

IMPORTANT NOTICE

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the attached preliminary prospectus (the **Prospectus**) and you are therefore advised to read this carefully before reading, accessing or making any other use of the Prospectus. In accessing the Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, and each time you receive any information from us as a result of such access. You acknowledge that this electronic transmission and the delivery of the Prospectus is confidential and intended only for you, and you agree you will not forward, reproduce, copy, download or publish this electronic transmission or the Prospectus (electronically or otherwise) to any other person.

THE SECURITIES REFERENCED IN THIS PROSPECTUS MAY ONLY BE DISTRIBUTED IN "OFFSHORE TRANSACTIONS AS DEFINED IN, AND IN ACCORDANCE WITH, REGULATION S UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**) OR WITHIN THE UNITED STATES TO QUALIFIED INSTITUTIONAL BUYERS (THE **QIBs**) AS DEFINED IN AND IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT (**RULE 144A**). ANY FORWARDING, REDISTRIBUTION OR REPRODUCTION OF THIS PROSPECTUS IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS NOTICE MAY RESULT IN A VIOLATION OF THE U.S. SECURITIES LAWS OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE SUCH OFFER WOULD BE UNLAWFUL. THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE UNITED STATES EXCEPT (1) TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QIB PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THE FOLLOWING PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, REDISTRIBUTION OR REPRODUCTION OF THE PROSPECTUS IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE U.S. SECURITIES LAWS OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED HEREIN.

Confirmation of your representation: By accepting electronic delivery of this Prospectus, you are deemed to have represented to Scholt Energy N.V. (the **Company**), ABN AMRO Bank N.V., Coöperatieve Rabobank U.A. and KBC Securities NV (together, the **Underwriters**) that you and any customers you represent are either (a) QIBs or (b) non-U.S. persons purchasing the securities described herein in offshore transactions outside the United States in reliance on Regulation S. The Prospectus is being sent at your request. By accepting the e-mail and accessing the Prospectus, you shall be deemed to have represented to us that:

- (a) you consent to delivery of this Prospectus by electronic transmission; and
- (b) either:
 - (i) you and any customers you represent are QIBs; or
 - (ii) you and any customers you represent are non-U.S. persons and the e-mail address that you provided and to which the e-mail has been delivered is not the e-mail address of an individual or organisation located in, or representing customers in, the United States, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any state of the United States or the District of Columbia.

Prospective purchasers that are QIBs are hereby notified that the seller of the securities described herein will be relying on the exemption from the provisions of Section 5 of the Securities Act pursuant to Rule 144A.

European Economic Area (EEA)

MiFID II product governance. Solely for the purposes of the product governance requirements contained within: (i) EU Directive 2014/65/EU on markets in financial instruments, as amended (**MiFID II**); (ii) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (iii) local implementing measures (together, the **MiFID II Product Governance Requirements**), and disclaiming all and any liability, whether arising in delict, tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Ordinary Shares (as defined in the Prospectus) have been subject to a product approval process, which has determined that the Ordinary Shares are: (a) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (b) eligible for distribution through all distribution channels as are permitted by MiFID II (the **Target Market Assessment**). Notwithstanding the Target Market Assessment, "distributors" (for purposes of the MiFID II Product Governance Requirements) should note that: the price of the Ordinary Shares may decline and investors could lose all or part of their investment; the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom.

For the avoidance of doubt, the Target Market Assessment does not constitute: (i) an assessment of suitability or appropriateness for the purposes of MiFID II; or (ii) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Ordinary Shares and determining appropriate distribution channels.

Prohibition of sales to EEA retail investors. The securities described in the Prospectus are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA, other than in the Netherlands. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive (EU) 2016/97, as amended or superseded, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 (as amended, the **Prospectus Regulation**).

United Kingdom (UK)

UK MiFIR product governance. Solely for the purposes of each UK manufacturer's product approval process, the target market assessment in respect of the Ordinary Shares has led to the conclusion that: (i) the target market for the Ordinary Shares is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and retail clients and professional clients, each as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA (**UK MiFIR**); and (ii) all channels for distribution of the Ordinary Shares to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Ordinary Shares (a **UK distributor**) should take into consideration the UK manufacturers' target market assessment; however, a UK distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Ordinary Shares (by either adopting or refining the UK manufacturers' target market assessment) and determining appropriate distribution channels.

For the avoidance of doubt, the above does not constitute: (i) an assessment of suitability or appropriateness for the purposes of UK MiFIR or otherwise; or (ii) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares.

Each UK distributor is responsible for undertaking its own target market assessment in respect of the Ordinary Shares and determining appropriate distribution channels.

Prohibition of sales to UK retail investors. The securities described in the Prospectus are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (**EUWA**); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (**FSMA**) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA.

Financial Promotion Order. This Prospectus is being distributed only to, and is directed only at, persons who are outside the United Kingdom, or if in the United Kingdom, who: (i) have professional experience in matters relating to investments falling within the definition of "investment professionals" in Article 19(5) of The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the **Order**); (ii) are high net worth bodies corporate, unincorporated associations and partnerships and the trustees of high value trusts, as described in Article 49(2) of the Order; (iii) the Company believes on reasonable grounds to be persons to whom Article 43(2) of the Order applies for these purposes; or (iv) other persons to whom it may lawfully be communicated (all such persons referred to in (i), (ii), (iii) and (iv) are defined as **Relevant Persons**). In the United Kingdom, any investment or investment activity to which this Prospectus relates is only available to and will only be engaged in with Relevant Persons. Any other persons who receive this Prospectus should not rely on or act upon it. You are reminded that this Prospectus has been delivered to you on the basis that you are a person into whose possession the Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the Prospectus to any other person.

The materials relating to the Offering (as defined herein) do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Underwriters or any affiliate of the Underwriters is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Underwriters or such affiliate on behalf of the Company in such jurisdiction.

Restriction: Nothing in this electronic transmission constitutes, and may not be used in connection with, an offer of securities for sale to persons other than the specified categories of institutional buyers described above and to whom it is directed and access has been limited so that it shall not constitute a general solicitation. If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.

None of the Underwriters or any of their respective affiliates, directors, officers, employees or agents accepts any responsibility whatsoever for the contents of this Prospectus or for any statement made or purported to be made by the Selling Shareholders, the Company, or on its behalf, in connection with the offer. The Underwriters and any of their respective affiliates accordingly disclaim all and any liability whether arising in tort, contract, or otherwise which they might otherwise have in respect of such Prospectus or any such statement. No representation or warranty express or implied, is made by any of the Underwriters or any of their respective affiliates as to the accuracy or completeness of the information set out in this Prospectus.

The Underwriters are acting exclusively for the Company and no one else in connection with the offer. They will not regard any other person (whether or not a recipient of this Prospectus) as their client in relation to the offer and will not be responsible to anyone other than the Company for providing the protections afforded to their clients nor for giving advice in relation to the offer or any transaction or arrangement referred to herein.

You are responsible for protecting against viruses and other destructive items. Your receipt of this Prospectus via electronic transmission is at your own risk, and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.



Scholt Energy N.V.

(a public company with limited liability (naamloze vennootschap) incorporated under Dutch law, with its statutory seat in Valkenswaard, the Netherlands)

Initial public offering of up to 6,900,000 ordinary shares and admission to listing and trading of all ordinary shares on Euronext Amsterdam

This prospectus (the **Prospectus**) has been prepared in connection with: (i) the admission to listing and trading of all of the ordinary shares in the capital of Scholt Energy N.V. (the **Company**) with a nominal value of €0.01 each (the **Ordinary Shares**) on Euronext Amsterdam (**Euronext**), a regulated market operated by Euronext Amsterdam N.V. (the **Admission**); and (ii) the offering by Powerco B.V. (**Waterland**), Scholt Investment Group B.V., Antonius 8001 Holding B.V. and Stichting Administratiekantoor SEC Topholding (the **Selling Shareholders**) jointly of up to 6,900,000 existing Ordinary Shares (the **Offer Shares**), which include, unless the context indicates otherwise, the Over-Allotment Shares (as defined below) (the **Offering**). Assuming no exercise of the Over-Allotment Option (as defined below), the Offer Shares will constitute up to 30% of the issued and outstanding Ordinary Shares. Assuming the Over-Allotment Option (as defined below) is exercised in full, the Offer Shares will constitute up to 34.5% of the issued and outstanding Ordinary Shares. The Company will not receive any proceeds from the sale of the Offer Shares and the Over-Allotment Shares (as defined below), if any, the net amount of which will be received by the Selling Shareholders.

The Offering consists of: (i) a public offering to institutional and retail investors in the Netherlands and (ii) a private placement to certain institutional investors in various other jurisdictions. The Offer Shares are being offered and sold within the United States of America (the **United States**), to persons reasonably believed to be qualified institutional buyers (**QIBs**) as defined in Rule 144A (**Rule 144A**) under the US Securities Act of 1933, as amended (the **US Securities Act**), pursuant to Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and applicable US state securities laws, and outside the United States, in accordance with Regulation S under the US Securities Act (**Regulation S**).

The Ordinary Shares are currently not admitted to listing and trading on any stock exchange. On 2 September 2021, application has been made to admit the Offer Shares to listing and trading of all the ordinary shares on Euronext Amsterdam, under the symbol "SCHLT". Subject to acceleration or extension of the timetable for the Offering, trading on an "as if and when-delivered" basis in the Offer Shares on Euronext Amsterdam is expected to commence on or about 17 September 2021 (the **First Trading Date**).

Investing in the Offer Shares involves risks. See section "Risk Factors" for a description of the risk factors that should be carefully considered before investing in the Offer Shares.

The price per Offer Share (the Offer Price) is expected to be in the range of €16.00 to €19.00 (inclusive) (the Offer Price Range)

The Offering will take place from 09:00 Central European Time (**CET**) on 8 September 2021 until 17:30 CET on 15 September 2021 for Dutch Retail Investors (as defined below) and from 09:00 CET on 8 September 2021 until 14:00 CET on 16 September 2021 for prospective institutional investors (the **Offer Period**), subject to acceleration or extension of the timetable for the Offering, and subject as set out below for the Preferential Retail Allocation (as defined below). The Offer Price Range is indicative. The Offer Price and the exact number of Offer Shares offered in the Offering will be determined by the Selling Shareholders, after consultation with the Joint Global Coordinators (as defined below), after the end of the Offer Period on the basis of the book building process and taking into account economic and market conditions, a qualitative and quantitative assessment of demand for the Offer Shares and other factors deemed appropriate. The Offer Price and the exact numbers of Offer Shares to be sold will be stated in a pricing statement (the **Pricing Statement**) which will be published through a press release and filed with the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the **AFM**). The Selling Shareholders, after consultation with the Joint Global Coordinators, reserve the right to change the Offer Price Range and/or increase or decrease the maximum number of Offer Shares prior to the allocation of the Offer Shares (the **Allocation**). Any increase of the top end of the Offer Price Range, or the determination of an Offer Price above the Offer Price Range, on the last day of the Offer Period will result in the Offer Period being extended by at least two business days. Any increase of the top end of the Offer Price Range on the day prior to the last day of the Offer Period will result in the Offer Period being extended by at least one business day. In this case, if the Offer Period for Dutch Retail Investors (as defined below) would already have closed, this Offer Period for Dutch Retail Investors would be reopened. Accordingly, all investors, including Dutch Retail Investors, will have at least two business days to reconsider their subscriptions. Any change in the number of Offer Shares and/or the Offer Price Range will be announced in a press release that will be posted on the Company's website (www.scholt.com/investors).

There will be a preferential allocation of Offer Shares to eligible retail investors in the Netherlands (each a **Dutch Retail Investor**) (the **Preferential Retail Allocation**). Dutch Retail Investors will be allocated the first 300 (or fewer) Offer Shares for which such investor subscribes, provided that, if the total number of Offer Shares subscribed for by Dutch Retail Investors under the Preferential Retail Allocation would exceed 10% of the total number of Offer Shares, assuming no exercise of the Over-Allotment Option, the preferential allocation to each Dutch Retail Investor may take place pro rata to the first 300 (or fewer) Offer Shares for which such investor subscribes. As a result, Dutch Retail Investors may not be allocated all of the first 300 (or fewer) Offer Shares that they subscribe for. The exact number of Offer Shares allocated to Dutch Retail Investors will be determined after the Offer Period has ended.

Subject to acceleration or extension of the timetable for the Offering, payment (in euro) for, and delivery of, the Offer Shares (**Settlement**) is expected to take place on or about 21 September 2021 (the **Settlement Date**). If Settlement does not take place on the Settlement Date as planned or at all, the Offering may be withdrawn, in which case all subscriptions for Offer Shares will be disregarded, any allotments made will be deemed not to have been made and any subscription payments made will be returned without interest or other compensation and transactions in the Offer Shares on Euronext Amsterdam may be annulled. Any transactions in Offer Shares prior to Settlement are at the sole risk of the parties concerned. The Selling Shareholders, ABN AMRO Bank N.V. (**ABN AMRO**) in its capacity as retail coordinator (the **Retail Coordinator**) for the Offer, and as the Company's listing and paying agent (the **Listing and Paying Agent**), the Underwriters (as defined below) and Euronext Amsterdam N.V. do not accept responsibility or liability towards any person as a result of the withdrawal of the Offering or the (related) annulment of any transactions in Offer Shares.

At the date of this Prospectus, the Company is a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) and it will be converted into a public limited liability company (*naamloze vennootschap*) prior to Settlement. ABN AMRO and Coöperatieve Rabobank U.A. (**Rabobank**) are acting as joint global coordinators (in such and any other capacity, the **Joint Global Coordinators**) and, together with KBC Securities NV (**KBC**) as joint bookrunners for the Offering (together, the **Underwriters**). Waterland and Scholt Investment Group B.V. have granted the Joint Global Coordinators (on behalf of the Underwriters) an option (the **Over-Allotment Option**) to purchase up to 900,000 additional shares (the **Over-Allotment Shares**) at the Offer Price, comprising up to 15% of the total number of Offer Shares sold in the Offering, to cover short positions resulting from any over-allotments or stabilisation transactions, if any, made in connection with the Offering. The Over-Allotment Option is exercisable in whole or in part by the Joint Global Coordinators (on behalf of the Underwriters) for 30 calendar days after the First Trading Date.

The Offer Shares will be delivered in book-entry form through the book-entry system of the Netherlands Central Institute for Giro Securities Transactions (*Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.*) trading as Euroclear Nederland (**Euroclear Nederland**).

The distribution of this Prospectus in certain jurisdictions may be restricted by applicable law and regulation and therefore persons into whose possession this Prospectus comes should inform themselves and observe any restrictions. The Company is not taking any action to permit a public offering of Ordinary Shares in any jurisdiction. The Offer Shares have not been, and will not be registered, under the US Securities Act or with any securities regulatory authority of any state of the United States and may not be offered or sold within the United States unless the Offer Shares are registered under the US Securities Act or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. There will be no public offer of the Offer Shares in the United States. Prospective purchasers are hereby notified that sellers of the Offer Shares may be relying on the exemption from the registration requirements of Section 5 of the US Securities Act provided by Rule 144A or Regulation S.

This Prospectus constitutes a prospectus for the purposes of, and has been prepared in accordance with, Regulation (EU) 2017/1129 of the European Parliament and of the Council of the European Union of 14 June 2017 (including any relevant delegated regulations, the **Prospectus Regulation**). This Prospectus has been approved by the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the **AFM**), as the competent authority under the Prospectus Regulation. The AFM only approves this Prospectus as meeting the standard of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Offer Shares.

The validity of this Prospectus shall expire on the earlier of (i) the First Trading Date and (ii) 12 months after its approval by the AFM, provided that it is completed by any supplement if required pursuant to Article 23 of the Prospectus Regulation. The obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies (see sections "Important Information—General" and "Important Information—Supplements" below) shall cease to apply upon the expiry of the validity period of this Prospectus.

ABN AMRO	Joint Global Coordinators	Rabobank
	Joint Bookrunner	
	KBC	

This Prospectus is dated 8 September 2021

TABLE OF CONTENTS

Summary.....	i
Risk Factors	1
Important Information	24
Reasons for the Offering and Use of Proceeds	38
Dividends and Dividend Policy	39
Industry	41
Business	62
Capitalisation and Indebtedness	106
Selected Consolidated Financial Information	108
Operating and Financial Review	115
Management and Corporate Governance.....	143
Major Shareholders and Related Party Transactions	160
Description of Share Capital and Corporate Structure.....	165
The Offering	182
Plan of Distribution	188
Selling and Transfer Restrictions.....	192
Taxation.....	197
General Information	208
Defined Terms	211
Glossary of Technical Terms.....	216
Index to Financial Statements.....	F-1

SUMMARY

Introduction and Warnings

This summary should be read as an introduction to the prospectus (the **Prospectus**) prepared in connection with (i) the admission to listing and trading of all of the ordinary shares in the capital of Scholt Energy N.V. (the **Company**) with a nominal value of €0.01 each (the **Ordinary Shares**) on Euronext Amsterdam (**Euronext**), a regulated market operated by Euronext Amsterdam N.V. (the **Admission**); and (ii) the offering by Powerco B.V. (**Waterland**), Scholt Investment Group B.V., Antonius 8001 Holding B.V. and Stichting Administratiekantoor SEC Topholding (the **Selling Shareholders**) jointly of up to 6,900,000 existing Ordinary Shares (the **Offer Shares**), which include, unless the context indicates otherwise, the Over-Allotment Shares (as defined below) (the **Offering**). Assuming no exercise of the Over-Allotment Option (as defined below), the Offer Shares will constitute up to 30% of the issued and outstanding Ordinary Shares. Assuming the Over-Allotment Option (as defined below) is exercised in full, the Offer Shares will constitute up to 34.5% of the issued and outstanding Ordinary Shares. The Company will not receive any proceeds from the sale of the Offer Shares and the Over-Allotment Shares (as defined below), if any, the net amount of which will be received by the Selling Shareholders.

The Company's statutory seat (*statutaire zetel*) is in Valkenswaard, the Netherlands, and its registered office is at Parallelweg Oost 35, 5555 XA Valkenswaard, the Netherlands. The Company is registered with the Dutch Chamber of Commerce (*Kamer van Koophandel*) under number 66811899. The Company's telephone number is + 31 (0)40 368 1223. The Company's Legal Entity Identifier (**LEI**) is 724500LLRNCTWAWOLJ68. The Ordinary Shares' International Securities Identification Number (**ISIN**) is NL0015000IZ9.

The Offer Shares are being offered by (i) Waterland, a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands, with its statutory seat (*statutaire zetel*) in Bussum, registered office at Brediusweg 31, 1401 AB Bussum, the Netherlands, trade register number: 66796474 and LEI 724500T0WWOZICY19X38, (ii) Scholt Investment Group B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands, with its statutory seat (*statutaire zetel*) at Valkenswaard, registered office at Maastrichterweg 191, 5556 VB Valkenswaard, the Netherlands, trade register number: 66833825 and LEI 7245000UAVH1R0FLR415, (iii) Antonius 8001 Holding B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands, with its statutory seat (*statutaire zetel*) at Valkenswaard, registered office at Maastrichterweg 191, 5556 VB Valkenswaard, the Netherlands, trade register number: 83454365 and LEI 724500L8T4HXTNFN4619 and (iv) Stichting Administratiekantoor SEC Topholding, a foundation (*stichting*) incorporated under the laws of the Netherlands, with its statutory seat (*statutaire zetel*) at Valkenswaard, registered office at Parallelweg Oost 35, 5555 XA Valkenswaard, the Netherlands, trade register number: 66994853 and LEI 724500YZMT7K71E3WG32.

The Prospectus was approved as a prospectus for the purposes of Article 3 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (including any relevant delegated regulations, the **Prospectus Regulation**) by, and filed with, the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the **AFM**), as a competent authority under the Prospectus Regulation, on 8 September 2021. The AFM's registered office is at Vijzelgracht 50, 1017 HS Amsterdam, the Netherlands, and its telephone number is +31 (0)20 797 2000.

Any decision to invest in any Ordinary Shares should be based on a consideration of the Prospectus as a whole by the investor and not just the summary. An investor could lose all or part of the invested capital. Where a claim relating to the information contained in, or incorporated by reference into, the Prospectus is brought before a court, the plaintiff investor might, under national law of the Member States of the European Economic Area, have to bear the costs of translating the Prospectus and any documents incorporated by reference in it before the legal proceedings can be initiated. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Ordinary Shares.

Key Information on the Company

Who is the issuer of the Ordinary Shares?

Domicile and Legal Form. Scholt Energy N.V. (which at the date of the Prospectus is a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) named Scholt Energy B.V.) with its statutory seat (*statutaire zetel*) in Amsterdam, the Netherlands, and operating under the law of the Netherlands. The Company is expected to be converted into a public company with limited liability (*naamloze vennootschap*) with its statutory seat (*statutaire zetel*) in Amsterdam, the Netherlands, and to be renamed to Scholt Energy N.V. immediately prior to Settlement (as defined below). The Company's LEI is 724500LLRNCTWAWOLJ68.

Principal Activities. The Company and its consolidated subsidiaries (together, **Scholt Energy** or the **Group**) form an independent B2B energy partner focussed on the mid to large corporate segment (i.e. companies with a monthly energy bill over €1,000), with activities in the Netherlands, Belgium, Germany and Austria. Scholt Energy's mission is to fully unburden corporate customers in the field of energy supply and energy transition in a personal, clear and independent manner. Striving for long-term powerful partnerships, Scholt Energy offers a wide range of products and services that can be combined in a tailor-made offer for each customer. As an energy supplier and a balancing responsible party, Scholt Energy gives its customers access to the wholesale energy (electricity and gas) markets, forward as well as spot (Market Access and Energy Supply). Besides energy supply, Scholt Energy also provides its customers with tailored-made

procurement and cost savings advice and the ability to choose from multiple sources of renewable energy. Scholt Energy also helps customers in a broad range of energy transition services related to their energy portfolio (**Energy Transition Services**). These consists of four product groups: solar, flexibility, services related to electric vehicles and energy savings.

Share Capital. As at the date of the Prospectus, the Company's share capital comprises Ordinary Shares, which will be admitted to listing and trading on Euronext Amsterdam. As at the date of this Prospectus, all outstanding Ordinary Shares are fully paid-up.

Major Shareholders. As at the date of the Prospectus, Waterland holds 72,207 Ordinary Shares comprising 72.2% of the share capital, Scholt Investment Group B.V. holds 17,500 Ordinary Shares comprising 17.5% of the share capital, Antonius 8001 Holding B.V. holds 7,500 Ordinary Shares comprising 7.5% of the share capital and Stichting Administratiekantoor SEC Topholding holds 2,793 Ordinary Shares comprising 2.8% of the share capital. Waterland is indirectly controlled by Waterland Private Equity Fund VI C.V., Scholt Investment Group B.V. is controlled by Scholt Group B.V. and Accoform NV. Antonius 8001 Holding B.V. is controlled by Irenergie Holding B.V., which is controlled by Frank van Gastel, and RvG 79 Holding B.V., which is controlled by Rob van Gennip. Stichting Administratiekantoor SEC Topholding is controlled by its board members Rob van Gennip and Frank van Gastel, who can be appointed and dismissed by Waterland.

Managing Directors. Rob van Gennip is Scholt Energy's Chief Executive Officer and a member of the management board (*bestuur*) of the Company (the **Management Board**). Frank van Gastel is Scholt Energy's Chief Financial Officer and a member of the Management Board.

Independent Auditor. KPMG Accountants N.V. is the independent auditor of the Company.

What is the key financial information regarding the Company?

Selected Financial Information. The selected special purpose consolidated financial information of the Company, as at and for the years ended 31 December 2020, 2019 and 2018 set forth below, has been derived from the Financial Statements included elsewhere in this Prospectus, which have been prepared in accordance with IFRS as endorsed in the EU and audited by KPMG, an independent auditor. The below financial information has been extracted and presented without material adjustment to the presentation in the Financial Statements. The Financial Statements have been prepared in accordance with IFRS, as endorsed in the EU based on Regulation (EC) No 1606/2002. As is stated in Note 1 to the Financial Statements, which describes the special purpose of the Financial Statements, including the basis of accounting, these are prepared for the purpose of the inclusion in this Prospectus. As a result, the Financial Statements may not be suitable for another purpose. The independent auditor's report that is required by Delegated Regulation (EU) 2019/980, is given for the purpose of complying with that regulation and for no other purpose, and is not modified for this matter.

Interim Financial Information. The interim financial information of the Company, as at 30 June 2021 and for the six months ended 30 June 2021 and 30 June 2020 set forth below, has been derived from the Interim Financial Statements included elsewhere in this Prospectus. The below financial information has been extracted and presented without material adjustment to the presentation in the Interim Financial Statements. The Interim Financial Statements have been prepared in accordance with IAS 34 Interim Financial Reporting, and as is stated in Note 2 (Basis of Preparation) to the Interim Financial Statements, the Interim Financial Statements should be read in conjunction with the Financial Statements. The independent auditors have reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included herein, states that they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied.

Selected Consolidated Income Statement

	For the year ended 31 December			For the six months ended 30 June	
	2020	2019	2018	2021	2020
	<i>(in € millions)</i>				
Revenue	456.9	418.3	375.5	347.3	214.0
Total operating expenses	(449.4)	(411.4)	(373.9)	(342.0)	(209.7)
Operating result	7.5	6.9	1.6	5.2	4.3
Net finance costs	(1.3)	(1.3)	(1.8)	(0.4)	(0.7)
Profit before tax	6.3	5.5	(0.2)	4.9	3.6
Profit for the period	4.2	3.4	2.2	3.6	2.3

Selected Consolidated Statement of Financial Position

	As at 31 December			As at 30 June
	2020	2019	2018	2021
	<i>(in € millions)</i>			
Total non-current assets	77.7	83.5	90.0	75.8
Total current assets	71.8	56.6	68.2	124.7
Total Assets	149.5	140.1	158.2	200.5
Total shareholders' equity	40.3	36.0	42.5	43.8
Total non-current liabilities	11.5	12.5	14.9	12.1
Total current liabilities	97.8	91.6	100.8	144.5
Total liabilities	109.3	104.1	115.7	156.6
Total equity and liabilities	149.5	140.1	158.2	200.5

Selected Consolidated Statement Cash Flows

	For the year ended 31 December			For the six months ended 30 June	
	2020	2019 (in € millions)	2018	2021 (in € millions)	2020
Net cash from operating activities	5.4	24.4	8.8	35.0	0.1
Net cash from (used in) investing activities	(1.1)	(0.4)	(0.2)	(0.7)	(0.6)
Net cash from (used in) financing activities	(3.2)	(25.1)	(18.9)	(21.1)	1.6
Change in cash and cash equivalents	1.2	(1.1)	(10.2)	13.2	1.0
Cash and cash equivalents at the beginning of the period	4.1	5.2	15.4	5.3	4.1
Cash and cash equivalents at the end of the period	5.3	4.1	5.2	18.5	5.1

Gross Margin and Adjusted EBITA Margin Outlook

Outlook. The Company does not forecast profit or net profit, but has provided an outlook on Gross Margin and Adjusted EBITA Margin for 2022 in this Prospectus.

