASB's annual improvements project. These standards are IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7. The amendment addresses potential confusions and/or lack of clarity in some of the paragraphs of these standards. These amendments are not expected to have a material impact on Strukton.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on Strukton.

Accounting policies for consolidation

Subsidiaries
Subsidiaries are entities in which the Company has a direct or indirect controlling interest. Controlling interest is achieved if Strukton:
• Has the power to direct the relevant activities of an organisation to acquire benefits from its activities;
• Is exposed to or entitled to a variable return on its investment in the organisation; and
• Has the option of exercising its power to manage or influence the return.

Subsidiaries are consolidated from the first date of decisive control being transferred to Strukton. Deconsolidation is implemented on the first date where Strukton no longer has decisive control. Acquisition of subsidiaries is recognised by Strukton based on the acquisition method. The transferred consideration is valued based on the fair value of the assets transferred by the Company, the equity instruments issued as per the acquisition date, and the liabilities accepted or incurred by the Company. The transferred consideration also includes the fair value of the assets, fees and liabilities pursuant to contractual contingent liabilities. Transaction fees in the context of an acquisition are recognised at the moment these are incurred and charged to the result.

The acquired identifiable assets and the identifiable (contingent) liabilities are stated at fair value as per the acquisition date upon initial recognition in the financial statements. For each acquisition, Strukton states any non-controlling interests at either the fair value or at the share of the non-controlling interest in the identified net assets of the party acquired.

If the transferred consideration, the non-controlling interest and the fair value as at the acquisition date of a share in the acquired party that existed on the acquisition date is higher than the fair value of

Strukton's share in the identifiable net assets, then the difference is stated as goodwill. If the transferred consideration is lower than the fair value of the identifiable net assets, the difference is directly taken to the statement of income.

Joint arrangements
Based on IFRS 11 'Joint arrangements', joint arrangements are classified as 'joint venture' or as 'joint operation'. The classification depends on the rights and obligations of each shareholder or partner and is not based on its legal form. Strukton has both joint operations and joint ventures.

Joint operations
Joint operations are interests in entities or contracts in which Strukton has contractually agreed to exercise joint control with third parties. Strukton recognises its interest in the revenues and costs, and assets and liabilities of the joint operation and combines them, item by item, with the corresponding items in Strukton's consolidated financial statements.

Joint ventures
Joint ventures are entities over which Strukton exercises joint control with one or more third parties, with this control set out in an agreement. Strukton is entitled to a share of the net results generated by such entities, and it is entitled to a share in the net assets. The joint ventures are recognised in the consolidated financial statements using the equity method. The valuation of the joint ventures includes the goodwill as recognised upon acquisition, deducting any cumulative impairments. The parties involved concluded a contract agreeing to share control; any decisions relating to relevant activities require the unanimous approval of the parties who have joint control of the joint venture.

Associates
Associates are entities in which Strukton has significant influence on the financial and operational policies, but in which it does not have a controlling interest, and which are not joint ventures or joint operations. The consolidated financial statements include Strukton's share in the overall result of associates according to the equity method, after adjustment of the policies to bring them in line with Strukton's policies, from the date on which significant influence by Strukton commences until the date on which significant influence ceases. The valuation of the associates includes the goodwill as recognised upon acquisition, deducting any cumulative impairments.

Elimination of transactions on consolidation
Intra-group balances and any unrealised gains and losses on transactions within Strukton or income and expenses from similar transactions are eliminated in the preparation of the consolidated financial statements. Unrealised gains and losses from transactions with associates and entities over which joint control is exercised are eliminated in proportion to Strukton's share in the entity.

Accounting policies regarding measurement and presentation

Foreign currency transactions and investments in foreign activities
Foreign currency transactions are initially recognised at the exchange rate of the functional currency at the transaction date. Cash and cash equivalents, receivables, debts and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing at the balance sheet date. Any translation differences ensuing from the conversion are charged to the statement of income. This does not apply to the differences on loans denominated in foreign currencies as a hedge for an investment in foreign activities. Such differences are recognised in other comprehensive income and accumulated in a translation reserve until the date the foreign activities are sold. On this date the amount (plus or minus) is taken to the statement of income.

The assets and liabilities of foreign operations are translated into euros at the applicable exchange rate at the balance sheet date. Exchange differences arising from this translation are recognised in other comprehensive income and accumulated in the translation reserve. The translation differences are transferred to the statement of income on the full or partial disposal of foreign subsidiaries, joint operations, joint ventures and associates as a result of which Strukton ceases to exercise decisive control. The income and expenses arising from foreign operations are converted to euros at a rate approximating the exchange rate on the transaction date.

Derivative financial instruments
Strukton makes use of interest rate swaps and forward exchange contracts in order to hedge the interest rate risks pursuant to concern and project financing, and in order to hedge currency risks on future USD cash flows. The interest-rate swaps and forward exchange contracts are stated at fair value. This is equal to the present value of the projected cash flows.

Cash flow hedge accounting is applied for the interest rate swaps and forward exchange contracts. Changes in the fair value of interest rate swaps and forward exchange contracts that serve to hedge the interest rate risks and currency risks arising from future interest rate payments and future USD cash flows are recognised in other comprehensive income and accumulated in equity to the extent that the hedge can be classified as effective. The deferred amounts in equity are taken to the statement of income on the completion date of the forward exchange contracts and as soon as the hedged future interest coupons are taken to the result.

A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:
- There is ‘an economic relationship’ between the hedged item and the hedging instrument;
- The effect of credit risk does not ‘dominate the value changes’ that result from that economic relationship; and
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that Strukton actually hedges and the quantity of the hedging instrument that Strukton actually uses to hedge that quantity of hedged item.

For the portion of which the hedge effectiveness of the hedge cannot be shown, the change in the value is directly taken to the statement of income. If an interest rate swap is sold or terminated or if the hedge relationship is no longer effective, the cumulative gain or loss up to that point remains recognised in equity unless there is no longer an expectation of the original hedged future cash flows taking place. The results deferred in equity are then recognised immediately in the statement of income within ‘financial income/expenses’.

Property, plant and equipment

Land and buildings
Company buildings are stated at cost less the annual straight-line depreciation based on expected useful life, considering any residual value and any cumulative depreciation. The useful life applied for company buildings is ten to fifty years. In the event of major maintenance, the amount is capitalised and written off. Land is not subject to depreciation (except for pavements (eight to twenty years)).

Plant and equipment, and other assets
The equipment, instruments and other items are stated at cost less annual straight-line depreciation based on expected useful life, considering any residual value and any cumulative impairments. The cost also includes the cost of replacing parts of the equipment and instruments insofar as such costs fulfil the

conditions for inclusion in the balance sheet, and financing fees for long-term projects if the capitalisation criteria are fulfilled. The useful life in years as applied is two to six years for equipment and instruments, and three to ten years for other items.

Assets under construction
Assets under construction are stated at the cost incurred and mainly consist of instalments for the acquisition of equipment that has not yet been put into use.

No longer recognised in the balance sheet
A property, plant and equipment item is no longer recognised in the balance sheet if divested or if no more economic benefits are expected from use or divestment. Any proceeds or losses ensuing from removing the asset are taken to the statement of income of the year in which the asset is removed from the balance sheet. The residual values, the useful life and the valuation methods are assessed and where necessary adjusted as per the closing date of the financial year. When property, plant and equipment items consist of components that have different useful lives, these components are accounted for as separate items (key components) under Property, plant and equipment.

Leases

Initial recognition of right-of-use and lease liability
Rental and lease contracts are recognised in the balance sheet, which results in the recognition of a liability that represents the present value of the future lease payments and the recognition of an asset that represents a right to use the leased asset during the lease term of the contract. Upon initial recognition, the measurement of the right-of-use is based on the amount of the initial measurement of the lease liability to which any lease payments are added on or before the effective date. Where applicable, initial direct costs incurred by Strukton for the conclusion of the contract and mandatory estimated discounted costs for restoration and dismantling are included in the measurement of the right-of-use in accordance with the terms of the contract.

Lease payment
On initial recognition, the liability is equal to the present value of the future lease payments over the lease term. A distinction is made between lease and non-lease components of the lease payments. The value of the lease and non-lease components is determined based on the relative stand-alone price of the various components. The non-lease components are not included in the measurement of the liability and are recognised in the statement of income on a straight-line basis. The measurement of the lease liability comprises the fixed payments, variable lease payments that depend on an index or percentage (initially measured by reference to the index or a percentage that was in effect on the effective date of the lease), the exercise price of a purchase option when it is reasonably certain that the option will be exercised, amounts expected to be payable by the lessee under residual value guarantees and payment of penalties for termination of the lease if the lease term reflects the lessee's exercising of an option to terminate the lease.

Determining the lease term
The lease term is determined as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The non-cancellable period ends when both the lessor and the lessee can terminate the contract with no more than an insignificant penalty.

Treatment of right-of-use after initial recognition
After initial recognition, the right-of-use shall be depreciated over the useful life of the underlying asset or, if shorter, the lease term. In the case of purchase options that are reasonably certain to be exercised, the depreciation period is equal to the useful life of the underlying asset. In this case, it is not permitted to make use of the exception for contracts with a short lease term (term of 12 months or less).

Treatment of liability after initial recognition
After initial recognition, the lease liability is measured using a process like the amortised cost method using the discount rate, increasing the liability by the accrued interest resulting from discounting the lease liability at the inception of the lease, less any payments made. Interest expenses for the period, as well as variable payments not included in the initial measurement of the lease liability and incurred during the relevant period, are recognised as an expense.

Remeasurement of lease liability
The lease liability is remeasured when the lease term, the estimate of whether the exercise of an option is reasonably certain, the estimate of the assessment of the probability of the residual value guarantee and/or the rates or indexes that are used to determine the future lease payments change. Remeasurements resulting from an adjustment of the lease term or the estimate in the assessment of whether the exercise of the option is reasonably certain use a revised discount rate for the remeasurement. Remeasurements arising from the assessment of the amounts expected to be payable under a residual value guarantee and/or changes in the rates or indexes used to determine future lease payments are performed using the discount rate determined at initial recognition.

The difference with the lease liability prior to the revaluation is corrected on the capitalised right-of-use asset.

Contract amendments
A contract is considered amended if the scope of the contract changes and this change was not part of the original contract. The change is accounted for as a separate contract if the change results from an increase in the leased asset and the change in price is equal to the stand-alone price of the additional leased asset. If the change is not accounted for as a separate contract, the lease liability is recalculated using a revised discount rate. The difference with the lease liability prior to the contract amendment is corrected on the capitalised right-of-use asset.

If there is a decrease in the leased asset, this leads to a decrease in the right-of-use asset. Any profits or losses arising from this are taken directly to the statement of income.

Capitalised right-of-use
Land
Land is leased mainly for the storage of equipment. Contracts are based on annual indexations. These are variable indexations that depend on the consumer price index. The initial measurement is based on the index as at the commencement date. At the time of indexation, the lease obligation is recalculated and the difference with the lease obligation prior to indexation is adjusted to the capitalised right-of-use.

Property
The lease term is determined as described above. For a large part of the contracts, both the lessee's and lessor's approval are required for options to be exercised and therefore the non-cancellable period is equal to the end date without application of options in the contract. Contracts are based on annual indexations. These are variable indexations that depend on the consumer price index. The initial measurement is based on the index as at the commencement date. At the time of indexation, the lease liability is recalculated and the difference with the lease obligation prior to indexation is adjusted to the capitalised right-of-use.

Plant and equipment
The lease of machinery, installations and equipment relates to the lease of equipment such as forklift trucks and crane machines. The lease term is determined as described above. The lease of equipment includes purchase options under several contracts. If it is reasonably certain that these purchase options will be exercised, the purchase options are considered in determining the lease obligation. In such cases, the depreciation period for the right-of-use is equal to the economic life of the underlying asset. In the case of purchase options, no use is made of the practical application for not capitalising short-term lease contracts.

Cars
The lease of cars relates to the lease of passenger cars, vans and trucks. The lease term is determined as described above. The lease term of these agreements is equal to the non-cancellable period included in the contract. The non-cancellable period is a standard period (from the start date of the contract) unless the contractually agreed mileage is reached at an earlier point in time.

Other assets
The other assets relate to various leased assets, which cannot be allocated to a specific category due to their diverse nature, such as the rental of video-conferencing equipment. The lease term is determined as described above. For the contracts, both the lessee's and lessor's approval are required for options to be exercised and therefore the non-cancellable period is equal to the end date without application of options in the contract.

Non-capitalised rights of use
Strukton makes use of the exemption provision rule not to recognise rights of use and lease liabilities for short-term lease contracts and leases of low-value assets. Short-term lease contracts are contracts with a lease term of 12 months or less and mainly concern the rental of tools and equipment. Low value assets include assets with a replacement value of less than EUR 5,000 and mainly concern the lease of printers and small mechanical tools. Strukton recognises the lease payments relating to these leases as an expense on a straight-line basis over the term of the lease.

Intangible assets

Patents and intellectual property
Patents and intellectual property are stated at cost less the cumulative amortisation and any cumulative impairment losses. The patents and intellectual property are included in the category Other Intangible Assets.

Software
Software is stated at cost including the capitalised financing costs, deducting the annual straight-line amortisation based on expected useful life and any cumulative impairments. Software is included in the category Other Intangible Assets.

Goodwill
Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the Company's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the amount of the non-controlling interest in the acquiree. For the purpose of impairment testing, goodwill acquired in business combinations is allocated, at the acquisition date, to the cash-generating units (CGUs) or groups of CGUs expected to benefit from that business combination. Each unit to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Other intangible non-current assets
If separately identifiable intangible assets can be discerned upon acquisition of an entity, these are capitalised and amortised within the relevant applicable amortisation period. The amortisation period is assessed annually.

Investment property

Investment property is property which is held either to earn rental income or for capital appreciation, or for both. Investment property is carried at cost less cumulative depreciation and impairment.

The fair value of the investment property is disclosed in the notes to the consolidated financial statements. The fair value is defined as the price that would be received for the sale of an asset or would be paid for the transfer of a liability in a regular transaction between market parties on the valuation date. The determination of the fair value assumes that the transaction for the sale of an asset or transfer of a liability takes place in the principal market for the asset or liability, or if there is no principal market, in the most favourable market for the asset or liability. The principal or most favourable market must be one to which Strukton has access.

Depreciation is charged to the statement of income according to the straight-line method based on the estimated useful life of each component. Depreciation rates correspond to those of the categories of property, plant and equipment. The depreciation methods, useful lives and residual values are reassessed on the reporting date.

Non-current assets held for sale

Non-current assets (or groups of assets (and liabilities) held for sale) of which the carrying amount is expected to be primarily realised through a sales transaction rather than through their continued use, are classified as ‘held for sale’. Immediately before this classification, the assets (or the components of a group of assets being sold) are tested for impairment in accordance with Strukton’s accounting policies. The assets (or group of assets being sold) are stated at the lower of carrying amount and fair value (less the costs of selling). An impairment loss on a group of assets held for sale is allocated to goodwill in the first instance, and subsequently in proportion to the remaining assets and liabilities. Impairment losses arising from the initial classification are taken to the statement of income.

Other financial non-current assets

Other non-current receivables
The other non-current receivables concern assets that are held within a business model designed to hold financial assets to receive contractual cash flows. Such cash flows exclusively concern repayments and interest payments on the principal outstanding. Such non-current receivables are initially recognised at the fair value of the relevant performance, and subsequently at amortised cost based on the effective interest rate method.

PPP receivables
PPP receivables (Public-Private Partnership receivables) consists of concessions payments still due from public bodies (government authorities) for PPP concession projects. PPP receivables are recognised as financial non-current assets. This refers to assets that are held within a business model designed to hold financial assets to receive contractual cash flows. Such cash flows exclusively concern repayments and interest payments on the principal outstanding. Such non-current receivables are initially recognised at the fair value of the relevant performance, and subsequently at amortised cost based on the effective interest rate method. The interest rate applied is (virtually) equal to the interest rate (after hedging) of the associated non-recourse PPP loan (PPP loan for which the borrower is not severally liable towards the financier).

Investments in equity instruments
Upon initial recognition, Strukton may choose to irrevocably designate its investments in shares as equity instruments measured at fair value through unrealised gains and losses (FVOCI, Fair Value through Other Comprehensive Income) if they fulfil the definition of an equity instrument according to IAS 32 'Financial instruments: presentation' and are not held for trading purposes. The classification is determined on an instrument basis.

Gains and losses on such financial assets are never recycled into profit or loss. Dividends are recognised as other income in the statement of income if the right to receive payment is established. Strukton chose to irrevocably designate the equity investments to this category.

Deferred taxes

Deferred tax assets and liabilities are recognised for temporary differences between the value of the assets and liabilities in accordance with the accounting principles for measurement and determining the result applied in these financial statements and in accordance with the tax policies. Deferred tax assets are only recognised when realisation is considered to be probable. This is also done for the portion of carry-over losses which is more likely than not being realised against sufficient positive taxable results. For the initial measurement of assets and liabilities that have no impact on the result in the financial statements and on the fiscal result, no tax assets and liabilities are included.
The carrying amount of deferred tax assets is assessed on each balance sheet date and decreased insofar sufficient future taxable profits are not expected to be probable.
Deferred taxes are based on the rate that is likely to be applicable on the date of settlement according to the tax rules. Deferred taxes are recognised in the statement of income, except if related to items that are recognised in the other comprehensive result. In such cases, the deferred taxes are also recognised as other comprehensive result.
If this results on balance in a deferred tax asset, it is recognised as a non-current asset. Deferred tax assets and liabilities are offset in a balance if there is a legally enforceable right to do so, if these are associated with tax on profit imposed by the same tax authorities.

Impairments of other assets

The carrying amount of Strukton's other assets, except for inventories and deferred tax assets, is reviewed at each reporting date to determine whether there is any indication of impairment. If there are such indications, an estimate is made of the recoverable amount of the asset in question.

For goodwill and intangible assets with an indefinite useful life or that are not yet available for use, an estimate of the recoverable amount is made at each reporting date. An impairment loss is recognised if the carrying amount of an asset or the cash-generating unit to which the asset belongs, is greater than the recoverable amount. Impairment losses are recognised in the statement of income. The recoverable amount of an asset or a cash-generating unit equals the higher of the value in use and the fair value net of selling costs. In assessing the value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects both the current market assessments of the time value of money and the specific risks with respect to the asset.

Impairments of goodwill are not reversed (except for goodwill included in the carrying amount of associates and joint ventures). In the case of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the recognised loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Inventories

Inventories are stated at the lower of cost and the net realisable value. The net realisable value is the estimated sales price in the normal conduct of business, less the estimated cost of completion and the cost of sales. The cost of the inventories is based on the average purchase price or based on the first-in-first-out principle (FIFO) (depending on the operational segment) and includes expenditure incurred in acquiring the inventories and the associated costs of purchase. The cost of inventories of finished products includes an appropriate share of the indirect overheads based on normal production capacity.

Contract assets and contract liabilities

Strukton defines a project contract as a contract specifically negotiated for the contracted work to realise an asset. On the balance sheet, Strukton reports the net contract position for each (project) contract as either a contract asset or a contract liability. A contract asset is recognised when Strukton has a right to consideration in exchange for goods or services that the entity has transferred to a customer when that right is conditioned on something other than the passage of time. A contract receivable is an amount to be billed for which payment is only a matter of passage of time. A contract liability is recognised when Strukton has an obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer. A provision for onerous contracts is recognised when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

Trade and other receivables

Trade and other receivables are initially recognised at fair value and subsequently at amortised cost using the effective interest method.

Impairments on PPP receivables, contract assets and trade and other receivables
If the credit risk on PPP receivables has not increased significantly since initial recognition, the loss allowance for these receivables are the 12-month expected credit losses (ECL). If the credit risk on PPP receivables has significantly changed since initial recognition the loss allowance equals the lifetime expected credit losses. PPP receivables are impaired when there is no reasonable expectation of recovering the contractual cash flows.

Indications of increase in credit risk for PPP receivables are:
- Experience significant financial difficulty;
- Are in default or delinquency in interest or principal payments;
- Have increased probability of default; or
- Other observable data resulting in increased credit risk.

The amount of lifetime credit losses is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the PPP receivables' original effective interest rate, taking into account the value of collateral, if any. The carrying amount of the PPP receivables is reduced and the amount of the loss is recognised in the statement of income. If a variable interest rate is applicable, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.
For contract assets and trade and other receivables, Strukton applies the simplified approach for the measurement of expected credit losses. Therefore, Strukton does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. Strukton uses a provisions matrix to calculate expected credit losses on contract assets and trade and other receivables. This matrix is based on Strukton's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Based on the matrix, expected credit losses for groupings of different customer segments are identified and, if credit losses are expected, contract assets and trade and other receivables are impaired.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the reversal of the previously recognised impairment loss is recognised in the statement of income.

Cash and cash equivalents

Cash and cash equivalents comprise bank balances and cash balances. Amounts due to banks that are payable on demand and that form an integral part of the Company's cash management system are recognised in the statement of cash flows under the cash and cash equivalents.

Equity attributable to shareholders of the parent company

Reserves
The reserves consist of a share premium reserve, a translation reserve, a hedging reserve and an actuarial reserve.
The share premium reserve is a reserve resulting from additional capital contributions by the shareholder. The translation reserve covers all the gains and losses from the translation of Strukton's net investments in foreign subsidiaries. The hedging reserve consists of the accumulated change in the fair value of hedging instruments before the hedged transaction takes place, or if the hedged position has not been terminated yet. An actuarial reserve is formed for the changes in actuarial results on defined-benefit plans regarding the pension liabilities arising from changes in the actuarial assumptions.

Retained earnings
The retained earnings comprise the cumulative results from previous financial years following deduction of dividend payments.

Non-controlling interests

The 'Non-controlling interests' item comprises the equity capital provided by third parties and relates to the non-controlling interests in consolidated entities.

Group equity

The group equity consists of the equity attributable to the shareholders of the parent company and non-controlling interests.

Subordinated loans

A loan is classified as a subordinated loan if subordinated to other recognised liabilities. Upon initial recognition in the financial statements, subordinated loans are stated at fair value (net of transaction fees) and subsequently at amortised cost using the effective interest method.

Non-current liabilities

The non-current liabilities consist of liabilities for financing property development, liabilities in financing public-private partnership projects, bank credit facilities and other non-current liabilities.
On initial recognition in the consolidated financial statements, liabilities for financing property development, liabilities in financing public-private partnership projects, bank credit facilities and other non-current liabilities are valued at fair value (after deducting transaction fees). Subsequently they are valued at amortised cost using the effective interest method. Transaction fees are depreciated over the duration of the loan. The share of non-current liabilities that must be repaid within one year is stated as a repayment liability of non-current liabilities in current liabilities. A liability is written off on the date the obligation expires, lapses or terminates.
Unconditional liabilities based on an option agreement are stated at the fair value. This fair value is calculated by discounting the nominal liability using a real interest rate in accordance with the option pricing model of IFRS 13.

Provisions

A provision is recognised in the balance sheet whenever Strukton has a legally enforceable or a constructive obligation because of a past event, if that constructive obligation can be reliably estimated and it is more likely than not that the settlement of that constructive obligation will entail an outflow of funds.
Provisions are determined by calculating the present value of the expected future cash flows. The applied discount rate is a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the obligation.

Onerous contracts provisions
Strukton applies the direct related cost method in measuring the loss on a contract. The loss is recognised on the entire contract. This could imply that the profit on a performance obligation in an onerous contract, prior to realising the performance obligation, is already fully deducted from the loss of the other performance obligation(s). The provision for onerous contracts only relates to the future loss on the performance to be delivered under the contract.