Gross Margin and Adjusted EBITA Margin Outlook. Scholt Energy has already contracted business from its customers, through their purchasing of energy on the forward markets for the coming years or commitments to purchase on the spot market. Based on the contracted volumes (irrespective of energy purchased on forward markets or spot markets) and contracted conditions (including mark-up in € / MWh), Scholt Energy anticipates Market Access and Energy Supply future contracted Gross Margin on the currently contracted business of €32.7 million in 2021 and €31.3 million in 2022 as at 30 June 2021. Scholt Energy anticipates Energy Transition Services future contracted Gross Margin of €0.9 million for 2021 and €0.5 million for 2022 as at 30 June 2021. In addition, there are a number of customers that have a contract expiring in 2022, which contracts have not yet been extended, which are referred to as prolonged (or renewed contracted) Gross Margin. Assuming a churn level of 5%,¹ Scholt Energy assumes that these customers are good for additional Gross Margin of €4.6 million in 2022, all of which is from Market Access and Energy Supply Gross Margin for 2022.

Based on this, Scholt Energy has clear visibility on Gross Margin of €33.6 million in 2021 as at 30 June 2021 based on its future contracted Gross Margin and prolonged (or renewed contracted) Gross Margin from both its Market Access and Energy Supply and Energy Transition Services business and Gross Margin of €36.4 million in 2022 as at 30 June 2021 based on its future contracted Gross Margin and prolonged (or renewed contracted) Gross Margin from its Market Access and Energy Supply business. Gross Margin is expected to further grow by contracting and adding new customers to the business in 2021 and 2022. The amounts of future contracted Gross Margin and prolonged (or renewed contracted) Gross Margin for 2021 and 2022 as compared to 2020 does not take into account the Gross Margin from new customers, irrespective of stage of contracting. Scholt Energy anticipates to continue to add new clients to its customer base, with both experienced account managers employed, new account managers in training as well as new account managers it expects to hire. On the basis of Scholt Energy's future contracted Gross Margin and its prolonged (or renewed contracted) Gross Margin and additional new customers, Scholt Energy's outlook of the Gross Margin for 2022 is €37 million to €38 million, with Adjusted EBITA Margin anticipated to be in line with recent years for 2022.

The outlook expressed above is not a statement about facts and should not be interpreted as such by potential investors. Rather, it is a statement about the expectations of Scholt Energy's management in respect of Gross Margin and Adjusted EBITA Margin of Scholt Energy for 2022. Potential investors should not place unreasonable reliance on this outlook of the Gross Margin and Adjusted EBITA Margin.

Basis of preparation. For the purpose of the outlook of the Gross Margin, Gross Margin is calculated as follows: (i) gross margin for a period is the total revenue for that period minus the total cost of energy purchases for that period, and (ii) gross margin excludes operating expenses (other than the cost of energy purchases). The outlook of the Gross Margin is the aggregate of the outlook of the Gross Margin for Market Access and Energy Supply and the outlook of the Gross Margin for Energy Transition Services. The outlook of the Gross Margin for Market Access and Energy Supply is based on the contracted amount of MWh multiplied by the transparent fee / mark-up per MWh that Scholt Energy charges, and reduced by the marginal costs per MWh Scholt Energy expects to incur. The outlook of the Gross Margin for Energy Transition Services is the aggregate of the outlook of the Gross Margin on flexibility and the outlook of the Gross Margin on solar development. The outlook of the Gross Margin on flexibility is based on the contracted profit shares per MW flexibility contracted multiplied by contracted amount of MW's and multiplied by expected revenue per MW based on historical experience. The outlook of the Gross Margin on solar is based on contracted projects for which services will be performed in 2021 and 2022, respectively, and revenue will be recognised accordingly. The outlook of the Gross Margin and Adjusted EBITA Margin have been prepared on the basis of accounting policies that are consistent with the accounting policies adopted by Scholt Energy in its audited annual financial statements for the year ending 31 December 2020. These accounting policies are expected to be consistent with the accounting policies to be adopted by Scholt Energy in its annual financial statements for the years ending 31 December 2021 and 31 December 2022.

¹ The average customer churn between 1 January 2018 and February 2021 was approximately 3.5% (based on management information per February 2021). The 5% churn was chosen by management of the Company to adopt a conservative assumption.

Factors and Assumptions. The outlook of the Gross Margin and Adjusted EBITA Margin for 2022 is influenced by the factors listed below and is based on assumptions by Scholt Energy's management related to these factors. These assumptions relate to factors that can, even if only to a limited extent, or cannot be influenced by Scholt Energy. Even if Scholt Energy believes that these assumptions are reasonable at the time of the outlook of Gross Margin and Adjusted EBITA Margin by Scholt Energy's management, they may prove erroneous or unfounded. If one or more of these assumptions proves to be erroneous or unfounded, the actual Gross Margin and Adjusted EBITA Margin could deviate materially from Scholt Energy's current outlook of the Gross Margin or Adjusted EBITA Margin. The expected Gross Margin and Adjusted EBITA Margin for 2022 are generally subject to factors that are beyond the control of Scholt Energy and its subsidiaries or any individual, being unforeseen events such as force majeure, legislative and other regulatory measures, economic development of the energy sector. In addition, other operating income and other operating expenses may also influence the Gross Margin and Adjusted EBITA Margin for 2022 as compared to 2020, over which Scholt Energy has limited control. In addition, the timing and performance of acquisitions and disposals may also influence Gross Margin and Adjusted EBITA Margin for 2022, over which Scholt Energy has control.

The outlook of the Gross Margin and Adjusted EBITA Margin does not include material extraordinary results or results from non-recurring activities. As the outlook of the Gross Margin for 2022 relates to a period not yet completed and has been prepared on the basis of assumptions about future uncertain events and actions, it naturally entails substantial uncertainties. Because of these uncertainties, it is possible that the actual Gross Margin and/or the Adjusted EBITA Margin for 2022 may differ materially from the outlook.

What are the key risks that are specific to the Company?

Any investment in the Ordinary Shares is associated with risks. Prior to any investment decision, it is important to carefully analyse the risk factors considered relevant to the future development of Scholt Energy and the Ordinary Shares. The following is a summary of the key risks that, alone or in combination with other events or circumstances, could have a material adverse effect on Scholt Energy's business, financial condition, results of operations or prospects. In making the selection, Scholt Energy has considered circumstances such as the probability of the risk materialising on the basis of the current state of affairs, the potential impact which the materialisation of the risk could have on Scholt Energy's business, financial condition, results of operations or prospects, and the attention that management would, on the basis of current expectations, have to devote to these risks if they were to materialise:

- Scholt Energy is exposed to a risk of default by and lack of funds and credit of customers, suppliers and other counterparties, and any such default could materially adversely affect Scholt Energy's business, financial condition, operating results or prospects;
- A liquidity risk is inherent to Scholt Energy's operations, being especially tied to the mark-to-market position of Scholt Energy's forward contracts;
- If Scholt Energy's credit insurance is insufficient to protect against losses incurred or is quite costly to renew, Scholt Energy's business, financial condition, operating results or prospects may be materially adversely affected;
- Scholt Energy is dependent on its ability to maintain and develop existing customer relationships and its growth strategy requires it to attract a sufficient number of new customers and cross sell products to existing customers;
- Scholt Energy is dependent on its ability to attract and retain its senior management and other key personnel;
- Scholt Energy's business activities and revenue may be affected by changing customer behaviour and the efficiency and emergence of new technologies;
- Scholt Energy operates in highly fragmented, competitive markets and may not be able to compete effectively against traditionally large utilities and smaller, local utilities;
- Scholt Energy relies on the energy exchange markets and over the counter contracts to enter into agreements for the sourcing of electricity and gas to its customers;
- Scholt Energy's results of operations have been adversely affected and could in the future be materially adversely affected by global pandemics such as COVID-19;
- Scholt Energy's ability to expand its Energy Transition Services could be limited by grid capacity;
- Any significant deterioration in the economic or financial conditions in the regions and countries in which Scholt Energy operates, or the international markets more generally, could have a materially adverse effect on Scholt Energy's business, financial condition, results of operations or prospects;
- Scholt Energy's operations require permits, licences, approvals and certificates, the revocation, cancellation or non-renewal of which could materially adversely affect Scholt Energy's business and operations; and
- Changes to the legal and regulatory framework responding to climate change concerns, could have a material adverse effect to Scholt Energy's business and financial condition.

Key Information on the Ordinary Shares

What are the main features of the Ordinary Shares?

Type, Class and ISIN. The Ordinary Shares are ordinary shares in the share capital of the Company with a nominal value of €0.01 each. The Ordinary Shares are denominated in and will trade in euro on Euronext Amsterdam. The Ordinary Shares' ISIN is NL0015000IZ9.

Rights attached to the Ordinary Shares. The Ordinary Shares will rank *pari passu* with each other and holders of Ordinary Shares will be entitled to dividends and other distributions declared and paid on them. Each Ordinary Share carries distribution rights and entitles its holder the right to attend and to cast one vote at the general meeting (*algemene vergadering*) of the Company (the **General Meeting**). There are no restrictions on voting rights attaching to the Ordinary Shares. Each holder of Ordinary Shares shall, subject to exceptions, have a pre-emptive right in respect of the Ordinary Shares to be issued in proportion to the aggregate nominal amount of Ordinary Shares already held by it. Such a pre-emptive right may, however, be restricted or excluded by the Management Board, subject to the approval of the Supervisory Board, if the Management Board has been designated by the General Meeting as the authorised body to do so. If the Management Board has not been authorised to restrict or exclude pre-emptive rights, the General Meeting has the power to limit or exclude pre-emptive rights. It is expected that the General Meeting will designate the Management Board as the body authorised to restrict or exclude pre-emptive rights accruing to Shareholders in relation to the issue of or granting of rights to subscribe for Ordinary Shares, subject to the approval of the Supervisory Board, for a period of 18 months following the Settlement Date.

Dissolution and Liquidation. If the Company is dissolved or liquidated, the Company's assets shall be paid to secured creditors, preferential creditors (including tax and social security authorities) and unsecured creditors, in that order. The balance of the assets of the Company remaining after all liabilities and the costs of liquidation shall be distributed among the Shareholders in proportion of their number of Ordinary Shares. Once the liquidation has been completed, the books, records and other data carriers of the dissolved Company will be held by the person or legal person appointed for that purpose by the General Meeting for the period prescribed by law (which as of the date of this Prospectus is seven years).

Restrictions on Free Transferability of the Ordinary Shares. There are no restrictions under the Company's articles of association, including as they will be in effect following amendment effective as of the Settlement Date (immediately prior to Settlement), or under Dutch law that limit the right of shareholders to hold Ordinary Shares. The transfer of Ordinary Shares to persons who are located or resident in, citizens of, or have a registered address in jurisdictions other than the Netherlands may, however, be subject to specific regulations or restrictions according to their securities laws.

Dividend Policy. The Company's intention is to apply a dividend pay-out policy that targets a pay-out of 80-100% of annual reported total comprehensive income for the period, net of tax, which is attributable to the shareholders of the Company. The ability and intention of the Company to pay dividends in the future will depend on its financial position, results of operations, capital requirements, investment alternatives, existence of distributable reserves, available liquidity, market developments, industry peers and other factors that the Management Board and Supervisory Board may deem relevant.

Where will the Ordinary Shares be traded?

Application has been made to admit all of the Ordinary Shares to listing and trading on Euronext Amsterdam, under the symbol "SCHLT". Trading on an "as-if-and-when-issued/delivered" basis in the Ordinary Shares on Euronext Amsterdam is expected to commence on or about 17 September 2021 (the **First Trading Date**). Prior to being admitted to trading on Euronext Amsterdam, there has been no public trading market for the Ordinary Shares.

What are the key risks that are specific to the Ordinary Shares?

The key risks relating to the Offering and the Ordinary Shares are the following:

- After Settlement, the Selling Shareholders will be able to exert substantial influence on the Company, and their interests could differ from those of the Company's other shareholders; and
- The market price of the Ordinary Shares may be adversely affected by future offerings of debt or equity securities by the Company.

Key Information on the Offering and the Admission

Under which conditions and timetable can I invest in the Ordinary Shares?

Offering. The Selling Shareholders are offering in aggregate up to 6,000,000 Offer Shares, not including any Over-Allotment Shares. Waterland and Scholt Investment Group B.V. have granted ABN AMRO, in its capacity as Stabilisation Manager (as defined below), on behalf of the Underwriters (as defined below), an option (the **Over-Allotment Option**), exercisable within 30 calendar days after the First Trading Date, pursuant to which the Stabilisation Manager (on behalf of the Underwriters) may require Waterland and Scholt Investment Group B.V. to sell up to 900,000 Ordinary Shares, comprising up to 15% of the total number of Offer Shares sold in the Offering, to cover short positions resulting from any over-allotments or stabilisation transactions, if any, made in connection with the Offering. Assuming no exercise of the Over-Allotment Option and an Offer Price at the bottom of the Offer Price Range (all as defined below), the Offer Shares will constitute not more than 30% of the issued Ordinary Shares. Assuming the Over-Allotment Option is fully exercised and an Offer Price at the bottom of the Offer Price Range, the Offer Shares will constitute not more than 34.5% of the issued Ordinary Shares.

Jurisdictions. The Offering comprises: (i) a public offering to institutional and retail investors in the Netherlands; and (ii) a private placement to certain institutional investors in various other jurisdictions. The Offer Shares are being offered and sold within the United States of America (the **United States** or **U.S.**) to persons reasonably believed to be "qualified institutional buyers" as defined in Rule 144A (**Rule 144A**) under the U.S. Securities Act of 1933, as amended (the **U.S.**

Securities Act), pursuant to Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state and other securities laws, and outside the United States in accordance with Regulation S under the U.S. Securities Act. The Offering is made only in those jurisdictions in which, and only to those persons to whom, the Offering may be lawfully made.

Timetable. Subject to acceleration or extension of the timetable by the Company and the Selling Shareholders, in consultation with the Joint Global Coordinators for, or withdrawal of, the Offering, the timetable below lists the expected key dates for the Offering.

Event	Date (2021) (Time (CET))
Start of offer period (the Offer Period)	8 September 2021 (9:00)
End of Offer Period for Dutch Retail Investors	15 September 2021 (17:30)
End of Offer Period for institutional investors	16 September 2021 (14:00)
Pricing and Allocation	16 September 2021
Commencement of trading on an "as-if-and-when-issued/delivered" basis on Euronext Amsterdam	17 September 2021 (9:00)
Settlement (payment and delivery)	21 September 2021 (9:00)

The Company and the Selling Shareholders, in consultation with the Joint Global Coordinators, reserve the right to accelerate or extend the Offer Period. In the event of an acceleration or extension of the Offer Period, pricing, allotment, admission and first trading of the Offer Shares in the Offering may be advanced or extended accordingly.

Offer Price, Offer Price Range and number of Offer Shares. The Offer Price is expected to be in the range of €16.00 to €19.00 (inclusive) per Offer Share (the **Offer Price Range**). The Offer Price may be set within, above or below the Offer Price Range. The Offer Price Range is indicative and may be changed. The maximum number of Offer Shares may be increased or decreased prior to the allocation of the Offer Shares. The Offer Price and the exact number of Offer Shares will be determined after the end of the Offer Period by the Company and the Selling Shareholders, in agreement with the Joint Global Coordinators and on the basis of a book building process, and will be stated in a pricing statement that will be published through a press release that will also be posted on the Company's website (www.scholt.com/investors) and filed with the AFM.

Allocation. Allocation of the Offer Shares is expected to take place after the closing of the Offer Period on or about 16 September 2021, subject to acceleration or extension of the timetable for the Offering. Full discretion will be exercised as to whether or not and how to allot the Offer Shares. There is no maximum or minimum number of Offer Shares for which prospective investors may purchase or subscribe for and multiple applications to purchase, or subscribe for, Offer Shares are permitted. In the event that the Offering is over-subscribed, investors may receive fewer Offer Shares than they applied for.

Preferential Retail Allocation. There will be a preferential allocation of Offer Shares to retail investors in the Netherlands (each a **Dutch Retail Investor**). Each Dutch Retail Investor will be allocated the first 300 (or fewer) Offer Shares for which such investor applies. If the total number of Offer Shares subscribed for by Dutch Retail Investors under the Preferential Retail Allocation would exceed 10% of the total number of the Offer Shares, assuming no exercise of the Over-Allotment Option, the preferential allocation to each Dutch Retail Investor may be reduced pro rata to the first 300 (or fewer) Offer Shares for which such investor applies. As a result, Dutch Retail Investors may not be allocated all of the first 300 (or fewer) Offer Shares for which they apply. Dutch Retail Investors can only apply to purchase, or subscribe for, Offer Shares on a market order (*bestens*) basis. This means that Dutch Retail Investors will be bound to purchase, or subscribe for, and pay for the Offer Shares indicated in their application, to the extent such Offer Shares are allocated to them, at the Offer Price, even if the Offer Price is above the upper end of the Offer Price Range. Dutch Retail Investors can submit their applications through their own financial intermediary. The financial intermediary will be responsible for collecting applications from Dutch Retail Investors and for submitting their applications to the Retail Coordinator.

Payment and Delivery. Payment (in euro) for and delivery of the Offer Shares (**Settlement**) will take place on the date of settlement, which is expected to be 21 September 2021 (the **Settlement Date**). Taxes and expenses, if any, must be borne by the investor. Investors must pay the Offer Price in immediately available funds in full in euro on or before the Settlement Date (or earlier in the case of an early closing of the Offer Period and consequent acceleration of pricing, allocation, first trading and payment and delivery). The Offer Shares will be delivered in book-entry form through the facilities of Netherlands Central Institute for Giro Securities Transactions (**Euroclear Nederland**). If Settlement does not take place on the Settlement Date as planned or at all, the Offering may be withdrawn, in which case all subscriptions for Offer Shares will be disregarded, any allotments made will be deemed not to have been made and any subscription payments made will be returned without interest or other compensation and transactions in the Offer Shares on Euronext Amsterdam may be annulled. Any transactions in Offer Shares prior to Settlement are at the sole risk of the parties concerned.

Joint Global Coordinators. ABN AMRO and Rabobank are the joint global coordinators for the Offering (the **Joint Global Coordinators**).

Joint Bookrunners. KBC together with the Joint Global Coordinators are the joint bookrunners for the Offering (the **Joint Bookrunners**).

Listing Agent and Paying Agent. ABN AMRO is the listing and paying agent with respect to the admission to listing and trading of the Ordinary Shares on Euronext Amsterdam.

Stabilisation Manager. ABN AMRO is the stabilisation manager for the Offering (the **Stabilisation Manager**).

Estimated Expenses. Based on an Offer Price at the mid-point of the Offer Price Range and assuming the sale of the maximum number of Offer Shares and no exercise of the Over-Allotment Option, the expenses, commissions and taxes related to the Offering are estimated to amount to approximately €5.7 million, which will be payable by the Selling Shareholders.

Who is the offeror and/or the person asking for Admission?

The Offer Shares are being offered by the Selling Shareholders. The Company is asking for Admission of the Offer Shares. The Company is expected to be converted into a public company with limited liability (*naamloze vennootschap*) with its statutory seat (*statutaire zetel*) in Valkenswaard, the Netherlands, and to be renamed to Scholt Energy N.V. immediately prior to Settlement. The Company's LEI is 724500LLRNCTWAWOLJ68 and its trade register number is 66811899. Each of the Company and the Selling Shareholders operates under the laws of the Netherlands.

Why is the Prospectus being produced?

Reasons for the Offer and Admission. The Company believes that the Offering and listing and trading of Ordinary Shares on Euronext Amsterdam will further enhance the Company's profile on a standalone basis as well as its reliability as partner to counterparties and energy providers. The Offering also aims to permit the Company to incentivise the existing and future management team and senior staff, and to continue to attract and retain high calibre individuals to join the Company's management team in the future, by way of awards of listed Ordinary Shares. In addition, the Offering will create a market in the Ordinary Shares for existing and future shareholders and provides the Selling Shareholders with a partial realisation of their investment in the Company.

Net Proceeds. The Company will not receive any proceeds from the sale of the Offer Shares and/or the sale of any Over-Allotment Shares by the Selling Shareholders, the net proceeds of which will be received by the Selling Shareholders. After deducting the estimated expenses, commissions and taxes related to the Offering payable by the Selling Shareholders, the Selling Shareholders expect to receive approximately €105 million in net proceeds from the Offering (based on an Offer Price at the mid-point of the Offer Price Range and assuming the sale of the maximum number of Offer Shares by the Selling Shareholders and no exercise of the Over-Allotment Option granted by Waterland and Scholt Investment Group B.V. in connection with the Offering).

Underwriting Agreement. The Company, the Selling Shareholders and the Underwriters entered into an Underwriting Agreement on 8 September 2021 with respect to the Offering and sale of the Offer Shares in connection with the Offering (the **Underwriting Agreement**). On the terms, and subject to the conditions, of the Underwriting Agreement, the Company has agreed to issue the Offer Shares at the Offer Price to purchasers procured by the Underwriters and the Underwriters have agreed to use reasonable endeavours to procure purchasers for the Offer Shares and to itself purchase the Offer Shares subscribed for but not paid by such purchasers on the Settlement Date at the Offer Price.

Most Material Conflicts of Interest Pertaining to the Offering and the Admission. Certain of the Underwriters and/or their respective affiliates have from time to time been engaged, and may in the future engage, in commercial banking, investment banking and financial advisory and ancillary activities in the ordinary course of their business with the Company (or any parties related to the Company) for which they have received or may in the future receive customary compensation, fees and/or commission. Additionally, the Underwriters and/or their affiliates, including their respective parent companies, may, in the ordinary course of their business, hold the Company's securities for investment purposes. As a result, these parties may have interests that may not be aligned, or could possibly conflict with the interests of investors or of the Company.

RISK FACTORS

Before investing in the Offer Shares, prospective investors should consider carefully the risks and uncertainties described below, together with the other information contained in this Prospectus. The occurrence of any of the events or circumstances described in these risk factors, individually or together with other circumstances, may have a significant negative impact on Scholt Energy's (as defined below) business, financial condition, results of operations and prospects. The price of the Offer Shares could decline and an investor might lose part or all of its investment upon the occurrence of any such event.

All of these risk factors and events are contingencies which may or may not occur. Scholt Energy may face a number of these risks described below simultaneously and some risks described below may be interdependent. Although the most material risk factors have been presented first within each category, the order in which the remaining risks are presented is not necessarily an indication of the likelihood of the risks actually materialising, of the potential significance of the risks or of the scope of any potential negative impact to Scholt Energy's business, financial condition, results of operations and prospects. The risk factors below have been divided into categories and some risk factors could belong in more than one category. However, each risk factor is presented within the most appropriate category and prospective investors should carefully consider all of the risk factors set out in this section.

*Although the management board (bestuur) of the Company (the **Management Board**) and the Company believe that the risks and uncertainties described below are the material risks and uncertainties concerning Scholt Energy's business and industry, and the Offer Shares, they are not the only risks and uncertainties relating to Scholt Energy and the Offer Shares. Other risks, events, facts or circumstances not presently known to Scholt Energy, or that Scholt Energy currently deems to be immaterial could, individually or cumulatively, prove to be important and may have a significant negative impact on the Scholt Energy's business, financial condition, results of operations and prospects.*

Prospective investors should carefully read and review the entire Prospectus and should form their own views before making an investment decision with respect to any Offer Shares. Furthermore, before making an investment decision with respect to any Offer Shares, prospective investors should consult their own professional adviser and carefully review the risks associated with an investment in the Offer Shares and consider such an investment decision in light of their personal circumstances.

*As used in this Prospectus, a reference to **Scholt Energy** refers to the Company as well as to its businesses which are held as consolidated subsidiaries and equity-method non-consolidated subsidiaries, associated companies and joint ventures, as the context requires.*

Risks Relating to Scholt Energy's Business and Industry

Scholt Energy is exposed to a risk of default by and lack of funds and credit of customers, suppliers and other counterparties, and any such default could materially adversely affect Scholt Energy's business, financial condition, operating results or prospects.

Scholt Energy provides the option of price-fixed forward energy commitments to its customers, which creates trading risk for Scholt Energy, which Scholt Energy covers with back-to-back forward purchases or hedges in the energy markets. As a result, Scholt Energy's suppliers have long-term contracts outstanding to provide energy to Scholt Energy against fixed forward prices. Scholt Energy is exposed to a risk of default by and lack of funds and credit of its customers, suppliers and other counterparties, including the risk of default by counterparties to Scholt Energy's forward contracts for the supply of electricity and gas. Scholt Energy primarily faces a customer default risk because it enters into forward contracts to hedge the agreements it enters with its customers for the future supply of electricity and gas. If a customer defaults before the end of their contract period, Scholt Energy is exposed to any unfavourable difference between the current market price of its forward contract and the price of such contract at the time it was entered into by Scholt Energy ("mark-to-market"). If the market price of the energy

related to the contract has declined since the contract was entered into, Scholt Energy would be exposed to any costs associated with exiting its position from such forward contract, which exit would result in a financial loss for Scholt Energy. On the other hand, Scholt Energy could be in a better position if the market price of the energy (electricity or gas) related to the contract has increased, but there is no guarantee that any such benefits will reduce the risk Scholt Energy faces of being exposed to costs associated with exiting forward positions. Scholt Energy also faces supplier default risk in the event that the supplier that is a party to the forward contract defaults and the price of electricity or gas purchased in the forward contract has increased since the entry into the contract. In such a case, Scholt Energy would need to cover its customer supply contract and would likely need to enter into a more costly forward contract in order to do so. Scholt Energy purchases its forward contracts through energy exchange markets in Europe as well as "over the counter" (OTC) under bilateral agreements with several suppliers.

The risk of default is typically exacerbated during periods of macroeconomic downturn in the markets in which Scholt Energy operates its business, which could lead to operational and financial difficulties for Scholt Energy's customers, increasing their risk of default, or lead to reduced availability of credit and funds in the market and make borrowing conditions more onerous, which could increase the risk of default of Scholt Energy's suppliers with which it has forward contracts. The lack of availability of credit and funds or more onerous conditions to obtaining credit or funds may impair the ability of forward energy contract counterparties or other counterparties of Scholt Energy to honour their pre-existing arrangements and fulfil their contractual obligations. Any of the foregoing could impact Scholt Energy's ability to manage the risk of default on its forward contracts successfully and may materially adversely affect Scholt Energy's business, financial condition, operating results or prospects.

Liquidity risk, especially tied to the mark-to-market position of Scholt Energy's forward contracts, is inherent to its operations.

Liquidity, or ready access to funds, such as cash flow from operations or credit lines, is essential to Scholt Energy's business. Liquidity risk relates to the risk that Scholt Energy's liquidity reserves may no longer be sufficient to meet its financial obligations in a timely manner. While, in the opinion of Scholt Energy, the working capital available to the Group is sufficient for its present requirements for at least 12 months following the date of the Prospectus, liquidity risk for Scholt Energy exists following that period. In addition, Scholt Energy's assessment of its working capital requirements over the next 12 months is based on Scholt Energy's reasonable assumptions (e.g. on energy price and demand development) about worst-case scenarios. If any events were to occur that were to lead to situations worse than those anticipated, the Group could face unexpected liquidity risk. Scholt Energy's energy hedging activities require significant amounts of working capital to fund purchases of energy, primarily through forward contracts and spot market purchases for future delivery of energy to its customers. Scholt Energy generates cash from operations and currently has a credit facility agreement for €20 million (which can be increased by an amount not exceeding €10 million in respect of a temporary increase) and a bank guarantee of €150 million that it uses to fund collateral requirements resulting from forward contracts. Scholt Energy enters into forward contracts for gas and electricity to cover the future energy supply amounts contracted by its customers.

In connection with the entry into such forward contracts, Scholt Energy must put down collateral in the form of cash or non-cash financial guarantees. Scholt Energy is also subject to margin calls where it is required to provide such collateral for any unfavourable difference between market and forward contract prices that arise over the period of such a contract and that on an aggregate level per supplier exceed the threshold agreed on with that supplier.² The frequency and timing of margin calls to provide collateral for mark-to-market adjustments will vary by the terms of the forward contract. When these margin calls occur, the required amount of collateral depends on the price development of forward price compared to the current spot price. As a result of these requirements, access to sufficient levels of cash and non-cash liquidity, including through financial guarantees or sureties, is of critical importance to Scholt Energy and its business continuity.

Scholt Energy generally has a contractual right to request cash deposits from its customers to protect itself against any customer default risk in relation to the margin calls, which could also assist Scholt Energy with its liquidity

² On the date of this Prospectus thresholds vary from €0 to €2.5 million.

needs in relation to margin calls to which it is subjected by suppliers that are counterparties to forward contracts. However, Scholt Energy has generally not requested customers to provide such cash deposits in the past and it may not be successful in securing cash from customers in this manner if required. A lack of liquidity or insufficient liquidity of Scholt Energy may mean that Scholt Energy will not have funds available to maintain forward energy contracts, in which case such forward energy contracts would be cancelled. In that case, Scholt Energy would be exposed to increasing energy prices and would no longer be able to fulfil its obligation under its financing facility to hedge at least 95% of forward supply obligations with forward purchasing rights, which would incur an event of default that entitles the lenders under the facility to acceleration. This could impact Scholt Energy's ability to compete successfully and may have a material negative impact on Scholt Energy's business, financial condition or prospects.

Scholt Energy's credit insurance may be insufficient to protect against losses incurred or costly to renew.

Scholt Energy insures the risk of default by its customers through a credit insurance policy with a maximum cover per year equal to the higher of (a) €9,425,000 and (b) 50 times the insurance premium paid in that calendar year. This credit insurance policy is in place to protect Scholt Energy against customer defaults. Scholt Energy's credit insurance covers 95% of customer credit defaults for services already rendered that are unpaid, as well as 95% of customer credit defaults for the volume of energy that was supplied to the customer through the energy cut-off period (which cut-off period relates to the period of time from the point the customer provides notice to cut off the supply of energy (i.e., terminates its contract), with the length of such cut-off period being driven by local regulatory law and is typically two weeks to a month from the time notice is made). The credit insurance policy requires Scholt Energy to cover the 5% excess and does not cover credit default loss on customers whose coverage was rejected by the insurer and does not cover any forward contract default risk. This forward contract default risk principally arises from customer default risk in the event of a reduction in energy market prices in relation to forward contract prices and hence a negative outstanding mark-to-market position. As such, in any event, 5% of such losses will be borne by Scholt Energy itself. Scholt Energy provides collateral on forward contracts it enters into to cover its energy supply needs with customers and Scholt Energy also covers margin calls for mark-to-market adjustments for such contracts. If the customer was to default on paying for any contractually agreed-upon energy supply services, Scholt Energy could suffer significant losses for any forward contracts it had entered into to cover the future volume energy requirements it had agreed with such customer. In case a customer defaults for its energy supply needs contracted with Scholt Energy, Scholt Energy would exit any forward contract it entered into and would apply for certain customer default losses to be covered by its credit insurance. Scholt Energy's credit insurance would only cover any unpaid past due bills for energy already supplied to the customer and the volume of energy that the customer was contracted to be supplied through the energy cut off period (which cut-off period is driven by local regulatory law and is typically two weeks to a month from the time notice to cut-off the supply of energy is made). Scholt Energy's credit insurance would not cover Scholt Energy for any future contracted supply after the cut-off period covered by forward contracts. If the energy market prices covered by such forward contracts had decreased since the forward contract was entered into, Scholt Energy would expect to sell the forward contract at a loss when exiting from it. If there had been significant energy price decreases since the forward contract had been entered into, the loss from the sale of such contract and from any collateral posted for margin calls could be significant.

In 2018, 2019 and 2020 the Group made €130,748, €98,171 and €138,696 in claims, respectively, under its credit insurance policy. Scholt Energy's current credit insurance policy expires at the end of 2023 and Scholt Energy will be exposed to any potential unfavourable pricing developments in the credit insurance pricing from that point onwards. In connection with the global coronavirus pandemic (COVID-19), governments have provided guarantees and other forms of government support to credit insurance companies. In the event that such support is withdrawn or in case there are long-lasting impacts to credit insurance companies following from COVID-19 or as a result of other events, it could be difficult for Scholt Energy to afford credit risk insurance premiums and retain cover in the future. Any of the foregoing could impact Scholt Energy's ability to manage its default and liquidity risks and could materially adversely affect Scholt Energy's business, financial condition, operating results or prospects.

Scholt Energy is dependent on its ability to maintain and develop existing customer relationships and its growth strategy requires it to attract a sufficient number of new customers.

Scholt Energy is an independent B2B energy supplier and provider of energy transition services focussed on the mid to large corporate segment (i.e. companies with a monthly energy bill over €1,000). Scholt Energy's ability to retain existing customers and attract new customers is dependent on many factors, including Scholt Energy's ability to clearly explain the complex energy market and demonstrate the value Scholt Energy's services offer to customers as an independent energy partner, its ability to supply energy in a manner that allows customers to effectively manage their energy costs and accurately forecast their energy requirements and in further developing its energy transition services. Since Scholt Energy's revenue is largely dependent on the volume of electricity and gas it supplies to customers, the overall size of Scholt Energy's customer base and the volume of electricity and gas such customers purchase through Scholt Energy is a key driver in Scholt Energy's results of operation. The quality of Scholt Energy's customer account managers and other sales team members, and the levels of service they deliver is critical to retaining Scholt Energy's existing customers and attracting new customers.

Scholt Energy's net promoter score (**NPS**) reflects the importance of Scholt Energy's existing customers to recommend Scholt Energy to new customers. If Scholt Energy fails to provide high quality services, accurate billing or explain the benefits Scholt Energy's services offer, Scholt Energy's customers may be less inclined to continue to partner with Scholt Energy for their energy needs, or at the current volumes, or to recommend Scholt Energy to new customers.

While Scholt Energy has historically had a low customer churn rate, failure to effectively communicate with customers or to maintain the quality of customer service to customers could harm Scholt Energy's reputation and its ability to retain existing customers and attract new customers. For example, Scholt Energy's customers can source their electricity and energy supply through a combination of forward wholesale contracts and day ahead contracts (spot market contracts). Scholt Energy typically works together with customers to ensure they have sufficient supply through the forward, day-ahead or intraday markets. However, if Scholt Energy's customers do not correctly assess their energy requirements, they will be required to obtain energy through the grid operator at the imbalance rate (which rates can be substantially higher than those from the other markets). Since this risk arises if customers do not have the right volume of energy purchased on the day, Scholt Energy also refers to this as a volume risk. The costs of energy purchased at the imbalance market are typically paid for by the customer. If the customer has to pay high rates at the imbalance market, even though it resulted from the customers own inaccurate estimates of its energy needs, the customer may be dissatisfied with Scholt Energy's energy management services, which could result in a reduced likelihood that such customer chooses to extend its dealings with Scholt Energy. In addition, customers could also be dissatisfied with the Company's services due to customers' selection of the mix in energy contracts obtained between forward wholesale contracts and those purchased via spot markets in the event the relevant considerations and rationale for the mix between forward and spot market supply are not explained well by the Company's account managers or understood by the customer. Customers may be dissatisfied in these circumstances since customers may end up paying a higher price on the forward market for the energy purchased than it could have obtained on the spot market for its energy requirements or alternatively they may end up paying a higher price on the spot market for the energy purchased than if they had purchased more energy in advance through forward contracts.

Any of the foregoing may materially adversely affect Scholt Energy's business, financial condition, operating results or prospects.

Scholt Energy is dependent on its ability to attract and retain its senior management and other key personnel.

Scholt Energy's success depends, in part, on its ability to retain its key personnel. Scholt Energy is dependent on the capabilities and continued services of its senior management and other key personnel. In particular, Scholt Energy is dependent on the capabilities and continued service of its CEO, Rob van Gennip, its CFO, Frank van Gastel, its COO, René Dekkers, and its CCO, Siebe Scholt, who have been with Scholt Energy since 2004, 2015, 2009 and 2010, respectively. Scholt Energy also still reflects its family business origin with continued ties to its founder and current supervisory director, Mr Jan Cornelis Scholt (**Mr J.C. Scholt**), who is the father of the CCO

and Scholt Energy's HR manager (who is partner of the CEO), all of whom have been with Scholt Energy for a number of years. The unexpected loss of or failure to retain one or more members of senior management or other key personnel could materially adversely affect its business. If members of senior management or other key personnel were to discontinue their service to Scholt Energy, Scholt Energy would be significantly disadvantaged in the event that it was unable to appoint or hire suitable replacements in a timely manner.

Scholt Energy's success also depends, in part, on its continuing ability to train, develop and retain other personnel, especially portfolio analysts (who are responsible for estimating customers energy needs for the next day), customer account managers and other sales team members to educate existing and potential customers on Scholt Energy's approach to risk spreading in relation to energy costs. Its growth strategy also depends on its ability to attract, train and develop new personnel in existing and new markets where Scholt Energy has expanded its operations and these efforts may be more challenging as Scholt Energy continues to build its brand recognition. A failure to train, develop and retain such personnel could result in a delay in achieving sales objectives or Scholt Energy's growth strategy. While Scholt Energy's account managers and sales teams explain that predicting the market is not possible, as Scholt Energy's account managers, following the advice of Scholt Energy's sourcing analysts, advise customers about when they think forward purchasing moments are right and since Scholt Energy's portfolio analysts are responsible for estimating next-day energy use for customers, any guidance or misestimates could lead to higher energy costs for Scholt Energy's customers and, ultimately, customers' dissatisfaction. As such a failure to train, develop and retain these skilled personnel could result in higher customer costs and customer dissatisfaction. Additionally account managers and other sales team personnel are key to creating and developing customer relationships, which are also a source of referrals for new customers.

Scholt Energy historically had a low customer churn rate. The availability of qualified customer account managers and other sales team members is one of the factors that Scholt Energy believes is important for maintaining a low customer churn. Scholt Energy has in the past had and could in the future have trouble recruiting the number of account managers it anticipates. These risks may become more likely as Scholt Energy continues to grow, if Scholt Energy experiences high employee turnover or labour shortages, or if Scholt Energy hires inexperienced personnel to meet its staffing needs in connection with any expansion undertaken.

Scholt Energy maintains non-compete clauses in the contracts of its portfolio analysts, sourcing analysts, customer account managers and other sales team members in certain jurisdictions, such as the Netherlands, Belgium and Austria. Scholt Energy does not typically enter into non-compete agreements with such personnel in Germany due to the regulatory costs associated with payment required during the period of restriction. If personnel were to leave, customers could choose to leave Scholt Energy and follow such personnel if they were to go to one of Scholt Energy's competitors or were to offer similar services to Scholt Energy, and Scholt Energy faces a greater risk of such loss in jurisdictions where it does not have non-compete clauses in such personnel's contracts. Even with a non-compete clause, Scholt Energy could experience a loss of customers following the expiry of such non-compete clauses. Any loss of members of senior management or other key personnel, failure by senior management and other personnel to perform as expected or failure of Scholt Energy to identify, hire, attract and train other personnel could impact Scholt Energy's ability to compete successfully and may materially adversely affect Scholt Energy's business, financial condition, operating results or prospects.

Scholt Energy's business activities and revenue may be affected by changing customer behaviour, including due to the emergence of new technologies.

With increasing pressure from economic, political and social developments, including recognition of the economic and environmental impact of global climate change, Scholt Energy's future operations will potentially be shaped by changes in customer demands and expectations as well as regulatory requirements necessitating a move towards a lowest possible environmental cost and a low-carbon economy. This may lead to reduced energy demand by Scholt Energy's customers. In addition, the ineffective or incomplete implementation of new legislation may have adverse consequences on the viability of investment in new technologies and the development of new assets, including certain of the Energy Transition Services offered by Scholt Energy.

New technologies, including those that improve the energy efficiency of the operations of Scholt Energy's customers, have in the past and are expected in the future to lead to a reduction in energy demand from Scholt Energy's customers. Changing customer behaviour as a result of greater environmental awareness, negative reactions to past energy bill movements, reactions to long-term weather pattern changes or the general economic environment have in the past and are expected in the future to also lead to a reduction in energy demand from Scholt Energy's customers. While these changes may lead to additional revenue for its Energy Transition Services, a decrease in energy use and external purchase would likely have a negative effect on Scholt Energy's revenues.

In the event that Scholt Energy's Energy Transition Services do not capture a larger portion of the energy transition market, the continued development of technology and innovation in energy sources, including from solar energy, could have a negative effect on demand for Scholt Energy's energy supply or services and Scholt Energy's revenue. At the moment, Scholt Energy's revenue is primarily dependent on customers' demand for gas and electricity. If the customers' demand for solar energy or other alternative energy sources were to rapidly increase, particularly if Scholt Energy's own solar energy offering as part of Scholt Energy's Energy Transition Services would not be able to expand proportionally to any increase in demand for solar or other alternative energy sources, this could have a negative effect on Scholt Energy's overall revenue. Any of the foregoing could impact Scholt Energy's ability to compete successfully and may materially adversely affect Scholt Energy's business, financial condition, operating results or prospects.

Scholt Energy operates in highly competitive markets and may not be able to compete effectively.

Scholt Energy competes for customers in the mid to large corporate segment (i.e. companies with a monthly energy bill over €1,000) in the Netherlands, Belgium, Germany and Austria and may in the future compete in additional geographies. As Scholt Energy's competitors include both large utilities and a large number of small competitors, the markets in which Scholt Energy operates are highly fragmented and therefore highly competitive. In its markets, Scholt Energy also encounters competition from both energy suppliers and energy advisors (brokers and resellers). Competitors may offer different products and services, lower prices, and other incentives, which may lure customers away from Scholt Energy's business. Within the Netherlands, Belgium and Germany, Scholt Energy has a 13%, 3% and 1% market share of the industrial electricity market, respectively, and a 6%, 2% and 1% market share of the industrial gas market, respectively, with market share representing Scholt Energy's volume of industrial electricity or gas consumption based on contracted amounts for 2021 as at 31 December 2020, expressed as a percentage of national industrial electricity and industrial natural gas consumption of each country over 2018 (the last available information for all markets). Many of Scholt Energy's competitors or potential competitors are larger than Scholt Energy, have a larger market share of the electricity and industrial gas consumption markets, have access to more significant capital resources, have more well-established brand names and have larger existing installed customer bases and Scholt Energy may find it difficult to compete against them and gain market share. Scholt Energy also faces competition from rapidly evolving technological changes in the energy sector, which could adversely impact its ability to increase or maintain its competitiveness. Any of the foregoing could impact Scholt Energy's ability to compete successfully and may materially adversely affect Scholt Energy's business, financial condition, operating results or prospects.

The markets in which Scholt Energy operates faces the threat of new market entrants.

Scholt Energy primarily competes on the basis of provision of energy supply services and its tailored guidance and assistance to customers in procuring energy and managing energy costs, and also provides services related to energy transition. Scholt Energy could face additional and more direct competition if any businesses with models similar to that of Scholt Energy were to enter Scholt Energy's existing markets. Scholt Energy's market share will depend primarily on its ability to maintain or increase the volume of energy it supplies to its existing customers as well as its ability to persuade more customers to switch to Scholt Energy as its energy supplier or to utilise its Energy Transition Services. Persuading potential customers to switch to Scholt Energy's business requires marketing and sales expense, which may not be effective. For example, based on historical experience, Scholt Energy expects its account managers to bring in a certain volume of business each year based on average business won per year of employment. However, there can be no guarantee that historical averages will reflect future contribution levels achieved by existing or new account managers. As Scholt Energy enters new markets, it will

face additional competitive environments. If Scholt Energy is not successful in maintaining existing volumes and further expanding the volume of energy it supplies or attracting customers to its Energy Transition Services, it could impact Scholt Energy's ability to maintain or grow its market share and may materially adversely affect Scholt Energy's business, financial condition, operating results or prospects.

Scholt Energy relies on the energy exchange markets and over the counter contracts to enter into agreements for the sourcing of electricity and gas to its customers.

Scholt Energy relies on the energy exchange markets and over the counter contracts to enter into various agreements with suppliers for the supply of electricity and gas to Scholt Energy's customers through the wholesale futures market, day-ahead market and intraday market. Scholt Energy does not own power generation or gas production assets. The supply agreements entered into on the energy exchange market or through over the counter contracts range from short-term spot contracts to forward contracts of multiple years in duration. Whenever Scholt Energy enters into agreements with customers to supply them with energy, it must secure contracts with suppliers to match with its supply contracts with customers. In the event that any such agreements are terminated due to supplier default or otherwise, or in the event that Scholt Energy is unable to source suppliers to enter into such agreements in the future, or at less favourable condition, this could materially adversely affect Scholt Energy's business, financial condition, operating results or prospects.

Scholt Energy's risk management policies and practices may not mitigate risk as planned, and they may fail to fully or effectively protect against risk.

In order to provide energy to its customers, Scholt Energy purchases energy in the wholesale energy and spot markets, which prices are volatile. See "*Industry—European Energy market—Historical pricing on forward and spot markets*" for specific information about historical pricing on these markets. Scholt Energy's risk management policies and practices are designed to hedge the risks substantially related to Scholt Energy's contracted volumes of energy to be supplied to customers and Scholt Energy's purchase of energy supply through the wholesale energy markets, spot markets or through other exchanges (including those for the supply of energy with green certificates or through a particular origin). Scholt Energy has a number of risk management policies and practices in place that require Scholt Energy to enter into forward contracts to hedge its contracts with customers and prescribe that Scholt Energy's position may not be under-hedged by less than 95% or over-hedged by more than 105% of the net asset value of the forward contracts, which net asset value must be checked for mark-to-market adjustments. This is tested by Scholt Energy on a daily basis and reported to lenders on a monthly basis. The efficacy of Scholt Energy's risk management program may be adversely impacted by Scholt Energy's implementation of such policies and practices, any human error or fraud by any personnel in complying with Scholt Energy's risk management policies and practices or known or unknown gaps in Scholt Energy's risk management policies and practices. Scholt Energy's risk management policies and practices aim to reduce both liquidity risk and customer default risk, but these risks cannot be fully mitigated by Scholt Energy's risk management policies and practices. If Scholt Energy's risk management policies or practices fail, it could be exposed to default. See "*—Scholt Energy is exposed to a risk of default by and lack of funds and credit of customers, suppliers and other counterparties, and any such default could materially adversely affect Scholt Energy's business, financial condition, operating results or prospects*" Further, if Scholt Energy's risk management policies or practices regarding forward contracts fail or prove to be insufficient, it will be exposed to liquidity risk. See "*—Liquidity risk, especially tied to the mark-to-market position of Scholt Energy's forward contracts, is inherent to its operations*".

To manage customer default risk, Scholt Energy's terms and conditions with customers typically require that customers that elect to enter into contracts with Scholt Energy for the future supply of energy be grouped in a cluster with a collective of customers whose energy volume requirements will be pooled together. In the event that any customer defaults on its forward contract obligations, Scholt Energy's terms and conditions require that any surplus supply of energy resulting from such customer default, as well as any loss incurred if such position is sold, is respectively procured or borne by the remaining customers in the collective. However, there is no guarantee that the remaining customers will be able to cover the customer default, or will be able to meet any negative mark-to-market exposure or they may challenge such provisions in Scholt Energy's terms and conditions and Scholt Energy could be responsible for such defaults. In addition, while Scholt Energy performs credit checks

on the creditworthiness of its customers with an estimated exposure over €50,000 when they are onboarded, and if there are any delays in payment from such customers, these policies and practices do not guarantee that Scholt Energy will be able to identify customers with a high default risk or that customers will not default. A failure of Scholt Energy's risk management policies and practices to protect Scholt Energy against any of the foregoing risks could impact Scholt Energy's ability to compete successfully and may materially adversely affect Scholt Energy's business, financial condition, operating results or prospects.

Scholt Energy's results of operations have been adversely affected and could in the future be materially adversely affected by global pandemics like COVID-19. In late 2019, a new strain of coronavirus (severe acute respiratory syndrome coronavirus 2 or SARS-CoV-2), which can cause coronavirus disease (**COVID-19**), was detected in Wuhan, China. In March 2020, the World Health Organization declared COVID-19 a global pandemic and governmental authorities around the world implemented measures to reduce the spread of COVID-19. COVID-19 has caused and may continue to cause widespread economic disruption. It has had a major impact on the global economy and accordingly on electricity and gas prices. The lockdown measures imposed in the markets where Scholt Energy's customers operate temporarily reduced the electricity and gas demand of Scholt Energy's customer portfolio by 5% to 15% in spring 2020, resulting in delivered volume to be lower than contracted volume. During the same period, prices on the forward market declined rapidly. Delivery in terms of MWh of electricity supplied in 2020 was 7% lower than the joint estimate of Scholt Energy and its customers for 2020.

As a result of this sharp decline in electricity and gas prices in the forward markets, Scholt Energy had to provide additional collateral in connection with margin calls for mark-to-market adjustments, for which Scholt Energy utilised guarantees under its Senior Facilities Agreement, which were nearly fully utilised in the spring of 2020. Later on in 2020, the difference between Scholt Energy's contracted volume with customers and the delivered volume narrowed gradually, eventually resulting in no significant impact on customer demand by the end of 2020, which was largely due to the segmentation of Scholt Energy's customer portfolio (which includes a significant number of customers in the food and industry sectors and limited customers in the travel and hospitality sectors).

Throughout the COVID-19 pandemic, there have also been a number of government measures introduced in Scholt Energy's markets that have positively contributed to Scholt Energy's performance or its customers' ability to manage cash flows, particularly during the spring of 2020. However, a number of these measures have ended or are expected to end in 2021. For example, governments have backed credit insurers and also supported furlough measures that covered customer employee costs. These measures could have assisted Scholt Energy's customers to continue to meet their contracted energy supply needs since other costs were covered through government subsidies or other measures. As these government measures expire and without the introduction of additional government measures (of which there is no guarantee any will be introduced), Scholt Energy could experience defaults by customers if any such customers are negatively impacted due to the prolonged impact of the COVID-19 pandemic, could experience higher credit insurance premiums if credit insurers face additional costs following the removal of government support and could be forced to end customer relationships if credit insurers no longer insure customers and these customers are unable to provide for alternative security. Scholt Energy's own liquidity benefited during COVID-19 from government support measures as it was able to delay one Dutch energy tax payment (one month for the payment originally due in March 2020) and one Dutch VAT payment (two month delay for the payment originally due in April 2020). These delayed payments provided liquidity to Scholt Energy at a time it was experiencing margin calls as a result of declining prices in the forward market in relation to the prices in its forward contracts. Scholt Energy has not applied for any governmental subsidy in relation to COVID-19 in the Netherlands, Germany or Belgium, including the Dutch Temporary Emergency Bridging Measure for Sustained Employment (NOW).

The extent to which COVID-19 or other future pandemics will impact Scholt Energy's business, operations and financial results will depend on numerous factors that are frequently changing or unknown, and that Scholt Energy may not be able to accurately predict, including:

- the duration and scope of the pandemic;
- government imposed lockdowns or other restrictions implemented by government and other bodies;

- government support measures introduced or removed in relation to the pandemic;
- businesses' responses to or change in practices as a result of the pandemic;
- the impact of the pandemic on economic activity and any interventions intended to mitigate decreased economic activity;
- the effect on its customers, their products and services and customer demand for electricity and gas or Scholt Energy's other products and services;
- the effect on personnel working from home, including burnout and attrition;
- consumer confidence and sentiment;
- its ability to retain existing customers, attract new customers, maintain or increase the volume of Scholt Energy's electricity and gas supplied to customers and possible delay in implementing new projects in Energy Transition Services, including as a result of travel restrictions, illness of personnel or illness of their family members, the desire of personnel to stay close to their families or other child care responsibilities during working hours, personnel working from home or with diminished technology and communication abilities, and social distancing;
- the ability of its customers to pay in a timely manner, if at all; and
- closures of Scholt Energy's customers' offices and facilities.

The closure of Scholt Energy's customers' facilities, restrictions that prevent its customers from accessing those facilities or accessing their own customers, and broad disruptions in its customers' markets and customer base, have disrupted and could in the future further disrupt the demand for Scholt Energy's supply of electricity and gas, and could result, among other things, in the termination of customer contracts, delays or interruptions in the performance of contracts, requests for price cuts, loss of revenue and an increase in bad debt expense. Customers may also slow or halt decision making, delay planned work or suspend, terminate or reduce existing contracts or services, any of which could decrease their demand for electricity or gas from Scholt Energy.

Travel and immigration restrictions may delay or prevent Scholt Energy's personnel from accessing worksites, and work-from-home or remote working arrangements could reduce profitability or increase information security and connectivity vulnerabilities. In addition, when COVID-19-related restrictions on business are eased, Scholt Energy's ability to deliver services to its customers or demand for its energy services could be affected by any outbreak of illness among personnel returning to Scholt Energy's facilities or to its customers' facilities. To the extent COVID-19 adversely affects Scholt Energy's business and results of operations or that of Scholt Energy's customers, it may also have the effect of heightening other risks described in this section, including, but not limited to, an increased risk of customer default, liquidity risk and adverse effects on growth strategy. COVID-19 or other pandemics may cause a heightened risk of customer default and an increase in liquidity risk because any negative macroeconomic effects could effect customer's ability to fulfil invoices. See "*Scholt Energy is exposed to a risk of default by and lack of funds and credit of customers, suppliers and other counterparties, and any such default could materially adversely affect Scholt Energy's business, financial condition, operating results or prospects*", and "*Liquidity risk, especially tied to the mark-to-market position of Scholt Energy's forward contracts, is inherent to its operations*". In addition, these conditions can also increase the need for Scholt Energy to rely upon its credit insurance but it may be insufficient to cover such losses, see "*Scholt Energy's credit insurance may be insufficient to protect against losses incurred or costly to renew*." Finally, any adverse effect on macroeconomic factors due to COVID-19 or another pandemic may affect Scholt Energy's ability to continue its growth strategy, see "*Scholt Energy is dependent on its ability to maintain and develop existing customer relationships and its growth strategy requires it to attract a sufficient number of new customers*". Any of the aforementioned could materially adversely affect its business, financial condition and results of operations.

Scholt Energy's ability to expand its Energy Transition Services could be limited by grid capacity.

Scholt Energy's strategy relies in part on its ability to expand in its existing markets by increasing the volume of energy supplied to its existing customers or through the growth of its Energy Transition Services, both of which could require available grid capacity. While on one hand, grid capacity issues may positively impact demand for its Energy Transition Services as Scholt Energy has, in the past, worked with large energy consumers in order to create locally sourced power in the event of grid saturation, on the other hand, its growth strategy could also be hindered or prevented in markets where grid capacity is limited as gross margins are dependent on volume. In certain parts of the Netherlands, for example, grid capacity is significantly limited and is expected to remain constrained for the near-to-medium term. Therefore Scholt Energy's customers may be unable to undertake new projects that would increase their energy consumption, and thereby limit the growth in the volume of energy Scholt Energy supplies to such customers. In addition, Scholt Energy's customers may be able unable to connect solar panels to the grid due to a lack of grid capacity or obtain other Energy Transition Services offered by Scholt Energy. This could limit Scholt Energy's ability to increase their revenue or the volume of energy it supplies in the Netherlands or other regions facing grid capacity constraints. Any of the foregoing could materially and adversely affect Scholt Energy's business, financial condition, results of operations or prospects.