Restructuring provisions
A restructuring provision is created if a detailed formal restructuring plan has been approved and those who will be affected have valid expectations that the restructuring will be effected, because the implementation of the plan has been started or the main features of the plan have been announced to those affected.

Employee benefits

a. Defined contribution plans

For defined contribution plans, Strukton pays contributions on a mandatory, contractual or voluntary basis to pension funds or insurance companies. Strukton has no further obligations beyond the payment of contributions. Obligations for contributions to defined contribution pension plans are recognised as an expense in the statement of income when the contributions are due.

b. Defined benefit plans

Defined benefit plans lead to a fixed pay-out after termination of employment; the amount depends on factors such as salary, service years and accrual rate. Pursuant to IAS 19, Strukton is required to create a provision for this fixed annuity after termination of employment. Strukton's net liability on account of defined benefit plans is determined separately for each plan by estimating the pension entitlements that employees have accrued and will accrue pursuant to their services in the reporting period and previous periods. The present value of these pension entitlements is determined, and the fair value of the plan assets is deducted from this amount. The discount rate is the yield as at the balance sheet date for blue chip corporate bonds with a maturity approximately the same as that of Strukton's liabilities. The calculation is performed by a qualified actuary using the projected unit credit method. This method allows for future increases in salary due to employees' promotions and general wage trends, including adjustments for inflation.

In the event of an improvement to pension entitlements under a plan, the portion of the improved pension entitlements relating to employees' past service is recognised immediately as an expense in the statement of income. Strukton takes actuarial gains and losses with respect to defined benefit plans and the notional excess or deficit in return on investments directly to the other comprehensive income (OCI). The notional return on investments is determined based on the same discount rate used for interest accrual. If the fund assets exceed the liabilities, the recognised assets are limited to an amount that cannot exceed the present value of any future refunds by the fund or reductions in future pension contributions.

c. Other long-term employee benefits

Strukton's net liability for other long-term employee benefits, except for pension plans, is the amount of the future entitlements that employees have earned in return for their services in the reporting period and previous periods. Examples include jubilee benefits and bonuses. These liabilities are calculated using the projected unit credit method and are discounted to give the present value. The discount rate is the yield as at the balance sheet date for high-value government bonds with a maturity that approximates that of these long-term liabilities of Strukton. Any actuarial gains or losses are recognised in the statement of income in the period in which they occur.

Guarantee commitments

A 'guarantee provision' is recognised if the underlying projects or services have been sold and delivered. This provision is created for the costs that will have to be incurred to rectify deficiencies that become evident after the delivery, yet during the guarantee period. The provision is based on the best estimate for the cash outflow.

Other provisions

The other provisions comprise provisions for specific guarantees issued when interests in entities are sold, risks of legal proceedings against Strukton and/or its operating companies, redundancy arrangements and other relatively minor risks.

Trade and other payables

Trade and other payables and amount payable to credit institutions are initially recognised at fair value and subsequently at amortised cost using the effective interest method. Any income tax payable is recognised at face value.

Revenue

Projects for third parties, service and maintenance contracts
Strukton has adopted and applies IFRS 15 Revenue from Contracts with Customers.
IFRS 15 follows a 5-step approach to recognise for revenue, which is set out below. Certain specific topics have been included or referred to the applicable note. The core principle of IFRS 15 is a 5-step model to distinguish each distinct performance obligation within a contract that Strukton has with its customer and to recognise revenue on the level of the performance obligations, reflecting the consideration that Strukton expects to be entitled for, in exchange for those goods or services.

The following five steps are identified within IFRS 15:
- Step 1 'Identify the contract with the client': Agreement between two or more parties that creates enforceable rights and obligations (not necessarily written).
- Step 2 'Identify the performance obligations': A promise in a contract with a customer to transfer a good or service to the customer.
- Step 3 'Determine the transaction price': The transaction price is the amount of consideration to which an entity expects to be entitled for in exchange for transferring promised goods or services to a client.
- Step 4 'Allocate the transaction price': The objective of allocating the transaction price is for Strukton to allocate the transaction price to each performance obligation.
- Step 5 'Recognise revenue': Strukton recognises revenue when (or as) Strukton satisfies a performance obligation by transferring a promised good or service (that is an asset) to a client.

When determining the revenue recognition, the number of performance obligations in a contract is identified. Subsequently, the transaction price is determined. If the consideration promised in a contract includes a variable component, such as a performance bonus or penalty for delays, the amount of consideration to be received is estimated. In such an event, the variable component is measured using the expected value or the most likely amount, depending on the method that can be expected to best predict the amount of consideration that the entity will be entitled to. This method is subsequently applied throughout the contract. An increase of the amount of consideration due to including or excluding the variable component may not take place until it is highly probable that a significant reversal in the amount of cumulative revenue will not occur when the uncertainty associated with the variable consideration has been resolved.

After determining the amount of consideration, this consideration is allocated to the separate performance obligations. This allocation is based on determining the 'stand-alone selling price' for each performance obligation. The stand-alone selling price is measured based on the 'cost plus margin' method, determining the cost based on the preliminary calculation as prepared during the tender phase. Subsequently, a customary margin is allocated.

Finally, revenue is recognised when transferring control of the goods or services to the customer against an amount reflecting the consideration that Strukton expects to be entitled to in exchange for the relevant goods or services.
Strukton is active in developing, building, maintaining and operating infrastructure projects, technical installations and rail systems. Revenue recognition will be based on the completion rate of the project. Progress of the project is determined based on the input method, with project progress being measured

based on the cost incurred by the entity in fulfilling a performance obligation. It is not permitted to recognise revenue for costs incurred that can be attributed to significant inefficiencies and that are not factored into the contract sum, as such costs do not contribute to progress regarding fulfilment of the performance obligation.

In the event of contract deviations, claims or any other changes in the scope of a contract or a (potential) change in the contract consideration, revenue relating to this modification will not be recognised until a written or verbal agreement has been reached.

If the date of transferring the performance obligation is not the same as the date of receiving the consideration, the time value of money is considered when recognising revenue. For this purpose, Strukton makes use of the practical expedient to not adjust the promised amount of consideration for the effects of a significant financing component if Strukton expects that the period between the date on which the entity transfers a performance consideration and the date on which the customer pays for this performance obligation is no more than one year.

As a separate performance obligation does not apply, tender fees are recognised as part of the amount of consideration over the term of the contract in proportion with performances completed.

Revenue from sale of goods from inventories
The sale of goods from inventories primarily pertains to the sale of prefabricated concrete applications. Revenue from sales from inventories are recognised in the statement of income when handing over control over the goods or services to the customer against an amount reflecting the consideration that Strukton expects to be entitled to in exchange for the relevant goods or services.

Concessions
During the operational phase, revenues from concession management comprise:
- The revenue regarding the contractually agreed services; and
- The interest income related to the investment in the project.

Revenue is recognised based on the completion rate as soon as the related services are provided. Interest is recognised as finance income in the period to which it relates.

Expenses

Costs to obtain a contract
Costs incurred to be awarded a contract by a customer that would not have been incurred if the contract was not awarded, i.e., incremental acquisition cost of a contract are capitalised. If the conditions of incremental costs are not fulfilled, the costs incurred to win a contract are measured as an expense.

Costs to fulfil the performance obligation
The costs to fulfil a future performance obligation are capitalised if such costs are directly related to an existing contract or specific anticipated contract, provided that these costs are expected to be recovered.

Operating costs
Operating costs are allocated to the year these are related to.

Public private partnerships (concessions)
The costs incurred for proposals for PPP projects are in principle charged to the result, unless such costs are explicitly chargeable to the customer, regardless of whether the contract is obtained. In that case, such costs are capitalised.

Finance income and expenses
Finance income comprises interest received on invested funds, exchange rate gains, and gains on hedging instruments that are recognised in the statement of income.
Finance expenses comprise interest payable on borrowings, interest added to provisions, exchange rate losses, impairment losses on financial assets and losses on hedging instruments that are recognised in the statement of income.

Government grants

Government grants are not recognised until it is reasonably certain that Strukton will comply with the conditions attached to them and that the grants will be received. Government grants that are receivable as a compensation for expenses or losses already incurred are recognised in the statement of income in the period in which they become receivable. Strukton presents such government grants as a reduction to the related expenses in the statement of income.

Corporate income tax

Income tax comprises the payable and offsetable income tax relating to the period under review and deferred income tax. The income tax is recognised in the statement of income, except if it relates to items recognised directly in equity, in which case the tax is charged to equity. The current tax payable and offsetable is the expected tax payable on the taxable income for the financial year, using tax rates enacted or substantially enacted at the reporting date, and any adjustments to tax payable in respect of previous years.

Deferred tax assets and liabilities are recognised for temporary differences between the value of the assets and liabilities in accordance with the accounting principles for valuation and determining the result applied in these financial statements and in accordance with the tax policies.

Deferred tax assets are recognised for tax losses carry-forwards, temporary differences and tax credits to the extent that the realisation of the related tax benefit through future taxable profits is probable. Estimates are an inherent part of this process and they may differ from the actual future outcome.

Deferred tax liabilities are not recognised for the following temporary differences: the initial recognition of goodwill, initial recognition of assets and liabilities in a transaction that do not involve a business combination and that affect neither the accounting nor the taxable profit, and differences relating to investments in subsidiaries and entities over which joint control is exercised to the extent that they are unlikely to be settled in the foreseeable future. Deferred tax liabilities are measured using tax rates expected to apply when the temporary differences are reversed, based on legislation enacted or substantively enacted at the reporting date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available for the realisation of the temporary difference.

Strukton measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty, after taking into account external advice where appropriate.

As per IFRIC 23, in preparing estimates of current and deferred tax assets and liabilities, management considers whether it is probable that a taxation authority will accept an uncertain tax treatment. If it is considered probable that an uncertain tax treatment will be accepted, tax estimates are determined in accordance with the tax treatment used or planned to be used in the company's income tax fillings. If it is not considered probable that an uncertain tax treatment will be accepted, tax estimates are made based on the most likely outcome or the expected value, depending on which method best reflects the uncertainty.

At each reporting date, deferred tax assets are reviewed and reduced to the extent that it is no longer probable that the corresponding tax benefit will be realised. Additional income tax on account of dividend payments is recognised at the same time as the obligation to pay the dividend in question.

Strukton constitutes a fiscal unity together with most of its 100% domestic subsidiaries. Please refer to note 32 for a complete overview of which entities are included in this fiscal unity.

Information per segment

For management purposes, Strukton has a segmented structure based on its products and services. The statement of income and several balance sheet items are presented for each segment. This structure is supported by the management reporting structure, with the aforementioned divisions reporting to Group management entirely separately. The management monitors the operating results of the segments separately to support decision-making regarding allocation of resources and assessment of the results. The segment results are assessed based on the operating result determined in accordance with the operating result in the consolidated financial statements. The management of Group financing and income tax is conducted at Group level.

Policies for the consolidated statement of cash flows

The statement of cash flows is prepared according to the indirect method. Cash flows in foreign currencies are translated at the exchange rate that applies on the transaction date. For subsidiaries and interests in other entities, this is based on the average exchange rate during the financial year. The inventories, receivables, debts, provisions, and debts to credit institutions included in acquisitions are incorporated in the statement of cash flows under investing activities. The acquisition cost paid for acquired associates (after deduction of the purchased cash and cash equivalents), and the selling price received for divested associates, are recognised in the cash flow from investment activities. Income based on interest, dividends and income taxes are included in the cash flow from operations. Transactions that do not involve an exchange of money are not recognised in the statement of cash flows. Amounts owing to banks that are payable on demand and that form an integral part of the Company’s cash management system are recognised in the statements of cash flows under the cash and cash equivalents item. Cash flows related to the investments in PPP-projects are included in the cash flow from investing activities due to the nature of investing in the project. The cash from loans and non-recourse financing are included in the cash flow from financing activities. Lease payments are split into an interest component and a repayment component. Both components are included in the cash flow from financing activities. The costs relating to short-term lease liabilities and the costs of low-value leasing assets are included in the cash flow from operating activities.

Significant estimates and assumptions in the consolidated financial statements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances and the current market. The basis for these estimates remains unchanged compared to those described in the 2023 financial statements. The historical experience and other factors especially have an effect on the estimates made regarding the valuation of goodwill, deferred tax assets, defined benefit plans and projects. Actual results may differ from these estimates.

The preparation of the consolidated financial statements requires the management to make judgements, estimates and assumptions that influence the application of the accounting principles and the reported values of assets and liabilities and of income and expenses. The estimates and corresponding assumptions are based on experiences from the past and various other factors that could be considered reasonable under the circumstances. The actual outcomes may differ from these estimates. The estimates and the underlying assumptions are constantly assessed. Revisions of estimates are recognised in the period in which the estimate is revised or in future periods if the revision has consequences for these periods.

The key elements of uncertainty in the estimates are as follows:

Key estimates

- Estimations related to the total costs of projects are included in the 'Assumptions when determining revenue recognition' section below.
- Estimation of uncertain tax positions is included in the applicable accounting policy sections above and in the following section 'Accounting considerations on key projects'.
- Estimation of future taxable profits in support of recognition of deferred tax assets is included in the applicable accounting policy sections above.
- Estimation of inputs into discounted cash flow models relating to the impairment of goodwill is included in the applicable accounting policy sections above.
- The assumptions, forecasts and expectations regarding defined benefit plans and deferred employee benefits as included in the following section 'Defined benefit plans and deferred employee benefits'.
- Estimation in determining the lease terms and discount rates applicable to lease agreements as included in the following sections 'Lease terms' and 'Determining the incremental interest rate'.

Key judgements

- Recoverability of financial and other assets is included in the applicable accounting policy sections above and in the following sections 'Accounting considerations on key projects' and 'Impairments'.
- Recoverability of deferred taxation assets is included in the corresponding accounting policy section above.
- Recognition and measurement of provisions is included in the applicable accounting policy sections above and in the following section 'Accounting considerations on key projects'.
- Correct classification and completeness of liabilities and events occurring after the reporting period is included in note 28.

Assumptions when determining revenue recognition

When recognising revenue from contracts with customers, the contract consideration must be determined. This consideration may also include variable components, such as a performance bonus or penalty for delays. If the consideration promised in a contract includes a variable component, the amount of consideration to be received is estimated. In such an event, the variable component is measured using the expected value or the most likely amount, depending on the method that can be expected to best predict the amount of consideration that the entity will be entitled to. This method is subsequently applied throughout the contract. An increase of the amount of consideration due to including or excluding the variable component may not take place until it is highly probable that a significant reversal in the amount of cumulative revenue will not occur when the uncertainty associated with the variable consideration has been resolved. Pursuant to IFRS 15, the threshold to recognise positive variable considerations is therefore relatively high. Nevertheless, this variable component is subject to management estimates.

In the event of changes in the scope of a contract or a (potential) change in the contract consideration, revenue relating to this modification will not be recognised until a written or oral agreement has been reached. If this agreement is reached but no agreement was reached about the consideration, the recognition will not take place until it is highly probable that a significant reversal in the amount of cumulative revenue will not occur when the uncertainty regarding the consideration for the contract modification has been resolved. In practice, this means that considerations for requests for change or claims cannot be recognised until a written or oral agreement has been reached on the nature of the change and the relevant consideration.

When allocating the contract consideration to the separate performance obligations, the stand-alone selling price of the performance obligations must be determined.
This stand-alone selling price is measured based on the 'cost plus a margin' method, determining the cost based on the preliminary calculation as prepared during the tender phase. Subsequently, a customary margin is allocated. Both the measurement of the cost and the measurement of the margin are subject to the management's estimates.

Revenue recognition is based on the input method, with project progress based on the cost incurred by the entity in fulfilling a performance obligation in proportion with the total forecast project cost. The total project cost is subject to accounting estimates. Such accounting estimates are subject to more uncertainty as:

- The agreed contract form entails more risk for the contractor. After all, in a design & construct contract the contractor also bears the design risk. In a DBMO (design, build, maintain and operate) contract, the contractor is also responsible for maintenance and operations.
- The contract is still at an early stage in the design or realisation process. When a provisional design is being worked out in detail to create the final design, it may be necessary to deviate considerably from the provisional design (for instance because the initial solution turns out to be not feasible, because the soil conditions are better or worse than expected, or because the dialogue with stakeholders turns out to be much more complicated, and therefore more costly, than anticipated). Numerous risks may also emerge during the execution phase that are for the account of the contractor. It should however be noted that such deviations can be either positive or negative.
- The contract term is longer, whereby the estimate of the final amount of work is inherently subject to greater uncertainty.

Accounting considerations on key projects

MEET RIVM project
Since 2014, MEET RIVM CBG (referred to as "MEET", the project company) has been responsible for the construction of new facilities for the RIVM (National Institute for Public Health and the Environment). MEET is responsible for the Design, Build, Maintain, and Operate (DBMO) aspects of the project. A distinct, Strukton-owned special purpose company, MEET Strukton, was established to secure the initial non-recourse project financing.
This unique project has faced considerable challenges, leading to formal dispute resolution proceedings with the Contracting Authority. Key areas of dispute include:
(1) the VC-C vibration control measures implemented in the new building and
(2) several major change orders for the laboratories requested by the Contracting Authority.

These issues have resulted in critical delays and substantial financial impact, which the Contracting Authority contested. The DBFMO Agreement provides a contractual dispute resolution mechanism intended to address these types of challenges. Between 2017 and 2024, these issues resulted in three Committees of Experts for review and resolution. On March 8, 2024, the parties reached a settlement agreement to solve the dispute, setting the Scheduled Availability Date to December 31, 2024, and establishing financial compensation terms. The settlement agreement was signed on 20 November 2024. Based on the current expectation, the Availability Certificate will be provided in Q3 2025, with some remaining follow-ups which can be solved after providing the Certificate. The expectation of this date is subject to remaining uncertainties related to the provision of grid congestion and specific certificates. Providing the Availability Certificate marks the end of the Build Phase and the start of Maintain and Operate Phase. At that point, the building is besides the before mentioned uncertainties ready for the Contracting Authority to move in.

Management's best estimate has led to a combined project loss of EUR 229.7 million, of which EUR 34.1 million is included in the statement of income for financial year 2024.

"Maintain and Operate" Phase and Financial Implications
The previously reported EUR 229.7 million project loss for MEET RIVM includes anticipated losses for this operational phase. The provision reflects the expectation of a more challenging operational start-up, driven by complexities stemming from the turbulent Design and Build phase and higher-than-budgeted cost and hourly rates, which have outpaced indexation adjustments.

The operational phase is marked by considerable uncertainty due to multiple factors, including the project's complexity, the substantial total operational costs, and the 25-year operational term. These factors mean that the projected losses may fluctuate over time as new information emerges and adjustments are made in response to operational realities.

Hoofdstation Groningen
Strukton Civiel Projecten B.V. is working on the Hoofdstation Groningen project under contract with ProRail. The project has been delayed and the planning has been altered several times backwards. The delays are caused by the complexity of the project and material external circumstances, both resulting in a longer and more expensive design process. The matters were not foreseeable and have arisen during the important execution phase of the project.

At the end of 2024, Strukton identified a delay in the execution phase for the planned train-free period of Q2 2025. During February 2025, Strukton and ProRail agreed to extend the train free period to a total of 64 days, instead of the previously planned 51 days. The impact of this delay has led to a further decrease of the expected project result as per 31 December 2024. Remaining uncertainties included in the project relate to the not yet contracted cost-to-complete and the amount of expected compensation. We are in constructive and active dialogue with ProRail, which has resulted in, amongst others, an agreement on additional remuneration per 15 April 2024.

Furthermore, Strukton is in an active dialogue with ProRail on the risks related to a specific element in the scope of the project. Currently, the impact is uncertain and further discussions with ProRail have led to a further decrease of the final project result. The estimate of the final project result amounts to EUR 137.7 million negative.

A-Pier
In 2018, the legal predecessor of Strukton Roads & Concrete (50%) formed a joint venture with Ballast Nedam Road Specialties (50%) for a subcontract regarding the realisation of specific civil works on the A-Pier at Schiphol, as subcontractor for the main contractor, a JV between Ballast Nedam and TAV. In the execution of the project, Ballast Nedam TAV was involved in discussions with Schiphol based whereon ultimately Schiphol decided to terminate the contract with Ballast Nedam TAV. Subsequently, the main contractor terminated the contracts with its subcontractors. There is currently a dispute with Ballast Nedam TAV as to the amount of compensation we are entitled to receive for this premature termination.

The outcome of the current process between Schiphol and Ballast Nedam TAV, and the subsequent implication for Ballast Nedam Road Specialties and Strukton Roads & Concrete is uncertain. The process has not yet led to an agreement on (additional) remuneration and the time consequences. The best estimate on potential remuneration from the client on these matters has been included in the evaluation of the expected project result. A provision is formed for Strukton's share of the net balance amounting to EUR 16.5 million (2023: EUR 16.5 million). If no remuneration will be granted, which Strukton deems unlikely, an additional loss would have to be recognised.

A15 MCO
Exploitatie Maatschappij A-Lanes A15 B.V. (Strukton share: 50%) is contracted for the design, build and long-term maintenance of the A15 project.

The client requested to use quieter but less durable asphalt and to execute the asphalt overlay earlier than planned, whereby it was the understanding of the consortium that the client would cover the additional costs (compared to those of the original long-term maintenance strategy). This led to an arbitration procedure. In October 2024, the consortium and the client agreed upon a settlement on the scope and adjustment of the maintenance strategy. The arbitration procedure is therefore ceased.

Management has assessed the possibility of additional changes in the expected project result in the remaining contractual period. This assessment is inherently uncertain given the long period of the contractual obligations. The total estimated contractual loss amounts to EUR 15.6 million (2023: EUR 15.6 million) for Strukton. This has led to an impairment of receivables on the consortium and participation value held by Strukton in 2023 and is still reflected in the financial figures December 31, 2024. The recoverability of the additional financing / cash-calls in 2024 presented as financial fixed asset has been taken into account. Based on the assessment of the recoverability of this long-term loan, considering the total project loss of the Exploitatiemaatschappij A-Lanes A15 B.V. (resulting in a total available cash position for repayment at the end of the project) and the total financing by the shareholders, we do not consider an impairment necessary.

Avenue2
Strukton Civiel Projecten B.V. is, via Avenue2 V.O.F., contracted in developing and realising project A2 Maastricht for Rijkswaterstaat and the Municipality of Maastricht. The project was completed in 2017. The client believes that Avenue2 V.O.F. is responsible for various defects and has been in discussion with Avenue2 V.O.F. The defects are disputed by Avenue2 V.O.F. This has not yet led to a conclusion, different outcomes of the current process are possible and may influence future results. The client has drawn on the provided bank guarantee of EUR 4.2 million in November 2024. For a portion of this amount, a provision has been made, based on the management's best estimate.

Riyadh Metro Project (Saudi-Arabia)
Strukton International's single largest project (acting through Strukton Civiel Projecten B.V.) was the Riyadh Metro project in Saudi Arabia with the Royal Commission for Riyadh City (RCRC) as the client.

Strukton was part of the so-called FAST consortium with FCC Construccion S.A., Samsung C&T Corporation, Freyssinet Saudi Arabia and ALSTOM Transport S.A. as the consortium members. However, Strukton's relationship with RCRC and the other consortium members deteriorated significantly due to a complex legal event regarding our operations in the country. This event has led to a material breach of confidence between the FAST consortium members and Strukton, ultimately leading to the exclusion by the other consortium members of Strukton in November 2021.