Any significant deterioration in the economic or financial conditions in the regions and countries in which Scholt Energy operates or the international markets more generally could have a materially adverse effect on Scholt Energy's business, financial condition, results of operations or prospects.

Scholt Energy operates in the Netherlands, Belgium, Germany and Austria and has a concentration of customers in energy intensive production companies such as food, feed, plastics, metal and packaging. As a result, any negative developments, impacting these countries and their economies or these market segments, could lead to reductions in demand for Scholt Energy's provision of electricity or gas or in the field of Energy Transition Services. Since January 2020 and more recently, the financial conditions of the countries in which Scholt Energy operates have been materially adversely affected by the COVID-19 pandemic. It is significant to note that any pandemic, such as COVID-19, carries a risk of causing financial deterioration and as such may have a materially adverse effect on Scholt Energy's financial position, see "*Scholt Energy's results of operations have been adversely affected and could in the future be materially adversely affected by global pandemics like COVID-19*".

In addition, an actual or perceived decline in economic and financial conditions globally or in a specific country, region or sector may have a material adverse effect on the business, results of operations or profitability of Scholt Energy. For example, a significant reduction or increase in energy prices could result in customers or suppliers, as the case may be, being unwilling or unable to honour their contractual commitments to purchase or sell energy on pre-agreed pricing terms. In addition, a tightening of available credit may make it more difficult to obtain, or may increase the cost of obtaining, financing for Scholt Energy's operations. Changing production levels in response to current price levels or estimates of future price levels could lead to an increase in prices, which may lead to Scholt Energy's customers trying to reduce their volume of electricity or gas purchased. In addition, the default, or a significant decline in the credit rating, of one or more sovereigns or financial institutions could cause severe stress in the financial system in general and could adversely affect the markets in which Scholt Energy operates and the business and economic condition and prospects of its counterparties, customers, suppliers or creditors, directly or indirectly, in ways which it is difficult to predict. The impact of any of the foregoing could be detrimental to Scholt Energy and could have a material adverse effect on the business, results of operations or profitability of Scholt Energy.

Scholt Energy's business or prospects depend on its image, reputation and brand. Failure to maintain its image, reputation or brand could materially and adversely affect Scholt Energy's business, financial condition, results of operations or prospects.

Scholt Energy's success is dependent upon its image, reputation and brand, particularly in relation to customers' perception of its ability to provide them with independent energy advice. In order to maintain its image, reputation and brand, Scholt Energy must maintain and develop customer confidence by ensuring that its account management services and customer facing software and other customer applications are delivered at the standard

expected. Scholt Energy's services should be delivered in accordance with the timing agreed in its contracts with customers, meet customers demand, and otherwise meet customer expectations, including with respect to quality, reliable estimates of customers' next-day energy supply needs, energy transition and other sustainability preferences, reliability, value and after-sales customer service. Scholt Energy is also dependent on its suppliers and grid operators and other counterparties to maintain its reputation and image as the perception of Scholt Energy's services can also be affected by the delivery times, performance and quality of such third parties. While Scholt Energy includes specific required customer response times and resolution times, where relevant, in the contracts for services with its third parties, there can be no guarantee that these third parties will meet such contractual obligation. With respect to its Energy Transition Services, if there were negative publicity around one of Scholt Energy's Energy Transition Services projects or if one was not completed successfully, this could impact Scholt Energy's ability to secure future Energy Transition Services projects.

While Scholt Energy has developed and implemented internal controls, policies and procedures designed to prevent or attempt to mitigate employee misconduct or misconduct by third parties, including agents, the Company may engage to assist with recruiting new customers, such controls, policies and procedures may not be effective in all instances and may be difficult to monitor and enforce with third parties and agents. For example, it is not always possible to identify and deter misconduct or errors by Scholt Energy's personnel or third parties and the precautions Scholt Energy takes to detect and prevent these activities may not be effective in controlling unknown or unmanaged risks or losses. The discovery of misconduct or fraudulent activities by any of Scholt Energy's personnel or third parties could result in significant negative publicity in relation to such misconduct and harm Scholt Energy's reputation and brands and could also have a direct financial impact (through the misappropriation of funds or assets). Any failure on Scholt Energy's part to maintain and develop its reputation, brands and image, or any failure on the part of Scholt Energy's third-party suppliers to perform according to Scholt Energy's standards or as expected, could materially and adversely affect Scholt Energy's business, financial conditions, results of operation or prospects.

Scholt Energy's medium-term objectives and the assumptions and judgements underlying its stated 2021 and 2022 outlook of the Gross Margin and medium-term objectives and other forward-looking performance measures may prove inaccurate, and as a result Scholt Energy may not achieve its targeted financial results.

The energy sector is undergoing rapid changes, including technological and regulatory changes, and, as such, it is difficult to predict the timing and size of Scholt Energy's opportunities. In particular, in certain geographic markets, the long-term impact of COVID-19 on energy usage of mid to large corporates in connection with evolving working from home practices and social-distancing measures is uncertain. The evolving nature of the energy market and the regulatory measures makes it difficult to predict customer demand or the future growth of the markets in which Scholt Energy operates.

Scholt Energy's 2021 and 2022 outlook of the Gross Margin and medium-term objectives include assumptions regarding the volume of energy or Energy Transition Services that will be purchased by its customers (which relate to contracted amounts and assumptions around customer churn levels) and the amount the account managers will be able to sell. Among these assumptions, a key factor driving Scholt Energy's financial performance is the number of account managers and their productivity in securing customers contracts to purchase energy from Scholt Energy. It can be difficult for Scholt Energy to estimate the number of account managers it will have employed due to staff turnover or the inability to recruit the number of account managers anticipated. Furthermore, Scholt Energy's 2021 and 2022 outlook of the Gross Margin and medium-term objectives related to energy supply assume that the number of MWh per account manager will be similar to the levels that its account managers have achieved in prior periods and there can be no guarantee that its current or new account managers will continue to perform at the historical levels or that customers will purchase the amount of energy they have contracted from Scholt Energy in the past. With respect to the 2021 and 2022 outlook of the Gross Margin and medium-term objectives related to the Energy Transition Services, Scholt Energy has assumed that contracted projects will be completed, some of the pending discussion with prospective customers will result in contracts and favourable market conditions will continue to drive additional adoption of Energy Transition Services.

As a result, the 2022 outlook of the Gross Margin, medium-term objectives and other forward-looking performance measures in this Prospectus reflect various estimates and assumptions that may not prove accurate and these projections could differ materially from actual results. If demand for electricity and gas supplied by Scholt Energy does not develop, developments in the demand for its Energy Transition Services are not as expected or, if Scholt Energy cannot accurately forecast its number of account managers and their productivity, customer demand, the size of its markets, or its future financial results, it could impact Scholt Energy's ability to compete successfully and may materially adversely affect Scholt Energy's business, financial condition, operating results or prospects.

Scholt Energy may experience disruptions, delays or outages of its services or operations as a result of failures or cyber security attacks to Scholt Energy's or its third party information technology systems and infrastructure and Scholt Energy's use of third party software exposes Scholt Energy to risks.

In order to provide its services, Scholt Energy must continue to have available, for itself and its customers' use, a high capacity, reliable, user-friendly and secure network and platform for its customer applications, to forecast, nominate and hedge customer consumption and to invoice customers. Scholt Energy's IT infrastructure operates under a cloud/SaaS strategy and Scholt Energy's IT infrastructure and systems rely on applications provided by third parties. As a result, Scholt Energy relies in part on the IT infrastructure and systems supplied by external parties and Scholt Energy is faced with risks of downtimes or discontinuation of services by such any suppliers. Scholt Energy is also reliant on its software or that of third parties for communication with customers, suppliers, energy exchanges and grid operators, as well as for market monitoring. Such software is vital to secure customer's energy supply and communicate with counterparties and grid operators. Disruption of this information technology systems and infrastructure could have a significant impact on Scholt Energy's operations.

Scholt Energy also faces the risk of a security breach, whether through cyber-attack, malware, computer viruses, sabotage, or other significant disruption of Scholt Energy's IT infrastructure and related systems, including those provided by third parties. As such, there is a risk of a security breach or disruption of its systems, including possible unauthorised access to its and its customers' information. Information technology and other systems that maintain and transmit customer information, or those of third-party service providers, suppliers or grid operators, may be compromised by a malicious third party penetration of Scholt Energy's network security, or that of a third-party service provider used by Scholt Energy, or impacted by advertent or inadvertent actions or inactions by Scholt Energy's personnel. As a result of any of the foregoing, customers' information may be lost, disclosed, accessed or taken without the customers' consent, potentially leading to direct loss of customers and reputational damage.

Although Scholt Energy has procedures and policies in place to maintain the security and integrity of these types of information and systems (including back-up processes, an ICT disaster recovery plan, and data security guidelines relating to collection, storage and processing), there can be no assurance that its efforts and measures will be effective. Also, there can be no assurance that attempted security breaches or disruptions would not be successful or damaging, especially in light of the growing sophistication of cyber-attacks and intrusions sponsored by state or other interests. Scholt Energy may be unable to anticipate all potential types of attacks or intrusions or to implement adequate security barriers or other preventative measures. Scholt Energy has experienced outages, delays and errors in its information technology systems and those of the third parties on which it relies before. However, to date, Scholt Energy is not aware of any material disruptions or breaches. A failure or outage in information technology systems relied upon by Scholt Energy could impact Scholt Energy's ability to operate its business and provides services to customers and could materially adversely affect Scholt Energy's business, financial condition, operating results or prospects.

Scholt Energy also incorporates open source software into its IT systems and programmes, and any failure to comply with the terms of one or more of open source licenses could negatively affect Scholt Energy's business. Scholt Energy could be exposed to risk of being the subject of claims as a result of incorporation of open source software, given that Scholt Energy has a lower level of visibility into the development process with respect to open source software or the measures taken to safeguard against infringement risks. Any of the foregoing could materially adversely affect Scholt Energy's business, financial condition, operating results or prospects.

Scholt Energy depends on the performance of third parties for certain of its Energy Transition Services as well for certain of Scholt Energy's billing and other functions.

Scholt Energy relies on various third parties (e.g. software suppliers and data brokers) for certain aspects of the services connected to Scholt Energy's Energy Transition Services. These third parties may not perform to the standard expected or their performance may be slowed, suspended or cease altogether for whatever reason and Scholt Energy may be unable to find a replacement third-party supplier without significant cost or investment in time. If any of the third parties on which Scholt Energy relies fails to perform to expectation, or at all, this could negatively impact Scholt Energy's reputation. Scholt Energy has also entered into a number of outsourcing contracts, including for certain support functions and business-critical information technology services, financial accounting matters, new customer acquisition, customer services and customer billing transactions. There can be no guarantee that Scholt Energy's third-party suppliers will be able to provide the functions and services for which they have been contracted or will comply with all applicable laws and regulations. Any failure by suppliers to deliver the contracted goods or services at the expected standard, and to adhere to the relevant laws and regulations, or Scholt Energy's policies, could materially and adversely affect Scholt Energy's business, financial condition, result of operations or prospects.

Weather conditions have a significant impact on Scholt Energy's revenue and can make it more difficult for Scholt Energy to estimate its customers' energy supply needs.

Typically, colder winters and hotter summers create higher demand and consumption for gas and electricity by Scholt Energy's customers, respectively. Milder winters or summers than usual may reduce the demand for Scholt Energy's gas or electricity, respectively, thus negatively impacting Scholt Energy's revenue. However, since Scholt Energy's customers are primarily industrial clients, these seasonal effects are typically less pronounced than those experienced by businesses that serve primarily household customers.

Additionally, for those customers that have solar panels to generate their own electricity, weather conditions can have a substantial effect on their costs and, ultimately, their satisfaction with Scholt Energy's services. Customers who use solar energy depend on accurate forecasting of sunshine, which Scholt Energy monitors in order to provide forward and spot energy purchasing advice, to estimate their day-ahead energy needs. Where such forecasting overestimates sunshine, customers may be left short of energy and this energy will have to be sourced from the imbalance markets. The imbalance market is a market of last resort, where energy is sourced on the day in the event of shortage often at a higher price than would otherwise be found through the forward, day-ahead or intraday markets. Where such forecasting underestimates sunshine, customers may be left with energy purchased and this energy will have to be sold on the imbalance markets, where energy is sold on the day in the event of a surplus of production often at a lower price than would otherwise be found through the forward, day-ahead or intraday markets. While costs relating to purchasing and selling on imbalance markets are typically ultimately borne by the customer, Scholt Energy faces a risk of customer dissatisfaction if its day ahead energy estimates require its customers to rely on the imbalance market, particularly if the rates were unfavourable to the customer or were to occur frequently.

Any of the foregoing could impact Scholt Energy's ability to compete successfully and may materially adversely affect Scholt Energy's business, financial condition, operating results or prospects.

Scholt Energy is dependent on access to capital and liquidity and adverse capital and credit market conditions or other risks may significantly affect Scholt Energy's ability to meet its liquidity needs, its access to capital and the cost of capital.

Scholt Energy needs liquidity to cover its operating expenses, meet its contractual obligations, and satisfy margin calls in its energy market activities. Scholt Energy has a credit facility agreement for €20 million (which can be increased by an amount not exceeding €10 million in respect of a temporary increase) and a bank guarantee of €150 million that it uses to fund collateral requirements resulting from forward contracts. However, in the event Scholt Energy's medium-to-long term resources do not satisfy its liquidity needs, Scholt Energy may have to seek additional financing. The availability of additional financing, and the cost of such financing, will depend on a

variety of factors such as market conditions, the general availability of credit, the volume of hedging activities, Scholt Energy's credit ratings and credit capacity. Disruptions, uncertainty or volatility in the European or international capital and credit markets may also limit Scholt Energy's access to capital required to operate its business. Such market conditions may limit Scholt Energy's ability to access the capital necessary to grow its business. As such, Scholt Energy may be forced to delay raising capital or bear an unattractive cost of capital which could decrease its profitability and significantly reduce its financial flexibility. Difficulty in obtaining adequate credit and liquidity on commercially reasonable terms could impact Scholt Energy's ability to compete successfully and may materially adversely affect Scholt Energy's business, financial condition, operating results or prospects.

If Scholt Energy fails to comply with the covenants contained in its Senior Facilities Agreement, Scholt Energy's liquidity, results of operations and financial condition may be adversely affected.

Scholt Energy's Senior Facilities Agreement, which is the primary source of indebtedness for Scholt Energy, contains various affirmative and financial covenants and other limitations with which Scholt Energy must comply including a leverage ratio covenant of 2.50:1.00 and a financial covenant that EBITDA (as defined in the Senior Facilities Agreement) shall be equal to or more than €13.0 million for the relevant period ending 31 December 2021, increasing for each year ending 31 December over time up to specified minimum amounts for each relevant period, which will be equal to or more than €25.0 million for the relevant period ending 31 December 2028.

The Senior Facilities Agreement contains customary events of default (subject in certain cases to agreed grace periods, thresholds and other qualifications), including breach of the financial covenants, a cross-default to debt of the obligors or its subsidiaries, and when an obligor ceases to be a wholly-owned subsidiary of the parent. Upon an event of default, the lender has customary and usual remedies to cure these defaults including, but not limited to, the ability to accelerate the indebtedness. If the indebtedness under the Senior Facilities Agreement or its other indebtedness were to be accelerated, there can be no assurance that Scholt Energy's assets would be sufficient to repay such indebtedness in full. Failure to comply with the covenants in the Senior Facilities Agreement or similar agreements to which Scholt Energy may become a party could result in a default, rendering them unavailable to Scholt Energy, make it more difficult for Scholt Energy to acquire other financing at a reasonable cost or at all and could cause a material adverse effect on Scholt Energy's liquidity, business, financial condition, operating results or prospects.

Scholt Energy will incur increased costs and regulatory obligations and will have to devote substantial management time as a result of being a listed company. Scholt Energy will incur additional costs as a newly listed company and its management will be required to devote substantial time to new compliance and other regulatory matters. As a newly listed public company, Scholt Energy will incur significant legal, accounting and other expenses, resulting from, among other things, the listing requirements of Euronext Amsterdam, public company reporting obligations and compliance with corporate governance-related rules (to which it will be subject on an ongoing basis as a listed company). In particular, Scholt Energy will be subject to increased regulatory obligations and oversight as a result of being listed and continuous scrutiny of securities analysts and investors. These new obligations will require senior management and other personnel to devote a substantial amount of time and could divert their attention away from the day-to-day management of Scholt Energy's business. In addition, as a listed public company, Scholt Energy will be required to engage an auditor qualified to audit public interest organisations (*organisaties van openbaar belang*) such as listed Dutch companies, and there are currently only a limited number of audit firms qualified as such in the Netherlands. Certain smaller listed companies have found it difficult to engage a qualified auditor. In the event Scholt Energy is unable to engage a qualified auditor as a listed entity at a certain moment in time, it may be unable to meet its listing requirements and in the event this were to continue, this could result in the Company being delisted from Euronext.

In addition, the reporting requirements, rules and regulations will increase Scholt Energy's legal and financial compliance costs and make some activities more time-consuming and costly.

Any of the foregoing could impact Scholt Energy's ability to compete successfully and may materially adversely affect Scholt Energy's business, financial condition, operating results or prospects.

Scholt Energy in the future may make acquisitions and investments, which could divert management's attention, result in operating difficulties and otherwise disrupt Scholt Energy's operations.

Scholt Energy might elect to pursue new business opportunities, develop new product offerings, expand internationally or acquire other businesses, any of which could prove to be non-cost-effective or otherwise unsuccessful. Scholt Energy's strategy anticipates growing its market share in its existing markets and entering into new geographic markets. If an attractive acquisition opportunity arises in one of the Group's existing or target markets for expansion, it could expand into such a new market through an acquisition of a company, business or asset rather than through establishing new operations in that market. Acquisitions involve numerous risks, any of which could harm Scholt Energy's business, including but not limited to: difficulties in integrating the technologies, operations, existing contracts and personnel of acquired businesses; difficulties in supporting and transitioning customers or suppliers of an acquired company; diversion of financial and management resources from existing operations or alternative acquisition opportunities; failure to realize the anticipated benefits or synergies of a transaction; failure to identify all of the problems, liabilities or other shortcomings or challenges of an acquired company or technology, including issues related to intellectual property, regulatory compliance, accounting practices or employee or customer issues; risks of encountering unanticipated events, circumstances or legal liabilities; risks of entering new markets in which Scholt Energy has limited or no experience; potential loss of key employees, customers and suppliers from either Scholt Energy's current business or an acquired company's business; inability to generate sufficient net revenue to offset acquisition costs; additional costs or equity dilution associated with funding the acquisition; and potential write-offs or impairment charges relating to acquired businesses. Any of the foregoing could materially and adversely affect Scholt Energy's business, financial condition, results of operations or prospects.

Risks Related to Regulation, Legal and Compliance Matters

Scholt Energy is subject to regulatory, legal and political risks that may affect its operations and governance.

In each of the Netherlands, Belgium, Germany and Austria, Scholt Energy is subject to the legal and regulatory frameworks related to the supply of electricity and gas, as well as legislation and regulations relating to the environment and to other regulated functions that Scholt Energy provides, such as that of a balancing responsible party and shipper (which provides forecast of energy needs or coordinates supply of energy needs). Since Scholt Energy operates in regulated markets, it frequently faces changes in the legal and regulatory framework and may be affected from time to time in varying degree by political factors, including laws and regulations related to environmental or energy security matters, including those addressing alternative and renewable energy sources and the risks of global climate change and legal challenges. Such laws and regulations continue to increase in both number and complexity and affect Scholt Energy's operations. For example, in the Netherlands the Electricity Act 1998 (*Elektriciteitswet 1998*, the **E-Act**) and Gas Act (*Gaswet*, the **Gas Act**) might be substantially amended and merged into a new act, the Energy Act, in the near future. The Energy Act, a proposal by Netbeheer Nederland and potential other changes might substantially amend the rules relating to and addressing scarcity of available grid capacity in the Netherlands, and currently include the proposal to introduce a Congestion management Service Provider (CSP). Scholt Energy's ability to grow in its existing markets or expand its Energy Transition Services could be limited by unavailability of grid capacity and such changes to the applicable regulations. See also "*Risks Relating to Scholt Energy's Business and Industry—Scholt Energy's ability to expand its Energy Transition Services could be limited by grid capacity*". While the changes are currently not settled, these legal changes could require Scholt Energy to implement changes in the way it operates, result in additional expenses, or expose Scholt Energy to additional competition. See also "*Business—Regulation—Potential changes to legal framework*" for a discussion of other pending legal and regulatory changes that could impact Scholt Energy. Any failure, or perceived failure, by Scholt Energy to comply with any of these laws or regulations could result in damage to Scholt Energy's reputation and a loss of revenue, and any legal or enforcement action brought against Scholt Energy as a result of actual or alleged non-compliance could further damage its reputation and result in substantially increased legal expenses or penalties. In addition, while there are currently no legal requirements with respect to the diversity of Scholt Energy's management and supervisory bodies, there is a pending legislative proposal which could require a listed company to have a supervisory board composed of at least one-third male

and one-third female members upon reappointment (except in the case of reappointment within eight years after the initial appointment) and to adopt fitting and ambitious targets to have a more gender diverse composition of the Management Board, Supervisory Board, and senior management. If Scholt Energy is unable to attract sufficiently gender diverse members of the Management Board and Supervisory Board and senior management, it could have difficulties to appoint new members in compliance with the legal requirements and there could be other adverse consequences for Scholt Energy depending on the requirements of any such law implemented, including reputational harm for failure to meet such requirements. Any of the foregoing could materially and adversely affect Scholt Energy's business, financial condition, results of operations or prospects.

Scholt Energy's operations require permits, licences, approvals and certificates, the revocation, cancellation or non-renewal of which could materially adversely affect Scholt Energy's business and operations. Scholt Energy is also subject to periodic inspections, examinations, inquiries and audits by regulatory authorities.

Each jurisdiction has its own set of laws and regulations for permits, licences, certificates and approvals and Scholt Energy must ensure that it complies with the laws and regulations within each of the jurisdictions where it operates. Compliance with multiple, potentially conflicting and changing regulations and permitting processes can be costly. In order to ensure Scholt Energy's compliance with the laws and regulations of each jurisdiction regarding its permits, licences, certificates and approvals processes, governmental authorities in each jurisdiction conduct routine or special inspections, examinations, inquiries or audits from time to time. Much of Scholt Energy's activities in relation to supplying electricity and gas are regulated by Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity and amending Directive 2012/27/EU (recast) (the **Electricity Directive**) and Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC and Directive (EU) 2019/692 of the European Parliament and of the Council of 17 April 2019 amending Directive 2009/73/EC concerning common rules for the internal market in natural gas (the **Gas Directives**, and together with the Electricity Directive, the **Electricity and Gas Directives**) and the applicable national laws that implement these directives in Scholt Energy's respective markets. For example, one of Scholt Energy's key activities is the supply of electricity and gas in the Netherlands, Belgium, Germany and Austria. These services are heavily regulated and results in Scholt Energy being subjected to a significant amount of regulatory reporting and oversight. For additional information about the regulatory framework and obligations to which Scholt Energy must comply see "*Business—Regulation*".

Non-compliance with each jurisdiction's relevant requirements for permits, licences, certificates, approvals or services or any failure by Scholt Energy to successfully pass any inspections, examinations, inquiries and audits by regulatory authorities, may subject Scholt Energy to suspensions or revocations of its relevant permits, licences, certificates and approvals or fines or other penalties, including the inability to provide services, as well as to reputational harm. Scholt Energy cannot ensure that it will be able to maintain or renew its existing permits, licences, certificates, approvals or authorisation from the local regulatory authority or obtain future permits, licences, certificates and approvals that may be required for its continued operations on a timely basis or at all. In addition, should competitors, potential or existing customers or regulators make claims that Scholt Energy is not in compliance with laws, regulatory requirements or industry standards, Scholt Energy's ability to sell its services to customers and to compete successfully for current and future customers may be materially adversely impacted, even if such claims are ultimately found to not be true. In the event that Scholt Energy fails to comply with applicable laws and regulations or fails to maintain, renew or obtain the necessary permits, licences, certificates and approvals or faces claims it has not done any of the foregoing, Scholt Energy's business, financial condition, results of operations or prospects may be materially adversely affected.

Changes in tax treaties, laws, rules or interpretations or the outcome of tax audits could have an adverse effect on Scholt Energy, its Shareholders or customer demand.

The tax laws and regulations in the jurisdictions in which Scholt Energy operates may be subject to change. New tax laws or regulations may be introduced by competent authorities with or without retrospective effect and there may be changes in the interpretation and enforcement of such tax laws or regulations. This is particularly relevant for Scholt Energy, as it is affected by tax laws and regulations in several jurisdictions. Also, tax treaties applicable

to Scholt Energy and/or its Shareholders may be subject to change or termination. As a result, Scholt Energy and/or its Shareholders may be adversely affected and face increases in taxes payable, for example, if tax rates increase, if tax laws or regulations are modified in an adverse manner, or if new tax laws or regulations are introduced by the competent authorities, with or without retrospective effect. For example, as of 2021 the energy tax rates in the Netherlands have risen as a result of the sustainable energy increase (*opslag duurzame energie*), through which households and companies make additional tax payments for investments in sustainable energy. Changes in tax treaties, laws, rules or interpretations could also impact Scholt Energy's customer behaviour and their demand for Scholt Energy's services.

Scholt Energy also utilises the taxes it collects from customers for liquidity purposes, since it receives these payments from customers prior to the time such payments are due to tax authorities. To the extent any amendments are made to energy tax laws, such as shifting the collection of such taxes directly from customers rather than through a third party (such as Scholt Energy) supplying energy, this could impact Scholt Energy's availability of cash, which could result in lower liquidity for Scholt Energy. For further information about Scholt Energy's liquidity risk see "*Risks Relating to Scholt Energy's Business and Industry—Liquidity risk, especially tied to the mark-to-market position of Scholt Energy's forward contracts, is inherent to its operations*".

In addition, tax authorities in the relevant jurisdictions may periodically audit Scholt Energy. Tax audits for periods not yet reviewed may consequently lead to higher tax assessments (plus accrued interest and penalties). Any additional taxes or other sums that become due may have a material adverse effect on Scholt Energy's business, financial condition, results of operations or prospects.

Changes to the legal and regulatory framework responding to climate change concerns, could have a material adverse effect on Scholt Energy's business and financial condition.

Policies and initiatives at national, European and international levels to address climate change, such as worldwide measures to reduce greenhouse gas emissions, are likely to affect business conditions and demand for various types of energy. Scholt Energy believes changes in demand for energy consumption will shift the energy mix used by its customers and Scholt Energy's Energy Transition Services are aimed at hedging Scholt Energy's exposure against such a shift. However, there can be no guarantee that the shift will be in the manner anticipated or that Scholt Energy will be able to generate an increased level of revenue from its Energy Transition Services that is sufficient to compensate for a potential reduction in revenue generation by the supply of electricity and gas contracts to customers. Furthermore, new regulatory regimes, incentives, subsidies, taxes and emissions trading schemes could create competitive distortions or disruptions in the electricity or gas sector which could in turn adversely affect Scholt Energy's operations. Any of the foregoing risks could have a material adverse effect on Scholt Energy's business, financial condition, results of operations or prospects.