Discussions between Strukton and the other consortium members continued as to the lawfulness of the exclusion(s) and the consequences of such exclusions. We reached an agreement on a process with the other consortium members in January 2023. This agreement regulates a process pursuant to which Strukton transfers the bank guarantees and its participation in the various consortia, joint ventures and entities of the Riyadh metro project to the other members. The agreement handed over responsibilities with regards to the project to the consortium and was effected during June 2023. Strukton is also party in a number of statutory and tax disputes for which we have formed provisions for a total amount of EUR 16.1 million (2023: EUR 16.1 million). Considering the finalisation of the agreement, no further negative financial impact is expected relating to the Riyadh Metro Project, aside from the before mentioned remaining tax uncertainties.

Road work projects (Qatar)
Strukton initially entered the market of Qatar as a platform to market its premium grade asphalt products that perform well in the local climate. Strukton Construction and Trading was involved in multiple medium-size road work contracts supporting the overall infrastructure investments of the country of Qatar made in recent years. Several disputes contributed to a negative result and also the decision of Strukton not to continue in the region. Currently there is one project where Strukton is in the Defined Liability Period. In this 400-day warranty period, Strukton is responsible for addressing and resolving any identified defects. After that, the Qatar activities are foreseen to come to an organic end during 2025 -2026. Management's best estimate of the provision remains the same per year-end 2024.

Corporate income tax
Measured deferred tax assets due to tax loss carried forward are subject to the management's estimates in terms of future taxable results to be achieved.

Strukton operates in various countries. Tax legislation and guidelines vary for each country. Tax treaties between various countries do not always offer full prior certainty about the effects and solutions of tax issues. When determining the tax position, it is possible that assumptions must be made. If such assumptions may lead to uncertainties regarding the correctness of the tax position recognised, this is explained in the notes to the financial statements.

Defined benefit plans and deferred employee benefits
The most important actuarial principles at the basis of the recognised pension commitments and other employee benefits are included in the notes to the relevant items. All assumptions, forecasts and expectations applied as a basis for accounting estimates in the consolidated financial statements reflect the actual outlook of Strukton as accurately as possible.

Goodwill
Goodwill is subject to annual impairment tests. An assessment is made of the expected cash flows per business unit based on the business plans drawn up for the next five years. A weighted average cost of capital (WACC) is determined for each business unit based on a representative peer group. The expected cash flows and the WACC form the basis of the discounted cash flow method for the goodwill test. Strukton has developed a standard method for this.

Lease terms
The lease term is equal to the non-cancellable period of the agreement, considering the legally enforceable renewal and termination options included in the agreement, if there is a reasonable assurance that these options will be exercised. The non-cancellable period ends when both the lessor and the lessee can terminate the contract. For each contract, we assess whether there is a reasonable degree of certainty that options will be exercised.

Impairments
Other assets
In order to ascertain whether assets are impaired it is necessary to make an estimate of the recoverable amount. The recoverable amount of an asset or a cash generating unit equals the higher of the value in use and the fair value net of cost of selling. If possible, the fair value net of cost of selling is calculated based on a binding sales contract in an arm's length and objective transaction between independent parties. If there is no binding sales contract, but the asset is traded on an active market, the fair value net of cost of selling is equal to the market price of the asset net of cost of selling. If there is neither a binding sales contract nor an active market for an asset, the fair value net of cost of selling is based on the best information available to agree a price that could be achieved at the balance sheet date from the sale of the asset in a transaction between properly informed, willing and independent parties, net of the cost of selling. When calculating this value, account is taken of the results of recent transactions involving similar assets in the same business sector. In determining the value in use, the present value of estimated future cash flows is calculated using a discount rate that reflects both the current market rate and the specific risks relating to the asset. The cash flow forecasts are based on reasonable and substantiated assumptions representing the best estimates by the management of the economic circumstances that will exist during the residual useful life of the asset.

Determining the incremental interest rate
Determining the incremental interest rate is a key factor in the measurement of the lease. When determining the incremental interest rate, the following components should be considered:
- The credit rating of the company
- The contractual lease terms
- The amount of the lease liability
- The applicability of guarantees
- The economic conditions

Strukton calculated the incremental interest rate based on the following steps:
1 Determining the reference rate: This reference rate is determined based on the government bonds (of the various countries in which Strukton operates) on the date on which the asset was made available. This was based on government bonds with a term of five years. This term was applied because most of the lease agreements within Strukton have an average term between 3 and 5 years.
2 Determination of the financial spread ('finance spread adjustment'): The determination of the finance spread adjustments was based on credit spreads set out in the financing agreements of the various countries.

Lease specific adjustment: The leases are secured loans because the risk of bad debt is lower since the lessor owns the underlying assets. The finance spread adjustments applied in step 2 relate to loans based on collateral. As a result, no additional adjustment was made. The weighted average interest rate used to determine the cumulative effect of first-time adoption of IFRS 16 was 1.5%.

A vulnerabilities analysis is included in the Notes to the newly adopted and revised standards and interpretations.

Strukton applies a policy focusing on maximum limitation and control of current and future risks, minimising the financial cost. This is based on general control measures, such as internal procedures and instructions and specific measures designed to control the specified risks. Strukton's financial risks mainly concern credit risks, interest rate risks, currency risks, liquidity risks and inflation rate risk. The risk of fluctuations in currency exchange rates and interest rates is hedged with a range of derivatives, transferring the risks that apply to the primary financial instruments to other contract parties. Interest rate and currency risks are mainly centrally managed. No speculative positions are held.

Credit risk
Most of the principals are public organisations (government bodies), which implies minimum credit risk. For orders from private principals in excess of a certain limit, the credit risk is a factor in the contract assessment. Additionally, the orders are invoiced in advance in proportion to progress in the projects. The cash and cash equivalents available are held with financial institutions with a high credit rating.

Our financial risk policy focuses on maximum limitation and control of current and future risks

Interest rate risk
Loans with a variable interest rate are exposed to the risk of changes in cash flows due to interest rate changes. Strukton's policy is designed to conclude long-term loans at a fixed interest rate. Interest rate swaps are concluded to achieve fixed rates. The interest rate risk relating to financing the long-term PPP projects is occasionally hedged with interest rate swaps.

Currency risk
The bulk of Strukton's operations takes place in the euro zone. Strukton's currency risk relates mostly to its foreign subsidiaries in Scandinavia and in Riyadh (Saudi Arabia). No hedges are used.

Liquidity risk
The liquidity risk is the risk of Strukton being unable to meet its financial obligations on the due dates. Liquidity management is based on having adequate liquidity to fulfil both current and future financial obligations in regular and special circumstances, without incurring unacceptable losses or jeopardising Strukton's reputation. Using progressive liquidity forecasts, Strukton assesses the adequacy of liquidity levels. Relating to long-term contracts, principals are usually requested to pay instalments to allow for financing of the project costs.

Strukton has facilities in Italy, Sweden and Denmark.

Based on the liquidity forecasts, the Strukton Executive Board expects to have sufficient financial room to implement the business plan. Realisation of the liquidity forecast is strongly dependent on the development of external market conditions, order intake, development of project results and the net working capital.

Strukton does not have any specific indications that certain market conditions, such as price development with both customers, and suppliers and contractors, or agreements with suppliers and credit insurers, are developing in any way unfavourably. This also applies to the order intake and timely conversion into sales and development of project results within the expected bandwidths.

The Strukton Executive Board identified various measures that may ensure additional financial room. These measures concern, among other things:
- Better payment conditions, quicker invoicing and collection of invoices, improving the working capital
- Securing dividends from non-credit base subsidiaries, associates and related investments
- Sales of specific assets and non-core portfolio companies
- Agreement on additional remuneration for specific projects with clients

Photographer: Jason Setzer

Based on the liquidity forecasts, we expect to have sufficient financial room to implement the business plan

Since the divestment of Strukton Worksphere, financing requirements mainly constitute (bank) guarantees, transaction banking, (equipment) lease and transactions. For now, the non-recourse project-financing for RIVM and the ringfenced facilities in Italy are left intact and continue to exist as of the date of authorisation of these financial statements. Other cash or credit facilities have been repaid or reduced or not materially utilised.

COVID-19

Strukton Groep B.V. has used the COVID-19 facilities as provided by the Dutch government, this relates to the special postponement of payment due to the corona crisis. The special postponement of payment due to the corona crisis relates to VAT and wage tax over the period February until June 2021. Payment of these VAT and wage tax amounting to EUR 45.5 million started in October 2022 and will be repaid in 60 months according to the facility.

Capital management

The Executive Board's policy is designed to maintain a strong equity position, enabling Strukton to assure the trust of principals, creditors and the markets, fulfil requirements ensuing from bank covenants and ensure future development of the business activities. Capital consists of issued and paid-up capital, retained earnings, share premium reserve, hedging reserve, translation reserve, legal reserve and an actuarial reserve.

1. Property, plant and equipment

(X EUR 1,000)

2023	Land	Buildings	Plant and equipment	Other assets	Assets under construction	Total
Carrying amount as at 1 January 2023	**15,214**	**18,219**	**54,891**	**5,247**	**14,012**	**107,583**
Acquisitions / (De)Consolidation	-	-	(220)	(176)	25	(371)
Investments	165	1,171	13,864	3,270	13,107	31,577
Disposals	(1,879)	(1,016)	(1,676)	(714)	(3,992)	(9,277)
Impairments	-	-	-	-	-	-
Depreciation	(14)	(1,371)	(13,218)	(1,995)	-	(16,598)
Other reclassifications	-	140	2,613	276	(3,029)	-
Reclassified to held for sale (Note 31)	(1,408)	(742)	(2,270)	(1,807)	(10)	(6,237)
Foreign currency exchange differences	-	-	17	(1)	46	62
Other movements	180	(574)	2,266	(395)	(2,913)	(1,436)
Carrying amount as at 31 December 2023	**12,258**	**15,827**	**56,267**	**3,705**	**17,246**	**105,303**
Cost	12,594	47,158	319,164	25,645	17,246	421,807
Accumulated depreciation and impairment	(336)	(31,331)	(262,897)	(21,940)	-	(316,504)
Carrying amount as at 31 December 2023	**12,258**	**15,827**	**56,267**	**3,705**	**17,246**	**105,303**

2024	Land	Buildings	Plant and equipment	Other assets	Assets under construction	Total
Carrying amount as at 1 January 2024	**12,258**	**15,827**	**56,267**	**3,705**	**17,246**	**105,303**
Acquisitions / (De)Consolidation	(3,880)	(849)	32	420	(176)	(4,453)
Investments	336	426	19,418	2,696	7,882	30,758
Disposals	(289)	(32)	(9,172)	(97)	(839)	(10,428)
Impairments	-	-	-	-	-	-
Depreciation	(58)	(1,244)	(12,463)	(2,225)	-	(15,990)
Other reclassifications	-	-	3,685	105	(3,791)	(1)
Reclassified to held for sale (Note 31)	(308)	(819)	(4,767)	(279)	-	(6,173)
Foreign currency exchange differences	-	-	(468)	-	(92)	(560)
Other movements	-	(1)	-	-	(249)	(250)
Carrying amount as at 31 December 2024	**8,059**	**13,308**	**52,532**	**4,325**	**19,981**	**98,206**
Cost	8,370	42,746	285,965	25,298	19,981	382,361
Accumulated depreciation and impairment	(311)	(29,438)	(233,433)	(20,973)	-	(284,155)
Carrying amount as at 31 December 2024	**8,059**	**13,308**	**52,532**	**4,325**	**19,981**	**98,206**

The item Plant and equipment includes:

- Machines and installations for production
- Equipment used in the realisation of works
- Office inventories, computer systems, telecom systems etc.

Strukton has no property, plant and equipment that served as collateral to banks and/or other providers of loan capital in the context of the committed bank facilities (2023: nil). A maximum amount nil (2023: nil) served as collateral for the bank loans.

The depreciation terms are based on expected economic life.

• Land	No depreciation (only paved areas are subject to depreciation, 8 to 20 years)
• Buildings	10 to 50 years
• Plant and equipment	2 to 6 years
• Assets under construction	No depreciation
• Other assets	3 to 10 years

2. Right-of-use assets

(X EUR 1,000)

2023	Land	Property	Plant and equipment	Cars	Other assets	Total
Carrying amount as at 1 January 2023	**677**	**18,608**	**37,068**	**26,301**	**375**	**83,029**
Additions	-	6,317	16,914	18,874	184	42,289
Contract terminations	-	-	-	-	-	-
Contract modifications	(46)	425	(1,001)	(521)	21	(1,122)
Depreciation	(508)	(8,800)	(8,067)	(13,769)	(70)	(31,214)
Other reclassification	-	979	111	196	350	1,636
Reclassified to held for sale (Note 31)	(29)	(2,448)	(245)	(893)	2	(3,613)
Deconsolidated entities	-	-	-	(225)	-	(225)
Foreign currency exchange differences	(2)	28	(1)	32	-	57
Other movements	926	894	(189)	924	(391)	2,164
Carrying amount as at 31 December 2023	**1,018**	**16,003**	**44,590**	**30,919**	**471**	**93,001**
2024						
Carrying amount as at 1 January 2024	**1,018**	**16,003**	**44,590**	**30,919**	**471**	**93,001**
Additions	85	6,967	61	21,311	-	28,424
Contract terminations	-	-	-	-	-	-
Contract modifications	7	1,920	7,654	243	(64)	9,761
Depreciation	(291)	-8,457	(8,661)	-13,978	(140)	(31,527)
Other reclassification	-	-	-	-	-	-
Reclassified to held for sale (Note 31)	-	(411)	(1,687)	(2,892)	-	(4,990)
Deconsolidated entities	(8)	-	-	(105)	(2)	(115)
Foreign currency exchange differences	(3)	(244)	-	(171)	-	(418)
Other movements	-	105	-	142	-	247.00
Carrying amount as at 31 December 2024	**808**	**15,883**	**41,957**	**35,468**	**265**	**94,383**

The depreciation periods are based on the lease contract terms:

• Land	5 - 10 years
• Property	5 - 10 years
• Plant and equipment	4 years
• Cars	5 years
• Other assets	3 years

Some of the assets that are leased are sub-leased to third parties. The total revenue from these subleases during 2024 amounts to nil (2023: EUR nil).

Land
Most of the land lease contracts have a term of 5 to 10 years. Renewal options are set out in these contracts to ensure operational flexibility. If both the lessor and the lessee wish to extend or not terminate the contracts, the contracts are usually automatically renewed based on the same conditions. Most of the contracts are indexed annually based on the consumer price index (CPI). The lease contracts do not impose covenants, but the leased assets may not be used as collateral for loans.

Property
Most of the property lease contracts have a term of 5 to 10 years. Renewal options are set out in these contracts to ensure operational flexibility. If both the lessor and the lessee wish to extend or not terminate the contracts, the contracts are usually automatically renewed based on the same conditions. Most of the contracts are indexed annually based on the consumer price index (CPI). The lease contracts do not impose covenants, but the leased assets may not be used as collateral for loans.

Plant and equipment
The lease contracts do not impose any covenants, but the leased assets may not be used as collateral for loans. No renewal options are set out in these contracts.

Cars
The leases of the cars have a maximum term of 5 years. If the mileage is higher than contractually agreed, this leads to an adjustment of the lease term to less than 5 years. If the lease term is adjusted, this also results in an adjustment of the lease rate. No indexations and variable payments are set out in these lease agreements. Furthermore, it is not possible to extend the lease term beyond the maximum term of 5 years.

The payment obligations corresponding with the lease contracts are recognised in current liabilities and non-current liabilities. For more information relating to these lease liabilities, please refer to note 15 Lease liabilities.

3. Intangible assets

(X EUR 1,000)

2023	Goodwill	Other intangible assets	Total
Carrying amount as at 1 January 2023	**15,673**	**7,189**	**22,862**
Acquisitions	261	-	261
Investments	-	870	870
Divestments	-	(1,521)	(1,521)
Impairments	-	(1,829)	(1,829)
Amortisation	-	-	-
Intangibles no longer in use (cost)	-	(3,238)	(3,238)
Intangibles no longer in use (depreciation)	-	3,238	3,238
Foreign currency exchange differences	22	9	31
Other movements	-	-	-
Other reclassification	-	(458)	(458)
Reclassified to held for sale (Note 31)	(776)	(502)	(1,278)
Carrying amount as at 31 December 2023	**15,180**	**3,758**	**18,938**
Cost	16,283	14,871	31,154
Accumulated amortisation and impairment	(1,103)	(11,113)	(12,216)
Carrying amount as at 31 December 2023	**15,180**	**3,758**	**18,938**

2024	Goodwill	Other intangible assets	Total
Carrying amount as at 1 January 2024	**15,180**	**3,758**	**18,938**
Acquisitions	-	-	-
Investments	-	1,171	1,171
Divestments	-	(167)	(167)
Impairments	(1,029)	-	(1,029)
Amortisation	(2)	(1,248)	(1,250)
Intangibles no longer in use (cost)	-	(4,258)	(4,258)
Intangibles no longer in use (depreciation)	-	4,258	4,258
Foreign currency exchange differences	(203)	(21)	(224)
Other movements	-	94	94
Other reclassification	-	-	-
Reclassified to held for sale (Note 31)	-	(25)	(25)
Carrying amount as at 31 December 2024	**13,946**	**3,562**	**17,508**
Cost	16,124	11,924	28,048
Accumulated amortisation and impairment	(2,178)	(8,362)	(10,540)
Carrying amount as at 31 December 2024	**13,946**	**3,562**	**17,508**

Strukton performs an annual impairment test on the capitalised goodwill of cash generating units. The key assumptions for the value-in-use calculations are those regarding discount rate (WACC), long-term revenue growth rate and profit before tax margin. The cash flows are based on the five-year business plans prepared by the relevant business unit. This is based on stabilisation and modest growth for some of the sub-segments. The management's expectation is based on historical data, order portfolios, assessments and external information. The business plans applied do not include any acquisitions. For each cash generating unit, a discount rate, the WACC (weighted average cost of capital) is determined, based on a representative peer group. The forecast is based on the cash flows before tax. The cash flows are discounted at a gross WACC (pre-tax WACC).

The WACC, long-term revenue growth rate and profit before tax margin form crucial underlying assumptions for calculating the recoverable amount of each CGU. When these underlying assumptions would change in future, this could have significant impact on the CGU's recoverable amount (based on value in use), which might give rise that the recoverable amount becomes lower than the carrying amount of the CGU to which goodwill is allocated.
Goodwill relates to multiple CGUs of which the 4 CGUs below are deemed significant in comparison with the Group's total carrying amount of goodwill.

Strukton also performed a test for potential impairment triggers for all CGUs (excluding goodwill), which did not result in any findings and therefore no additional impairment testing was performed for CGUs (excluding goodwill).

Cash-generating units to which goodwill has been allocated:		**31/12/2024**	**31/12/2023**
Strukton Rail AB and Strukton Rail Västerås AB	Sweden	6,220	6,424
Terracon Molhoek Beheer B.V.	The Netherlands	-	1,029
Costruzioni Linee Ferroviarie S.p.A.	Italy	6,132	6,133
Other cash-generating units	Various	1,594	1,594
		13,946	**15,180**

The key assumptions and the quantification method for each of the significant cash generating units are:

Assumptions used:		**Strukton Rail AB & Strukton Rail Västerås**	**Terracon Molhoek Beheer B.V.**	**Costruzioni Linee Ferroviarie S.p.A.**
WACC (inflation corrected pre-tax)	Financial year 2024	8.0%	7.7%	11.1%
	Financial year 2023	11.2%	12.3%	18.2%
Average yearly growth rate according to business plans	Financial year 2024	0.1%	0.0%	1.0%
	Financial year 2023	−6.6%	-	−2.4%
Revenue growth	Financial year 2024	0.5%	0.0%	0.5%
	Financial year 2023	0.5%	0.5%	0.5%

Business plans contain a window of five years ahead, in this case 2025 – 2029. The sensitivity analysis below shows the impact on the realisable values in millions of euros in the impairment test for the significant cash-generating units that may be affected by changes in the assumptions if the other assumptions remain unchanged.

Sensitivity analysis (for all CGUs)
If the gross WACC is 1% point higher than set out above, the cash value of the total cash flows will decrease by approximately EUR 24.4 million. If the gross WACC is 1% point lower than set out above, the cash value of the total cash flows will increase by approximately EUR 29.8 million. Without factoring in a growth rate, the cash value of the total cash flows will decrease by approximately EUR 10.5 million.

Strukton Rail AB (Sweden) and Strukton Rail Västerås AB (Sweden)
The projects, assets and personnel of Strukton Rail Västerås AB were transferred to and merged with Strukton Rail AB after the acquisition on 8 January 2014. The impairment test was therefore based on the consolidated financial figures of Sweden. The test was performed on the future cash flows within Sweden.

The outcome of the calculation of the realisable value is above the Company's book value by EUR 123.4 million including the goodwill recognised. If the adjustment in the key variables is improbably high, the realisable value will still not drop below the Company's book value. Strukton has not recorded any impairment to Strukton Rail AB and Strukton Rail Västerås AB's goodwill in this financial year.

Terracon Molhoek Beheer B.V.
The test was performed on the future cash flows in the Netherlands. The outcome of the calculation of the realisable value is EUR 146 thousand lowever than the Company's book value. We have recorded an impairment for Terracon Molhoek's goodwill for this financial year.

Costruzioni Linee Ferroviarie S.p.A.
The test was performed on the future cash flows in Italy. The outcome of the calculation of the realisable value is above the share in the Company's book value by EUR 221.6 million including the goodwill recognised. If the adjustment in the key variables is improbably high, the realisable value will still not drop below the Company's book value. Strukton therefore has not recorded any impairment to Costruzioni Linee Ferroviarie S.p.A.'s goodwill in this financial year.

Other intangible assets
The other intangible assets consist of order books, intellectual property, patents, customer bases and software.

The amortisation terms are based on expected economic life:

- Order books 6 months to 6 years
- Intellectual Property 7 years
- Patents 5 years
- Customer bases 4 to 12 years
- Software 2 to 5 years

4. Investments in associates and joint ventures

(X EUR 1,000)

For a full overview of all associates and joint ventures, reference is made to Note 32.

2023	Current assets	Fixed assets	Current liabilities	Non-current liabilities	Net assets (100%)	Net assets (Share Strukton)	Revenue	Result after taxes	Result after taxes (Share Strukton)
Eurailscout (joint venture)	14,566	18,374	7,210	4,377	18,063	9,032	25,254	267	134
Aduco Holding B.V. (joint venture)	7,846	2,245	1,632	708	7,751	1,938	14,653	1,737	434
APA B.V. (associate)	10,558	5,116	4,750	281	10,643	2,661	29,027	2,179	545
APRR B.V. (associate)	8,410	6,686	3,660	745	10,690	2,673	25,965	2,791	698
Bituned B.V. (joint venture)	6,292	140	2,609	109	3,714	1,857	52,455	1,229	614
GBN Artificial Grass Recycling B.V. (joint venture)	1,226	12,026	5,490	7,397	351	200	5,849	(1,550)	(853)
Other associates	769	1,227	303	274	1,419	360	4,252	112	33
Other joint ventures	12,145	1,818	9,456	1,354	3,704	1,905	10,977	(345)	(173)
Total						**20,624**			**1,432**
Reclassified to held for sale (Note 31)						(8,185)			
Total						**12,439**			

2024	Current assets	Fixed assets	Current liabilities	Non-current liabilities	Net assets (100%)	Net assets (Share Strukton)	Revenue	Result after taxes	Result after taxes (Share Strukton)
Eurailscout (joint venture)	5,283	16,816	4,122	5,396	18,706	9,353	27,528	643	322
Aduco Holding B.V. (joint venture)	3,147	3,455	909	1,680	5,582	1,116	16,920	1,888	378
Bituned B.V. (joint venture)	-	-	-	-	-	-	-	1,526	763
Other associates	226	1,261	91	196	1,539	771	4,125	222	55
Other joint ventures	15,377	5,487	18,210	24,662	2,401	1,260	12,126	553	276
Total						12,500			1,794
Reclassified to held for sale (Note 31)						-			
Total						**12,500**			

The line items 'Other associates' and 'Other joint ventures' in 2023 and 2024 consist of several, relatively small, associates and joint ventures.

The movement in the value of associates and joint ventures was as follows:

	2024	2023
As at 1 January	**12,439**	**20,522**
Foreign currency exchange differences	-	-
Increase due to increase of share	317	-
Decrease due to decrease of share	(271)	-
Result on current year	1,794	(163)
Dividends distributed by associates and joint ventures	(842)	(1,000)
Impairments	-	-
(De)consolidation	-	-
Reclassified to held for sale (note 31)	-	(8,185)
Other movements	(937)	1,265
As at 31 December	**12,500**	**12,439**

Dividends were mainly paid out by Aduco Holding B.V. (EUR 0.8 million) in 2024.

5. Financial non-current assets

(X EUR 1,000)

2023	**Non-current receivables**	**PPP receivables**	**Investments in equity instruments**	**Total**
Carrying amount as at 1 January 2023	**7,458**	**685**	**2,127**	**10,270**
Impairments	(395)	-	-	(395)
Loans granted	-	-	-	-
Repayment of loans	(2,229)	-	-	(2,229)
Foreign currency exchange differences	-	-	-	-
Additions	328	16,999	-	17,327
Revaluations	-	(1,402)	-	(1,402)
Accrued interest	-	7,613	-	7,613
Liquidity funding	-	-	-	-
Other movements	(41)	2,281	67	2,307
Carrying amount as at 31 December 2023	**5,121**	**26,176**	**2,194**	**33,491**
2024				
Carrying amount as at 1 January 2024	**5,121**	**26,176**	**2,194**	**33,491**
Impairments	-	(7,063)	-	(7,063)
Loans granted	-	-	-	-
Repayment of loans	(210)	-	-	(210)
Foreign currency exchange differences	-	-	-	-
Additions	8,677	67,399	2,686	78,762
Revaluations	-	-	-	-
Accrued interest	-	7,982	-	7,982
Liquidity funding	-	-	-	-
Other movements	(110)	87	-	(23)
Carrying amount as at 31 December 2024	**13,478**	**94,581**	**4,880**	**112,939**

The PPP receivables consists of fees to be received pursuant to concession agreements in the Netherlands. The term of the various PPP receivables is approximately 25 years. Most of the amount of such receivables has a term longer than five years. Given the character of the contract parties, the credit risk is estimated at nil (refer to note 24). The PPP-receivables relate to the MEET RIVM project. The impairment of EUR 5.1 million relates to a change in the expected cash flows.

6. Deferred tax assets and liabilities

(X EUR 1,000)

	Deferred tax assets		Deferred tax liabilities		Balance	
	31/12/2024	**31/12/2023**	**31/12/2024**	**31/12/2023**	**31/12/2024**	**31/12/2023**
Property, plant and equipment	8,630	5,498	5,486	5,250	3,144	248
Intangible assets	-	-	-	-	-	-
Projects under construction / trade receivables	11,804	8,975	-	-	11,804	8,975
Financial non-current assets	8,940	7,825	-	-	8,940	7,825
Recognised tax losses carried forward	23,243	8,127	-	-	23,243	8,127
Service anniversary commitments	647	736	-	-	647	736
Pension commitments	7,316	2,397	4,219	1,673	3,097	724
Other	-	-	-	-	-	-
Carrying amount as per balance sheet date	**60,580**	**33,558**	**9,705**	**6,923**	**50,875**	**26,635**

Movement 2024 relating to the net deferred tax position:

(X EUR 1,000)

	Balance as at 01/01/2024	**Recognised in tax expense 2024**	**Recognised in unrealised results**	**Reclassified to held for sale**	**Balance as at 31/12/2024**
Property, plant and equipment	248	2,896	-	-	3,144
Intangible assets	-	-	-	-	-
Projects under construction / trade receivables	8,975	2,829	-	-	11,804
Financial non-current assets	7,825	1,115	-	-	8,940
Service anniversary commitments	736	(89)	-	-	647
Pension provisions	724	2,452	(79)	-	3,097
Other	-	-	-	-	-
	18,508	**9,203**	**(79)**	**-**	**27,632**
Recognised tax losses carried forward	8,127	15,116	-	-	23,243
Total	**26,635**	**24,319**	**(79)**	**-**	**50,875**

Movement 2023 relating to the net deferred tax position:

(X EUR 1,000)

	Balance as at 01/01/2023	Recognised in tax expense 2023	Recognised in unrealised results	Reclassified to held for sale	Balance as at 31/12/2023
Property, plant and equipment	987	(739)	-	-	248
Intangible assets	(1,401)	1,401	-	-	-
Projects under construction / trade receivables	4,213	4,762	-	-	8,975
Financial non-current assets	8,074	(249)	-	-	7,825
Service anniversary commitments	52	684	-	-	736
Pension provisions	7,165	(7,339)	898	-	724
Other	(88)	88	-	-	-
	19,002	**(1,392)**	**898**	**-**	**18,508**
Recognised tax losses carried forward	4,447	3,680	-	-	8,127
Total	**23,449**	**2,288**	**898**	**-**	**26,635**

The recognised tax losses carried forward in 2024 amounted to EUR 23.2 million (2023: EUR 8.1 million). An amount of EUR 15.1 million (2023: EUR 3.3 million) from this concerns the recognition of negative pre-tax loss for the Dutch fiscal unity in the financial years 2013, 2014, 2015, 2019, 2020, 2021, and 2024. Based on a management estimate of the future taxable results, the budgets, in combination with a comprehensive process, have resulted in an upward adjustment of the receivable of EUR 15.1 million. The losses carried forward are expected to be fully offset against future profits. An amount of EUR 7.3 million (2023: EUR 3.6 million) concerns the recognition of negative pre-tax losses for Sweden in the financial year 2024. Based on a management estimate of the future taxable results, the losses carried forward are expected to be fully offset against future profits for Sweden. This has been substantiated by means of business plans and realistic estimates by management, which serve as convincing evidence. The losses are expected to be realised over a period longer than one year and therefore most of the tax asset has been classified as long-term. The losses have no expiration date.

At the end of 2024, the Dutch fiscal unity had a total amount of EUR 123.7 million (2023: EUR 170 million) of unrecognised tax losses carried forward. Various foreign participating interests have a total tax loss carry-forward of EUR 98.9 million (2023: EUR 116.7 million). The short-term amount of the value for tax purposes of the recognised tax loss carried forward as of 31 December 2024 amounts to EUR 2.5 million (2023: EUR nil). An amount of EUR 1.5 million relates to the Dutch fiscal unity and an amount of EUR 0.9 million relates to Sweden.

7. Inventories

(X EUR 1,000)

	31/12/2024 (*)	31/12/2023 (*)
Raw materials and consumables	8,433	9,522
Goods for resale	1,089	4,498
	9,521	**14,020**

(*) Please refer to note 31 for the amount that is classified as held for sale

The write-down on inventories in 2024 was EUR nil (2023: EUR 4.1 million). The write-down on inventories is included in the line item other operating expenses in the statement of income.

8. Trade and other receivables

(X EUR 1,000)

	31/12/2024 (*)	31/12/2023 (*)
Trade receivables - net	180,593	190,492
Receivables from related parties	2,961	3,529
Taxes and social security contributions receivable	21,252	15,215
Loans to related parties	-	-
Other receivables and accrued income	99,254	116,160
	304,059	**325,396**

(*) Please refer to note 31 for the amount that is classified as held for sale

The other receivables and accrued income mostly concern instalments of work in progress for projects already completed and this line item also consists of receivables from combinations, prepaid taxes and social insurance, and various other types of prepaid amounts.

For risk management please refer to the accounting policies and for default risk please refer to note 24.

9. Contract assets and liabilities

(X EUR 1,000)

	31/12/2024 (*)	31/12/2023 (*)
Performance obligations fulfilled and transferred to clients (in practical terms, this item comprises realised revenue based on percentage of com-pletion)	4,617,371	4,482,397
Less: Invoiced installments	(4,566,309)	(4,382,412)
	51,063	**99,985**

	31/12/2024 (*)	31/12/2023
Contract assets	154,632	176,316
Contract liabilities	(103,570)	(76,331)
	51,063	**99,985**

(*) Please refer to note 31 for the amount that is classified as held for sale

The contract assets primarily relate to Strukton's rights to consideration for work completed but not billed at the reporting date. Strukton receives payments from customers in line with a series of performance-related milestones and will previously have recognised a contract asset for any work performed. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. The contract assets are classified as current assets. The contract assets remains stable, the increase is divided among the various segments.
The contract liabilities primarily arise if a particular milestones payment exceeds the revenue recognised to date under the input method. The contract liabilities are classified as current liabilities. The increase in contract liabilities is mainly attributable to Rail Systmes division.

Projects under construction split by segments is as follows:

	31/12/2024 (*)	31/12/2023
Rail systems	87,763	120,788
Civil infrastructure	(35,666)	(25,485)
Technology and buildings	(1,034)	4,682
	51,063	**99,985**

(*) Please refer to note 31 for the amount that is classified as held for sale

Major long-term projects are generally financed with loan capital. This means the billed instalments on such projects exceed the costs incurred.

10. Cash and cash equivalents

(X EUR 1,000)

	31/12/2024 (*)	31/12/2023 (*)
Cash and cash equivalents	356,029	313,595

	31/12/2024 (*)	31/12/2023 (*)
Committed cash and cash equivalents	44,306	66,358
Cash and cash equivalents outside cash pool	206,612	167,325
Cash and cash equivalents within cash pool	105,111	79,912
	356,029	**313,595**

(*) Please refer to note 31 for the amount that is classified as held for sale

Cash and cash equivalents comprise bank balances and cash balances. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management system are recognised in cash and cash equivalents. Bank overdrafts are subject to market interest rates.

The committed cash and cash equivalents include cash and cash equivalents of construction combinations amounting to EUR 44.3 million (2023: EUR 66.4 million). The funds recognised in construction combinations concern funds in partnerships that are subject to contractual provisions governing restrictions on the liquid assets. Furthermore it includes, funds received in restricted accounts pursuant to the Chain Liability Act (G-accounts). Bank balances on frozen accounts amount to nil (2023: nil).

An amount of EUR 37.5 million (2023: EUR 58.0 million) is collateralised for banks.

All other cash and cash equivalents are fully at the Company's free disposal.

11. Group equity

(X EUR 1,000)

	Share Capital	Share Premium	Foreign currency translation reserve	Actuarial reserves	Retained earnings	Result for the year	Shareholders' equity	Non-controlling interest	Total equity
Balance 1 January 2023	**2,269**	**69,000**	**(1,543)**	**(10,550)**	**(214,593)**	**178,177**	**22,760**	**266**	**23,026**
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-
Appropriation of result 2022	-	-	-	-	178,177	(178,177)	-	-	-
Loan conversion	-	69,803	-	-	-	-	69,803	-	69,803
Result for the reporting period	-	-	-	-	-	13,313	13,313	63	13,376
Unrealised results	-	-	5,561	(4,331)	-	-	1,230	(82)	1,148
Balance 31 December 2023	**2,269**	**138,803**	**4,018**	**(14,881)**	**(36,416)**	**13,313**	**107,106**	**247**	**107,353**
Balance 1 January 2024	**2,269**	**138,803**	**4,018**	**(14,881)**	**(36,416)**	**13,313**	**107,106**	**247**	**107,353**
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-
Appropriation of result 2023	-	-	-	-	13,313	(13,313)	-	-	-
Other movements	-	-	-	(518)	(4,404)	-	(4,922)	-	(4,922)
Loan conversion	-	-	-	-	-	-	-	-	-
Result for the reporting period	-	-	-	-	-	39,293	39,293	93	39,386
Unrealised results	-	-	(7,235)	553	-	-	(6,682)	(60)	(6,742)
Balance 31 December 2024	**2,269**	**138,803**	**(3,217)**	**(14,846)**	**(27,507)**	**39,293**	**134,795**	**280**	**135,075**

Issued and paid-up capital

Strukton's authorised share capital in 2024 consisted of 500 ordinary shares with a nominal value of EUR 4,538 per share (2023: EUR 4,538). Strukton's issued share capital in 2024 consisted of 500 ordinary shares with a nominal value of EUR 4,538 per share (2023: EUR 4,538). All shares were issued and paid up.

Foreign currency translation reserve

The foreign currency translation reserve covers all the gains and losses from the translation of Strukton's net investments in foreign subsidiaries.

Actuarial reserve

The actuarial reserve consists of the accumulated movement of the net present value of pension liabilities due to changes to the actuarial assumptions. In 2024, the actuarial reserve is stable at EUR 14.8 million (2023: decreased by EUR 4.3 million).

Retained earnings

No dividends were distributed in 2024 (2023: nil).

12. Non-controlling interests

During 2024, the non-controlling interests only consisted of the non-controlling interest in the Swedish railroad equipment manufacturing company, Tri Stockholm AB where Strukton Rail AB has acquired 60% of the shares. This non-controlling interest is not considered to be material to the group.

13.1 Financial non-current liabilities

	31/12/2024	31/12/2023
Bank loans	55,048	62,318
Non-recourse PPP financing	108,471	114,093
	163,519	**176,411**
Non-current part	136,830	151,632
Current part (note 16)	26,689	24,778
	163,519	**176,411**

Movements for the year within non-current liabilities can be split as follows:

	Bank loans	Non-recourse PPP financing	Total
As at 1 January 2024	**62,318**	**114,093**	**176,411**
Acquisition of subsidiaries	-	-	-
Non-current borrowings additions	11,471	-	11,471
Non-current loan repayments	(18,740)	(5,622)	(24,362)
Exchange rate differences	-	-	-
Other movements	-	-	-
As at 31 December 2024	**55,049**	**108,471**	**163,519**

The decrease in the non-current liabilities mainly relates to the MEET Strukton project. The decrease in Bank loans relates to Strukton Rail Italy.

The repayment schedule for the non-current liabilities is as follows:

(X EUR 1,000)

2023	< 1 year	1 - 5 years	> 5 years	Total
Bank loans	19,155	43,087	-	62,242
Non-recourse PPP financing	5,623	17,784	90,762	114,169
	24,778	**60,871**	**90,762**	**176,411**

2024				
Bank loans	21,190	27,420	6,438	55,048
Non-recourse PPP financing	5,499	19,344	83,628	108,471
	26,689	**46,764**	**90,066**	**163,519**

For the bank loans an interest rate between 0.92% and 1.9% is applicable and the maturity date of the bank loans is between 2025 and 2036.

For the non-recourse PPP financing an interest rate between 3.67% and 3.72% is applicable and the maturity date of the financing is 2043.

For more information relating to the interest rate risk, please refer to note 24 Financial instruments and section 'Financial risk management' in the Accounting Policies. The current part of the non-current liabilities is also included in note 16.

13.2 Other non-current liabilities

The other non-current liabilities mainly relate to the Special postponement of payment of VAT and wage tax over the period February until June 2021 for an amount of EUR 45.8 million. According to this facility, this amount will be paid in 60 months as from October 2022. The amount of interest paid for the year 2024 is EUR 1.0 million (2023: EUR 0.8 million).

The movements for the year within taxes and social security contributions payable can be split as follows:

(X EUR 1,000)

	31/12/2024	31/12/2023
Taxes and social security contributions payable	23,216	33,179
	23,216	**33,179**
Non-current part	13,340	23,283
Current part (note 16)	9,877	9,896
	23,216	**33,179**

Movements for the year within non-current liabilities can be split as follows:

As at 1 January 2024	**33,179**
Amounts granted	-
Repayments	(9,896)
Reclassified to held for sale (note 31)	(67)
Other movements	-
As at 31 December 2024	**23,216**

14. Lease liabilities

The movements in the value of lease liabilities during 2024 and 2023 were as follows:

	2024	2023
As at 1 January 2024	**70,041**	**64,018**
Accrued interest	3,243	2,313
Lease payments	(34,397)	(37,326)
Foreign currency exchange differences	(418)	51
Reclassified to held for sales (note 31)	(3,694)	(3,226)
Remeasurements due to contract modifications	8,445	(66)
New lease contracts	29,010	44,439
Disposals	(1)	(162)
Other movements	-	-
As at 31 December 2024	**72,229**	**70,041**
Long-term component of lease liabilities	47,774	46,807
Short-term component of lease liabilities	24,455	23,234
	72,229	**70,041**

	Carrying amount	Contractual cash flows	Up to 1 year	1 - 2 years	2 - 5 years	> 5 years
Lease commitments 2024	**72,229**	77,751	9,546	16,376	43,709	8,120
Lease commitments 2023	**70,041**	72,724	10,847	14,410	39,000	8,467

Remeasurements due to contract modifications
This concerns remeasurements of the lease liabilities due to modifications of the contract within the context of IFRS 16. These remeasurements are mainly due to changes in the lease term and processing indexations during the year.

Amounts recognised in the statement of income
Payments made relating to short-term lease contracts and leases for low-value assets are recognised as an expense in the statement of income on a straight-line basis. This also applies to variable interest expenses that are not index-linked. Short-term lease contracts are lease contracts with a lease term of 12 months or shorter and mainly concern the lease of equipment and cars. Low value assets mainly include the lease of printers and small mechanical tools.

The following amounts are recognised in the statement of income:

	2024	2023
Depreciation on right of use assets	31,527	31,213
Interest on lease contracts	3,243	2,313
Expenses relating to short-term lease contracts	19,896	18,839
Expenses relating to variable lease payments not recognised when determining lease liabilities	6,653	7,020
Income from sub-leasing right of use assets	-	-

The expenses relating to short-term lease contracts and variable lease payments not recognised when determining the lease liabilities are recorded in the other operating expenses in the statement of income.

The total cash outflow for lease contracts in 2024 was EUR 34.4 million (2023: EUR 37.3 million). A total amount of nil million (2023: nil) was prepaid on lease contracts for subsequent years.

15. Provisions

(X EUR 1,000)

	Restructuring provision	Pension provisions	Service anniversary obligations	Guarantee commitments	Provision for onerous contracts	Tax provision	Other provision	Total
As at 1 January 2023	**426**	**47,100**	**2,928**	**2,889**	**144,698**	**8,918**	**13,927**	**220,886**
Consolidation/Deconsolidation	-	239	(46)	-	-	-	(32)	161
Foreign currency exchange differences	-	270	-	(2)	752	(298)	(75)	647
Additions	1,540	11,561	-	-	39,947	2,229	13,534	68,811
Utilisation of the provision	-	(12,920)	(38)	(2,068)	(46,788)	-	(7,522)	(69,336)
Release of the provision	-	-	-	-	-	-	-	-
Other movements	-	(231)	-	-	-	-	-	(231)
Classified as held for sale (Note 31)	(47)	-	(130)	-	(53)	-	(150)	(380)
As at 31 December 2023	**1,919**	**46,019**	**2,714**	**819**	**138,556**	**10,849**	**19,682**	**220,558**
Long-term portion	683	45,021	2,376	819	137,179	10,849	19,064	215,991
Short-term portion	1,236	998	338	-	1,377	-	618	4,567
	1,919	46,019	2,714	819	138,556	10,849	19,682	220,558
As at 1 January 2024	**1,919**	**46,019**	**2,714**	**819**	**138,556**	**10,849**	**19,682**	**220,558**
Consolidation/Deconsolidation	-	-	43	-	44	-	-	87
Foreign currency exchange differences	-	(1,107)	-	-	(735)	537	7	(1,298)
Additions	(472)	3,927	-	-	50,043	7,582	4,634	65,714
Utilisation of the provision	-	(6,069)	(119)	(81)	(19,458)	(2,521)	(3,239)	(31,487)
Release of the provision	-	-	-	-	-	-	(2,505)	(2,505)
Other movements	-	-	-	-	-	237	580	817
Classified as held for sale (Note 31)	(53)	(1,054)	(105)	-	-	-	-	(1,213)
As at 31 December 2024	**1,394**	**41,716**	**2,533**	**738**	**168,450**	**16,684**	**19,159**	**250,673**
Long-term portion	-	41,716	2,304	738	107,746	16,684	15,142	184,330
Short-term portion	1,394	-	229	-	60,704	-	4,017	66,343
	1,394	**41,716**	**2,533**	**738**	**168,450**	**16,684**	**19,159**	**250,673**

Pension commitments

The pension plans of the pension funds of Strukton's operating companies as of 31 December 2024 are:

- Sector Pension Fund Construction
- Sector Pension Fund Concrete Product Industry
- Sector Pension Fund Metal and Engineering
- Railroad Pension Fund
- Alecta pension insurance plan, Sweden, ITP scheme
- Alecta pension insurance plan Sweden SAFLO scheme
- Axa pension insurance for Strukton Railinfra N.V., Belgium
- Fondo TFR Pension Fund Italy

The pension plans in the Netherlands are subject to the provisions of the Pension Act. As set out in the Pension Act, the pension plans must be fully funded and operate independently from the Company based on a separate legal entity. Various sector-wide pension funds and insurers manage the different pension plans. Strukton has no additional responsibilities for the administration of these plans.

Defined contribution plans

The above-mentioned first four pension plans concern sector-wide pension fund plans. The basic pension of the participants of these funds is covered by group schemes, with several employers participating in a fund pursuant to mandatory participation. These are based on an indexed career average plan and are therefore classed as a defined benefit plan. As these funds are not equipped to provide the statutory information regarding the proportional share of Strukton in the pension liabilities and fund investments, the defined benefit plans are recognised as defined contribution plans. Strukton is subject to mandatory contribution of the pre-agreed premiums for these plans. Strukton is not permitted to claim refund of excess premiums and is not liable for extra deposits to cover any deficits, excepting that adjustment of future premium levels is allowed. The portion of the basic pension exceeding group plans (the top-up portion) is administered by external parties, which concerns defined contribution plans.

Defined contribution plans

The funding ratio of the sector pension funds is as follows:

	31/12/2024	**31/12/2023**
Bedrijfstakpensioenfonds Bouw	125.8%	123.9%
Bedrijfstakpensioenfonds Betonproductenindustrie	112.7%	110.0%
Bedrijfstakpensioenfonds Metaal en Techniek	108.6%	105.8%
Spoorwegpensioenfonds	131.5%	127.6%
Alecta pension insurer (Sweden)	162.0%	158.0%

Defined benefit plans

A provision was created for four pension plans that qualify as a defined benefit plan.

	31/12/2024	**31/12/2023**
Strukton Rail AB (Sweden)	34,347	37,552
Strukton Railinfra N.V. (Belgium)	1,522	1,555
Strukton Roads & Concrete B.V.	3,752	3,828
Costruzioni Linee Ferroviarie S.p.A. (Italy)	1,961	1,961
Other	134	1,123
	41,716	**46,019**

Strukton Rail AB (Sweden)
The pension scheme for the Strukton Rail AB (Sweden) employees born before 1978 concerns a defined benefit plan. All active participants to this plan are participating in the Sweden Pension Plan ITP2. The other two current plans concern the Sweden pension Plan Balfour Beatty and Sweden Pension Plan KPA. These two plans have only inactive participants of the former Balfour Beatty and the former Svensk Banproduktion. The three plans are administered by PRI, a pension insurer. The total liabilities at year-end 2024 amounted to EUR 34.3 million (2023: EUR 37.0 million). For this purpose, the pension commitments were stated at present value based on IAS 19. The calculation is performed by a qualified actuary. The liability must be financed by the Company. The pension payment is carried out by the organisation Alecta. The risk of the Company's bankruptcy is insured with PRI. In the context of this insurance, guarantees were issued to PRI amounting to SEK 110 million (EUR 10.5 million). Alecta applies different principles for the calculation of the liability than PRI. Therefore, Alecta's calculated provision is higher. Strukton annually pays a premium to PRI for this so-called 'estimated redemption cost'. The liability of Strukton Rail Sweden's in-house pension scheme (ITP2) has been frozen as of 31 December 2021. As of 1 January 2022 pension premiums are insured with PRI and as a result the related liability will reduce over time as pensions are paid out.