Scholt Energy is subject to stringent and changing privacy laws, regulations and standards, information security policies and contractual obligations related to data privacy and security. Scholt Energy's actual or perceived failure to comply with such obligations could harm its business, financial condition, results of operations or prospects.

Scholt Energy has legal and contractual obligations regarding the protection of confidentiality and the appropriate use of personally identifiable information. Scholt Energy is subject to a variety of regulations, laws, directives and standards that are evolving at a rapid pace and can be subject to differing interpretation. Given the extensive scope and timing of the changes, Scholt Energy cannot guarantee that its practices have complied with or will comply fully with all applicable laws and regulations and their interpretation. Any failure, or perceived failure, by Scholt Energy to comply with any of these laws or regulations could result in damage to Scholt Energy's reputation and a loss of revenue, and any legal or enforcement action brought against Scholt Energy as a result of actual or alleged non-compliance could further damage its reputation and result in substantially increased legal expenses or penalties. In addition, legislative and regulatory bodies or self-regulatory organisations may extend the scope of current laws or regulations, enact new laws or regulations or issue revised rules or guidance regarding privacy, data protection and consumer protection.

Scholt Energy is subject to a number of laws relating to privacy and data protection, including, in particular, the General Data Protection Regulation (Regulation (EU) 2016/679) (**GDPR**) and the European Directive 2002/58/EC, also known as the **e-Privacy Directive**, as implemented into the local laws of the Netherlands. Such laws govern Scholt Energy's ability to collect, use and transfer personal data, including relating to its customers and third-party suppliers, as well as any such data relating to its personnel and others.

While Scholt Energy strives to comply with all applicable laws and regulations relating to privacy and data protection, such laws are subject to frequent evolution. As Scholt Energy continues to implement its international expansion strategy, it is possible that applicable privacy and data protection laws and regulations may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another or may conflict with other rules or Scholt Energy's practices. That concern is particularly relevant for the GDPR, given that different Member State regulators may differ as to its interpretation and their approach to enforcement, and for the e-Privacy Directive.

Data protection is a particularly sensitive and politically charged issue in Europe, and any actual or alleged failure by Scholt Energy to comply with applicable laws or regulations could have a material adverse effect on Scholt Energy's reputation. Any of the foregoing risks could have a material adverse effect on Scholt Energy's business, financial condition, results of operations or prospects.

Scholt Energy is exposed to claims, investigations and other legal proceedings in the ordinary course of business, which could harm Scholt Energy's financial condition and liquidity if it were not able to successfully defend or insure against such claims.

In the ordinary course of business, Scholt Energy is exposed to, and may in the future become involved in claims, private actions, investigations and various other legal proceedings by customers, personnel, suppliers, competitors, government agencies or others. See "*Business—Legal and Arbitration Proceedings*". The results of any such litigation, investigation or other legal proceedings are inherently unpredictable and expensive. Any claims against Scholt Energy, whether meritorious or not, could be time consuming, result in costly litigation or damage to Scholt Energy's reputation, require significant management time, and divert significant resources. If any such legal proceedings were to be determined adversely to Scholt Energy, or Scholt Energy were to enter into a settlement agreement, it could be exposed to monetary damages or limits on its ability to operate its business, which could materially and adversely affect Scholt Energy's business, financial condition, results of operations or prospects.

Risks Relating to the Offering and the Ordinary Shares

Immediately after Settlement, the Selling Shareholders will be in a position to exert substantial influence on the Company and the interests pursued by the Selling Shareholders could differ from the interests of the Company's other shareholders.

Immediately after Settlement, the Selling Shareholders will continue to be the Company's largest shareholders and will hold approximately 70% of the Company's issued and outstanding share capital (65.5% assuming full placement of the Offer Shares and the Over-Allotment Option is exercised in full). As a result, the Selling Shareholders will continue to be able to influence substantially or control matters requiring approval by the general meeting (*algemene vergadering*) of the Company, being the corporate body, or where the context so requires, the physical meeting of shareholders of the Company (the **General Meeting**), and may vote its Ordinary Shares in a way with which other shareholders do not agree.

Moreover, pursuant to the relationship agreement between Waterland and the Company dated 8 September 2021, which will become effective as of the First Trading Date (the **Relationship Agreement**), Waterland will have the right to designate for nomination, and propose replacements for, two Supervisory Directors on the Supervisory Board. Initially, two out of four Supervisory Directors will be representatives of Waterland: Mr R. Rosendaal and Mr W.K. Roduner. They will both be non-independent Supervisory Directors. For more information on the Relationship Agreement, see "*Major Shareholders and Related Party Transactions—Related Party*

Transactions—Relationship Agreement". These Supervisory Directors may, from time to time, hold investments in Waterland or other members of their group of companies (other than Scholt Energy). Furthermore, the Senior Facilities Agreement contains a change of control provision in which a change of control would occur if Waterland's shareholdings drop below the thresholds outlined in the Senior Facilities Agreement, including if they cease to own more than 10% of the issued share capital of the Company from six months after Admission until the date on which the Company has made available its consolidated financial statements for the first financial half year in 2023. See "*Business—Material Agreements—Senior Revolving Facility Agreement*". Waterland is subject to the restrictions on their ability to issue, sell or transfer Ordinary Shares for a period ending 180 days after the Settlement Date pursuant to the lockup agreement entered into in connection with the Underwriting Agreement. While Waterland has no intention to cease to own more than 10% of the issued share capital of the Company during the relevant period, there are no contractual restrictions on Waterland that would prevent them from selling their Ordinary Shares following the expiry of the 180-day lockup period, subject to the orderly market arrangements in the Relationship Agreement. In the event the change of control provision were to be triggered, it would permit any of the lenders under the Senior Facilities Agreement to cancel the commitments of that lender and declare the participation of that lender in all outstanding loans and ancillary outstanding, together with accrued interest, and all other amounts accrued under the relevant finance documents referred to in the Senior Facilities Agreement immediately due and payable.

Mr J.C. Scholt is the third non-independent Supervisory Director. He is also the founder and former CEO of Scholt Energy, the father of the CCO (Mr S.J. Scholt) and of Scholt Energy's s HR-manager (Ms S.M. Scholt), who is the domestic partner of Scholt Energy's current CEO. In addition, he is the sole director of Scholt Group B.V., which indirectly holds Ordinary Shares (through its 60% shareholding in Scholt Investment Group B.V.) and which is the sole director of Scholt Investment Group B.V., which will hold approximately 12.3% of the Company's issued and outstanding share capital (11.4% assuming full placement of the Offer Shares and the Over-Allotment Option is exercised in full) immediately after Settlement.

Since the interests of the Selling Shareholders do not have to be aligned with the interests of the Company, a conflict of interest might arise with respect to such Supervisory Directors. In their capacity as Supervisory Director their primary duty is to supervise the Management Board's policy and the general course of affairs in the Company and its business. A conflict of interest between the Company and a Supervisory Director could arise where a decision that aims to contribute to the long-term and sustainable success of Scholt Energy would impact the (short-term) share price of the Ordinary Shares and thus the (indirect) shareholding of the Supervisory Director. In addition, a conflict of interest could arise where a decision that aims to contribute to the long-term and sustainable success of Scholt Energy may have an impact on members of the Senior Management who are family members of Mr J.C. Scholt. For more information on these potential conflicts, see "*Management and Corporate Governance—Supervisory Board—Conflict of Interest*" and "*Management and Corporate Governance—Potential Conflicts of Interest and Other Information*".

Therefore, in combination with their large shareholding, these Selling Shareholders will continue to be in a position to exert substantial influence on the General Meeting and, consequently, on matters decided by the General Meeting pursuant to the Company's articles of association as they will become effective on the First Trading Date (the **Articles of Association**), including the appointment of Supervisory Directors, the distribution of dividends, any amendment of the Articles of Association or any proposed capital increase. This concentration of ownership may have the effect of delaying, preventing or deterring a change of control of Scholt Energy that might be in the interest of the other Shareholders, or otherwise result in an opportunity for the other Shareholders to sell the Ordinary Shares at a premium to the then prevailing market price. Furthermore, the concentration of ownership could materially adversely affect the trading volume and market price of the Ordinary Shares. This could be the case if investors determine that the Ordinary Shares are not as attractive due to high concentration of ownership and degree of influence by the Selling Shareholder, as a result of which demand for the Ordinary Shares may go down.

In addition, Waterland and its affiliates are in the business of making investments in companies and may, from time to time, acquire and hold interests in businesses that compete with Scholt Energy. That may lead to a conflict

of interest, because Waterland and its affiliates may also pursue acquisition opportunities that could be complementary to Scholt Energy's business and, as a result, such acquisition opportunities may not be available to Scholt Energy.

Future offerings of debt or equity securities by the Company, or the perception thereof, may adversely affect the market price of the Ordinary Shares and any future issuances of Ordinary Shares may dilute investors' shareholdings.

Pursuant to a resolution of the General Meeting to be adopted prior to Settlement, the Management Board, subject to the approval of the Supervisory Board, will be designated for a period of 18 months following the Settlement Date to issue Ordinary Shares or grant rights to subscribe for Ordinary Shares and to limit or exclude the pre-emptive rights pertaining to such Ordinary Shares. This authorisation of the Management Board is limited to 10% of the issued Ordinary Shares immediately following Settlement.

The Company may in the future, subject to the lock-up arrangements in the Underwriting Agreement (as defined below) seek to raise capital through public or private debt or equity financings by issuing additional Ordinary Shares, debt or equity securities convertible into Ordinary Shares or rights to acquire these securities and exclude the pre-emptive rights pertaining to the then outstanding Ordinary Shares. In addition, the Company may in the future seek to issue additional Ordinary Shares as stock dividend or as consideration for or otherwise in connection with the acquisition of new businesses. Furthermore, the Company may issue new Ordinary Shares in connection with the establishment of employee stock option plans. The issuance of any additional Ordinary Shares may dilute an investor's shareholding interest in the Company.

Furthermore, any additional debt or equity financing the Company may need may not be available on terms favourable to the Company or at all, which could adversely affect its future plans and the market price of the Ordinary Shares. Any additional offering or issuance of the issuance of any additional Ordinary Shares may dilute Ordinary Shares by the Company, or the perception that an offering or issuance may occur, could also have a negative impact on the market price of the Ordinary Shares and could increase the volatility in the market price of the Ordinary Shares.

Future sales or the possibility of future sales of a substantial number of Ordinary Shares by the Selling Shareholders, members of the Management Board, other key managers or employees of the Company may adversely affect the market price of the Ordinary Shares.

The Company and the Selling Shareholders, except for Antonius 8001 Holding B.V. and Stichting Administratiekantoor SEC Topholding, have agreed with the Underwriters, pursuant to an underwriting agreement entered into on 8 September 2021 (the **Underwriting Agreement**), to restrictions on their ability to issue, sell or transfer Ordinary Shares for a period ending 180 days after the Settlement Date. In addition, each of Antonius 8001 Holding B.V., Stichting Administratiekantoor SEC Topholding and the members of the Management Board has agreed to a lock-up in respect of all of the Ordinary Shares that they hold for a period ending 360 days after the Settlement Date, to a lock-up in respect of 40% of the Ordinary Shares that they hold for a period ending 720 days after the Settlement Date and to a lock-up in respect of 20% of the Ordinary Shares that they hold for a period ending 1,080 days after the Settlement Date, in each case without the prior written consent of the Joint Global Coordinators (acting on behalf of the Underwriters), such consent not to be unreasonably withheld or delayed.

After the expiration of the applicable lock-up period, the Selling Shareholders and the members of the Management Board may sell their Ordinary Shares in the public market. In addition, the Joint Global Coordinators have full discretion to waive the lock-up in connection with the Selling Shareholders and the members of the Management Board at any time before its expiry. This could also result in the Selling Shareholders selling Ordinary Shares in the public market before expiry of the applicable lock-up periods. In addition, there could also be a perception in the market that such sales could occur due to the expiry of the relevant lock-up period or its waiver. For further information on such lock-up arrangements, see "*Plan of Distribution—Lock-up Arrangements*".

The market price of the Ordinary Shares could decline if, following the Offering and after the expiration of the lock-up period, a substantial number of Ordinary Shares are sold by the Selling Shareholders, members of the Senior Management, other key managers or employees of the Company in the public market or if there is a perception that such sales could occur. In addition, such sales could make it more difficult for the Company to raise capital through the issuance of equity securities in the future.

Shareholders outside the Netherlands may not be able to exercise pre-emptive rights in future offerings.

In the event of an increase in the Company's share capital, shareholders are generally entitled to full pre-emptive rights unless these rights are limited or excluded either by virtue of Dutch law, by a resolution of the General Meeting, or by a resolution of the Management Board, which is subject to approval by the Supervisory Board (if the Management Board has been designated by the General Meeting or the Articles of Association for this purpose). The Management Board will be designated by the General Meeting prior to Settlement for a period of 18 months following Settlement, to limit or exclude pre-emptive rights subject to limits as set out in this Prospectus. However, certain holders of Ordinary Shares outside the Netherlands may not be able to exercise pre-emptive rights, and therefore could suffer dilution, unless local securities laws have been complied with.

In particular, holders of Ordinary Shares in certain other countries, including the United States, may not be able to exercise their pre-emptive rights or participate in a rights offer, as the case may be, unless the Company complies with local requirements, or in the case of the United States, unless a registration statement under the US Securities Act is effective with respect to such rights or an exemption from the registration requirements is available. In such cases, shareholders resident in such non-Dutch jurisdictions may experience a dilution of their holding of Ordinary Shares, possibly without such dilution being offset by any compensation received in exchange for subscription rights. The Company will evaluate at the time of any issue of Ordinary Shares subject to pre-emptive rights or in a rights offer, as the case may be, the costs and potential liabilities associated with compliance with any such local laws or any such registration statement, as well as the indirect benefits to it of enabling the exercise of such holders of their pre-emptive rights to Ordinary Shares or participation in a rights offer, as the case may be, and any other factors considered appropriate at the time and then to make a decision as to whether to comply with such local laws or file a registration statement. The Company cannot assure investors that any registration statement would be filed as to enable the exercise of such holders' pre-emptive rights or participation in a rights offer.

The payment of any future dividends will depend on the Company's financial condition, working capital developments and results of operations, as well as on the Company's operating subsidiaries' distributions to the Company.

Subject to the limitations described in "Dividends and Dividend Policy", the Company's intention is to apply a dividend pay-out policy that targets a pay-out of 80-100% of annual reported total comprehensive income for the period, net of tax, which is attributable to the shareholders of the Company. If and when the Company decides to pay dividends in the future, a distribution of dividends may take place after the adoption of the annual accounts by the General Meeting, which show that the distribution is allowed. The Company may only make distributions to its shareholders insofar as the Company's equity exceeds the sum of the paid-in and called-up share capital increased by the reserves as required to be maintained by Dutch law or by the Articles of Association. The Management Board may furthermore determine, subject to the approval of the Supervisory Board, that any amount out of the profit remaining, if any, will be added to the reserves. The Management Board determines whether the Company is able to make the distributions. Because the Company is a holding company that conducts its business mainly through its subsidiaries, the Company's ability to pay dividends will depend directly on the Company's subsidiaries' distributions to the Company. The amount and timing of such distributions will depend on the laws of such subsidiaries' respective jurisdictions. Any of these factors, individually or in combination, could restrict the Company's ability to pay dividends.

There is currently no public trading market for the Ordinary Shares on Euronext Amsterdam. Consequently, there is a risk that an active and liquid market for the Ordinary Shares will not develop and the price of the Ordinary Shares may be volatile.

Until trading on Euronext Amsterdam commences on an "as-if-and-when-issued/delivered" basis, which is expected on 17 September 2021, but is subject to acceleration, extension and pricing and Settlement taking place, there is no public trading market for the Ordinary Shares. There can be no assurance that an active trading market for the Ordinary Shares will develop after the Offering or, if it does develop, that it will be sustained or liquid. If such market fails to develop or be sustained, this could negatively affect the liquidity and price of the Ordinary Shares, as well as increase their price volatility. Investors may not be in a position to sell their Ordinary Shares quickly or at the market price if there is no active trading in Ordinary Shares. In addition, an illiquid market for the Ordinary Shares may result in lower market prices and increased volatility, which could adversely affect the value of an investment in the Ordinary Shares.

The Offer Price may not be indicative of the market price for the Ordinary Shares after the Offering has completed. The market price of the Ordinary Shares could also fluctuate substantially due to various factors, some of which could be specific to the Company and its operations and some of which could be related to the industry in which the Company operates or equity markets generally. As a result of these and other factors mentioned in this "Risk Factors" section, the Ordinary Shares may trade at prices significantly below the Offer Price. The Company cannot assure that the market price of the Ordinary Shares will not decline, or that the Ordinary Shares will not trade at prices significantly below the Offer Price, regardless of the Company's actual operating performance.

If Settlement does not take place, purchases of the Offer Shares will be disregarded and transactions effected in the Offer Shares will be annulled.

Application has been made to list the Ordinary Shares on Euronext Amsterdam under the symbol "SCHLT". The Company expects that the Offer Shares will be admitted to listing and that trading in the Offer Shares will commence prior to the Settlement Date on the First Trading Date on an "as-if-and-when-delivered" basis. Settlement may not take place on the Settlement Date or at all, if the conditions referred to in the Underwriting Agreement are not satisfied or waived or occur on or prior to such date (see "Plan of Distribution—Underwriting Arrangements"). Trading in the Offer Shares before Settlement will take place subject to the condition that, if Settlement does not take place, the Offering will be withdrawn, all applications for the Offer Shares will be disregarded, any allotments made will be deemed not to have been made, any subscription payments made will be returned without interest or other compensation and transactions on Euronext Amsterdam will be annulled. All dealings in the Offer Shares prior to Settlement and delivery are at the sole risk of the parties concerned. The Selling Shareholders, the Listing and Paying Agent, the Underwriters and Euronext Amsterdam do not accept any responsibility or liability for any loss incurred by any person as a result of a withdrawal of the Offering or the related annulment of any transaction on Euronext Amsterdam.

Investors with a reference currency other than euro will become subject to foreign exchange risks when investing in the Ordinary Shares.

The Company's equity capital is denominated in euro, and all dividends on the Ordinary Shares will be paid by the Company in euro. Investors whose reference currency is a currency other than the euro may be adversely affected by any reduction in the value of the euro relative to the respective investor's reference currency. In addition, such investors could incur additional transaction costs in converting euro into another currency. Investors whose reference currency is a currency other than the euro are therefore urged to consult their financial advisers.

The rights and responsibilities of a shareholder are governed by Dutch law and will differ in some respects from the rights and obligations of shareholders under the laws of other jurisdictions and the shareholder rights under Dutch law may not be as clearly established or as easy to enforce as the rights of a shareholder established under the laws of some other jurisdictions.

The Company is incorporated and exists under Dutch law. Accordingly, the Company's corporate structure as well as the rights and obligations of the shareholders may be different from the rights and obligations of shareholders of companies under the laws of other jurisdictions. The exercise of certain shareholders' rights by shareholders outside the Netherlands may be more difficult and costly than the exercise of rights in a company organised under the laws of other jurisdictions. Resolutions of the General Meeting may be taken with majorities different from

the majorities required for adoption of equivalent resolutions in companies organised under the laws of other jurisdictions. Any action to contest any of the Company's corporate actions must be filed with, and will be reviewed by, a Dutch court, in accordance with Dutch law.

If the Company is dissolved, distributions to holders of Ordinary Shares will be subordinated to the claims of creditors.

On a return of capital following dissolution of the Company, holders of Ordinary Shares will be entitled to be paid out of the assets of the Company only after the claims of all creditors of the Company have been settled. Further, the Company's right to participate in any distribution of its subsidiaries' assets upon their liquidation, reorganisation or insolvency would generally be subject to prior claims of the subsidiaries' creditors, including lenders and trade creditors. As a result of this, holders of Ordinary Shares may not be able to reclaim all or part of their investment in the Ordinary Shares and consequently suffer a loss.

IMPORTANT INFORMATION

General

This Prospectus has been approved by the AFM, as competent authority under the Prospectus Regulation. The AFM only approves this Prospectus as meeting the standard of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Offer Shares.

This Prospectus was approved as a prospectus for the purposes of the Prospectus Regulation by, and filed with, the AFM on 8 September 2021. The validity of this Prospectus shall expire on the earlier of (i) the First Trading Date and (ii) 12 months after its approval by the AFM, provided that it is completed by any supplement if required pursuant to Article 23 of the Prospectus Regulation. The obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies (see section "*Supplements*" below) shall cease to apply upon the expiry of the validity period of this Prospectus.

Prospective investors should only rely on the information contained in this Prospectus and any supplement to this Prospectus within the meaning of Article 23 of the Prospectus Regulation. The Company does not undertake to update this Prospectus, unless required pursuant to Article 23 of the Prospectus Regulation, and therefore prospective investors should not assume that the information in this Prospectus is accurate as at any date other than the date of this Prospectus. No person is or has been authorised to give any information or to make any representation in connection with the transaction, other than as contained in this Prospectus. If any information or representation not contained in this Prospectus is given or made, the information or representation must not be relied upon as having been authorised by the Company, the Managing Directors, the Supervisory Directors the Selling Shareholders, the Underwriters, the Listing and Paying Agent or any of their respective affiliates or representatives. Neither the delivery of this Prospectus nor any sale made hereunder at any time after the date hereof shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Company since the date of this Prospectus or that the information contained herein is correct as at any time since its date.

Prospective investors are expressly advised that an investment in Offer Shares entails risks and that they should therefore carefully read and review the entire Prospectus. Prospective investors should not just rely on key information or information summarised within this Prospectus. A prospective investor should not invest in Offer Shares unless it has the expertise (either alone or with a financial adviser) to evaluate how the Offer Shares will perform under changing conditions, the resulting effects on the value of the Offer Shares and the impact this investment will have on the prospective investor's overall investment portfolio. Prospective investors should also consult their own tax advisers as to the tax consequences of the purchase, ownership and disposal of the Offer Shares.

The content of this Prospectus should not be construed as business, legal or tax advice. It should not be considered as a recommendation by any of the Company, the Managing Directors, the Supervisory Directors, the Selling Shareholders, the Underwriters, the Listing and Paying Agent or any of their respective affiliates or representatives that any recipient of this Prospectus should purchase any Offer Shares. Prior to making any decision whether to purchase the Offer Shares, prospective investors should read the entire content of this Prospectus and, in particular, the section entitled "*Risk Factors*" when considering an investment in the Company. None of the Company, the Selling Shareholders, the Underwriters, the Listing and Paying Agent or any of their respective affiliates or representatives is making any representation to any prospective investor regarding the legality of an investment in the Offer Shares by such prospective investor under the laws and regulations applicable to such prospective investor. Prospective investors should consult their own stockbroker, bank manager, lawyer, auditor or other financial or legal advisers before making any investment decision with regard to the Offer Shares, among other things, to consider such investment decision in light of his or her personal circumstances and in order to determine whether or not such prospective investor is eligible to purchase Offer Shares. In making an investment decision,

prospective investors must rely on their own analysis, enquiry and examination of the Company and the Offer Shares, including the merits and risks involved.

No representation or warranty, express or implied, is made or given, and no responsibility is accepted, by, or on behalf of the Underwriters, the Listing and Paying Agent, or any of their respective affiliates or representatives, or their respective directors, officers or employees or any other person, as to the accuracy, fairness, verification or completeness of the information or opinions contained in this Prospectus, or incorporated by reference herein, and nothing in this Prospectus, or incorporated by reference herein, is, or shall be relied upon as, a promise or representation by the Underwriters, the Listing and Paying Agent or any of their respective affiliates or representatives, or their respective directors, officers or employees or any other person, as to the past or future. None of the Underwriters, the Listing and Paying Agent or any of their respective affiliates or representatives, or their respective directors, officers or employees or any other person in any of their respective capacities in connection with the Offering, accepts any responsibility whatsoever for the contents of this Prospectus or for any other statements made or purported to be made by either itself, or on its behalf, in connection with the Company, Scholt Energy, the Selling Shareholders, the Admission, the Offering, the Ordinary Shares or the Offer Shares. Accordingly, the Underwriters, the Listing and Paying Agent and each of their respective affiliates or representatives, or their respective directors, officers or employees or any other person disclaim, to the fullest extent permitted by applicable laws and regulations, all and any liability, whether arising in tort or contract or which they might otherwise be found to have in respect of this Prospectus and/or any such statement.

Although the Underwriters are party to various agreements pertaining to the Offering and each of the Underwriters has or might enter into a financing or other arrangement with the Company, this should not be considered as a recommendation by any of them to invest in the Offer Shares.

Each of the Underwriters and the Listing and Paying Agent is acting exclusively for the Company and/or the Selling Shareholders and no one else in connection with the Offering. None of them will regard any other person (whether or not a recipient of this Prospectus) as their respective client in relation to the Offering and will not be responsible to anyone other than the Company and/or the Selling Shareholders for providing the protections afforded to their respective clients or for giving advice in relation to the Admission, the Offering or any transaction or arrangement referred to herein.

The Offering and the distribution of this Prospectus, any related materials and the offer, acceptance, delivery, transfer, exercise, purchase of, subscription for, or trade in Offer Shares may be restricted by law in certain jurisdictions other than the Netherlands, including but not limited to the United States and therefore persons into whose possession this Prospectus comes should inform themselves and observe any restrictions.

This Prospectus may not be used for, or in connection with, and does not constitute or form part of any offer or invitation to sell, or any solicitation of any offer to acquire Offer Shares in any jurisdiction in which such offer or solicitation would be unlawful or would result in the Company becoming subject to public company reporting obligations outside the Netherlands. Persons in possession of this Prospectus are required to inform themselves about and to observe any such restrictions. Other than in the Netherlands, no action has been or will be taken in any jurisdiction by the Company or the Underwriters that would permit an initial public offering of the Offer Shares or possession or distribution of a prospectus in any jurisdiction where action for that purpose would be required. Neither the Company nor the Management Board and the Supervisory Board, the Selling Shareholders, any of the Underwriters or the Listing and Paying accept any responsibility for any violation by any person, whether or not such person is a prospective purchaser of the Offer Shares, of any of these restrictions. See "*Selling and Transfer Restrictions*".

The Company, the Selling Shareholders and the Underwriters reserve the right in their own absolute discretion to reject any offer to purchase Offer Shares that the Company, the Selling Shareholders, the Underwriters or their respective agents believe may give rise to a breach or violation of any laws, rules or regulations.

Each person receiving this Prospectus acknowledges that such person: (i) has not relied on a financial adviser or any person affiliated with a financial adviser in connection with any investigation of the accuracy of any

information contained in this Prospectus or its investment decision; and (ii) has relied only on the information contained in this Prospectus, and no person has been authorised to give any information or to make any representation concerning the Company or the Offer Shares (other than as contained in this Prospectus and information given by the Company's duly authorised officers and employees in connection with such person's examination of the Company and the terms of the Offering) and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Company or any of Underwriters.

In connection with the Offering, each of the Underwriters and any of their respective affiliates, may take up a portion of the Offer Shares in the Offering as a principal position and in that capacity may retain, purchase or sell for its own account such securities and any Offer Shares or related investments and may offer or sell such Offer Shares or other investments otherwise than in connection with the Offering. Accordingly, references in this Prospectus to Offer Shares being offered or placed should be read as including any offering or placement of Offer Shares to any of the Underwriters or any of their respective affiliates acting in such capacity. In addition, each of the Underwriters and any of their affiliates may enter into financing arrangements (including swaps or contracts for differences) with investors in connection with which each of the Underwriters and any of their affiliates may from time to time acquire, hold or dispose of the Offer Shares. None of the Underwriters or their affiliates intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

Responsibility Statement

This Prospectus is made available by the Company, and the Company accepts sole responsibility for the information contained in this Prospectus. The Company declares that to the best of its knowledge, the information contained in this Prospectus is in accordance with the facts and makes no omission likely to affect its import.