Strukton Rail N.V. (Belgium)
The pension insurance for the employees of Strukton Rail N.V. in Belgium is a defined benefit plan. The pension provision is funded with an insurance contract with quoted market prices.

Strukton Roads & Concrete B.V. (Netherlands)
An indexation commitment for the pension scheme was recognised for Strukton Roads & Concrete B.V. The indexation provision is funded with an insurance contract which is administered by Delta Lloyd & Nationale Nederlanden.

Costruzioni Linee Ferroviarie S.p.A. (Italy)
Costruzioni Linee Ferroviarie S.p.A. provides its employees with a defined benefit plan, Fondo TFR – Pension Fund, for which an amount of EUR 1.9 million (2023: EUR 2.0 million) was reserved in the Company balance sheet. The pension provision in Italy is not financed externally and must be financed by the Company.

Assumptions
The identified material principles for the calculation of the pension provisions are inflation, the discount rate and the mortality tables. Inflation is an indirect principle.
Salary growth and pension growth are direct principles derived from this inflation rate.

Assumptions:	**31/12/2024**	**31/12/2023**
Discount rate	3.20% - 3.50%	3.10% - 3.20%
Inflation	2.00% - 2.25%	2.00% - 2.25%

The following mortality tables were applied:

Belgium	MR/FR (1993 Belgium mortality table)
Italy	ISTAT 2021 M/F
Sweden	DUS 23 w-c
The Netherlands	Prognosetafel AG2024

Breakdown
The pension liabilities and pension assets are based on actuarial calculations as of 31 December. The composition and movements in the pension liabilities and pension assets for the defined benefit plans for Strukton Rail AB (Sweden), Strukton Railinfra N.V. (Belgium), Strukton Roads & Concrete (Netherlands), and Costruzioni Linee Ferroviarie S.p.A. (Italy) are set out in the next table.

	31/12/2024	31/12/2023
Defined benefit assets (fair value)	24,102	23,391
Defined benefit obligation (cash value)	(65,818)	(69,410)
Net defined benefit liability	**(41,716)**	**(46,019)**
Movements:		
Fair value of plan assets as at 1 January	**23,391**	**14,717**
Acquisition/Divestment	-	-
Interest income on plan assets	721	713
Employer contributions	3,262	8,276
Disbursements	(2,397)	(1,915)
Return on plan assets greater / (less) than discount rate	(654)	1,369
Other	(221)	231
Fair value of plan assets as at 31 December	**24,102**	**23,391**
Defined benefit obligation at 1 January	**69,410**	**61,817**
Acquisition/Divestment	-	239
Past service cost - curtailments	9	-
Current service cost	522	349
Interest cost on the DBO	2,097	2,191
Administration costs and taxes	(343)	(648)
Disbursements from plan assets	(778)	(803)
Disbursements paid by employer	(1,619)	(1,111)
Net actuarial (gain) / loss	(2,213)	4,036
Currency (gain) / loss	(1,328)	270
Other movements	62	3,070
Defined benefit obligation at 31 December	**65,818**	**69,410**
Actuarial results recognised through OCI at 1 January	**17,749**	**12,520**
Acquisition/Divestment	-	-
Actuarial (gain)/loss due to non-financial assumption changes	1,304	397
Actuarial (gain)/loss due to financial assumption changes	(3,485)	3,640
Return on plan assets greater/less than discount rate	654	(1,369)
Return on plan assets		-
Foreign currency (gains)/losses	52	291
Other movements	843	2,270
Actuarial results recognised through OCI at 31 December	**17,117**	**17,749**

	2024	2023
Pension expense components pursuant to defined benefit plans		
Current service cost	522	349
Interest cost on the defined benefit obligation	2,097	2,191
Return on plan assets	(721)	(713)
Other	343	648
Pension cost recognised in the income statement	**2,241**	**2,475**

The expected contribution to the pension plans in 2025 amounts to EUR 1.9 million (2024: EUR 2.1 million). The costs of the pension plans will be paid in full by Strukton.

The main categories of fund investments as a percentage of the fair value of the total fund investments are as follows:

Most important categories of fund investments in %:		
	31/12/2024	**31/12/2023**
Bonds	0%	0%
Cash and cash equivalents	0%	0%
Other fund investments	100%	100%

As virtually all pension plans are financed based on an insurance contract, the assets consist of the insurer's guarantee that certain pensions will be paid out in the future. The value of these assets is the current present value of these guaranteed pay-outs. An allocation to different asset classes is not applicable. Therefore, these assets are presented under Other fund investments.

Sensitivity analysis
If the discount rate were to increase by 1 percentage point while all other assumptions remained constant, the present value of the pension commitments would fall by EUR 10.0 million. In the event of a fall of 1 percentage point in the discount rate and constant conditions in all other respects, the present value of the pension commitments would rise by EUR 12.7 million. For the two plans in Sweden, these effects are equivalent to a decrease by EUR 6.0 million or an increase by EUR 7.8 million respectively.

If the inflation rate were to further increase by 0.25 percentage point, while all other assumptions remained constant, the present value of the pension commitments would increase by EUR 2.8 million. In the event of a decrease in the inflation rate by 0.25 percentage point, without any other factors changing, the cash value of the pension liabilities would decrease by EUR 3.0 million. For the two plans in Sweden, these effects are equivalent to an increase by EUR 1.7 million or a decrease by EUR 1.6 million respectively.

If the participants to the two Swedish plans would be assumed to live one year longer than assumed, the liabilities would increase by approximately 4.69 % and with an amount of EUR 0.2 million.

Future cash flows
The forecasted cash flows for the two Swedish pension schemes are indicated below. The duration of the ITP2 scheme is equal to 18.0 years (2023: 20.2 years); for the closed KPA schemes, a duration of 13.5 years applies (2022: 13.7 years).

Future cash flows:			
(* million EUR)	**< 1 year**	**1 - 5 years**	**> 5 years**
2024	1.06	4.60	7.52
2023	1.01	4.40	7.35

Service anniversary obligations
The provision for service anniversaries relates to a bonus paid out upon completing a certain number of service years. The amount and date of paying out this bonus depends on the entity employing the employee, as different companies apply different schemes. The main risk that Strukton incurs on this provision is the interest rate risk.

The actuarial calculation of the service anniversary commitment is based on an annual discount rate of 3.2% (2023: 3.2%). The discount rate is based on the current effective market yield of high-grade corporate bonds.

Guarantee commitments
The guarantee commitments mainly relate to Strukton Rail Italy and are calculated based on historical data in order to estimate the expenses to be made.

Provision for onerous contracts with customers
The onerous contracts provision with customers amounts to EUR 165.9 million (2023: EUR 138.6 million). This provision represents the amount of the onerous contract result to be realised based on the progress of the project. This provision is mainly related to projects in the Civil division (EUR 61.1 million), the MEET Project (EUR 53.0 million) and the Rail division (EUR 52.2 million, of which EUR 26.4 million in Sweden). Please also refer to the paragraph 'Accounting considerations on key projects' which describes the largest projects with the highest uncertainty.

Of the full onerous contracts with customers provision, a total of EUR 60.7 million has a current character (2023: EUR 1.4 million).

The additions have been recorded in the line item 'Costs of raw materials, consumables, subcontracted work and other external costs' in the statement of income.

Tax provision
The tax provision mainly relates to Qatar. The Tax Authority in Qatar has issued additional tax assessment and penalties related to the years 2019-2023.

16. Trade and other payables

(X EUR 1,000)

	31/12/2024 (*)	31/12/2023 (*)
Trade payables	189,447	212,209
Amounts due to related parties	531	3,469
Taxes and social security contributions payable	40,116	45,887
Pension contributions	739	2,007
Short term portion of non-current liability	26,689	24,778
Other liabilities and accruals	249,151	219,709
	506,674	**508,059**
Invoices to receive	23,535	25,485
Holiday allowance / bonus payable	5,153	5,050
Leave provision	24,793	24,668
Deferred liabilities	79,388	65,071
Other liabilities	116,282	99,435
Total other liabilities and accruals	**249,151**	**219,709**

(*) Please refer to note 31 for the amount that is classified as held for sale

The non-current part of the non-current liabilities is included in note 13.

17. Revenue

(X EUR 1,000)

	2024	2023*
Projects for third parties	955,681	874,163
Service maintenance and concessions	592,865	541,069
Revenue of sale of finished goods	23,974	17,054
Other revenue	29,187	7,175
	1,601,706	**1,439,461**

*The comparative figures included in the table above have been amended for presentation purposes to better align with the actual nature of the revenue. This change in presentation does not have any impact on the total revenue for financial year 2023, neither on equity and/or result for the year.

Total revenue from customers based on geographical locations

2024	Rail Infra-structure	Civil Infrastruc-ture	Technology and Buildings	Other and Intercompany eliminations	Total
The Netherlands	326,297	311,390	74,385	138,992	851,064
Italy	331,280	-	-	-	331,280
Sweden	268,591	-	-	-	268,591
Other within Europe	129,273	0	-	-	129,273
Outside of Europe	149	131	-	21,218	21,498
	1,055,590	**311,521**	**74,385**	**160,211**	**1,601,706**

2023	Rail Infra-structure	Civil Infrastruc-ture	Technology and Buildings	Other and Intercompany eliminations	Total
The Netherlands	375,250	227,760	28,696	130,394	762,101
Italy	302,418	-	-	-	302,418
Sweden	248,411	-	-	-	248,411
Other within Europe	116,447	-	-	-	116,447
Outside of Europe	1,861	2,040	-	6,183	10,084
	1,044,387	**229,800**	**28,696**	**136,577**	**1,439,461**

Projects for third parties

Projects for third parties consist of the following activities:

- Renewal and new construction of rail systems
- Design, realisation and management of infrastructure projects
- Design, development and realisation of technical systems and buildings in the Netherlands

The performance obligation is proportionately based on the progress of the project. Invoicing is based on instalment schedules related to the progress of the project. Applying instalment schedules means that fulfilment of the performance obligation is not synchronised with payments. If production is higher than invoiced amounts, a contract asset is recognised. If invoiced amounts are higher than production, a contract liability is recognised. In the case of works under direct management, the works are invoiced upon completion of the works. Invoices are generally paid between 30 and 60 days of sending the invoice. Some contracts include prepayment clauses.

Service maintenance and concessions
Service maintenance and concessions consists of the following activities:
- Maintenance and management of rail networks and rail systems
- Maintenance of infrastructure projects
- Maintenance and operation of technical systems and buildings in the Netherlands

The performance obligation is fulfilled in proportion to progress in production. Service maintenance and the concessions are invoiced on a monthly basis in accordance with the contractual agreements. Maintenance contracts are invoiced at the end of the month. Invoicing at the end of the month means that fulfilment of the performance obligation is not synchronised with payments. With invoicing in arrears, a contract asset is recognised. If variable considerations are part of the contract, these are periodically measured, and these are part of the transaction price. Some contracts include prepayment clauses ensuring an amount is paid before delivering the maintenance service.

Supplementary information regarding the revenue from contracts with customers recognised in the reporting year is given below.

Revenue integrated in the credit balance of projects at the start of the period:

	2024	2023
Projects for third parties	228,670	49,238
Service maintenance and concessions	135,682	3,205
	364,352	**52,443**

Recognised revenue from performance obligations fulfilled fully or partly in previous periods:	2024	2023
Projects for third parties	-	-
Service maintenance and concessions	-	4,500
	-	**4,500**

Projects within the construction sector may take longer than one year or may be carried from one calendar year to the next. The forecast revenue from contracts with customers regarding unfulfilled performance obligations (ongoing projects or projects awarded) are as follows as of 31 December:

	2024	2023
Within one year	1,132,001	1,152,000
After one year	2,151,170	2,269,000
	3,283,171	**3,421,000**

Other revenue
The other revenue consists of revenue streams related to asphalt services, concrete solutions, environmental services, rail services and leasing of owned machinery to third parties. Other revenue includes the intercompany eliminations

18. Costs of raw materials, consumables, subcontracted work and other external costs

Costs of raw materials and consumables used, subcontracted work and other external costs relate to external expenses directly allocated to the production process.

19. Personnel expenses

(X EUR 1,000)

	2024	2023
Wages and salaries	273,133	273,238
Social security contributions	45,785	45,062
Defined contribution plans	38,471	43,088
Net defined benefit plans	1,123	(5,745)
	358,512	**355,643**

Several group companies have defined benefit plans (refer to note 15).

20. Workforce

2024	Rail infrastructure	Civil infrastructure	Technology and buildings	Other	Total
The Netherlands	1,111	460	156	380	2,107
Belgium	155	-	-	-	155
Sweden	964	-	-	-	964
Denmark	132	-	-	-	132
Italy	663	-	-	-	663
Other	-	-	-	2	2
	3,025	**460**	**156**	**382**	**4,023**

2023	Rail infrastructure	Civil infrastructure	Technology and buildings	Other	Total
The Netherlands	1,162	485	224	419	2,289
Belgium	161	-	-	-	161
Sweden	938	-	-	-	938
Denmark	124	-	-	-	124
Italy	655	-	-	-	655
Other	11	-	-	2	13
	3,050	**485**	**224**	**421**	**4,180**

During 2024, Strukton employed an average of 4.023 (2023: 4.180) FTEs, of which 1.916 (2023: 1.891) worked outside the Netherlands. At year-end 2024, the number of employees amounts to 4,334 (2023: 4,230).

21. Other operating expenses

In 2024, government grants with a total amount of EUR 7.2 million were received. The amount of EUR 7.2 million is taken into the result in 2024 (2023: EUR 1.5 million).

22. Finance income and expense

(X EUR 1,000)

	2024	2023
Finance income		
Third party interest income	3,998	8,624
Interest on financial non-current assets	7,982	7,690
Result on investments in equity instruments	754	773
Other financial income	574	705
Foreign currency exchange gains	-	-
	13,308	**17,792**
Finance expense		
Third party interest expenses	(5,052)	(4,549)
Lease liabilities interest expenses	(3,243)	(2,313)
Non-recourse PPP financing interest expenses	(4,522)	(3,746)
Other financial expenses	(204)	37
Foreign currency exchange losses	(261)	(1,724)
	(13,282)	**(12,295)**
Net finance result	**26**	**5,497**

The interest expenses of non-recourse PPP financing mainly refers to the RIVM building project.

23. Income tax

(X EUR 1,000)

	2024	2023
Current income tax expense	21,888	5,842
Deferred income tax	(24,319)	(2,288)
	(2,431)	**3,554**

The corporate income tax is different from the amount theoretically due when applying the weighted average tax rate (25.8%) that is applicable to the results of the consolidated group companies. The difference can be specified as follows:

	2024	2023
Taxable profit	36,955	16,930
Income tax using company's domestic tax rate	9,534	4,368
Effect of tax rates in foreign jurisdictions	98	809
Exemption of participation results	(2,515)	(1,700)
Tax provision addition	-	2,229
Impairment of deferred tax asset	-	-
Other movements in deferred tax positions	(24,319)	(3,186)
Goodwill impairment	(265)	-
Movement in tax losses carried forward not recognised	13,184	(2,306)
Other including non-deductible costs	1,851	3,340
Effective tax	**(2,431)**	**3,554**
Effective tax rate (%)	(6,6)%	21,0%

*Other movements in deferred tax positions mainly relates to the capitalization of the tax losses within the fiscal unity of Strukton Groep. In 2024, the corporate income tax charge amounts to EUR 1.9 million (2023: tax charge of EUR 3.6 million). Non-deductible costs mainly relate to Italy (EUR 1.8 million).

24. Financial instruments

(X EUR 1,000)

Financial Instruments	31/12/2024	31/12/2023
Other non-current receivables excluding deferred tax assets	108,059	31,297
Trade receivables	183,554	194,022
Other receivables excluding corporate income tax receivable	275,138	307,690
Cash and cash equivalents	356,029	313,595
	922,780	**846,603**
Current receivables + cash in %	88.3%	96.3%

The majority (87.8%) of the maximum credit risk consists of various current receivables (accounts receivable and other receivables) and cash and cash equivalents (2023: 96.3%).

We applied ECL under IFRS 9, and included the below aging analysis with buckets containing due dates to provide insight in the aging of trade receivables.

Ageing analysis trade receivables	31/12/2024		31/12/2023	
	Gross	**Provision**	**Gross**	**Provision**
Not yet due	151,306	-	152,321	4
Due within 1 - 30 days	6,386	-	7,499	25
Due within 31 - 60 days	1,585	91	3,646	3
Due within 61 - 180 days	1,510	195	3,472	59
Due within 181 - 365 days	3,034	348	3,376	5
Due over one year	30,471	10,103	34,072	10,268
Total	**194,291**	**10,737**	**204,385**	**10,363**
Trade receivables due (%)		22.1%		25.5%
Net position trade receivables		**183,554**		**194,022**

In 2024, the share of overdue trade receivables within the total trade receivables amounts to 22.1% (2023: 25.5%).

The movement in provision for bad debts is as follows:	2024	2023
Amount as at 1 January	10,363	15,673
Additions	553	2,045
Usage of provision	(179)	(7,355)
Release	-	-
Foreign currency exchange differences	-	-
Other	-	-
Amount as at 31 December	**10,737**	**10,363**

Liquidity risks:			31/12/2024		31/12/2023	
	Nominal Interest rate	Maturity date	Nominal value	Carrying amount	Nominal value	Carrying amount
Non-current liabilities (in EUR)						
Bank loans	1.90%	2025-2027	33,858	33,858	43,087	43,087
Non-recourse PPP financing	3.30%-3.72%	2024-2043	136,824	102,972	142,663	108,546
Other non-current liabilities			13,340	13,340	23,283	23,283
Sub total			**184,021**	**150,170**	**209,033**	**174,916**

Current liabilities (in EUR)						
Bank loans	1.90%	2025-2027	19,110	21,190	19,155	19,155
Non-recourse PPP financing	3.30%-3.72%	2024-2043	5,313	5,313	5,621	5,621
Bank overdrafts	Various		-	-	-	-
Other current liabilities		2024	506,674	506,674	508,059	508,059
Subtotal			**531,096**	**533,177**	**532,835**	**532,835**
Total			**715,118**	**683,346**	**741,868**	**707,751**
			74.3%		71.8%	

The majority (74.3%) of the liabilities is current, consisting of various trade payables and amounts owed to banks and financial institutions (2023: 71.8%).

In the context of the bank loans, collateral was provided to banks. This entails the pledge of 100% of the shares of Costruzioni Linee Ferroviarie S.p.A.

The non-recourse PPP-financing is secured by pledges on the shares in MEET Strukton B.V., all bank accounts of MEET Strukton B.V., all MEET Strukton B.V.'s present and future rights under or in connection with insurances, existing and moveable assets and all and any existing and future rights, interests, claims or receivables of MEET Strukton B.V. under the agreement entered into.

Non-derivative financial instruments:

2024	Carrying amount	Contractual cash flows	< 6 months	6 - 12 months	1 - 2 years	2 - 5 years	> 5 years
Non-derivative financial liabilities							
Bank loans	55,048	55,210	8,630	10,479	35,600	500	-
Non-recourse PPP financing (current and non-current)	108,285	142,137	2,647	2,666	5,018	17,308	114,498
Trade and other payables	520,013	520,013	253,337	253,337	13,340	-	-
Bank overdrafts	-	-	-	-	-	-	-
	683,346	**717,359**	**264,614**	**266,482**	**53,957**	**17,808**	**114,498**

2023	Carrying amount	Contractual cash flows	< 6 months	6 - 12 months	1 - 2 years	2 - 5 years	> 5 years
Non-derivative financial liabilities							
Bank loans	62,243	62,937	9,045	10,110	35,981	7,801	-
Non-recourse PPP financing (current and non-current)	114,167	148,284	2,826	2,795	5,337	18,449	118,876
Trade and other payables	531,342	531,342	254,030	254,030	23,283	-	-
Bank overdrafts	-	-	-	-	-	-	-
	707,752	**742,563**	**265,901**	**266,934**	**64,601**	**26,250**	**118,876**

Foreign currency risks
Most of Strukton's activities are carried out within the Euro zone. The activities of subsidiaries outside the Euro zone are mostly carried out within the currency zone of the relevant country. Strukton's currency risk mostly relates to its foreign subsidiaries in Scandinavia and in Riyadh (Saudi Arabia).
The total equity of these foreign subsidiaries amounted to EUR 27.6 million negative at year-end 2024 (2023: EUR 24.4 million negative).

Foreign currency risks	**Average exchange rate**		**Spot rate at reporting date**	
	2024	2023	2024	2023
DKK	0.134	0.134	0.134	0.134
NOK	0.086	0.088	0.085	0.087
SEK	0.087	0.087	0.087	0.089
USD	0.924	0.924	0.954	0.916
AUD	0.610	0.614	0.604	0.613
SAR	0.246	0.246	0.254	0.244
QAR	0.254	0.254	0.262	0.252

A 10% increase of the euro compared with these exchange rates at year-end would have decreased the equity capital by EUR 2.5 million during the reporting year (2023: EUR 2.0 million). A 10% increase of the euro compared with these exchange rates at year-end would have increased the negative result by EUR 0.3 million during the reporting year (2023: EUR 0.7 million). A 10% decrease of the euro compared with these exchange rates at year-end would have had a similar reverse effect.

Interest rate	**31/12/2024**	**31/12/2023**
	Carrying amount	*Carrying amount*
Fixed-interest instruments		
Financial assets	94,581	26,176
Financial liabilities	(235,748)	(246,452)
	(141,167)	**(220,276)**
Variable interest instruments		
Financial assets	356,029	313,595
Financial liabilities	-	-
	356,029	**313,595**

An increase by 100 base points in the interest rate would have decreased the equity and the profit on the reporting period by EUR 3.1 million (2023: EUR 1.6 million decrease). This is subject to presuming that all other variables would have remained constant.
A decrease in the interest rate by 100 base points would have had a similar reverse effect. This interest rate risk does not include the effect of derivatives.

Carrying amounts versus fair values

	Carrying amount		Fair value	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Financial assets				
Non-current receivables	13,478	5,121	13,478	5,121
PPP receivables	94,581	26,176	131,475	59,549
Investments in equity instruments	4,880	2,194	4,880	2,194
Trade and other receivables	304,059	325,396	304,059	325,396
Contract assets	154,632	176,316	154,632	176,316
	571,631	**535,202**	**608,525**	**568,575**
Financial liabilities				
Bank loans	55,048	62,318	55,048	62,318
Non-recourse PPP financing	108,471	114,093	144,401	152,684
Taxes and social security contributions payable	13,340	23,283	13,340	23,283
Trade and other payables	506,674	508,059	506,674	508,059
Contract liabilities	103,570	76,331	103,570	76,331
Debts to financial institutions	-	-	-	-
	787,102	**784,084**	**823,032**	**822,675**

The difference between the fair value of the PPP receivables and non-recourse PPP financing compared to their carrying amount can be explained by the long maturity of these assets and liabilities.

For the PPP receivables an average discount factor of 1.51% was applied as a key assumption in order determine the fair value. If the discount factor would be increased or decreased by 1% this would have an impact on the fair value of EUR 14.3 million.

For the PPP payables an average discount factor of 1.12% was applied as a key assumption in order determine the fair value. If the discount factor would be increased or decreased by 1% this would have an impact on the fair value of EUR 21.3 million.

Hierarchy in fair values

Strukton applies the following hierarchy in determining and stating financial instruments, to be discerned into different valuation methods:

- Level 1: listed (non-adjusted) share prices in active markets for identical assets or liabilities
- Level 2: other methods in which all variables have a significant impact on the recognised fair value and are detectable directly or indirectly
- Level 3: methods in which variables are applied that have a significant impact on the recognised fair value, but are not based on detectable market data

Hierarchy in fair values:

2024

	Total	Level 1	Level 2	Level 3
Financial assets if these would be valued at fair value:				
PPP receivables	131,475	-	-	131,475
	131,475	**-**	**-**	**131,475**
Financial liabilities if these would be valued at fair value:				
Non-recourse PPP financing	144,401	-	-	144,401
	144,401	**-**	**-**	**144,401**

2023

	Total	Level 1	Level 2	Level 3
Financial assets if these would be valued at fair value:				
PPP receivables	59,549	-	-	59,549
	59,549	**-**	**-**	**59,549**
Financial liabilities if these would be valued at fair value:				
Non-recourse PPP financing	152,684	-	-	152,684
	152,684	**-**	**-**	**152,684**

25. Cash and cash equivalents in cash flow statement

The cash and cash equivalents balance in the cash flow statement can be specified as follows:

	2024	2023
Cash and cash equivalents	356,029	313,595
Debt to financial institutions	-	-
Total net cash position balance sheet	**356,029**	**313,595**
Cash and cash equivalents reclassified to held for sale	21	2,294
Total net cash position cash flow statement	**356,050**	**315,889**

26. Off-balance sheet commitments and securities provided

Guarantees and liabilities

Strukton and/or its subsidiaries are severally liable for all debts of V.O.F. firms (general partnerships, construction combinations) in which they hold direct participations. No liabilities are recognised in the financial statements in this respect.

As of 31 December 2024, bankers had issued guarantees and letters of intent up to a total amount of EUR 185.7 million (2023: EUR 179.4 million). These guarantees mainly concern commitments pursuant to projects in progress, maintenance commitments relating to delivered work and investment commitments.

The maturity of the issued guarantees for loans is as follows:

Maturity of issued guarantees:
(X EUR 1,000)

2024				
	Total	< 1 year	1 - 5 years	> 5 years
	148,126	45,714	97,364	5,048
2023				
	Total	< 1 year	1 - 5 years	> 5 years
	154,144	111,364	41,815	965

The key facilities in Italy, Sweden, Denmark, Belgium, and the Netherlands are specified separately below:

The facilities in Italy can be specified as follows:
- Current account facility of EUR 54.8 million (2023: EUR 54.8 million). Nothing was withdrawn (2023: nil).
- Loan facility EUR 55.4 million (2023: EUR 61.8 million). This was fully withdrawn.
- Bank guarantee facility EUR 158.5 million (2023: EUR 158.5 million), EUR 104.2 million is in use (2023: EUR 76.5 million).
- Factoring contracts EUR 106.0 million (2023: EUR 69.9 million), EUR 92.0 million (2023: EUR 62.0 million) is in use.

In Sweden and Denmark, Strukton has the following facilities:
- Multi-purpose credit facility SEK 0.0 million (2023: SEK 259.0 million). An amount of SEK 0.0 million was withdrawn (2023: SEK 131.3 million). The facility at Danske bank has been closed in 2024 in combination with the release of the blocked cash for pension fund for PRI (SEK 110.0 million). All guarantees are replaced by cash cover guarantees.
- Bank guarantee facilities SEK 0.0 million (2023: SEK 6.4 million). An amount of SEK 0.0 million was withdrawn (2023: SEK 6.4 million).

In the Netherlands, Strukton has the following facilities:
- Bank guarantee facilities EUR 55.0 million (2023: EUR 55.0 million). An amount of EUR 36.4 million was withdrawn (2023: EUR 45.7 million).

In Belgium, Strukton has the following facilities:
- Bank guarantee facilities EUR 9.2 million (2023: EUR 16.0 million). An amount of EUR 7.2 million was withdrawn (2023: EUR 12.4 million).

Corporate income tax
The Dutch Tax Authorities are performing an audit of the Riyadh metro project to check the transfer prices applied and the profit distribution between the Netherlands and Saudi Arabia. This audit focuses on old years, but the outcome will also apply to future years. Based on this audit, the Tax Authorities have taken the preliminary view that similar commercial parties operating under the same circumstances would have agreed a different distribution of profits. However, the Tax Authorities have expressed their wish to come to a solution acceptable to both parties, determining the transfer prices to be applied for the project. In order to arrive at an acceptable solution, the tax authorities and Strukton entered into further consultations, with Strukton seeking the support of an external tax consultant. We have not created a provision for this issue in our consolidated financial statements. Based on the double taxation treaty between the governments of the Kingdom of the Netherlands and the Kingdom of Saudi Arabia, which includes a provision regarding corresponding corrections and a provision regarding a mutual consultation procedure, we assume that the countries involved will come to an extrajudicial agreement without any detrimental effects for Strukton.
Strukton constitutes a fiscal unity in the Netherlands for corporate income tax and VAT together with most of its 100% domestic subsidiaries. Please refer for a total overview of the applicable entities to note 32.

Contingent liabilities

Line 7 and Line E59

As per October 2022 and May 2023, Costruzioni Linee Ferroviarie S.p.A., subsidiary of Strukton Rail Italy, is involved in two legal proceedings regarding the Line 7 and Line E59 projects in Poland. As per date of the financial statements there remains a high degree of uncertainty regarding the ultimate outcome of these proceedings, as well of the potential effect on the amount and timing of the outflow of resources. This means that no reliable estimate can be made. Therefore, these proceedings are disclosed as a contingent liability and no provision is recorded in the financial statements.

Strukton Milieutechniek

Strukton Milieutechniek B.V. has been suspected of the storage / transshipment of hazardous waste without an issued environmental permit in the period from January 2022 to September 2022 inclusive. As of the date of preparing the financial statements for financial year 2024, there remains significant uncertainty regarding the ultimate outcome of these proceedings and the possible impact of the amount and timing of any outflow or resources.

27. Transactions with related parties

Identification

On 29 October 2010, Strukton Groep B.V. became part of Oranjewoud N.V. Oranjewoud N.V. holds all shares in Strukton Groep N.V. As at year-end 2024, all of the shares in Oranjewoud N.V. are held by Sanderink Investments B.V. Sanderink Investments B.V. is fully owned by Stichting Administratiekantoor Sanderink Investments of Gerard Sanderink.

The Enterprise Chamber (as requested by the Supervisory Board) (i) suspended Gerard Sanderink as statutory director of Oranjewoud and Strukton and (ii) placed the shares in Oranjewoud and held by Sanderink Investments (with the exception of 1 share) into custody with a custodian. The court appointed Marnix Holtzer, partner of DLA Piper, as the custodian.

The following entities and/or persons can be classified as related parties:

Key management personnel:

- The Executive Board of Strukton Groep B.V.: Gerard Sanderink (suspended since 17 March 2023 for an indefinite period), Rob van Wingerden (interim-CEO, statutory director, resigned 1 April 2025), Mark de Haas (interim CTO, statutory director, resigned 1 January 2025), Arthur Vlaanderen (CFO, not as statutory director, resigned 15 May 2025) and Willem-Jan Wieland (CLO, not as statutory director). Lieve Declercq and Willem Mentz were appointed after the end of the period and therefore they are not considered related parties for the financial statements of 2024
- The Supervisory Board members of Strukton Groep B.V.: Joseph Kuling, Monica Bremer (as per 21 March 2024), Bernard Fortuyn, Petra Koselka (as per 25 July 2024) and Hans van Leeuwen
- The Executive Board of Sanderink Investments B.V.: Gerard Sanderink
- The Executive Board of Oranjewoud N.V.: Gerard Sanderink (suspended since 17 March 2023 for an indefinite period), Rob van Wingerden (Statutory director, resigned 1 April 2025) and Yde van Hijum (Statutory director)
- The Supervisory Board members of Oranjewoud N.V.: Joseph Kuling, Monica Bremer (as per 21 March 2024), Bernard Fortuyn, Petra Koselka (as per 25 July 2024) and Hans van Leeuwen

Subsidiaries, Joint ventures and Associates:

- For an overview of all related Subsidiaries, Joint Ventures and Associates of Strukton Groep B.V., reference is made to Note 32 of these financial statements

(In)direct Parent companies:

- Stichting Administratiekantoor Sanderink Investments B.V. and its subsidiaries and interests in other entities;
- Sanderink Investments B.V. and its subsidiaries and interests in other entities; and
- Oranjewoud N.V. and its subsidiaries and interests in other entities.

Transactions with executives and managers in key positions
Managers in key positions include all persons authorised and responsible for directly or indirectly planning, managing and exercising influence on the activities of the entity. Refer for the managers in key positions for the reporting year 2024 to the key management personnel of Strukton as included above in this note.

The remuneration of managers in key positions can be specified as follows:

(X EUR 1,000)

	2024	2023
Short-term employee benefits	1,642	957
Other long-term employee benefits	24	19
	1,666	**976**

Transactions with Supervisory Board members
During 2024, the Supervisory Board members of Strukton were also the Supervisory Board members of Oranjewoud N.V. The Supervisory Board members were remunerated by Oranjewoud N.V.

Other transactions with related parties
The total amount of purchases from Oranjewoud N.V. in 2024 amounted to nil (2023: nil). Deliveries totalling EUR 2.3 million were made to Antea Group B.V. in the financial year 2024 (2023: EUR 1.6 million). The total amount of purchases from Antea Group B.V. in 2024 amounted to EUR 5.0 million (2023: EUR 4.7 million). The total amount of deliveries that were made to Centric Holding B.V. in the financial year 2024 amounted to nil (2023: nil). The total amount of purchases from Centric Holding B.V. in 2024 amounted to EUR 0.3 million (2023: EUR 1.5 million).

At year-end, the following receivables and liabilities exist due to transactions with related parties:

Transactions with related parties:

2024	Oranjewoud N.V.	Centric Holding B.V.	Sanderink Holding B.V.	Antea B.V.	Other related parties	Total
Current receivables	-	-	-	199	2,762	**2,961**
Current payables	-	-	-	255	276	**531**

2023	Oranjewoud N.V.	Centric Holding B.V.	Sanderink Holding B.V.	Antea B.V.	Other related parties	Total
Current receivables	-	-	-	384	3,145	**3,529**
Current payables	-	-	-	2,131	1,338	**3,469**

An amount of EUR 0.1 million of transactions with related parties is presented as held for sale (2023: 1.2 million). No impairments were considered necessary regarding the related party receivables.

Furthermore, as all shares owned by Sanderink Investments B.V. minus one have been placed into custody with a custodian (beheerder), the custodian, Mr. M. Holtzer, can also be considered a related party. Mr. Holtzer is not able to have direct influence on the management of Strukton Groep B.V. and its group entities. The only transactions with Mr. M. Holtzer are related to his remuneration for the services being provided, paid by Oranjewoud.

28. Subsequent events

Developments in projects
For the subsequent events occurred in our project please refer to the Key Projects section.

Appointment of new Chief Executive Officer
On 6 January 2025, the Supervisory Board nominated Lieve Declercq as the new Chief Executive Officer (CEO) of Strukton Groep with effect from 1 March 2025. She succeeded interim CEO Rob van Wingerden, who led Strukton to stability and perspective after a turbulent period. In her first weeks, both worked together on a smooth transition to ensure a sustainable future in which infrastructure and technology merge.

Resignation of Chief Transition Officer
As per 1 January 2025, Mark de Haas ended his role as interim Chief Transition Officer (CTO) after a turbulent period. His role in the Executive Board will not be replaced.

Appointment of new Chief Financial Officer
The Supervisory Board nominated Willem Mentz as the new Chief Financial Officer (CFO) of Strukton Groep with effect from 1 May 2025. He succeeded CFO Arthur Vlaanderen who stepped down as CFO to continue his career outside the company. In recent years, he has played a key role in stabilizing the company. In the first weeks of Willem Mentz, both worked together on a smooth transition to ensure a sustainable future in which infrastructure and technology merge.

Acquisition of CO.RAC.FER. S.r.l.
On 28 January 2025, Strukton Rail Italy S.r.l. acquired 100% of the shares in CO.RAC.FER. S.r.l. The acquisition has no impact on the financial position of 2024 as this is considered to be a non-adjusting event.

Start of Strukton Netherlands
During Q1 2025 a management platform in Strukton Netherlands was launched. This platform will discuss matters that transcend business units. The portfolio companies will be managed by either Strukton Roads & Concrete or Strukton Rail Netherlands. As part of this new platform, Terracon will no longer be held for sale. With these changes, we align our structure in the Netherlands with that of our operations in other countries and simplify the governance structure. These developments have no impact on the financial position of 2024 as this is considered to be a non-adjusting event.

Strukton Groep N.V. has become a private limited company
Effective Friday, April 18, Strukton Groep N.V. has become a private limited company (B.V.). As of April 18, the company is now called Strukton Groep B.V.

29. Services pursuant to concessions and PPP

Strukton's group companies participated in special purpose companies for PPP concession projects during 2024. These companies have entered into a concession agreement for providing services. All agreements are based on a public-private partnership (PPP). These are referred to as DBFM(O) contracts - Design, Build, Finance, Maintain and Operate contracts.
Companies over which Strukton can jointly exercise control are recognised as joint ventures or joint operations. If Strukton cannot exercise joint control, the company is recognised as an associate or an investment in equity instruments.

The following applies to all concession agreements:

- The concession payments depend on the availability of infrastructure or accommodation.
- Insofar as the fees concern the provision of support and other services, they are recognised in proportion to the delivery of the services.
- The concession agreements contain provisions for indexation, and certain elements of the agreements can be amended with reference to a benchmark.
- Strukton itself does not own the infrastructure or accommodation.
- The volatility of revenues is limited.
- The concession agreements do not allow for renewal.

School buildings
Strukton has a 20% stake (2023: 20%) in Talentgroep Montaigne B.V. through Strukton Finance Holding B.V. The concession agreement is a DBFM contract for the construction, maintenance and operation of a school building for the Montaigne Lyceum in The Hague. The concession commenced in 2004 and runs until 2034.

Public buildings
Strukton has a 6% stake (2023: 6%) in DUO2 B.V. through Strukton Finance Holding B.V. The concession agreement is a DBFMO contract for the construction, maintenance and operation of the shared accommodation for the Education Executive Agency (DUO) and the regional office in Groningen of the Dutch Tax and Customs Administration. The concession commenced in 2008 and runs until 2031.

Strukton has a 100% share (2023: 100%) in MEET Strukton Holding B.V. (formerly Strukton Hurks Heijmans Holding B.V.). This concession agreement concerns a DBFMO contract for the construction, maintenance and operation of the new housing of RIVM (National Institute for Public Health and the Environment) and CBG (the Dutch Medicines Evaluation Board) at Utrecht Science Park. The concession commenced in 2014 and runs until 2049.

The respective special purpose companies received non-recourse financing. No repayment or interest guarantees have been issued by Strukton.

30. Joint operations

Some of Strukton's activities are carried out in either temporary or permanent joint operations. Joint operations are joint arrangements whereby Strukton and other parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the joint operation. Strukton recognises its share in the joint operations' individual revenues and expenses, assets and liabilities and includes it on a line-by-line basis with corresponding items in Strukton's financial statements.

(X EUR 1,000)

	31/12/2024	31/12/2023
Assets		
Non-current assets	79	90
Current assets	27,350	32,807
	27,429	**32,897**
Liabilities		
Non-current liabilities	(1,989)	(172)
Current liabilities	(98,472)	(46,938)
	(100,461)	**(47,110)**
Balance assets and liabilities	**(73,032)**	**(14,213)**
	2024	**2023**
Revenues	45,785	84,151
Costs	(40,400)	(81,187)
	5,386	**2,964**

31. Assets and liabilities held for sale and gain on sale of divestments

31.1 Other income

During 2024 the Group sold its shares in Strukton Prefab Beton B.V., A1 Electronics Netherlands B.V., Van Rens B.V., Ooms Producten B.V., Asfalt Productie Amsterdam B.V., Asfalt Productie Rotterdam Rijnmond B.V., GBN Artificial Grass Recycling B.V. and Strukton Integrale Projecten B.V. The total gain recognised on the sale of these businesses amounts to EUR 10.0 million.

31.2 Assets and liabilities held for sale

Impact on statement of financial position

Assets and liabilities held for sale

(x EUR 1,000)

	31/12/2024	31/12/2023
Property, plant and equipment	6,173	6,238
Right-of-use assets	4,990	3,615
Intangible assets	25	1,278
Other non-current assets	-	8,185
Deferred tax assets	-	-
Inventories	340	4,531
Contract assets	4,313	5,219
Other receivables	5,731	13,285
Cash and cash equivalents	21	2,294
Assets held for sale	**21,593**	**44,645**
Non-current liabilities	3,673	2,359
Current liabilities	7,702	13,071
Liabilities held for sale	**11,375**	**15,430**

Gain on sale of subsidiaries

	2024	2023
Gain on the sale of other subsidiaries	9,958	16,249
	9,958	**16,249**

32. Overview of Group companies and interests in other entities

A. Group companies

The following companies are fully consolidated:

Name	Statutory office	% Share in the issued capital 2024	% Share in the issued capital 2023
Strukton Rail B.V. *[12]	Utrecht (NLD)	100.00	100.00
Strukton Rail Nederland B.V. *[12]	Utrecht (NLD)	100.00	100.00
Strukton Rail Short Line B.V. *[12]	Utrecht (NLD)	100.00	100.00
IWORKX B.V. 12	Utrecht (NLD)	100.00	100.00
Strukton Rolling Stock B.V. *[12]	Utrecht (NLD)	100.00	100.00
Strukton M&E B.V. [12]	Maarssen (NLD)	100.00	100.00
Strukton Systems B.V. *[12]	Utrecht (NLD)	100.00	100.00
Strukton Rail Equipment B.V. *[12]	Utrecht (NLD)	100.00	100.00
Strukton Rail Asset Management B.V. [12]	Utrecht (NLD)	100.00	100.00
Strukton Railinfra Projecten B.V. *[12]	Utrecht (NLD)	100.00	100.00
Strukton Rail Italy S.r.l.	Bologna (ITA)	100.00	100.00
Uniferr S.r.l.	Reggio Emilia (ITA)	100.00	100.00
Promofer S.r.l.	Rome (ITA)	100.00	100.00
FER RENT S.r.l.	Milano (ITA)	100.00	100.00
Costruzioni Linee Ferroviarie S.p.A.	Bologna (ITA)	100.00	100.00
Construzioni Linee Ferroviarie CLF C.A.	Caracas (VEN)	100.00	100.00
S.I.F.EL S.p.A.	Spigno Monferrato (ITA)	100.00	100.00
Société d'Installations Ferroviaires et Electriques Maroc	Rabat (MAR)	100.00	100.00
AR.FER S.r.l.	Alessandria (ITA)	100.00	100.00
Strukton Construction Trading WLL	Doha (QAT)	49.00	49.00
Strukton Rail Australia PTY Ltd.	Perth (AUS)	100.00	100.00
Strukton Rail International B.V. *[12]	Utrecht (NLD)	100.00	100.00
Strukton Rail N.V.	Merelbeke (BEL)	100.00	100.00
Siebens Spoorbouw B.V.B.A.	Wilrijk (BEL)	100.00	100.00
Certus Rail Solutions N.V.	Merelbeke (BEL)	100.00	100.00
Strukton Railinfra AB	Stockholm (SWE)	100.00	100.00
Strukton Rail AB	Stockholm (SWE)	100.00	100.00
Strukton Rail A/S	Kopenhagen (DNK)	100.00	100.00
Strukton Rail Västerås AB	Stockholm (SWE)	100.00	100.00
SR Kraft AS	Oslo (NOR)	100.00	100.00
Strukton Rail Holding A/S (DK)	Taastrup (DNK)	100.00	100.00
Strukton Rail S-Bane A/S	Taastrup (DNK)	100.00	100.00
JPL Rail A/S	Ørje (NOR)	100.00	100.00
Strukton Civiel B.V. [12]	Utrecht (NLD)	100.00	100.00
Strukton Civiel Projecten B.V. [12]	Utrecht (NLD)	100.00	100.00
Strukton Roads & Concrete B.V. [12]	Utrecht (NLD)	100.00	100.00
Strukton Infrastructure Specialties B.V. [12]	Utrecht (NLD)	100.00	100.00
Portfolio Investments Holding B.V. [12]	Utrecht (NLD)	100.00	100.00
GBN Holding B.V. [12]	Utrecht (NLD)	100.00	100.00
GBN Groep B.V. [12]	Utrecht (NLD)	100.00	100.00

GBN Immobilisatie B.V. [2]	Utrecht (NLD)	100.00	100.00
Grondbank Stadskanaal B.V. [1,2]	Utrecht (NLD)	100.00	100.00
Grind & Ballast Recycling Nederland B.V. [1,2]	Utrecht (NLD)	100.00	100.00
A-Lanes Asset Management B.V. [1,2]	Utrecht (NLD)	100.00	100.00
A1 Electronics Netherlands B.V. [1,2,3]	Almelo (NLD)	-	100.00
Buca Electronics B.V. [1]	Almelo (NLD)	100.00	100.00
Terracon Beheer B.V. *[1,2,4]	Werkendam (NLD)	100.00	100.00
Terracon Funderingstechniek B.V. * [1,2,4]	Nieuwendijk (NLD)	100.00	100.00
Terracon International B.V. [1,2,4]	Nieuwendijk (NLD)	100.00	100.00
Terracon Spezialtiefbau GmbH[4]	Berlin (DEU)	100.00	100.00
Terracompact B.V.[4]	Utrecht (NLD)	100.00	100.00
Molhoek Aannemingsbedrijf B.V. [1,2]	Nieuwendijk (NLD)	100.00	100.00
Strukton Engineering B.V. [1,2]	Utrecht (NLD)	100.00	100.00
Strukton Prefab Beton B.V. [1,2,3]	Utrecht (NLD)	-	100.00
Strukton Civiel Equipment B.V. [1,2]	Scharwoude (NLD)	100.00	100.00
Ooms Producten B.V. *[1,2]	Scharwoude (NLD)	-	100.00
Unihorn B.V. [1,2]	Avenhorn (NLD)	100.00	100.00
Unihorn Astana Ltd. i.l. **	Astana (KAZ)	100.00	100.00
Strukton Milieutechniek B.V. *[1,2,4]	Utrecht (NLD)	100.00	100.00
Strukton Betonrenovaties & Voegovergangen B.V. [1,2]	Nieuwendijk (NLD)	100.00	100.00
Reanco B.V.	Breda (NLD)	-	100.00
Recycling & Overslag Breda B.V.[2]	Reanco (NLD)	-	100.00
Van Rens B.V. [1,2]	Horst (NLD)	-	100.00
Strukton Civiel Startup & Innovation Centre B.V. [1]	Utrecht (NLD)	100.00	100.00
Ooms PMB B.V. [1,2]	Scharwoude (NLD)	-	100.00
Ooms PMB HK Ltd.	Hong Kong (CHN)	-	100.00
Avenue2 Infra V.O.F.	Nieuwegein (NLD)	100.00	100.00
La Mondiale N.V.	Etterbeek (BEL)	100.00	100.00
MEET RIVM CBG B.V. *[1]	Utrecht (NLD)	100.00	100.00
Strukton Integrale Projecten B.V. *[1,2,3]	Utrecht (NLD)	100.00	100.00
SPC Management Services B.V. [1,2]	Utrecht (NLD)	-	100.00
Strukton Finance ESCo's Holding B.V. [1,2]	Utrecht (NLD)	100.00	100.00
RGG cluster zwembaden ESCo Invest B.V. [1,2]	Utrecht (NLD)	-	100.00
RGG KPP ESCo Invest B.V. [1,2]	Utrecht (NLD)	100.00	100.00
Strukton Assets B.V. [1,2]	Utrecht (NLD)	100.00	100.00
MEET Strukton Holding B.V.	Utrecht (NLD)	100.00	100.00
MEET Strukton B.V.	Utrecht (NLD)	100.00	100.00
Strukton Management B.V. *[1,2]	Utrecht (NLD)	100.00	100.00
Strukton Vastgoedbeheer en Facility Management B.V. [1,2]	Utrecht (NLD)	-	100.00
Servica B.V. [1,2]	Utrecht (NLD)	-	100.00
BAG B.V. **	Maastricht (NLD)	100.00	100.00
Strukton Power B.V.[1,2]	De Meern (NLD)	100.00	100.00
Strukton Materieel B.V. *	Utrecht (NLD)	100.00	100.00
Strukton Vuka B.V. [1,2]	Utrecht (NLD)	-	100.00
Strukton Elschot B.V. [1,2]	Utrecht (NLD)	-	100.00
Molhoek-CCT B.V. [1,2]	Utrecht (NLD)	100.00	100.00
Strukton Infratechnieken B.V. [1,2]	Utrecht (NLD)	100.00	100.00
Strukton Microtunneling B.V. [1,2]	Maarssen (NLD)	-	100.00
Canor Benelux B.V. [1,2]	Utrecht (NLD)	-	100.00