Presentation of Financial and Other Information

Historical Financial Information

Unless otherwise indicated, financial information contained in this Prospectus has been prepared in accordance with International Financial Reporting Standards (**IFRS**) as endorsed in the EU based on Regulation (EC) No 1606/2002).

In this Prospectus, the term **Financial Statements** refers to the audited consolidated special purpose financial statements of the Company as at 31 December 2020, 31 December 2019 and 31 December 2018 and for the years ended 31 December 2018, 31 December 2019 and 31 December 2020 and the notes thereto. In this Prospectus, the term **Interim Financial Statements** refers to the reviewed consolidated financial statements of the Company as at 30 June 2021 and for the six months ended 30 June 2021 and 30 June 2020 and the notes thereto. At the date of completion of the Financial Statements and the Interim Financial Statements, the Company was still named SEC Holding B.V. Therefore, the Financial Statements and the Interim Financial Statements refer to SEC Holding B.V. and not yet to the Company's current name (Scholt Energy B.V.). At the date of this Prospectus, SEC Holding B.V. is the same entity as the Company. A name change took place following the merger of SEC Topholding B.V. into the Company. See "*Major Shareholders and Related Party Transactions—Corporate Restructuring*". For the avoidance of doubt, the information in the Financial Statements is not the same as the information included in the statutory annual accounts of the Company as deposited with the Dutch Chamber of Commerce, which are prepared in accordance with Dutch GAAP.

The Financial Statements have been audited by KPMG Accountants N.V. (**KPMG**), independent auditors, as stated in their report appearing herein. As is stated in Note 1 to the Financial Statements, which describes the special purpose of the Financial Statements, including the basis of accounting, these are prepared for the purpose of the inclusion in this Prospectus. As a result, the Financial Statements may not be suitable for another purpose. The independent auditor's report that is required by Commission Delegated Regulation (EU) 2019/980, is given for the purpose of complying with that regulation and for no other purpose, and is not modified for this matter.

With respect to the unaudited interim financial information as at 30 June 2021 and for the six-month period ended 30 June 2021 and 30 June 2020, included herein, the independent auditors have reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included herein, states that they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied.

The Financial Statements and the Interim Financial Statements are included in this Prospectus beginning on page F-1.

Alternative Performance Measures and Key Performance Indicators

This Prospectus contains non-IFRS financial measures, which are not liquidity or performance measures under IFRS, and which Scholt Energy considers to be alternative performance measures (**APMs**). These APMs are presented in addition to the figures that are prepared in accordance with IFRS and include Gross Margin, Adjusted EBITA, Adjusted EBITA Margin, capital expenditure to Gross Margin, Operating Profit Margin, EBT Margin and Net Income Margin (each as defined below). Scholt Energy provides these APMs and other key metrics because it believes that they provide investors with additional information to measure the operating performance of Scholt Energy and to enhance the investors' understanding of Scholt Energy's results. Scholt Energy's use of APMs may vary from the use of other companies in its industry. The measures used should not be considered as an alternative to profit (loss), revenue or any other performance measure derived in accordance with IFRS or to net cash provided by operating activities as a measure of liquidity. APMs have limitations as analytical tools over and above the limitations of any IFRS performance measures and should not be considered in isolation or as substitutes for analysis of the results of Scholt Energy, as reported under IFRS. Such APMs may include or exclude amounts that are included or excluded, as applicable, in the calculation of the most directly comparable measures in accordance with IFRS. Their usefulness is therefore subject to limitations, which are described below. In particular, other companies in the industry may define APMs, used herein, differently, which may make it difficult to compare the performance of those entities to the performance of Scholt Energy, based on similarly named measures. In addition, the exclusion of certain items from APMs does not imply that these items are necessarily non-recurring. From time to time, Scholt Energy may exclude additional items if it believes doing so would result in a more transparent and comparable disclosure.

APMs should be considered in conjunction with the Financial Statements prepared in accordance with IFRS. Although certain of these measures have been extracted or derived from the Financial Statements and the Interim Financial Statements, this data has not been audited or reviewed by KPMG. The following discussion provides definitions of APMs. See "*Selected Consolidated Financial Information—*

Alternative Performance Measures" for a reconciliation of the non-IFRS measures included below to their most directly comparable IFRS measures. APMs used in this Prospectus are defined and should be read as follows:

- **Gross Margin** as total revenue for the period minus total cost of energy purchases for the period. As a result, Gross Margin has not been adjusted for operating expenses (other than the cost of energy purchases). Gross Margin is used by Scholt Energy to measure its sales performance. Gross Margin reflects the income of fees directly attributable to Scholt Energy, paid by its customers in return for its Market Access and Energy Supply and Energy Transition Services activities. While total revenue includes pass-through costs for procurement of energy on the markets, on behalf of Scholt Energy's customers, Gross Margin only includes fees directly attributable to Scholt Energy. Therefore, management believes that this measurement is most relevant in evaluating the operating results of the respective segments relative to other entities that operate in the same industries;
- **Adjusted EBITA** as profit for the period before amortisation, net finance costs (including other finance costs), costs for the option plan and the one-off share incentive for all eligible employees as set out in "*Management and Corporate Governance—Employee Equity Holdings*", and the taxes. Adjusted EBITA is used by Scholt Energy to measure its operating performance. Management believes that this

measurement is most relevant in evaluating the operating results of Scholt Energy, since it shows the operating results, without the impact of the form of financing (by ignoring net finance costs, including other finance costs), political jurisdictions (by ignoring tax) and takeover history (by ignoring amortization). Share-based payments are also ignored, because management believes that this expense does not represent its operating performance;

- **Adjusted EBITA Margin** as Adjusted EBITA (as defined above) divided by Gross Margin (as defined above). Management believes that this measurement is relevant in evaluating the balance of Gross Margin in any year with the operating expenses related to this Gross Margin as well as related to future growth of Scholt Energy;
- **Capital expenditure to Gross Margin** as total of additions to property, plant and equipment and acquisition of intangible assets and goodwill divided by Gross Margin. Management believes that this measurement is relevant in evaluating the funds used to acquire, upgrade and maintain the Company's assets in relation to its size, for which it deems Gross Margin the most relevant measure;
- **Operating Profit Margin** as profit for the period before income tax expense, share of profit of equity-accounted investees (net of tax) and net finance costs, divided by Gross Margin. Management believes that this measurement is relevant in evaluating total earnings from core business functions in relation to its size, for which it deems Gross Margin the most relevant measure;
- **EBT Margin** as Profit before tax divided by Gross Margin. Management believes that this measurement is relevant in evaluating financial performance without impact of taxes in relation to its size, for which it deems Gross Margin the most relevant measure;
- **Net Income Margin** as Profit divided by Gross Margin. Management believes that this measurement is relevant in evaluating financial performance and contribution to equity and therefore to dividend distribution capacity in relation to its size, for which it deems Gross Margin the most relevant measure;
- **Net working capital (excluding cash and cash equivalents)** as trade and other receivables net of current liabilities; and
- **Net working capital (excluding cash and cash equivalents) as a percentage of revenue** as net working capital (excluding cash and cash equivalents) (as defined above) divided by revenue.

In addition, the Prospectus contains key metrics of a financial and forward-looking and non-financial nature, which Scholt Energy considers to be key performance indicators (**KPIs**).

KPIs used in this Prospectus are defined and should be read as follows:

- **Future contracted volume or contracted volume** as the total expected energy volume procured (forward and spot markets) in advance as at a particular date by Scholt Energy's customers. Scholt Energy's customers have the ability to procure energy volumes up to several years in advance. As Scholt Energy generates a fixed fee per energy volume, the future contracted volume is an indicator of Scholt Energy's future earnings.

Future contracted volume is the expected energy volume procured as the aggregate of all contracted future volumes procured per customer. The basis for contracted future volume procured per customer is the standard annual volume as jointly established by Scholt Energy and its customer as best estimate for annual offtake and agreed upon in writing in the supply agreement between Scholt Energy and its customer. For each full year ahead, the total standard annual volume contributes to the future contracted volume procured per customer. Within any calendar year, a portion equal to the estimated remaining volume to be delivered in that calendar year contributes to the future contracted volume. The estimated remaining volume is calculated by allocating the standard annual volume to each calendar month

proportionally to the distribution of the supply of commodity under review over Scholt Energy's portfolio in the foregoing calendar year. Distributions for allocation over calendar months vary from geography to geography;

- **Future contracted Gross Margin or contracted Gross Margin** as the expected Gross Margin derived from total energy volume procured in advance (forward and spot markets) as at a particular date by Scholt Energy's customers. Future contracted Gross Margin is used by Scholt Energy to measure the performance of its sales team, as it typically acquires contracts coming into delivery per the first of January in any respective year rather than immediately. As such, management believes that future contracted Gross Margin is most relevant in evaluating Scholt Energy's future earnings.

Future contracted Gross Margin is the aggregate of Gross Margin contracted going forward for all individual customers. It is equal to the contracted future volume procured per customer as calculated using the methodology described above, multiplied by the expected fixed fee / service fee per unit of energy supplied. Expected margin per unit of energy supplied is calculated by reducing the contracted mark-up per unit of energy with the expected marginal cost of purchase of that unit, other than the wholesale market price that is passed on only. Expected marginal cost of purchase are based on historical marginal cost of purchase incurred by Scholt Energy;

- **Market Access and Energy Market future contracted Gross Margin** is future contracted Gross Margin for services from the Market Access and Energy Market activities;
- **Energy Transition Services future contracted Gross Margin** is future contracted Gross Margin for services from the Energy Transition Services activities; and
- **Prolonged (or renewed contracted) Gross Margin** as Gross Margin from customers that have a contract expiring, which contracts have not yet been extended, which amount of Gross Margin to be renewed assumes a churn level of 5%.³

Other Information

This Prospectus contains other operational measures, including Scholt Energy's customer net promoter score (**NPS score**), its employee net promoter score (**eNPS**), its customer effort score and its sales FTEs. These additional key metrics should be read and understood to be calculated as follows:

- **NPS score:** Scholt Energy's NPS score is determined via a survey of all business customers and is based on whether they would recommend Scholt Energy to a business relation. The NPS-methodology is based on one question: How likely is it that you would recommend Scholt Energy to a business relation? The customer rates this with a score from 0 (very unlikely) to 10 (very likely). Scores from 0-6 are rated as 'critics', 7-8 as 'neutral' and 9-10 as 'promotor'. The percentage of promoters (as % of total response) minus the percentage of critics generates a score between -100% and +100%. Scholt Energy sends the survey to all business consumers of Scholt Energy. The NPS-question is the first question a customer has to answer, to make sure that the rating is not influenced by other questions.
- **eNPS score:** Scholt Energy's eNPS score is determined via an employee survey and based on whether employees would recommend Scholt as an employer to others. The employee NPS is calculated using the same methodology as the NPS score, based on the question: How likely is it that you would recommend Scholt Energy as an employer to people you know? Scholt Energy sends the survey to all its employees.

³ The average customer churn between 1 January 2018 and February 2021 was approximately 3.5% (based on management information per February 2021). The 5% churn was chosen by management of the Company to adopt a conservative assumption.

- **Customer effort score:** Scholt Energy's customer effort score is based on an annual customer survey which measures the effort for customers to get in contact with Scholt Energy. It is based on a range of 1 to 5, with the lower the score, the better.
- **Sales FTEs:** Scholt Energy's sales FTEs are calculated by the number of FTEs in its sales department at the end of the period plus the number of FTEs in its sales department at the beginning of the period and after aggregation divided by two. Sales FTEs include both FTEs who are fully dedicated to sales as well as FTEs who also have management or training responsibilities.

Rounding and Negative Amounts

Certain figures in this Prospectus, including financial data, have been rounded. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in tables may not be an exact arithmetic aggregation of the figures which precede them.

In preparing the financial information included in this Prospectus, most numerical figures are presented in millions of euro. For the convenience of the reader of this Prospectus, certain numerical figures in this Prospectus are rounded to the nearest million. Accordingly, figures shown for the same category presented in different tables may vary slightly, and figures shown as totals in tables may not be an exact arithmetic aggregation of the figures which precede them.

The percentages (as a percentage of revenue or costs and period-on-period percentage changes) presented in the textual financial disclosure in this Prospectus are derived directly from the financial information included elsewhere in this Prospectus. Such percentages may be computed on the numerical figures expressed in millions of Euro. Therefore, such percentages are not calculated on the basis of the financial information in the textual disclosure that has been subjected to rounding adjustments in this Prospectus.

In tables, negative amounts are shown between brackets. Otherwise, negative amounts are shown by "-" or "negative" before the amount.

Currency

In this Prospectus, unless otherwise indicated: all references to "euro" or "€" are to the single currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty on the functioning of the European Community, as amended from time to time, and all references to "USD" or "\$" are to the lawful currency of the United States.

Market and Industry Information

All references to market share, market data, industry statistics and industry forecasts in this Prospectus consist of estimates compiled by industry professionals, competitors, organisations or analysts, of publicly available information or of the Company's own assessment of its sales and markets. Statements based on the Company's own proprietary information, insights, opinions or estimates contain words such as 'believe', 'the Company believes', 'expect', 'the Company expects', 'see', 'the Company sees', and as such do not purport to cite, refer to or summarise any third party or independent source and should not be so read.

This Prospectus also contains statistics, data and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to the Company's business and markets. The information in this Prospectus that has been sourced from third parties has been accurately reproduced with reference to these sources in the relevant paragraphs and, as far as the Company is aware and able to ascertain from the information published by that third party, no facts have been omitted that would render the reproduced information provided inaccurate or misleading.

Industry publications and market studies generally state that their information is obtained from sources believed to be reliable but that the accuracy and completeness of such information is not guaranteed and that the projections they contain are based on a number of significant assumptions. Where third-party information has been sourced in this Prospectus, the source of such information has been identified.

In this Prospectus, statements are made regarding the Company's competitive and market position. The Company believes these statements to be true, based on market data and industry statistics, but the Company has not independently verified the information. The Company cannot guarantee that a third party using different methods to assemble, analyse or compute market data or public disclosure from competitors would obtain or generate the same results. In addition, the Company's competitors may define their markets and their own relative positions in these markets differently than the Company does and may also define various components of their business and operating results in a manner which makes such figures non-comparable with the Company's figures.

Supplements

If a significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus which is capable of affecting the assessment of the Offer Shares, arises or is noted between the time when this Prospectus is approved and the final closing of the Offer Period or the time when trading on a regulated market begins, whichever occurs later, a supplement to this Prospectus will be published in accordance with relevant provisions under the Prospectus Regulation. Such a supplement will be subject to approval by the AFM in accordance with Article 23 of the Prospectus Regulation and will be made public in accordance with the relevant provisions of the Prospectus Regulation. The summary shall also be supplemented, if necessary, to take into account the new information included in the supplement.

Investors who have already agreed to purchase or subscribe for the Offer Shares before the supplement is published shall have the right, exercisable within two business days following the publication of a supplement, to withdraw their acceptances, provided that the new factor, material mistake or inaccuracy, arose or was noted before the final closing of the Offering. Save for the event that either (i) the Offer Price is set above the Offer Price Range; or (ii) the top end of the Offer Price Range is revised upwards, investors are not allowed to withdraw their acceptance.

Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Prospectus or in a document which is incorporated by reference in this Prospectus. Any supplement shall specify which statement is so modified or superseded and shall specify that such statement shall, except as so modified or superseded, no longer constitute a part of this Prospectus. For the avoidance of doubt, references in this paragraph to any supplement being published by the Company do not include the Pricing Statement.

Stabilisation

In connection with the offering, ABN AMRO, as stabilisation manager (the **Stabilisation Manager**), or any of its agents may (but will be under no obligation to), to the extent permitted by applicable law, over-allot shares or effect other transactions with a view to supporting the market price of the shares at a higher level than that which might otherwise prevail in the open market. The Stabilisation Manager is not required to enter into such transactions, and such transactions may be effected on any securities market, over-the-counter market, stock exchange or otherwise and may be undertaken at any time during the period commencing on the first day of trading in the shares on Euronext Amsterdam and ending no later than 30 calendar days thereafter. However, there will be no obligation on the Stabilisation Manager or any of its agents to effect stabilising transactions, and no assurance can be given that stabilising transactions will be undertaken. Such stabilisation, if commenced, may be discontinued at any time without prior notice. In no event will measures be taken to stabilise the market price of the shares and above the offering price. Except as required by law or regulation, neither the Stabilisation Manager nor any of its agents intend to disclose the extent of any over-allotments made and/or stabilisation transactions conducted in relation to the Offering.

Notice to Investors

EXCEPT AS OTHERWISE SET OUT IN THIS PROSPECTUS, THE OFFERING DESCRIBED IN THIS PROSPECTUS IS NOT BEING MADE TO INVESTORS IN THE UNITED STATES, CANADA, AUSTRALIA OR JAPAN, AND THIS PROSPECTUS SHOULD NOT BE FORWARDED OR TRANSMITTED IN OR INTO THE UNITED STATES, CANADA, AUSTRALIA OR JAPAN.

Because of the following restrictions, prospective investors are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Ordinary Shares.

This Prospectus may not be used for, or in connection with, and does not constitute or form part of any offer or invitation to sell, or any solicitation of any offer to acquire Offer Shares in any jurisdiction in which such an offer or solicitation is unlawful or would result in the Company becoming subject to public company reporting obligations outside the Netherlands.

The Offering and the distribution of this Prospectus, any related materials and the offer, acceptance, delivery, transfer, exercise, purchase of, subscription for, or trade in, Ordinary Shares may be restricted by law in jurisdictions and therefore persons into whose possession this Prospectus comes should inform themselves and observe any restrictions. This Prospectus may only be used where it is legal to offer, solicit offers to purchase or sell, or subscribe for or issue, Offer Shares.

No action has been taken or will be taken in any jurisdiction by the Company, the Selling Shareholders or the Underwriters that would permit a public offering of the Offer Shares, or the possession, circulation or distribution of this Prospectus or any other material relating to the Company or the Offer Shares, in any jurisdiction where action for that purpose is required. Accordingly, no Offer Shares may be offered or sold directly or indirectly, and neither this Prospectus nor any other Offer material or advertisements in connection with the Offer Shares may be distributed or published, in or from any jurisdiction except in compliance with any applicable laws and regulations of any such jurisdiction.

Shareholders who have a registered address in, or who are resident or located in, jurisdictions other than the Netherlands and any person (including, without limitation, agents, custodians, nominees and trustees) who has a contractual or other legal obligation to forward this Prospectus to a jurisdiction outside the Netherlands should read "*Selling and Transfer Restrictions*" in this Prospectus.

Notice to Prospective Investors in the United States

The Offer Shares have not been, and will not be, registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States for offer or sale as part of their distribution and, subject to exceptions, may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with applicable state securities laws. The Offer Shares will be offered and sold inside the United States only to persons reasonably believed to be qualified institutional buyers (**QIBs**) in reliance on Rule 144A or another exemption from, or in a transaction not subject to, from the registration requirements of the US Securities Act and outside the United States in offshore transactions, as defined in and in reliance on, Regulation S. Prospective investors are hereby notified that any seller of the Offer Shares may be relying on the exemption from the provisions of Section 5 of the US Securities Act provided by Rule 144A. The Offer Shares are not transferable except in accordance with the restrictions described in the section titled "*Selling and Transfer Restrictions*".

The Offer Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission (the **SEC**), any state securities commission in the United States or any other United States regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the Offering or the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offense in the United States.

Notice to Investors in the European Economic Area

In relation to each member state of the European Economic Area (EEA) (**Member State**), an offer to the public of any Offer Shares which are the subject of the Offering contemplated by this Prospectus may not be made in that Relevant State, except that an offer to the public in that Relevant State of any Offer Shares may be made at any time under the following exemptions under the Prospectus Regulation:

- (a) to any legal entity which is a qualified investor as defined in the Prospectus Regulation; or
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) per Relevant State, subject to obtaining the prior consent of the Joint Global Coordinators; or
- (c) in any other circumstances falling under the scope of Article 1(4) of the Prospectus Regulation,

provided that no such offer of Offer Shares shall require the Company or any Underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an **offer to the public** in relation to any Offer Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the Offering and any Offer Shares to be offered so as to enable an investor to decide to purchase, or subscribe for, any Offer Shares and the expression **Prospectus Regulation** means Regulation (EU) 2017/1129 and includes any relevant delegated regulations.

This Prospectus has been prepared on the basis that all offers of the Offer Shares, other than the offers contemplated in the Netherlands, respectively, will be made pursuant to an exemption under the Prospectus Regulation, as implemented in Member States, from the requirement to produce a prospectus for offers of the Offer Shares. Accordingly, any person making or intending to make any offer of the Offer Shares within the EEA that is the subject of the Offering contemplated in this Prospectus should only do so in circumstances in which no obligation arises for the Company, the Selling Shareholders or any of the Underwriters to produce a prospectus for such offer. None of the Company, the Selling Shareholders or the Underwriters has authorised, nor does the Company, any of the Selling Shareholders or the Underwriters authorise, the making of any offer of the Offer Shares through any financial intermediary, other than offers made by the Underwriters that constitute the final Offering of the Offer Shares contemplated in this Prospectus.

Notice to Prospective Investors in the United Kingdom

In the United Kingdom, an offer to the public of any Offer Shares which are subject of the Offering contemplated by this Prospectus may not be made, except that an offer to the public in the United Kingdom of any Offer Shares may be made at any time under the following exemptions under the UK Prospectus Regulation:

- (a) To any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
- (b) To fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Joint Global Coordinators for any such offer; or
- (c) In any other circumstances falling under the scope of Section 86 of the Financial Services and Markets Act 2000 (the **FSMA**),

provided that no such offer of Offer Shares shall require the Company or the Underwriters to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For purposes of the provision, the expression **offer to the public** in relation to any Offer Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Offer Shares to be offered so as to enable an investor to decide to purchase, or subscribe for, any Offer Shares, and the expression **UK Prospectus Regulation** means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

This Prospectus and the Offering is addressed only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (the **FSMA**) (Financial Promotion) Order 2005, as amended (the **Financial Promotion Order**), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This Prospectus is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this Prospectus relates is available only to relevant persons and will be engaged in only with relevant persons. This Prospectus has been prepared on the basis that any offer of the Offer Shares referred to herein in the United Kingdom will be made pursuant to an exemption under the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA (the **UK Prospectus Regulation**) from the requirement to publish a prospectus for offers of the securities referred to herein. Accordingly, any person making or intending to make an offer in the United Kingdom of Offer Shares which are the subject of the Offering only do so in circumstances in which no obligation arises for the Company, the Selling Shareholders or any of the Underwriters to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation, in each case, in relation to such offer. Neither the Company, the Selling Shareholders nor any of the Underwriters have authorised, nor do they authorise, the making of any offer of Offer Shares in circumstances in which an obligation arises for the Company, the Selling Shareholders or any of the Underwriters to publish a prospectus for such offer.

Information to Distributors

MiFID II Product Governance

Solely for the purposes of the product governance requirements contained within: (i) EU Directive 2014/65/EU on markets in financial instruments, as amended (**MiFID II**); (ii) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (iii) local implementing measures (together, the **MiFID II Product Governance Requirements**), and disclaiming all and any liability, whether arising in delict, tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Ordinary Shares have been subject to a product approval process, which has determined that the Ordinary Shares are: (a) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (b) eligible for distribution through all distribution channels as are permitted by MiFID II (the **Target Market Assessment**). Notwithstanding the Target Market Assessment, "*distributors*" (for purposes of the MiFID II Product Governance Requirements) should note that: the price of the Ordinary Shares may decline and investors could lose all or part of their investment; the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering, including the selling restrictions described in "*Selling and Transfer Restrictions*".

For the avoidance of doubt, the Target Market Assessment does not constitute: (i) an assessment of suitability or appropriateness for the purposes of MiFID II; or (ii) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Ordinary Shares and determining appropriate distribution channels.

UK MiFIR Product Governance

Solely for the purposes of each UK manufacturer's product approval process, the target market assessment in respect of the Ordinary Shares has led to the conclusion that: (i) the target market for the Ordinary Shares is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and retail clients and professional clients, each as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA (**UK MiFIR**); and (ii) all channels for distribution of the Ordinary Shares to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Ordinary Shares (a **UK distributor**) should take into consideration the UK manufacturers' target market assessment; however, a UK distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Ordinary Shares (by either adopting or refining the UK manufacturers' target market assessment) and determining appropriate distribution channels.

For the avoidance of doubt, the above does not constitute: (i) an assessment of suitability or appropriateness for the purposes of UK MiFIR or otherwise; or (ii) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares.

Each UK distributor is responsible for undertaking its own target market assessment in respect of the Ordinary Shares and determining appropriate distribution channels.

Enforceability of Civil Liabilities

The ability of shareholders in certain jurisdictions other than the Netherlands, and in particular the United States, to bring an action against the Company may be limited under applicable laws and regulations. At the date of this Prospectus, the Company is incorporated under Dutch law and all Managing Directors, Supervisory Directors and most of Scholt Energy's employees are citizens or residents of countries other than the United States. Most of the assets of such persons and most of the assets of Scholt Energy are located outside the United States. As a result, it may be impossible or difficult for investors to effect service of process within the United States upon such persons or the Company or to enforce against them, in United States courts, a judgment obtained in such courts. In addition, in the Netherlands, there is doubt as to the enforceability of original actions or actions for enforcement based solely on the federal or state securities laws of the United States or judgments of United States courts, including judgments based on the civil liability provisions of the United States federal or state securities laws.

As at the date of this Prospectus, the United States and the Netherlands do not have a treaty providing for the reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Consequently, a judgment rendered by a court in the United States will not be enforceable in the Netherlands. However, if a person has obtained a final judgment without possibility of appeal for the payment of money rendered by a court in the United States which is enforceable in the United States and files his or her claim with the competent Dutch court, the Dutch court will generally recognise and give effect to such foreign judgment insofar as it finds that: (i) the jurisdiction of the United States court has been based on a ground of jurisdiction that is generally acceptable according to international standards; (ii) the judgment by the United States court was rendered in legal proceedings that comply with the standards of the proper administration of justice that includes sufficient safeguards (*behoorlijke rechtspleging*); or (iii) the judgment by the United States court is not incompatible with a decision rendered between the same parties by a Dutch court, or with a previous decision rendered between the same parties by a foreign court in a dispute that concerns the same subject and is based on the same cause, provided that the previous decision qualifies for acknowledgement in the Netherlands and except

to the extent that the foreign judgment contravenes Dutch public policy (*openbare orde*). Even if such foreign judgment is given binding effect, a claim based thereon may, however, still be rejected if the foreign judgment is not or no longer formally enforceable.

Information regarding Forward-Looking Statements

This Prospectus includes forward-looking statements. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond Scholt Energy's control and all of which are based on Scholt Energy's current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as "aim", "annualised", "anticipate", "assume", "believe", "continue", "could", "estimate", "expect", "goal", "hope", "intend", "may", "objective", "plan", "position", "potential", "predict", "project", "risk", "seek", "should", "target", "will" or "would" or the highlights or the negatives thereof, other variations thereon or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Prospectus and include statements that reflect the Company's intentions, beliefs or current expectations and projections about Scholt Energy's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which Scholt Energy operates. In particular, the statements under the headings "*Risk Factors*", "*Reasons for the Offering and Use of Proceeds*", "*Dividends and Dividend Policy*", "*Industry*", "*Business*" and "*Operating and Financial Review*" regarding Scholt Energy's strategy, targets, expectations, objectives, future plans and other future events or prospects are forward-looking statements.