Reanco Benelux B.V. [12]	Utrecht (NLD)	100.00	100.00
Strukton combinatie Rijswijk Delft-Zuid V.O.F. [2]	Utrecht (NLD)	100.00	100.00
Strukton International B.V. [12]	Utrecht (NLD)	100.00	100.00
Strukton International Denmark A/S	Kopenhagen (DNK)	100.00	100.00
Strukton Specialistische Technieken B.V. [12]	Utrecht (NLD)	-	100.00
Strukton International Rail B.V. [12]	Utrecht (NLD)	-	100.00
Strukton International Deutschland GMBH	Kleve (DEU)	100.00	100.00
Strukton PHS Rail-Civiel B.V.	Utrecht (NLD)	100.00	100.00

The following companies are fully included in the consolidation with a non-controlling interest:

Name	**Statutory office**	**% Share in the issued capital 2024**	**% Share in the issued capital 2023**
TRI Stockholm AB	Hägersten (SWE)	60.00	60.00

B. The following companies are partially accounted for (joint operations):

Name	**Statutory office**	**% Share in the issued capital 2024**	**% Share in the issued capital 2023**
Strukton-Aarsleff JV I/S	Aarhus (DNK)	50.00	50.00
SITEC Infrastutture Consorzio Stabile Di Ingegneria	Bologna (ITA)	47.50	47.50
A-Lanes Civil V.O.F.	Nieuwegein (NLD)	50.00	50.00
Avenue 2 V.O.F.	Nieuwegein (NLD)	25.00	25.00
Combinatie Versterken Bruggen V.O.F.	Capelle a/d IJssel (NLD)	50.00	50.00
BPL Wegen V.O.F.	Rotterdam (NLD)	50.00	50.00
Combinatie Buitenring V.O.F.	Rotterdam (NLD)	33.33	33.33
A-Lanes A15 Mobility V.O.F.	Nieuwegein (NLD)	45.00	45.00
A-Lanes Roads V.O.F.	Nieuwegein (NLD)	50.00	50.00
DUOS V.O.F.	Oldenzaal (NLD)	50.00	50.00
A9V1 V.O.F.	Utrecht (NLD)	50.00	50.00
Combinatie Natuuronwikkeling Maasplassen V.O.F.	Vinkel (NLD)	50.00	50.00
Rions - Strukton Roads & Concrete V.O.F. (2022: Combinatie Rions – Strukton Civiel Zuid V.O.F.)	Sittard (NLD)	50.00	50.00
Hydraphalt V.O.F.	Scharwoude (NLD)	50.00	50.00
Zandexploitatie Westfriesland V.O.F.	Scharwoude (NLD)	50.00	50.00
Combinatie Dinteloord V.O.F.	Middelharnis (NLD)	50.00	50.00
Combinatie Zijkanaal D V.O.F.	Sliedrecht (NLD)	50.00	50.00
Combinatie Colijn/Rasenberg/van den Herik V.O.F.	Sliedrecht (NLD)	50.00	50.00
Combinatie Gladheidsbestrijding Ballast Nedam – Strukton V.O.F.	Leerdam (NLD)	50.00	50.00
Grondstoffen Recycling Burgum V.O.F.	Utrecht (NLD)	50.00	50.00
Grondstoffen Recycling Sappemeer V.O.F.	Utrecht (NLD)	50.00	50.00
Combinatie Tussen de Westfriezen V.O.F.	Alkmaar (NLD)	16.67	16.67
Combinatie BNOC V.O.F.	Leerdam (NLD)	50.00	50.00

Combinatie Strukton Civiel / Oosterhof Holman V.O.F.	Oldenzaal (NLD)	50.00	50.00
Combinatie OP Beneden-LEK V.O.F.	Scharwoude (NLD)	50.00	50.00
Combinatie Strukton Arcadis Delft Interlocking V.O.F.	Utrecht (NLD)	75.00	75.00
Combinatie Strukton-Den Ouden V.O.F.	Breda (NLD)	50.00	50.00
Combinatie Strukton Civiel Zuid / Van den Herik V.O.F.	Breda (NLD)	50.00	50.00
Combinatie Sluis 0 Den Bosch V.O.F.	Sliedrecht (NLD)	50.00	50.00
Combinatie Van den Herik – Strukton Civiel West V.O.F.	Sliedrecht (NLD)	50.00	50.00
Grondbank West Brabant V.O.F.	Utrecht (NLD)	50.00	50.00
Combinatie K. Dekker – Ooms Construction Muiden V.O.F.	Warmenhuizen (NLD)	50.00	50.00
GBB Grondbank Budel V.O.F.	Zeeland (NLD)	50.00	50.00
Switch - Realisatie NW-2 V.O.F.	Utrecht (NLD)	50.00	50.00
Switch V.O.F.	Utrecht (NLD)	50.00	50.00
Arge Instandsetzung Reinbrucke Maxau	Karlsruhe (DEU)	50.00	50.00
Arge A9 Guntersdorf Instands BW 68	Langen (DEU)	50.00	50.00
Bouwcombinatie SVS V.O.F.	Vianen (NLD)	50.00	50.00
Strukton & Van den Herik V.O.F.	Breda (NLD)	50.00	50.00
Combinatie Strukton Civiel West – Jaro V.O.F.	Scharwoude (NLD)	50.00	50.00
Brücke A43 Rhein-Herne-Kanal Instands	Langen (DEU)	-	50.00
Combinatie Piet-Heinplein V.O.F.	Den Haag (NLD)	50.00	50.00
Combinatie BRM 380kV Station Tennet Tilburg	Utrecht (NLD)	50.00	50.00
Hoka Noord-West V.O.F.	's-Hertogenbosch (NLD)	50.00	50.00
Groene Liggers V.O.F.	Hoofddorp (NLD)	50.00	50.00

C. Associates and joint ventures:

Name	Statutory office	% Share in the issued capital 2024	% Share in the issued capital 2023
Exploitatie Maatschappij A-Lanes A15 B.V.	Nieuwegein (NLD)	50.00	50.00
Eurailscout Inspection & Analysis B.V.	Utrecht (NLD)	50.00	50.00
New Sorema Ferroviaria S.p.A.	Brescia (ITA)	50.00	50.00
WeCity B.V.	Harderwijk (NLD)	50.00	50.00
GBN Artificial Grass Recycling B.V.	Utrecht (NLD)	-	55.00
Grondstoffen Recycling Weert B.V.	Weert (NLD)	50.00	50.00
Combinatie Verkeersmaatregelen A-Lanes V.O.F.	Rotterdam (NLD)	50.00	50.00
Nederlands Wegen Markeerbedrijf B.V.	Oosterwolde (NLD)	50.00	25.00
Aduco Nederland B.V.	Ede (NLD)	20.00	25.00
Asfalt Productie Amsterdam (APA) B.V.[3]	Amsterdam (NLD)	-	25.00
Asfalt Productie Rotterdam Rijnmond (APRR) B.V. [3]	Rotterdam (NLD)	-	25.00
BituNed B.V.	Reeuwijk (NLD)	-	50.00
SolaRoad B.V.	Delft (NLD)	-	20.00
DMI Nederland B.V.	Weert (NLD)	50.00	50.00
Strukton LLC	Riyadh (SAU)	49.00	49.00
Petroserv Ltd./Strukton Construction and Trading WLL	Doha (QAT)	50.00	50.00
A-Lanes Management Services B.V.[3]	Nieuwegein (NLD)	-	25.00
Aendless Energy B.V.	Den Ham (NLD)	-	50.00
Rebru V.O.F.	Utrecht (NLD)	50.00	50.00
Pavement Information Modelling V.O.F.	Nieuwegein (NLD)	12.50	12.50

The following companies are accounted for as investments in equity instruments:

Name	Statutory office	% Share in the issued capital 2024	% Share in the issued capital 2023
Voestalpine Railpro B.V.	Hilversum (NLD)	10.00	10.00
Strukton Finance Holding B.V. ***	Utrecht (NLD)	7.89	7.89
C2CA Technology B.V.	Utrecht (NLD)	7.91	27.37

* For companies marked with *, Strukton Groep B.V. issued liability statements in accordance with Section 403 of Title 9 Book 2 of the Dutch Civil Code.

** In liquidation

*** The share capital of Strukton Finance Holding B.V. consists of different types of shares linked to the various investments in PPP projects. For all participations, the ratio is 80/20 (DIF/Strukton) except for ISE Holding B.V., which has a 90/10 ratio (DIF/Strukton), and Strukton Finance B.V. (Delfluent) and Komfort Holding B.V., where all tracker shares are held by DIF.

[1] These entities belong to the Dutch fiscal unity for corporate income tax.

[2] These entities belong to the Dutch fiscal unity for value added tax.

[3] These entities have been classified as held for sale per year-end 2023.

[4] These entities have been classified as held for sale per year-end 2024.

Company financial statements
Company balance sheet before proposed result appropriation

(X EUR 1,000)

		31 December 2024		31 December 2023	
	Non-current assets				
1	Property, plant and equipment	5,182		5,719	
2	Intangible assets	565		547	
3	Right-of-use assets	128		161	
4	Financial non-current assets	405,585		278,378	
	Total non-current assets		**411,461**		**284,805**
	Current assets				
5	Trade and other receivables	4,356		30,456	
6	Cash and cash equivalents	104,193		83,300	
	Total current assets		**108,549**		**113,756**
	Total assets		**520,010**		**398,561**
	Equity				
	Issued share capital	2,269		2,269	
	Share premium reserve	138,803		138,803	
	Other reserves	30,254		183,874	
	Undistributed result for the year	10,741		(142,015)	
7	**Total equity**		**182,067**		**182,931**
8	Provisions		86,618		71,960
9	Non-current liabilities		44,241		13,200
10	Current liabilities		207,084		130,470
	Total equity and liabilities		**520,010**		**398,561**

Company statement of income

(X EUR 1,000)

		2024	2023
	Results from subsidiaries after income taxes	**(28,580)**	**37,725**
11	Corporate result after income taxes	39,322	(179,741)
	Net result for the year	**10,741**	**(142,015)**

Notes to the Company financial statements

On 29 October 2010, Strukton Groep B.V. became part of Oranjewoud N.V. Oranjewoud N.V. holds all shares in Strukton Groep B.V. The ultimate parent company of Oranjewoud N.V. is Sanderink Investments B.V. The previous CEO of Strukton Groep B.V. was suspended and the shares of Oranjewoud N.V., our parent company, held by him were transferred to a custodian who was appointed by the Enterprise Chamber for the duration of the court proceedings.

Where reference is made in the Company financial statements to transactions with group companies, this means both relations between Strukton Groep B.V. and its subsidiaries and the relations with other group companies that are part of Strukton Groep B.V. and Sanderink Investments B.V., and their related companies. Strukton Groep B.V. is registered in the Dutch Trade Register under number 30004006.

General principles for the preparation of the Company financial statements

Strukton's company financial statements are included in the consolidated financial statements. The company financial statements of Strukton are prepared in accordance with the legal provisions set out in Title 9, Book 2 of the Dutch Civil Code. Within this context, the Company utilises the option provided by Section 2:362 sub 8 of the Dutch Civil Code to apply the same accounting policies to the company financial statements as those applied to the consolidated financial statements. Strukton companies included in the consolidation are stated at net equity value in accordance with the accounting policies applicable to the consolidated financial statements of Strukton. Joint ventures and associates in which significant control is held are valued according to the equity method. The accounting policies as applied to the consolidated financial statements are also applied as the accounting policies of the company financial statements for the determination of the result.

Furthermore, the Company financial statements contain only an abridged statement of income, through the application of Section 402 of Book 2 of the Dutch Civil Code.

Subsidiaries with a negative net asset value

Subsidiaries with negative net asset value are valued at nil. Other long-term interests in these subsidiaries that are in substance part of the net investment (such as long-term receivables) are taken into account in this valuation.

If the Company fully or partly guarantees the liabilities of the subsidiaries concerned, or has the effective obligation to enable the subsidiaries to pay its (share of the) liabilities, a provision is formed.

Accounting policies for the measurement and determination of results

If not stated otherwise, the accounting policies applied are the same as those in the 2024 Consolidated Financial Statements. For a correct interpretation of Strukton's company financial statements, please refer to Strukton's consolidated financial statements.

1. Property, plant and equipment

(X EUR 1,000)

	Land	Buildings	Total
As at 1 January 2023			
Cost	1,784	26,265	**28,049**
Cumulative depreciation and impairment	(456)	(21,452)	**(21,908)**
Carrying amount	**1,328**	**4,813**	**6,141**
Investments	-	-	**-**
Disposals	-	-	**-**
Depreciation	(1)	(601)	**(602)**
Other movements	180		**180**
Carrying amount as at 31 December 2023	**1,507**	**4,212**	**5,719**
As at 1 January 2024			
Cost	1,784	26,265	**28,049**
Cumulative depreciation and impairment	(277)	(22,053)	**(22,330)**
Carrying amount	**1,507**	**4,212**	**5,719**
Investments	-	-	**-**
Disposals	-	-	**-**
Depreciation	(537)	-	**(537)**
Other movements	-	-	**-**
Carrying amount as at 31 December 2024	**970**	**4,212**	**5,182**
As at 31 December 2024			
Cost	1,784	26,265	**28,049**
Cumulative depreciation and impairment	(814)	(22,053)	**(22,867)**
Carrying amount	**970**	**4,212**	**5,182**

Strukton leases most of its industrial buildings to its subsidiaries.
Lease income recognised by Strukton in 2024 was EUR 3.0 million (2023: EUR 3.3 million). These leases are subject to 12 months' notice.

The depreciation terms are based on expected economic life.

- Land No depreciation (only paved areas are subject to depreciation, 8 to 20 years)
- Buildings 10 to 50 years

2. Intangible assets

(X EUR 1,000)

	Software	Assets under construction	Total
2023			
Carrying amount as at 1 January 2023	**524**	**-**	**524**
Investments	154	-	154
Amortisation	(131)	-	(131)
Assets under construction put in use	-	-	-
Other movements	-	-	-
Carrying amount as at 31 December 2023	**547**	**-**	**547**
Cost	809	-	809
Accumulated amortisation and impairments	(262)	-	(262)
Carrying amount as at 31 December 2023	**547**	**-**	**547**
2024			
Carrying amount as at 1 January 2024	**547**	**-**	**547**
Investments	179	-	179
Amortisation	(162)	-	(162)
Assets under construction put in use	-	-	-
Other movements	-	-	-
Carrying amount as at 31 December 2024	**565**	**-**	**565**
Cost	989	-	989
Accumulated amortisation and impairments	(424)	-	(424)
Carrying amount as at 31 December 2024	**565**	**-**	**565**

3. Right-of-use assets

(X EUR 1,000)

	Cars	Total
2023		
Carrying amount as at 1 January 2023	**23**	**23**
Additions	257	257
Contract modifications	-	-
Depreciation	(119)	(119)
Other movements	-	-
Carrying amount as at 31 December 2023	**161**	**161**

2024		
Carrying amount as at 1 January 2024	**161**	**161**
Additions	47	47
Contract modifications	-	-
Depreciation	(80)	(80)
Other movements	-	-
Carrying amount as at 31 December 2024	**128**	**128**

The payment obligations corresponding with the lease contracts are recognised in current liabilities and non-current liabilities. For more information relating to these lease liabilities, please refer to notes 9. Non-current liabilities and 10. Current liabilities.

4. Financial non-current assets

(X EUR 1,000)

	31/12/2024	**31/12/2023**
Subsidiairies	385,810	255,904
Loans to group companies	1,175	15,172
Subordinated loans	-	-
Third-party receivables	492	497
Deferred tax assets	16,289	4,986
	403,766	**276,559**
Investments in equity instruments	1,819	1,819
	405,585	**278,378**

An interest rate of 4,0% is charged on receivables from group companies during the year. As per year-end 2024, the non-current receivables from group companies have decreased due to repayments.

Movements in financial non-current assets were as follows:

(X EUR 1,000)

	Subsidiaries	Receivables from group companies	Subordinat-ed loans	Third-party receivables	Deferred tax receivables	Investments in equity instruments	Total
As at 1 January 2023	**301,309**	**31,520**	**10,000**	**497**	**5,425**	**1,820**	**350,571**
Additions	380	68,315	-	-	-	-	68,695
Disposals	(490)	-	-	-	-	-	(490)
Capital contributions	10,000	-	(10,000)	-	-	-	-
Share in results	37,725	-	-	-	-	-	37,725
Movement to provision for subsidiaries	-	(54,346)	-	-	-	-	(54,346)
Dividends	(90,000)	6,000	-	-	-	-	(84,000)
Fx conversion result	(295)	-	-	-	-	-	(295)
Repayments	-	(36,366)	-	-	-	-	(36,366)
Reversal of impairment	-	-	-	-	-	-	-
Revaluations	-	-	-	-	(439)	-	(439)
Other movements	(2,725)	49	-	-	-	(1)	(2,677)
As at 31 December 2023	**255,904**	**15,172**	**-**	**497**	**4,986**	**1,819**	**278,378**
Additions	-	6,350	-	-	11,368	-	17,718
Disposals	(60)	-	-	-	(65)	-	(125)
Capital contributions	194,925	-	-	-	-	-	194,925
Share in results	(28,580)	-	-	-	-	-	(28,580)
Movement to provision for subsidiaries	-	-	-	-	-	-	-
Release of provision	(2,134)	34,596	-	-	-	-	32,462
Dividends	(20,604)	-	-	-	-	-	(20,604)
Fx conversion result	(2,475)	-	-	-	-	-	(2,475)
Repayments	-	(54,928)	-	-	-	-	(54,928)
Revaluations	-	-	-	-	-	-	-
Other movements	(11,166)	(15)	-	(5)	-	-	(11,186)
As at 31 December 2024	**385,810**	**1,175**	**-**	**492**	**16,289**	**1,819**	**405,585**

5. Trade and other receivables

(X EUR 1,000)

	31/12/2024	31/12/2023
Trade receivables - net	201	80
Receivables from group companies	4,018	30,083
Other receivables and accrued income	137	293
	4,356	**30,456**

The majority of the receivables from group companies is related to the VAT positions of the Dutch fiscal unity which are still to be received from group companies. Please refer for an overview of the entities in the Dutch fiscal unity for VAT to note 32 of the consolidated financial statements. The receivables from group companies have a total gross amount of EUR 98.5 million, of which EUR 94.5 million is provided for due to subsidiaries with negative net asset value. The net receivable from group companies totals to EUR 4.0 million.

6. Cash and cash equivalents

An amount of EUR 3.0 million (2023: EUR 12.5 million) is collateralised for banks.

All cash and cash equivalents are fully at the Company's free disposal.

7.Equity

(X EUR 1,000)

	Share Capital	Share Premium	Foreign currency translation (legal) reserve	Hedging (legal) reserve	Actuarial reserves	Other legal reserves	Retained earnings	Unappropriated result	Total equity
Balance 1 January 2023	**2,269**	**69,000**	**(2,199)**	**-**	**(10,550)**	**11,341**	**(21,668)**	**205,721**	**253,914**
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-
Appropriation of result 2022	-	-	-	-	-	-	205,721	(205,721)	-
Result for the reporting period	-	-	-	-	-	-	-	(142,015)	(142,015)
Unrealised results	-	-	5,561	-	(4,331)	-	-	-	1,230
Total recognised result for the reporting period	**-**	**-**	**5,561**	**-**	**(4,331)**	**-**	**205,721**	**(347,736)**	**(140,785)**
Change in legal reserve	-	-	-	-	-	2,865	(2,865)	-	-
Dividend paid to shareholders	-	-	-	-	-	-	-	-	-
Share premium contribution	-	69,803	-	-	-	-	-	-	69,803
Balance 31 December 2023	**2,269**	**138,803**	**3,362**	**-**	**(14,881)**	**14,206**	**181,188**	**(142,015)**	**182,932**
Balance 1 January 2024	**2,269**	**138,803**	**3,362**	**-**	**(14,881)**	**14,206**	**181,188**	**(142,015)**	**182,932**
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-
Appropriation of result 2023	-	-	-	-	-	-	(142,015)	142,015	-
Result for the reporting period	-	-	-	-	-	-	-	10,741	10,741
Unrealised results	-	-	(7,235)	-	553	-	-	-	(6,682)
Total recognised result for the reporting period	**-**	**-**	**(7,235)**	**-**	**553**	**-**	**(142,015)**	**152,756**	**4,059**
Change in legal reserve	-	-	-	-	(518)	1,015	(5,421)	-	(4,924)
Dividend paid to shareholders	-	-	-	-	-	-	-	-	-
Share premium contribution	-	-	-	-	-	-	-	-	-
Balance 31 December 2024	**2,269**	**138,803**	**(3,873)**	**-**	**(14,846)**	**15,221**	**33,752**	**10,741**	**182,067**

The other legal reserves include reserves relating to earnings retained by subsidiaries, associates and joint ventures to the extent that there are limitations to arrange profit distributions and reserves of investments that are not at the Company's disposal for allocation.

The legal reserve also includes reserves related to capitalised development costs of EUR 0.5 million (2023: 0.5). The remaining share capital is specified in the consolidated financial statements.

The difference between the company only equity and the shareholder's equity in the consolidated financial statements consists of the following:

	2024	2023
Provision for receivables from group companies	(229,144)	(260,920)
Adjustment negative equity subsidiaries	276,416	336,744
Total	**47,272**	**75,824**
Group	134,795	107,108
Co-only	182,067	182,932
Difference	**(47,272)**	**(75,824)**

The difference between the company unappropriated result and the unappropriated result in the consolidated financial statements consists of the following:

	2024	2023
Provision for receivables from group companies	31,776	(151,934)
Adjustment negative result subsidiaries	(60,328)	(3,395)
Total	**(28,552)**	**(155,329)**
Group	39,293	13,314
Co-only	10,741	(142,015)
Difference	**28,552**	**155,329**

For Strukton International B.V., the negative result was only adjusted in the company's individual results, as no declaration of liability in accordance with Article 403 of Book 2 of the Dutch Civil Code was issued for these entities. This explains the differences with the consolidated financial statements as mentioned above.