These forward-looking statements and other statements contained in this Prospectus regarding matters that are not historical facts involve predictions. No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing Scholt Energy. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed or implied in such forward-looking statements. Risks and uncertainties that could cause Scholt Energy's actual results to vary materially from those anticipated in the forward-looking statements included in this Prospectus include those described under "*Risk Factors*".

Forward-looking statements include, among other things, statements relating to:

- the Company's strategy, outlook and growth prospects;
- the Company's liquidity, capital resources and capital expenditure requirements;
- the Company's expectations as to future growth in demand for the Company's services;
- the Company's financial and operational performance medium-term objectives;
- the Company's future revenue;
- the Company's future Gross Margin;
- the Company's future ability to contract additional employees and customers;
- changes in general economic conditions and capital markets; and
- actions of competitors and customers.

Forward-looking statements in this Prospectus speak only as of the date of this Prospectus. Except as required by applicable laws and regulations, Scholt Energy expressly disclaims any obligation or undertaking to update or revise the forward-looking statements contained in this Prospectus to reflect any change in its expectations or any change in events, conditions or circumstances on which such statements are based.

Defined Terms

This Prospectus is published in English only. Definitions used in this Prospectus are defined in sections "*Defined Terms*" and "*Glossary of Technical Terms*".

REASONS FOR THE OFFERING AND USE OF PROCEEDS

Background and Reasons for the Offering

The Company believes that the Admission and the Offering are a significant and logical next step for Scholt Energy in its development and that their timing is appropriate, given its current profile and level of maturity.

The Company believes that the Offering and the listing of Ordinary Shares on Euronext Amsterdam will further enhance the Company's corporate profile on a standalone basis as well as its reliability as partner to counterparties and energy providers. The Offering also aims to permit the Company to incentivise the existing and future management team and senior staff, and to continue to attract and retain high calibre individuals to join the Company's management team in the future, by way of awards of listed Ordinary Shares. In addition, the Offering will create a market in the Ordinary Shares for existing and future shareholders and provides the Selling Shareholders with a partial monetisation of their investment in the Company. The Company expects the listing to create a new long-term shareholder base as well as liquidity for the holders of the Offer Shares while safeguarding the ability for Shareholders to benefit from potential further upside through continued commitment. The Admission further provides the Company with access to capital markets, which, although it currently has no such plans, it may use to support and develop further growth of Scholt Energy, which helps to guarantee the financial and operational independence of Scholt Energy in the future.

Use of Proceeds

The Company will not receive any proceeds from the sale of the Offer Shares and/or the sale of any Over-Allotment Shares by the Selling Shareholders, the net proceeds of which will be received by the Selling Shareholders. The commissions due to, and expenses (up to an agreed cap) of the Underwriters, will be borne by the Selling Shareholders.

After deducting the estimated expenses, commissions and taxes related to the Offering payable by the Selling Shareholders, the Selling Shareholders expect to receive approximately €105 million in net proceeds from the Offering (based on an Offer Price at the mid-point of the Offer Price Range and assuming the sale of the maximum number of Offer Shares by the Selling Shareholders and no exercise of the Over-Allotment Option granted by Waterland and Scholt Investment Group B.V. in connection with the Offering).

The total expenses and taxes related to the Offering are estimated to amount to approximately €5.7 million, which will be paid by the Selling Shareholders.

DIVIDENDS AND DIVIDEND POLICY

General

The Company may only make distributions to its shareholders if its equity exceeds the amount of the paid-in and called-up part of the issued capital, plus the reserves as required to be maintained by the Company's Articles of Association or by Dutch law.

Dividend History

For the year ended 31 December 2018, the Company paid a dividend of €1,000 per Ordinary Share to its former parent company SEC Topholding B.V., amounting to €10 million in total. The amount of €10 million was subsequently paid as a dividend by SEC Topholding B.V. to the Selling Shareholders. In 2021, the Company paid an amount of €20 million in total as a loan to SEC Topholding B.V. The amount was subsequently paid as a dividend by SEC Topholding B.V. to the Selling Shareholders. The outstanding loan was extinguished as a result of the merger of SEC Topholding B.V. into the Company that became effective on 31 August 2021. See Notes 9 and 10 of the Interim Financial Statements.

Dividend Policy

The Company's intention is to apply a dividend pay-out policy that targets paying out dividend based on the annual reported total comprehensive income for the period, net of tax, all attributable to owners of the Company, provided that and to the extent that its net assets exceed the sum of the amount of the paid and called up part of the capital and the reserves that must be maintained under Dutch law or the Company's articles of association. For the year ending 31 December 2021, the Company targets a pay-out ratio of 80%-100% of total comprehensive income for the period, net of tax, all attributable to owners of the Company.

The Company's intentions in relation to dividends are subject to numerous assumptions, risks and uncertainties, many of which may be beyond the Company's control. The ability and intention of the Company to pay dividends in the future will depend on its financial position, results of operations, capital requirements, investment alternatives, existence of distributable reserves, available liquidity, (forward-) market developments, industry peers and other factors that the Management Board and Supervisory Board may deem relevant. Please see *"Important Information—Information regarding Forward-Looking Statements"* and *"Risk Factors"*.

Since the Company conducts a substantial part of its operations through its direct or indirect subsidiaries, its ability to pay dividends depends significantly on its operating subsidiaries generating profits and distributing them to the Company.

Manner and Time of Dividend Payments

Payment of any dividend will be made in euro. Any dividends that are paid to holders of Offer Shares through Euroclear Nederland will be automatically credited to the relevant shareholders' accounts, without the need for the shareholders to present documentation proving their ownership of the Ordinary Shares. Payments of dividends are announced in a notice by the Company and will be made payable pursuant to a resolution of the Management Board within four weeks after adoption, unless the Management Board sets another date for payment.

Uncollected Dividends

A shareholder's claim to payments of dividends lapses five years after the day on which the claim became payable. Any dividends that are not collected within this period revert to the Company.

Taxation

The tax legislation of an investor's jurisdiction and of the Netherlands, the Company's country of incorporation, may have an impact on the income received from the Ordinary Shares. Dividend payments are generally subject to withholding tax in the Netherlands. See section "*Taxation*".

INDUSTRY

The information presented in this section is taken or derived from the sources identified this section. In addition, certain statements below are based on Scholt Energy's own proprietary information, insights, opinions or estimates and not on any third party or independent source. These statements contain words such as 'believe', 'expect', 'see', and as such do not purport to cite, refer to or summarise any third party or independent source and should not be so read.

Scholt Energy is an independent B2B energy partner focussed on the mid to large corporate segment (i.e. companies with a monthly energy bill over €1,000). The Netherlands is Scholt Energy's main geographic market, followed by Belgium and Germany, and the Company recently started operations in Austria.

This section provides an overview of the relevant industry developments for Scholt Energy. It describes the European energy market and specific national markets in which the Company operates, the B2B energy supply market specifically, the energy transition and how this transition is impacting the energy supply market and each of Scholt Energy's Energy Transition Services. This section also describes the competitive landscape in which Scholt Energy operates.

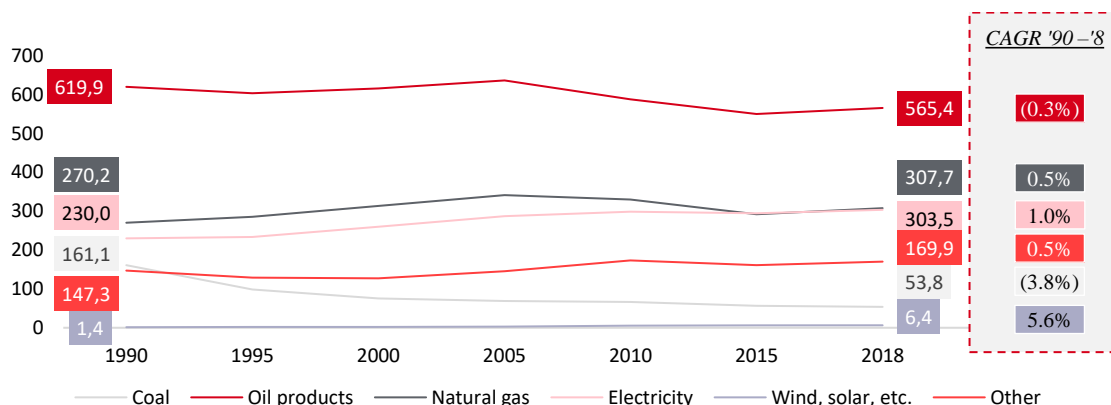
European Energy market

Energy supply and demand dynamics

Modern societies depend on the availability of reliable and affordable energy supply. At the same time, the need to address climate change is driving a transformation of energy systems globally. The energy generation capacity within the European Union is currently a diverse mix of fossil fuels, nuclear power and renewables, with each country having its own specific energy generation mix. Europe is witnessing an increasing shift towards renewable energy sources, although fossil fuels still account for 72.3% of the energy supply mix within Europe, consisting out of oil (31.4%), natural gas (25.1%) and coal (15.9%).⁴

The recast Renewable Energy Directive (2018/2001/EU) requires the Member States of the European Union to collectively ensure that the share of energy from renewable sources in the European Union's gross final consumption of energy in 2030 is at least 32%, and is targeted to increase to 44% by 2050. Some Member States have set even more ambitious targets, exceeding the target of the directive.⁵ For a further description of the global energy transition, please refer to "—Market for energy transition services—Energy transition and Roadmap to 2050".

Total final energy consumption in Mtoe by source – Europe⁶



⁴ Source: <https://www.iea.org/data-and-statistics/data-browser/?country=WEOEUR&fuel=Energy%20supply&indicator=TPESbySource>.

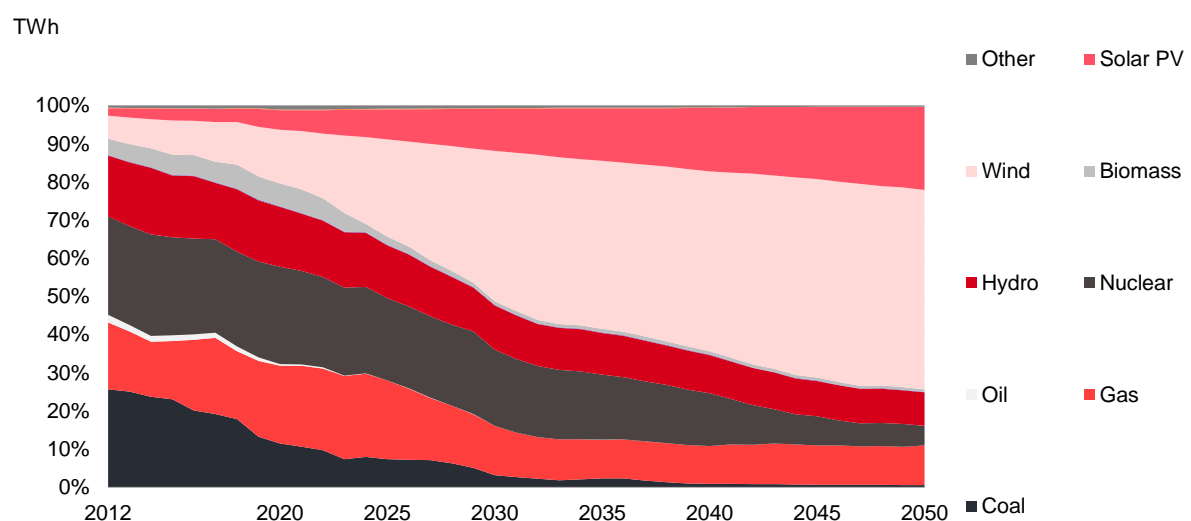
⁵ Source: Website European Commission: https://ec.europa.eu/energy/topics/renewable-energy/renewable-energy-directive/overview_en. Targets of the individual countries are explained in the country specific paragraphs (e.g. Austria, source: <https://www.iea.org/reports/austria-2020>).

⁶ Oil products includes crude oil; Other includes biofuels, waste and heat; Source: <https://www.iea.org/regions/europe>.

Electricity

One of the primary drivers for the expected growth of renewable electricity production is the increased overall electricity demand, mainly resulting from global economic growth, economic development and population growth, as well as from new sources of demand such as electric vehicles and electric heat. Expectations are that electricity will become the primary energy carrier in the future.⁷ The main drivers for the electrification of the energy market are: (i) increased usage of electric vehicles, (ii) increased consumption of electricity used for heating and (iii) the development of renewable hydrogen as a fuel for transport, heating and industry (as the production of hydrogen involves significant electricity usage). The electricity generation from all sources in Europe is expected to sharply increase between 2020 and 2050 (from 3.3 gigawatt (GW) in 2020 to 4.1 GW in 2050).⁸ Among these electricity sources, electricity from solar is expected to demonstrate the strongest growth in generation (a 2020-2050 CAGR of 5.8%), followed by electricity from wind (a 2020-2050 CAGR of 5.2%).⁹

Electricity generation mix – Europe¹⁰



According to Bloomberg New Energy Finance (BNEF), electricity demand is expected to rise 60% worldwide from 2019 to 2050 (down 6-7% from pre-COVID-19 pandemic estimates), driven most strongly by growing economies of non-OECD countries. On the other hand, the correlation between (growth in) economic activity and (growth in) electricity demand becomes lower as the global economy becomes more energy efficient. In 2050, the world is expected to be using 41% less electricity per unit of output.¹¹

Gas

Natural gas contributes almost one-fourth (approximately 23%) of total energy demand globally, more than any other fuel type, and is accountable for almost one-third of the total growth through the last decade.¹² The option to store gas and the operational flexibility of gas-fired power plants allow natural gas to respond to seasonal and short-term demand fluctuations. Gas markets become increasingly more global, driven by the availability of shale gas and the rising supply of liquefied gas. According to McKinsey, gas will be the strongest growing fossil fuel and global demand will increase with a 0.9% CAGR from 2020 to 2035. It is the only fossil fuel to grow beyond 2030, peaking in 2037. From 2035 to 2050, gas demand is expected to decline again with a 0.4% CAGR. The relatively moderate decline is expected to be due to the fact that natural gas is hard to replace in the chemical and

⁷ Source: Net Zero by 2050 - A Roadmap for the Global Energy Sector (page 18).

⁸ Source: BNEF – New Energy Outlook 2020.

⁹ Source: BNEF – New Energy Outlook 2020.

¹⁰ Source: BNEF – New Energy Outlook 2020.

¹¹ Source: BNEF – New Energy Outlook 2020.

¹² Source: Gas (Introduction) – IEA: <https://www.iea.org/fuels-and-technologies/gas>.

industrial sector (non-energy use). This limits the impact of an accelerating decline in gas used for electricity generation.¹³

When looking at the European Union, natural gas production has been declining. In 2000 the natural gas production was 9.8 million terajoule-gross, compared to 4.0 million terajoule-gross in 2019, resulting in a 58.8% decline. While natural gas consumption remains stable (approximately 12 million terajoule-gross), imports have increased (18.9 million terajoule-gross in 2019 compared to 11.2 million terajoule-gross in 2000), with Russian supplies remaining the main source of the European Union's gas imports.¹⁴

Market access to the European gas and electricity markets

Both electricity and gas are traded on forward and spot markets. On the forward markets, electricity and gas contracts (with delivery and withdrawal obligations) are traded several years in advance. Pricing is fixed through these contracts to hedge short term price risks and uncertainties and is typically impacted by various factors, including oil prices, gas prices, coal prices, CO₂ prices as well as speculation by market participants.

The main Western European forward exchanges are ICE Endex and EPEX. These exchanges offer direct market access to continental European markets for trading in natural gas and electricity derivatives, gas balancing markets and gas storage auction & trading services.

On the spot markets, electricity and gas are traded on the 'day-ahead' market for next day delivery, where international supply and demand affect the day-to-day price. The main Western European spot markets are EPEX Spot and NordPool. These exchanges offer day-ahead trading in thirteen European countries, including all of the Company's current regional markets. In 2019, 502 terawatt-hour (**TWh**) of electricity was traded via the EPEX spot day-ahead platform¹⁵ and 494 TWh on the NordPool exchange.¹⁶ Given the more short-term nature of the spot market, the pricing on the spot market is inherently more volatile compared to the forward market.

Gas is traded via the London Energy Brokers Association (LEBA), which provides broker-dealer services via its integrated platform for both the spot and forward markets. Besides gas, also crude oil, refined petroleum products, electricity, coal and emission rights are traded via the LEBA platform. In total over \$2 trillion worth of energy is traded through the platform each year. Additionally, the Company provides market data insights and support on regulation and legislation in Europe and the United Kingdom.¹⁷

Historical pricing on forward and spot markets

The coexistence of spot pricing and forward pricing power markets – markets where contracts for the supply of electricity (or gas) in a given transmission region at a number of future times are simultaneously traded – requires the availability of spot and forward prices for a single megawatt-hour (**MWh**) to be consumed at a particular location in a power system. Yet, spot and forward prices in the power market are not perfectly linked. The non- or limited storability of electricity is often invoked to justify the lack of a well-defined relationship between spot and forward power prices, as electricity cannot be directly amassed in reserves (since existing batteries have very limited capacity).¹⁸

The prices on the electricity spot market are, over longer periods of time and on average, below the prices on the forward market. As shown in the table below, for the 2010-2020 period, prices on the electricity spot market (EPEX NL) were on average approximately 5-8% lower than those on the forward market (ICE Endex).¹⁹ The

¹³ Source: McKinsey – Global Gas Outlook 2050, 26-Feb-2021.

¹⁴ Source: <https://www.iea.org/fuels-and-technologies/gas> - covers the European Union and the UK.

¹⁵ Source: <https://www.epexspot.com/en/tradingproducts>.

¹⁶ Source: [https://www.nordpoolgroup.com/message-center-container/newsroom/exchange-message-list/2020/q1/nord-pool-announces-2019-trading-figures/#:~:text=During%202019%20a%20total%20of,intraday%20markets%20\(15.8%20TWh\)](https://www.nordpoolgroup.com/message-center-container/newsroom/exchange-message-list/2020/q1/nord-pool-announces-2019-trading-figures/#:~:text=During%202019%20a%20total%20of,intraday%20markets%20(15.8%20TWh)).

¹⁷ Source: <https://www.leba.org.uk/about/>.

¹⁸ Source: Carlo Pozzi, The Relationship between Spot and Forward Prices in Electricity Markets, 2007.

¹⁹ Source: Based on Company data. ICE Endex pricing based on weighted average of last 1-3 trading years.

pricing difference between both electricity markets is mainly driven by the risk premium that is excluded in the spot market pricing.

Electricity Pricing (p/MWh) – EPEX spot vs Endex one year and three year forward²⁰

Year	EPEX Spot Price (€)	Endex forward Price 1 year (€)	Endex forward Price 3 year (€)	Spot vs Forward 1 year (%)	Spot vs Forward 3 year (%)
2010.....	45.4	50.3	60.7	(9.8%)	(25.2%)
2011.....	52.0	49.5	59.2	5.0%	(12.1%)
2012.....	48.0	56.0	55.1	(14.3%)	(12.9%)
2013.....	52.0	51.9	54.1	0.1%	(3.9%)
2014.....	41.2	47.5	51.5	(13.3%)	(20.1%)
2015.....	40.1	43.5	46.0	(7.8%)	(12.9%)
2016.....	32.3	37.6	40.8	(14.3%)	(21.0%)
2017.....	39.3	31.0	36.0	27.0%	9.2%
2018.....	52.5	36.2	33.8	45.2%	55.5%
2019.....	41.2	49.0	37.0	(15.9%)	11.3%
2020.....	32.2	50.1	43.1	(35.7%)	(25.2%)
Average	43.3	45.7	47.0	(5.3%)	(8.0%)

In contrast to electricity, natural gas is a better storable commodity and market participants can accumulate inventories when they expect prices to be high. However, price differences between historical forward and spot markets for gas are larger compared to the differences in the electricity market. Differences in gas markets are largely driven by unanticipated events impacting structural supply and demand, like variability in weather-driven natural gas demand, variations in available supply due to commodity cycles and governmental decision making on emission targets and policies. More specifically, prices in 2016 were largely impacted by decreasing oil prices. Increasing CO₂ prices in 2018 impacted both forward and spot prices and COVID-19 impacted both markets in 2020 as well. Over a ten years' period, this resulted in prices on the gas spot market (LEBA) to be on average approximately 10-15% below the gas prices on the forward market (ICE Endex).

Gas Pricing (p/MWh) – LEBA spot vs Endex one year and three year forward¹⁸

Year	LEBA Spot Price (€)	Endex forward Price 1 year (€)	Endex forward Price 3 year (€)	Spot vs Forward 1 year (%)	Spot vs Forward 3 year (%)
2010	17.2	18.1	23.5	(4.9%)	(26.5%)
2011	22.6	19.4	24.0	16.7%	(5.8%)
2012	25.0	26.1	23.5	(4.2%)	6.0%
2013	27.0	26.7	25.3	0.9%	6.5%
2014	20.9	26.6	26.9	(21.3%)	(22.2%)
2015	19.8	24.4	25.7	(18.8%)	(23.1%)
2016	14.0	20.1	23.3	(30.5%)	(40.2%)
2017	17.3	15.4	20.0	12.3%	(13.6%)
2018	22.8	17.0	17.7	33.9%	28.8%
2019	13.6	20.7	17.8	(34.5%)	(23.7%)
2020	9.3	18.2	18.0	(48.7%)	(48.0%)

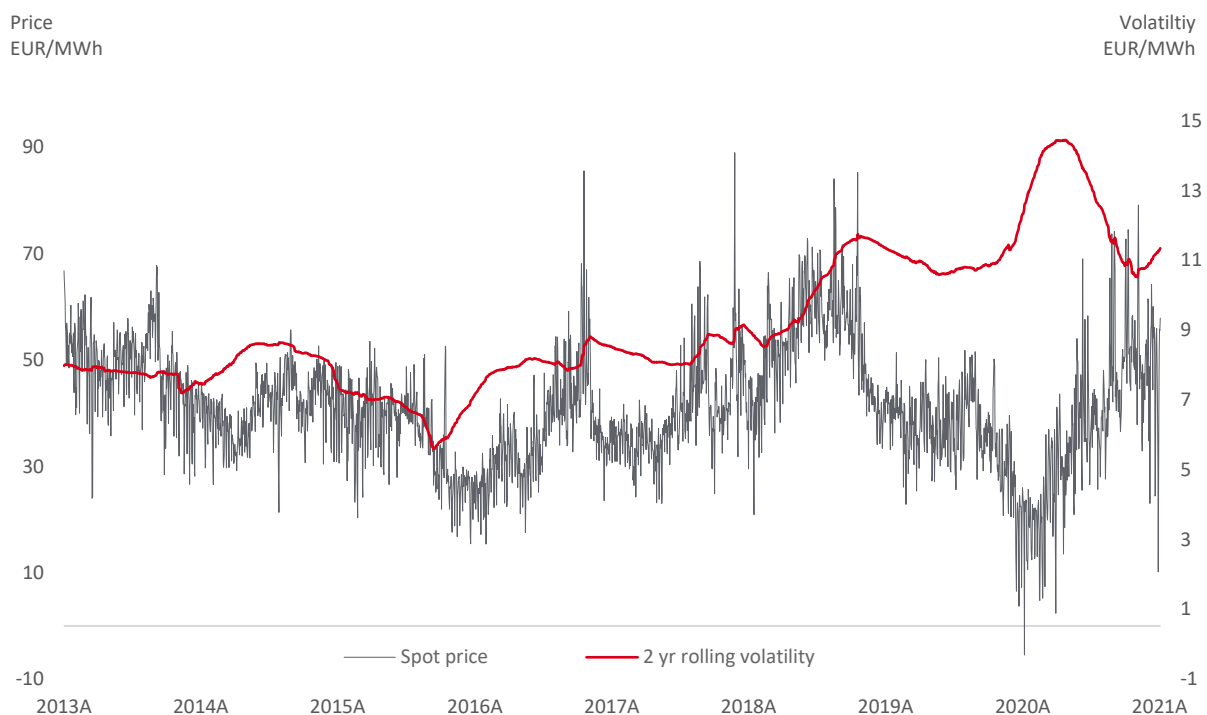
²⁰ Based on data provided by management - ICE Endex pricing based on weighted average of last 1 and 3 trading years.

¹⁸ Based on data provided by management - ICE Endex pricing based on weighted average of last 1 and 3 trading years.

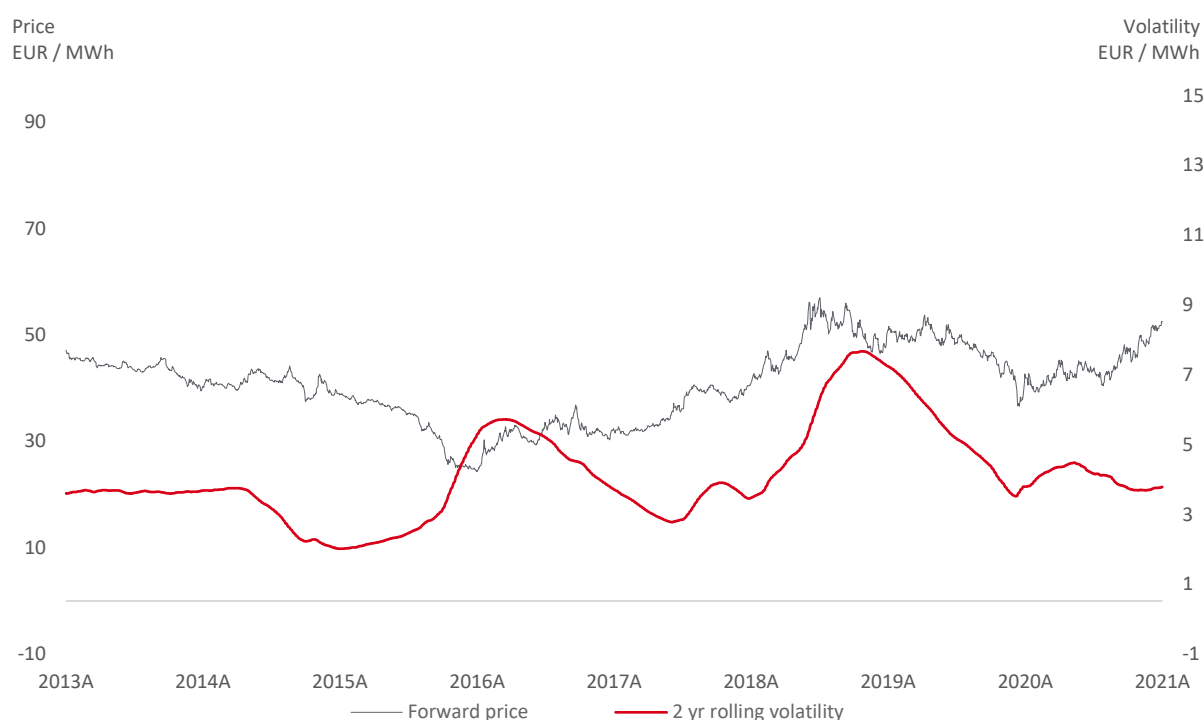
Average	19.0	21.1	22.3	(10.0%)	(14.8%)
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The global energy landscape is rapidly changing as a result of the energy transition, with a shift towards renewables and a growing share of electricity in the energy production. With the higher share of intermittent renewables comes a higher fluctuation in output of generation assets resulting in more volatility in energy prices. Driven by the increase of renewables, volatility is expected to increase even more in the future. The COVID-19 pandemic and related lockdowns resulted in a substantial decline in energy demand in Europe (-5% in the first quarter of 2020), as upticks for residential demand were outweighed by reductions in commercial and industrial demand. The oversupply of electricity during COVID-19 caused electricity prices to temporarily drop below zero (mainly affecting wind heavy markets, as wind output started to outpace demand). This shows that volatility increases on both markets, both structurally over time as well as temporarily during the (initial phases of the) COVID-19 pandemic.