8.Provisions

(X EUR 1,000)

	Provision for subsidiaries	Tax provisions	Other provisions	Total
As at 1 January 2023	**5,047**	**1,324**	**21**	**6,392**
Additions		-	69,805	69,805
Withdrawals	-	-	-	-
Release of provision	(2,913)	(1,324)	-	(4,237)
Other movements	-	-	-	-
As at 31 December 2023	**2,134**	**-**	**69,826**	**71,960**
Additions	-	7,582	9,210	16,792
Withdrawals	-	-	-	-
Release of provision	(2,134)	-	-	(2,134)
Other movements	-	-	-	-
As at 31 December 2024	**-**	**7,582**	**79,036**	**86,618**

The decrease in the provision of EUR 2.1 million for subsidiaries is related to the negative equity of subsidiaries for which Strukton Groep B.V. has issued liability statements in accordance with Section 403 of Title 9 Book 2 of the Dutch Civil Code.
The short term part of the other provision consists of EUR 34.5 million.

The other provision comprises EUR 69.0 million related to Strukton Groep B.V.'s guarantee of Strukton Civiel Projecten's obligations under the 'Hoofdstation Groningen' project, and EUR 10.0 million pertaining to the settlement with the Public Prosecution Service.

9. Non-current liabilities

(X EUR 1,000)

	31/12/2024	31/12/2023
Lease liabilities	110	89
Deferred tax liabilities	-	71
Tax payables	-	13,040
Debts to group companies	44,131	-
	44,241	**13,200**

The debts to group companies relates to Strukton Assets and had an applicable interest rate of 0% during 2024 (2023: 0%). This interest rate is reassessed on an annual basis. Repayment of the debts to group companies will take place in full or in parts, in mutual consultation between the parties, with Strukton Groep B.V. being entitled to fully or partially repay the balances without owing any penalty (interest) and/or costs.

10. Current liabilities

(X EUR 1,000)

	31/12/2024	31/12/2023
Debt to financial institutions	-	-
Trade payables	718	1,822
Lease liabilities	-	78
Debts to group companies	182,382	101,145
Tax payables	16,022	18,786
Other liabilities and accruals	7,962	8,639
	207,084	**130,470**

The debts to group companies mainly consists of the current account payable to Strukton Rail B.V. of EUR 99.6 million (2023: EUR 26.7 million), Strukton Rail Nederland B.V. of EUR 18.2 million (2023: EUR 22.6 million) and Strukton Power B.V. of EUR 13.5 million (2023: EUR 0.0 million).

The tax payables mainly relate to VAT payables for the Dutch fiscal unity. For all entities included in the Dutch fiscal unity, please refer to note 32 of the consolidated financial statements.

11. Corporate result after income taxes

(X EUR 1,000)

	2024	2023
Corporate result after income taxes	39,322	(179,741)

In 2024, the tax gain of the tax group amounts to EUR 9.8 million (2023: EUR 0.8 million expense). Additionally, the Other results consist of financial income and expenses, overheads and the provision for receivables from group companies.

Strukton formed an independent tax group with most of its domestic subsidiaries during the entire financial year 2024. Strukton does not charge proportionate corporate income tax to its individual subsidiaries.

At year-end 2024, Strukton Groep B.V. had 33.0 employees in FTE (2023: 33.0). The average number of employees in FTE amounted to 33.0 (2023: 28.0). There are no employees in other countries than the Netherlands.

12. Off-balance-sheet commitments and securities provided

As of 31 December 2024, bankers had issued guarantees and letters of intent up to a total amount of EUR 3.0 million (2023: EUR 10.0 million).

13. Remuneration Supervisory Board and the Strukton Executive Board

For an overview of the remuneration of Supervisory Board and Executive Board members, please refer to the consolidated financial statements.

14. Auditor fees

The total fees for the audit of the consolidated financial statements are listed below. The fees stated below for the audit of the financial statements are based on the total fees for the audit of the financial statements, regardless of whether the procedures were already performed in the financial year.

Expenses for services provided by the Company's current independent auditor, Forvis Mazars Accountants N.V., and other audit firms to Strukton and its subsidiaries are specified as follows:

(X EUR 1,000)

2024	Forvis Mazars Accountants N.V.	Total
Audit fees	1,600	1,600
Audit-related fees	-	-
Tax fees	-	-
Other non-audit fees	-	-
	1,600	**1,600**

2023	Forvis Mazars Accountants N.V.	Total
Audit fees	1,600	1,600
Audit-related fees	-	-
Tax fees	-	-
Other non-audit fees	-	-
	1,600	**1,600**

15. Dividend proposal

The proposal is for the General Meeting of Shareholders to refrain from paying out dividends and added the full result to the general reserves (2023: result subtracted from the general reserve).

16. Subsequent events

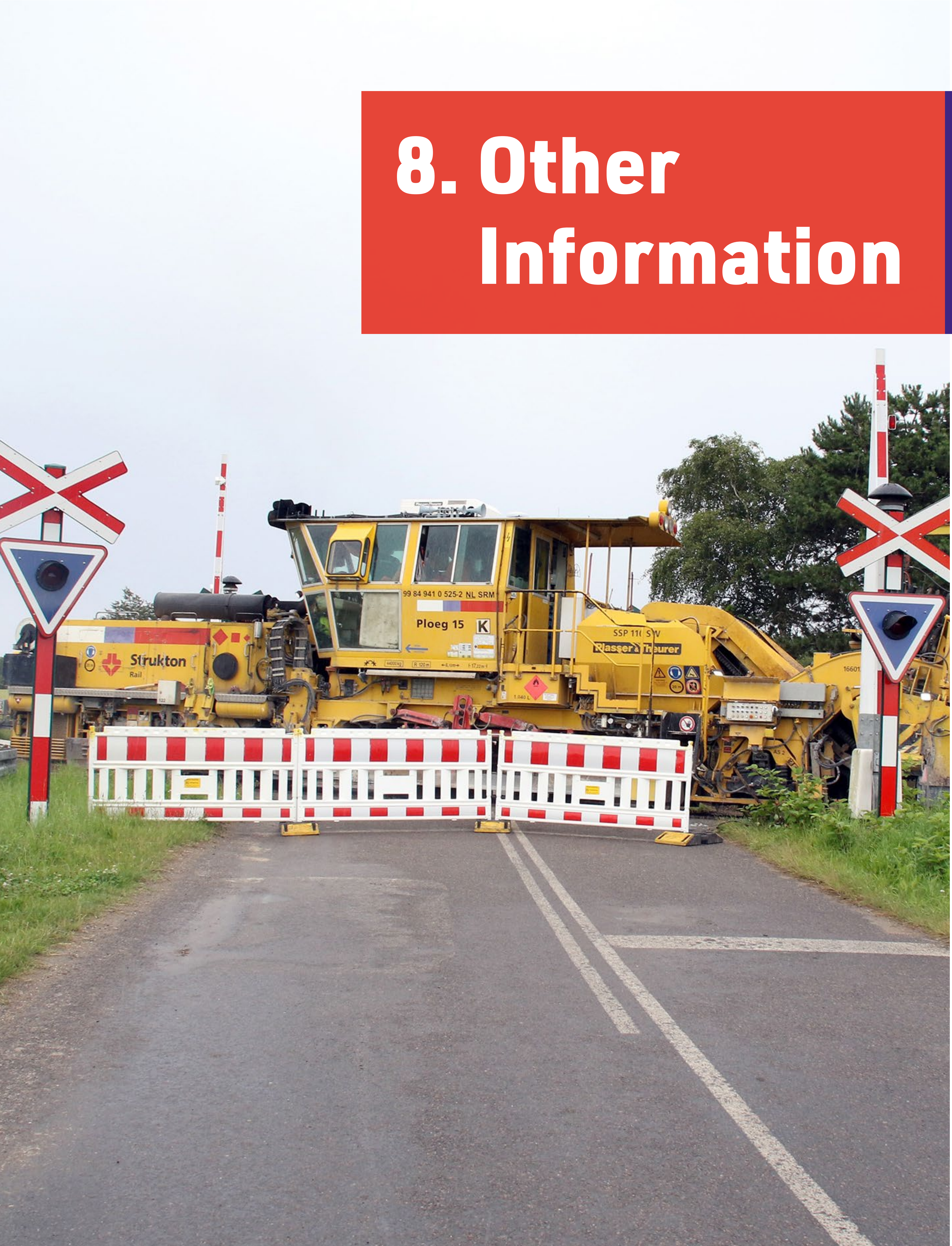
For the events after balance sheet date, please refer to note 28 of the consolidated financial statements.

Utrecht, 22 May 2025

Strukton Executive Board
Lieve Declercq
Willem Mentz

The Supervisory Board
Joseph Kuling (Chairman)
Monica Bremer
Bernard Fortuyn
Petra Koselka
Hans van Leeuwen

8. Other Information



Statutory result distribution
The provisions relating to result appropriation are set out in Article 4.1 of the Articles of Association. The provisions set out that the result is at the disposal of the General Meeting of Shareholders.

Independent auditor’s report

Independent auditor's report

for the period ended 31 December 2024

To the Executive Board and Supervisory Board of Strukton Groep B.V.

Report on the audit of the financial statements for the year ended 31 December 2024 included in the annual report

Our Opinion

We have audited the financial statements 2024 (hereafter "financial statements") of Strukton Groep B.V. (hereafter "Company" refers to the legal entity, and "Group" refers to the consolidated level), based in Utrecht, the Netherlands. The Company is at the head of a group of entities ("components"). The financial information of this Group is included in the 2024 Consolidated Financial Statements of the Group. The financial statements include the 2024 Consolidated Financial Statements and the 2024 Company Financial Statements.

In our opinion:

- the accompanying Consolidated Financial Statements give a true and fair view of the financial position of the Group as at 31 December 2024 and of its result and its cash flows for the year ended 31 December 2024 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.
- the accompanying 2024 Company Financial Statements give a true and fair view of the financial position of the Company as at 31 December 2024 and of its results and its cash flows for the year ended 31 December 2024 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The Consolidated Financial Statements comprise:

- the consolidated statement of financial position as at 31 December 2024;
- the following statements for the year ended 31 December 2024: the consolidated statement of income, the consolidated statement of comprehensive income, the consolidated statement of movements in equity and the consolidated statement of cash flows; and
- the notes comprising a summary of the key accounting policies and other explanatory information.

The Company Financial Statements comprise:

- the company statement of financial position as at 31 December 2024;
- the company statement of income for the year ended 31 December 2024; and
- the notes comprising a summary of the key accounting policies and other explanatory information.

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 the group and the Company in accordance 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 for Professional Accountants).

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

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Audit response to the risks of fraud and non-compliance with laws and regulations

We refer to paragraph 4.1 Risk Management the Executive Board report of Strukton Groep B.V. for the risks and risk management procedures.

In our audit we have obtained an understanding of the entity and its environment, the components of the internal control system, including the process for identifying risks and how the executive board responds to the risks of fraud and monitors the internal control system, as well as the outcomes hereof. As part of our process to identify risks of material misstatement in the financial statements due to fraud, we identified fraud risk factors with respect to financial reporting fraud, misappropriation of assets and corruption. We evaluated if those factors may indicate a risk of material misstatement due to fraud.

As a result of our fraud risk assessment we identified the following fraud risks and performed the following specific procedures:

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The risk of management override of controls

Fraud risk	Our specific audit response

Fraud risk

Management is ordinarily in a unique position to perpetrate fraud because of management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

In this context, we paid attention to:
- the appropriateness of journal entries and other adjustments made in the preparation of the financial statements including manual journal entries related to operational cycles;
- potential biases in accounting areas with high level of estimation that are based on management judgments and assumptions, such as the valuation of the contract assets and the recognition of revenue;
- significant transactions, if any, outside the normal course of business.

Our specific audit response

Amongst others we have performed the following audit procedures:
- with regard to the Executive Board's key accounting estimates, we have evaluated judgements and decisions for bias by the Executive Board for key accounting estimates with respect to the cost-to-complete, the progress and loss provisions on the significant projects of the Group, see also the fraud risk Cut-off of Revenue and valuation of contract assets.

We have performed the following specific audit procedures:
- we evaluated the design and implementation of relevant internal controls in the financial statement and consolidation process, such as segregation of duties and systems of authorisations;
- we reviewed a selection of journal entries and other adjustments made in the preparation of the financial statements, such as manual journal entries, consolidating adjustments and reclassifications and other adjustments during the course of preparing the financial statements;
- we tested the appropriateness for these journal entries and other adjustments with the underlying audit documentation;
- we made inquiries with individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries and other adjustments;
- we performed analyses of high risk journals within the consolidation with a pre assessed risk of material misstatements, as part of our audit approach to address fraud risks which could have a risk of material misstatement on the financial statements; and
- we performed audit procedures on journal entries in the various processes, amongst other the closing and consolidation, based on fraud selection criteria in which at least the following criteria have been applied:
  - > material adjustments made during the course of preparing the financial statements;
  - > manual journal entries on the operational related revenue ledgers and relating to the contract assets and contract liabilities; and
  - > adjustments made on group level which relate to regular activities on component level.

Our procedures did not result in material findings with respect to the risk of management override.

Cut-off of Revenue and valuation of contract assets

Fraud risk

We refer to the accounting principles for revenue recognition as included in "Summary of significant accounting policies" under "Revenue" in the Notes to the consolidated financial statements.

The valuation and revenue recognition of the contract assets is largely influenced by subjective elements, such as the estimate of costs yet to be incurred, expected increases and decreases in revenue, technical progress, (potential) claims and penalties, as well as project-related liabilities and provisions.
This is partly driven by the nature of the activities, which may involve large and complex projects.

Following the multiple press releases by Strukton Groep B.V., we note that the Executive Board has created expectations towards the market on the future strategy of the company.

As a result of the above, we identified a fraud risk that Executive Board recognizes revenue in the incorrect financial period and misstates the valuation of the contract assets or understating the loss provision by making incorrect assumptions of the percentage of completion and the estimation of the costs to complete for the significant projects.

Our specific audit response

We evaluated the design and implementation of internal controls. Based on pre-defined risk criteria, we have selected and tested the costs incurred, invoiced instalments, trade debtors and revenue of completed projects by means of total reconciliations and samples.

For the valuation and revenue recognition of the contract assets, we selected and tested different contracts on the following risk criteria: size, complexity, fluxes against prior years and the overall risk profile. We paid specific attention to the key-projects as identified by the Executive Board. These projects concern MEET RIVM project, Hoofdstation Groningen, A-Pier and A15 MCO and Avenue2 as key-projects, as further disclosed in the "Accounting consideration on key projects" paragraph.

For the key projects and the selected contract assets based on the risk criteria, we performed, amongst others, the following procedures:

- enquiries with the Executive Board and project controllers on the judgements and assumptions underlying the estimation of the completion of projects;
- an assessment and reconciliation of the key-data of the projects with underlying documentation, such as contracts, change orders, calculations, quotations in order to test the assumptions made in determining the forecasted project result;
- a verification of the cost-to-complete and revenue recognition;
- detailed testing on recognized project expenses;
- an analysis of the forecasted project results, identifying the different performance obligations of the projects, to confirm consistency of valuations; and
- a retrospective review of project results estimated in the previous year.

Laws and regulations (Corruption, bribery and non-compliance with laws and regulations)

Fraud risk	Our specific audit response
Due to the nature of the business activities (construction company) and the characteristics of the related transactions, we identified an inherently increased risk of non-compliance with legal and regulatory requirements regarding project acquisition. This was mainly identified due to the risk of bribes to potential clients (government and non-government). Failure to comply with legal tendering procedures and/or corruption may harm the company, for example through fines and/or exclusion from tender procedures. Such bribery could take place or be concealed in various ways, e.g., through subcontractors, (consultancy) services or sponsorship without sufficient identifiable quid pro quo.	We obtained insights in the applicable laws and regulations with regard to the tender procedures and have performed an analysis of contracts, based on risk factors such as size, new contracts entered into and exceptional amounts. We have assessed whether there are any transactions in relation to these tender procedures and performed the following audit procedures: • evaluation of the design and implementation of internal controls surrounding the corruption, bribery and non-compliance with laws and regulation risks; • evaluation of the internal control measures to ensure compliance; • evaluation of the design and implementation of the manner in which supplier selection took place and whether any applicable (legal or internal) procurement regulations and/or quotation procedures were adhered to; • depending on the component within the group we performed detailed testing on specific types of costs following the risk identification process, including travel and accommodation expenses, representation expenses, and sponsorship; and • data analysis to flag journal entries with an increased risk based on specific search terms related to fraud risks, thereby identifying and investigating unusual transactions.

In addition, we also performed the following more general procedures in relation to the fraud risk:
- we have incorporated an element of unpredictability in the selection of the nature, timing and extent of our audit procedures by (depending on the component) testing balances that were below our performance materiality, performing audit procedures at different locations and on an unannounced basis, and adjusted our timing of the audit procedures performed;
- we have obtained written and oral confirmations of the Executive Board, Supervisory Board and legal council within the company on the fraud risks and any potential fraud cases that have occurred during and after the financial year;
- we evaluated whether transactions, both usual and unusual, with related parties have been identified and appropriately disclosed;
- we have reviewed the minutes of the Executive Board and Supervisory Board with specific attention to fraud; and
- we evaluated whether the selection and application of accounting principles could potentially indicate fraudulent financial reporting. If such indications were present, we re-evaluated our assessment of the risk of fraud and its implications for our audit procedures. We also assessed the outcomes of other audit procedures, considering whether there are findings that could suggest fraud or non-compliance with laws and regulations.

Our audit procedures did not reveal any specific indications of fraud or suspicions of fraud in respect to management override and the cut-off of revenue (or valuation of contract assets/liabilities), potentially resulting in material misstatements.

Non-compliance with laws and regulations
In section 4.1 Risk Management in the Executive Board Report, the Executive Board describes the procedures regarding the risks of non-compliance with laws and regulations.

We have obtained an understanding of the relevant laws and regulations. We have identified that the regulatory framework with regard to tenders may have an indirect effect on the financial statements. We held enquiries with, amongst others, the Executive Board and the Supervisory board if the entity is compliant with laws and regulations which directly or indirectly have a material impact on the financial statements. Our work also included assessing the Company's code of conduct, whistle blower procedure, general compliance guidelines and procedures. We also inspected lawyers' letters and remained alert to indications of (suspected) non-compliance throughout the audit, held enquiries with legal counsel, and obtained a written representation from the Executive Board that all known instances of (suspected) non-compliance with laws and regulations were disclosed to us.

Our observations
The aforementioned audit procedures have been performed in the context of the audit of the financial statements. Consequently they are not planned and performed as a specific investigation regarding fraud and non-compliance with laws and regulations. Our audit procedures have not led to any findings

Our audit response related to going concern
The Executive Board has prepared the financial statements on a going concern basis. When preparing the financial statements, the executive board made an assessment of the company's ability to continue as a going concern and to continue its operations for the foreseeable future.

Our audit of the financial statements requires us to determine that the going concern assumption used by the Executive Board is acceptable. In doing so, based on the audit evidence obtained, we must determine whether there are any events or circumstances that might cast reasonable doubt on whether the company can continue as a going concern. We discussed and evaluated the specific assessment with the Executive Board exercising professional judgment and maintaining professional scepticism. We considered whether the going concern assessment made by the Executive Board, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, contains all events or conditions that may cast significant doubt on the company's ability to continue as a going concern.

As part of our audit procedures, we analysed the current financial position and assessed the reasonableness of the assumptions in respect of projected future cashflow forecasts including expected future cash flows from operating, financing and investing activities as prepared by the Executive Board and the company's ability to safeguard the financing of the company's operational activities.

Following the implementation of the strategic case in the Long Term Cashflow Forecast (hereafter: LTCF), the main focus of our further audit procedures related to obtaining sufficient audit information on the fact whether the assumptions in the updated cashflow forecast were accurate and complete in terms of both timing and quantum. Our procedures, amongst others, compromised the following procedures:
- analysing and discussing the latest Long Term Cashflow Forecasts as prepared by management, including the sensitivities and the accuracy and completeness hereof;
- verifying which cashflow scenario is reasonably expected to be the most probable cashflow projection and therefore the representation of the most realistic expected outcome;
- analysing whether the included cashflows and main impacts on the cashflows as identified by the Executive Board are accurate and complete in terms of quantum and timing;
- verifying whether potential mitigating measures as identified are considered realistic;
- performing audit procedures regarding subsequent events to identify those that either mitigate or otherwise affect the entity's ability to continue as a going concern; and
- verify whether the disclosure in the financial statements on the going concern assumption was correctly reflecting the Long Term Cashflow Forecast and the situation of the company.

Our observations
The executive board, in its judgement, has concluded that given the outcome of the going concern assessment, there are no material uncertainties that may cast significant doubt on the company's ability to continue as a going concern. Therefore, it is appropriate to prepare the financial statements based on the going concern assumption. The aforementioned procedures have been performed in the context of the audit of the financial statements. Consequently they are not planned and performed as a specific investigation regarding going concern. Our audit procedures did not lead to any findings. This observation is based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.

Report on the other information included in the Annual Report 2024

In addition to the financial statements and our auditor's report thereon, the Annual Report 2024 contains other information that consists of:

- the Executive Board report including
  - > Message from the Executive Board;
  - > Our Organisation;
  - > Our strategy and results;
  - > Governance;
  - > Financial Results 2024;
  - > Message from the Supervisory Board.
- the Other information as required by 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; and
- contains all the information regarding the Executive Board report and the other information as required by Part 9 Book 2 of the Dutch Civil Code.

We were engaged to read the other information and, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, to consider 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 substantially less than the scope of those performed in our audit of the financial statements.

The Executive Board is responsible for the preparation of other information, including the Report of the Executive Board in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Description of responsibilities regarding the financial statements

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

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

The supervisory board 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 detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error 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 these 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 e.g.:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, 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 error, 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;
- concluding on the appropriateness of the Executive Board'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 a company to cease 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.

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. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

We communicate with those charged with governance 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.

Rotterdam, 22 May 2025

Forvis Mazars Accountants N.V.

Original signed by: O. Opzitter RA

9. Glossary

24Safe	The safety policy within Strukton is set out in a programme entitled 24Safe. Its mission is: Focusing on safety together.
CBG	College ter Beoordeling van Geneesmiddelen (Medicines Evaluation Board)
Compliance	Fulfilling the minimum requirements of the applicable legislation and regulations; observing or implementing the standards.
D&C	Design & Construct
Dbmo	Design, Build, Maintain & Operate
Dbfmo	Design, Build, Finance, Maintain & Operate
EBIT (operating result)	Earnings Before Interest and Tax
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation (operational result)
ERTMS	The train safety system developed by the European Union (European Rail Traffic Management System), with the aim of simplifying trains running between different countries without changing to different safety systems.
Esco	Energy service company, a company that guarantees certain energy savings for a building owner based on applying various measures, usually based on a performance contract.
EUR	Euros
IF	Injury Frequency index. The number of accidents resulting in sick leave divided by the number of contractual working hours.
IFRS	International Financial Reporting Standards, the standard international accounting principles for preparing financial statements for all listed companies within the European Union.
Lmra	Last Minute Risk Analysis, a quick risk assessment completed just before starting the work. This serves to check if all risks are recognised and if the control measures in place will be sufficient.
Order book	Works awarded but not yet completed
Pmb	Polymer Modified Bitumen
PPP (Pps)	Public-Private Partnership
PPP concession project	Public-private partnership, where a government body awards a long-term contract to a private consortium for the design, realisation, financing, management and maintenance and often also facilities services for a project.
RIVM	Rijksinstituut voor Volksgezondheid en Milieu (National Institute for Public Health and the Environment)

Strukton All Right	Strukton All Right is the title of Strukton's policy of acting with integrity.
SPC	Special Purpose Company, a special purpose vehicle specifically incorporated for the management of a PPP project.
Working capital	Current assets excluding available cash and cash equivalents, minus non-interest bearing current liabilities.

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