Electricity – Average spot price volatility in the Netherlands



Electricity – Average forward price volatility in the Netherlands



Country-specific energy supply and demand dynamics - Netherlands

General

The Netherlands has set ambitious goals to reduce its greenhouse gas emissions in the 2019 Climate Act. This act targets to reduce greenhouse gas emissions by 49% by 2030 and by 95% by 2050 (compared to 1990 levels). A carbon levy will be introduced in 2021 to accelerate the reduction of industrial emissions. The levy will be paid for emissions above a certain threshold, which threshold will be reduced annually until at least 2030, in line with 2019 Climate Agreement targets. Additionally, a ban on coal fired electricity generation will take effect as of 2030. This will require coal plants to cease operating (currently approximately 9.0% of total energy supply)²¹ or convert to alternative fuels. Various subsidy schemes (e.g. SDE+ and SDE++) are in place to support the deployment of renewable energy generation, energy storage and CO₂ capturing solutions. In the transport sector, the Netherlands has developed a system for companies to comply with their obligation to reduce greenhouse gas emissions. Companies can use renewable energy units (**HBE**) to claim the production or emission of 1 gigajoule of renewable energy delivered to the Dutch Transport Market by creating or buying a HBE. This system provides companies the opportunity to deliver their mandatory share of renewable energy in the most cost-effective way.²² The Dutch offshore wind policy framework is driving rapid deployment and aims for 49 TWh of energy generation by 2030.²³ For small-scale solar photovoltaics (**PV**), the net-metering legislation has contributed to strong residential PV development. This legislation provides credits to the owners of PV systems for the electricity they deliver back to the grid. A PV system owner can set off the electricity taken from the grid against these credits resulting in savings on energy tax.

Supply

Natural gas, coal and oil are the most important fuel sources in the Dutch energy supply. In 2019, the total energy supply came from natural gas (45.3%), oil (35.8%), coal (9.1%), biofuels and waste (6.1%), wind and solar PV

²¹ Source: <https://www.iea.org/countries/the-netherlands>.

²² Source: <https://www.emissionsauthority.nl/topics/general---energy-for-transport/renewable-energy-units>.

²³ Source: IEA – The Netherlands – Energy Policy Review 2020 (page 13).

(2.3%) and nuclear (1.4%).²⁴ The Netherlands is still one of the largest gas producers in Europe. However, domestic gas supply and gas exports are rapidly declining as the production from the gas resources in Groningen is being phased out. The Groningen field is one of the ten largest gas fields in the world and contains gas reserves, estimated at over 2,800 bcm in 2019.²⁵ As domestic production declines, the country is becoming more dependent on imports with most of the imports coming from Norway, Russia and the UK. With the declining domestic gas production, exports to Germany and Belgium decreases. In 2018, the total energy production amounted 36.4 millions of tons of oil equivalent (**Mtoe**) and the total primary energy supply amounted 72.9 Mtoe.²⁶ The supply market in the Netherlands is dominated by large utilities and some smaller energy suppliers.

Demand

The total energy demand in the Netherlands (58.1 Mtoe in 2018) primarily consists of demand of industries, which varies with economic activity and accounted for 44-47% of total energy demand in the Netherlands between 2008 and 2018 (27.0 Mtoe in 2018). Additionally, the residential segment accounted for 18-23% of the total energy demand between 2008 and 2018 (9.6 Mtoe in 2018), where energy is mainly used for heating.

As with most countries, the energy demand in the transport segment is mainly reliant on oil. However, the Netherlands has an extensive rail network that is almost completely electrified and is a global leader in electric vehicle deployment and electric vehicle (**EV**) charging infrastructure. Of all new passenger car registrations, 24.8% were EV (87,337 cars) in 2020. Additionally, the amount of charging points in the Netherlands amounted to 65,604 in 2020 (compared to 26,700 in 2016; a CAGR of 25.2%).²⁷ Driven by the strong growth in EV, the European electricity demand used for charging EVs will grow with a 28.4% CAGR over the period 2020-2030 (from 7.2 TWh in 2020 to 88.1 TWh by 2030). In Scholt Energy's customer base in the Netherlands in the year ended 31 December 2020, there was a 57% and 43% split between the volume of electricity and gas supplied to customers, respectively.

The Dutch gas demand peaked in 2010 (at 56.2 bcm due to unusual cold weather) and declined to 41.0 bcm in 2015. From 2015 to 2018, gas demand slightly increased to 42.6 bcm. The largest gas consumer was the electricity and heat sector (approximately 30% of total demand), followed by the industry sector (approximately 24% of total demand) and the residential sector (approximately 22% of total demand).²⁸ It is expected that the climate agreement measures and the Groningen phase-out plan will begin to reduce gas demand in the upcoming years and that there will be substantial reductions in gas demand across all sectors in the long term.

Country-specific energy supply and demand dynamics - Belgium

General

Belgium is a federal state, where the decision-making power is shared between its federal government, three Regions (the Walloon, the Flemish and the Brussels Capital Region) and three Communities (the Flemish, the French and the German-speaking Community). The use of renewable energy is on the rise and the use of energy from fossil fuels decreases, mainly driven by the fact that the Belgium economy becomes less energy intensive. Energy security in Belgium is facing multiple challenges, both on the supply and the demand side.

Supply

On the supply side, one of the main challenges is the phase-out of nuclear energy. Nuclear energy currently covers over half of the electricity generation and the government plans to phase out nuclear energy between 2022 and 2025.²⁹ In addition to the phase-out of nuclear energy, Belgium faces another energy security challenge with the termination of production of gas from the gas field in Groningen, the Netherlands, which is planned for mid-2022,

²⁴ Source: <https://www.iea.org/countries/the-netherlands>.

²⁵ Source: IEA – The Netherlands – Energy Policy Review 2020 (page 168).

²⁶ Source: <https://www.iea.org/countries/the-netherlands>.

²⁷ Source: RVO – Electric Vehicle Statistics in the Netherlands, 2 March 2021.

²⁸ Source: IEA – The Netherlands – Energy Policy Review 2020 (page 169).

²⁹ Source: Energy Policies of IEA Countries (Belgium, 2016 Review) (page 9 - 10).

as Belgium does not produce gas. Around half of Belgium's gas import comes from the Netherlands (total imports 873k terajoule-gross; approximately 16 bcm in 2019), mostly delivered through the gas network connected to the Groningen gas field.³⁰ Belgium has one of the most interconnected electricity grids in Europe. This will become increasingly relevant given the country's dependence on other countries in terms of energy generation. Fluxys, listed on the Euronext Amsterdam, is the gas transmission system operator in Belgium and has a network of approximately 4,100 kilometres of pipelines, including eighteen interconnection points and four compression stations. Eight cross-border pipelines connect the Belgian gas market directly to France, Germany, Luxembourg, the Netherlands, Norway and the United Kingdom.³¹ Coal-fired energy generation was phased out in 2016 and Belgium is one of the leading players in offshore wind, with a capacity of 2.23 gigawatt in 2020 and plans to reach 4.5 GW by 2030.³² Belgium's National Energy and Climate Plan sets a 2030 target to reach 17.4% renewables in gross final energy consumption.³³ The supply market in Belgium is dominated by large utilities and some smaller energy suppliers.

Demand

Belgium's National Energy and Climate Plan sets a 2030 target to reduce greenhouse gas emissions of the energy sector by 35% compared to 2005 levels and significantly reduce energy demand. With regard to energy efficiency, Belgium has set its contribution to the European Union target of 32.5% by 2030, consisting of a reduction of 42.7 Mtoe in primary energy consumption (-15% compared with the business-as-usual scenario) and a reduction of 35.2 Mtoe in final energy consumption (-12% compared with the business-as-usual scenario).³⁴

The largest gas consumers are the industry and residential sector with 38.2% and 31.5% of total natural gas consumption in 2018, respectively. Additionally, the commercial and public services sector is responsible for 17.2% and the non-energy use sector used 9.9% of total natural gas consumption.³⁵ In Scholt Energy's customer base in Belgium in the year ended 31 December 2020, there was a 58% and 42% split between the volume of for electricity and gas supplied to customers, respectively.

Country-specific energy supply and demand dynamics - Germany

General

Germany's national climate change strategy is defined in the Climate Action Plan 2050, which sets out a longer-term pathway for sector-specific emissions reductions, as part of Germany's energy transition program (**Energiewende**). Compared with the base year of 1990, the key goals are to achieve at least a 65% reduction in greenhouse gas emissions by 2030, a 55% reduction by 2030, an 88% reduction by 2040 and nearly net zero emissions by 2045.³⁶ These targets are complemented with short- and medium-term targets for energy consumption, energy efficiency and renewable energy supply. In Germany, the federal government is primarily responsible for establishing legislation on energy policy, although the regions (*Bundesländer*) also have responsibilities in the field of energy policy. In addition, the *Bundesländer* contribute to shaping the energy policy via the federal council (*Bundesrat*), where they take part in federal legislation.

Supply

Germany's strong efforts regarding the Energiewende have become visible in the electricity generation figures, which show an increasing share of renewable energy generation. While coal remains the largest source of electricity (27.7% in 2020), the share of renewable energy has increased, mainly replacing a part of the nuclear

³⁰ Source: Energy Policies of IEA Countries (Belgium, 2016 Review) – IEA (page 79).

³¹ Source: Energy Policies of IEA Countries (Belgium, 2016 Review) – IEA (page 83).

³² Source: Belgium (Introduction) – IEA: <https://www.iea.org/countries/belgium>.

³³ Source: Belgian Integrated National Energy and Climate Plan 2021-2030: https://ec.europa.eu/energy/sites/default/files/documents/be_final_necp_parta_en.pdf (page 12).

³⁴ Source: Belgian Integrated National Energy and Climate Plan 2021-2030: https://ec.europa.eu/energy/sites/ener/files/documents/be_final_necp_parta_en.pdf (page 17).

³⁵ Source: <https://www.iea.org/countries/belgium>.

³⁶ Source: *Germany sets tougher CO₂ emission reduction targets after top court ruling* – Reuters, 7-May-2021.

power over the last few years. Wind generated energy increased from 8.3% of total energy generation in 2012 to 20.5% in 2020 and solar increased from 4.3% of total energy generation to 7.9% in 2020.³⁷ In 2017, wind power surpassed both nuclear and natural gas to become the second-largest source of electricity generation (127 TWh in 2020).³⁸ The trend of more renewables entering the energy system will continue in line with Germany's energy transition targets. Nuclear energy will be completely replaced by renewables by 2022. Furthermore, coal used in electricity generation, which represents around 80% of all coal in total primary energy supply, is planned to be phased out by 2038.³⁹ The supply market in Germany is more fragmented compared to the Netherlands and Belgium. In addition to multiple smaller energy suppliers, Germany has approximately 1,400 municipal utility assets (*Stadtwerke*) providing regional energy supply.

Alongside the energy transition, Germany faces another challenge in electricity supply. Most of Germany's wind turbines are located in northern Germany, however most demand comes from the south and the west of the country where more metropolitan and industrial areas are located. As the result of network constraints, preventing transmission from the north to the south, and delays in grid expansion, northern states are experiencing power surpluses, while southern states experience deficits. This mismatch is expected to increase further as the country's last commercial nuclear power plants in the south and northwest close. This results in grid operators making significant investments to compensate for produced electricity that cannot make it south and grid operators shutting down generators in the north to avoid congestion.

The domestic natural gas production has shown a strong decline, moving from approximately 20 bcm in 2007 to approximately 6.4 bcm in 2018. This domestic production volume accounted for approximately 7% of the total gas supply in 2018, the remainder required volumes are covered through import. The largest gas importer to Germany is Russia, accounting for 57% of total imports in 2018, followed by the Netherlands (34%) and Norway (5%).⁴⁰

Demand

From 2010 to 2020, the total primary energy consumption decreased from 14,271 petajoule to 11,691 petajoule (a reduction of 18.1%).⁴¹ The residential sector showed the most volatility in consumption, driven by energy usage for heating which varies with the weather. For the industry sector, energy consumption remained overall stable. Transport sector consumption has increased by 8% in the last five years, and is not on track to meet the 2030 target of reducing transport energy demand by 15-20% compared to 2005 levels.⁴²

Germany is the largest natural gas market in Europe and domestic gas consumption has increased in recent years to 91 bcm in 2018.⁴³ The growth in gas consumption is driven by increased demand in the three largest gas-consuming sectors in Germany; the residential sector, the industry sector and heat and power generation (especially in the light of nuclear power plant closures). The use of natural gas in the transportation segment is limited (approximately 0.2% of total gas consumption in 2018).⁴⁴ In Scholt Energy's customer base in Germany in the year ended 31 December 2020, there was a 52% and 48% split between the volume of electricity and gas supplied to customers, respectively.

Country-specific energy supply and demand dynamics - Austria

General

The government of Austria is committed to achieve carbon neutrality by 2040 (10 years before the target of the European Union). Part of this target is the sub-target to reach a 100% renewable electricity supply by 2030. To

³⁷ Source: Electricity Generation, BNEF – New Energy outlook 2020.

³⁸ Source: Electricity Generation, BNEF – New Energy outlook 2020.

³⁹ Source: IEA – Germany – Energy Policy Review 2020 (page 136).

⁴⁰ Source: IEA – Germany – Energy Policy Review 2020 (page 147-148).

⁴¹ Source: AG Energiebilanzen – Primärenergieverbrauch nach Energieträgern.

⁴² Source: <https://www.iea.org/countries/germany>.

⁴³ Source: IEA – Germany – Energy Policy Review 2020 (page 148).

⁴⁴ Source: IEA – Germany – Energy Policy Review 2020 (page 148-149).

realise this target, the country needs to increase their current production, which is in the range of 80-85 TWh,⁴⁵ with a net addition of approximately 25 TWh of renewable electricity.⁴⁶ In Austria, the Central European Gas Hub (CEGH), majority owned by Austria's largest energy company OMV, operates the virtual trading point (VTP) and provides a gas nomination platform for international gas companies. The CEGH is considered an advanced hub and is a reference market for Central and Eastern Europe.⁴⁷

Supply

In 2019, over three quarters (77.7%) of electricity generation came from renewables, while hydropower accounted for most of this generation (59.6%), followed by energy from wind (10.0%) and solar PV (2.3%).⁴⁸ The government plans to add 5 TWh of hydropower as part of achieving the overall goal of adding 27 TWh by 2030 (resulting in hydropower accounting up for 85% of total electricity generation in 2030).⁴⁹ Despite the large hydro and other renewable resources, Austria itself has generated approximately 36% of its energy use over the past few years and heavily relies on energy imports (the national balance in the 100% renewable electricity target is defined as total electricity generation plus electricity exports minus electricity imports).⁵⁰

Natural gas is the second-largest energy source in Austria, accounting for approximately 22% of total primary energy supply in 2018. Gas supply is mainly dependent on imports, with domestic natural gas production in Austria only contributing approximately 12% of total gas supply in 2018 and showing an ongoing decline in volumes. However, Austria does play an important role in the European gas supply, as it has large gas storage facilities at the Baumgarten hub. The Baumgarten hub is Austria's major gas entry point and trading hub, and all gas flows, whether for transit or domestic consumption, must be traded at the VTP.⁵¹ The supply market in Austria is mainly dominated by large utilities.

Demand

In Austria, energy consumption has been on an upward trend in the industry and transport sectors since 2014, while fluctuating in the residential and service sectors.⁵² In the residential and service sectors, energy is mainly used for heating or electrical appliances. Both sectors use natural gas and oil for heating purposes, but biomass is the largest source of heat in the residential buildings. Total final consumption increased from 26.8 Mtoe in 2012 to 27.6 Mtoe in 2018, which was the highest consumption level in Austria so far.⁵³

Natural gas accounted for approximately 18% of total final energy consumption in 2018.⁵⁴ The natural gas consumption has fluctuated over recent years mainly due to volatile demand figures of the power and heat generation sector, which is highly dependent on winter temperatures and low water levels (negatively impacting hydropower generation).

The B2B energy supply market

This section provides an overview of the relevant industry developments for Scholt Energy. It describes the key trends in the B2B energy supply market, the energy transition and how this is impacting and shaping the market and its participants. This section also describes the competitive landscape in which Scholt Energy operates.

⁴⁵ Source: <https://www.iea.org/countries/austria>.

⁴⁶ Source: IEA – Austria – Energy Policy Review 2020 (page 43).

⁴⁷ Source: IEA – Austria – Energy Policy Review 2020. (page 50 - 51).

⁴⁸ Source: <https://www.iea.org/countries/austria>.

⁴⁹ Source: IEA – Austria – Energy Policy Review 2020 (page 10).

⁵⁰ Source: IEA – Austria – Energy Policy Review 2020 (page 15).

⁵¹ Source: IEA – Austria – Energy Policy Review 2020. (page 50 - 51).

⁵² Source: <https://www.iea.org/countries/austria>.

⁵³ Source: <https://www.iea.org/countries/austria>.

⁵⁴ Source: IEA – Austria – Energy Policy Review 2020. (page 48).

Key trends driving the B2B energy supply market

The B2B energy supply market is undergoing rapid changes mainly as the result of changing consumer and governmental behaviour as part of the ongoing energy transition. Energy procurement for B2B clients has become part of a wider approach of companies to look at several targets to improve competitiveness, reduce costs, ensure business continuity and build a more sustainable and greener brand. B2B clients are increasingly aware of the cost of energy and therefore are looking for ways to decrease those costs. To improve the energy value proposition for B2B clients, the energy supplier has to properly understand the business and its processes.

The current phase of the B2B energy supply market is driven by the ongoing energy transition, with governmental involvement and increasing environmental awareness of consumers shaping the B2B energy supply market. In the Company's view, B2B clients are becoming increasingly aware of the environmental impact of depleting traditionally used fossil fuels and the climate change resulting from CO₂ emissions. They are also increasingly adopting more energy efficient and sustainable alternatives. For example, the share of global investments in energy efficiency as a percentage of total global energy investments increased from 11.6% to 14.8% in the period 2015-2020.⁵⁵ This growing awareness for sustainability could lead to a growing consumer acceptance and preference for a specific energy partner. The changes in awareness are largely underpinned by three core drivers in the B2B energy market.

- *'Going green concern'* has become a key strategic pillar as a result of which corporates globally are making their business more environmentally-friendly, accelerating the energy transition and favouring locally produced energy.
- *Public scrutiny and regulation* force less green-minded companies to meet environmental goals and to change their approach to energy sourcing. This is supported by the increasing level of information on environmental KPI's that is disseminated to the public.
- *Direct access to energy markets* is increasingly demanded by customers, via digital energy trading platforms as well as for example corporate power purchase agreements directly from the (renewable) source.

As described previously, environmental concerns have acted as catalysts for governments globally to increasingly get involved in the energy transition with the aim of meeting the global, regional and/or national climate targets. Governmental support and developments are believed to be key enablers of progress in further shaping the European B2B market as well as the supplier business models. Moreover, they are a key determinant of the investments required to reach global climate goals.

Different business models in B2B energy supply

Increasingly more Western European B2B energy supply markets have been privatised, allowing energy consumers to choose their source of energy from multiple energy providers based on a price and service level that suit their needs and specialised product offerings. This has been made possible by the deregulation of the B2B market, which has led to increased fragmentation and competition. In most Western European countries, energy is still delivered through the existing utility infrastructure of the traditional incumbents or grid operators that own the infrastructure. As a result, B2B clients are now serviced through different business models, with various new entrants having stepped into the market.

In the Company's view, the different business models can broadly be divided as follows:

- *Incumbents* (such as Eneco, Essent, Vattenfall, RWE and PZEM in the Netherlands, Engie and Luminus in Belgium and E.ON, Stadtwerke in Germany and Wien Energie, EVN, Energieallianz Austria and

⁵⁵ Source: IEA – World Energy Investment 2020.

Kelag in Austria) have seen increased pressure from challengers, although some have been able to maintain their leading market position through M&A;

- *Challengers* (such as Scholt Energy, Main Energy and Nieuwe Stroom in the Netherlands, Bee, Elexys or Elindus in Belgium, or MVV, EWA and e.optimum in Germany) with the ability to react faster and more agile by making use of more customer-focused products and service offering;
- *Oil & gas majors* (such as Total or Gazprom) focused on selling to larger corporate clients; and
- *International entrants* (such as Eneco, Engie or Endesa) that have entered new geographical markets.

Traditional incumbents and oil and gas majors face competitive challenges and are increasingly moving away from the B2B energy supply market or considering to divest parts of their businesses. This is also driven by their limited ability to reduce prices, due to their high cost base (including legacy systems that can be difficult to scale) and typically asset heavy business model. As a result of this, traditional incumbents and oil and gas majors are losing historically strong market shares. Challenges for these parties include:

- *Changing business models*: The asset-light structure and independent business models of new entrants lead to increased price tension, with utilities not being able to compete;
- *Scale*: New entrants are much quicker to reach the required critical scale to operate, compared to utilities with international presence and their own energy distribution infrastructure; and
- *Differentiate*: Driven by the growing demand for tailored products and services relevant to certain industries, challengers in the B2B energy supply market differentiate on price, simplicity and sector expertise while ensuring high level of customer intimacy.

Competitive landscape

Scholt Energy's competitors

Scholt Energy mainly competes with energy suppliers and advisors that differ per local market. The supply market in Scholt Energy's core regions is still dominated by larger traditional utilities and international entrants, some of which cover multiple geographical markets.

The Dutch energy market

The Dutch energy market consists of approximately 70 energy suppliers. Scholt Energy competes with a small part of this group as the vast majority of suppliers focus on the B2C market or SME market. Only a limited number of suppliers, about ten, focus on the mid to large corporate segment. In this market Scholt mainly competes with the traditional energy companies Eneco, Engie and Vattenfall.

Eneco

After a history of cooperation and mergers of the municipal utility companies Rotterdam, The Hague and Dordrecht, Eneco was founded in 1995. In 2021, Eneco will be active in the Netherlands, Belgium, Germany and the United Kingdom. Eneco's head office is located in Rotterdam and supply both B2C en B2B clients.

Engie

Engie SA is a French multinational electric utility company, headquartered in La Défense, Courbevoie. Engie supplies 27 countries in Europe and worldwide 48 countries with electricity. The company was formed on 22 July 2008 by the merger of Gaz de France and Suez. On the Dutch market, Engie supplies both electricity and gas to the B2C and B2B markets.

Vattenfall

Vattenfall is a Swedish multinational power company owned by the Government of Sweden. Beyond Sweden, the company is active in Denmark, Finland, Germany, the Netherlands, and the United Kingdom. Vattenfall Netherlands B.V. (former name: N.V. Nuon Energy) is a utility company based in Amsterdam, Netherlands. It provides electricity, natural gas, and heat to B2C and B2B. Nuon NV was established in 1994 by a merger of a number of regional utility companies.

In addition to these suppliers, Scholt competes with the suppliers below, on a much less frequent basis due to a different focus area:

- The oil and gas majors Gazprom and Total with a main focus on the national heaviest users of energy.
- Nieuwe Stroom and Main Energie with a main focus on the SME market.
- Powerhouse with a main focus on the greenhouse horticultural market.

The Belgian energy market

On the Belgian market approximately 35 energy suppliers are active. Also, in Belgium Scholt Energy competes with a small part of the total number of suppliers. Scholt Energy's main competitors are Engie and Luminus, dominant players with market shares in 2019 of respectively 40% and 20%⁵⁶, followed by Eneco and Lampiris.

Luminus

Luminus was established as municipalities joint utility Société productrice d'électricité (SPE) in 1978. Its main shareholder is Électricité de France.

Lampiris

Lampiris SA is a Belgian energy company (headquarters Liège) that supplies electricity and gas to private and business consumers. Lampiris was founded in 2003. Lampiris is active on the Belgian and French markets.

In addition, there are a number of smaller parties that are comparable with Scholt Energy. These are companies with a focus on the Belgian B2B market and a more or less comparable product offering. These companies are Elexys, Elindus and Eoly.

The German energy market

The German market is much more fragmented than the Dutch and Belgian market due to its approximately 1,400 Stadtwerke (municipal utility suppliers), supplying energy to end-consumers.⁵⁷ Due to the local character the Stadtwerke have a strong position on the German market.

Besides the Stadtwerke there are a number of large traditional utilities like RWE, E.ON, EnBW and Vattenfall.

RWE

RWE AG is a German multinational energy company headquartered in Essen. The company was founded in Essen in 1898, as Rheinisch-Westfälisches Elektrizitätswerk Aktiengesellschaft. It generates and trades electricity in Asia-Pacific, Europe and the United States. In July 2020, RWE completed an asset swap deal with E.ON first announced in 2018, whereby the international renewable generation portfolio of E.ON and Innogy were transferred to RWE.

⁵⁶ Source: 20200508-statistiek_marktaandelen_elektriciteit_-_geleverd_volume_-_2019.pdf (vreg.be).

⁵⁷ Source: *Small, but powerful – Germany's municipal utilities* – Cleanwire.

E.ON

E.ON is a European electric utility company based in Essen, Germany. It operates in over 30 countries and has over 33 million customers. E.ON was created in 2000 through the merger of VEBA and VIAG.

EnBW

EnBW came into being on 1 January 1997 as the result of a merger between two energy companies from Baden-Württemberg, Badenwerk AG and Energie-Versorgung Schwaben AG (EVS). EnBW subsequently merged with Neckarwerke Stuttgart AG on 1 October 2003.

Finally there are a number of focussed B2B suppliers on The German market such as GETEC, MVV and E-optimum. These companies offer more or less comparable products as Scholt Energy.

A graphical overview with selected competitors of Scholt Energy per geographical core market is shown below. Market share percentages of each individual competitor are not available and therefore not included in this Prospectus.



Next to energy suppliers, the Company also considers energy advisors as part of its competitive playing field. Energy advisors assist their clients for example in energy data management, in energy-invoice control, in lowering their Co2-footprint and in applying for subsidies, as well as organising large energy contract tenders (in which Scholt Energy, unlike incumbents, does not participate because it believes tenders do not offer customers the best energy price and service since tenders require customers to commit to a particular price during a small window of time, exposing them to the risk of a price drop after the tender is closed and not allowing as much flexibility on the timing as to when the customer enters into supply contracts). Accordingly, Scholt Energy indirectly competes with these parties with competition from energy advisors differing per geography. In some cases, energy advisors (or brokers) own the client relationship, as such the energy suppliers cannot have any direct access to their clients.

Future market drivers

The Company recognises six core areas affecting the future energy supplier profile, being the following:

- **Customer service:** Customer service and personal account management will continue to be a differentiating factor to retain high customer retention levels. The Company believes that for mid to large sized customers, strong relationships and trust are important given sensitivity of energy sourcing;
- **Price:** Due to the economic significance of energy to the industrial consumer, price remains an important driver. This is especially relevant if energy is offered as a single product instead of a full service model. The Company does believe that the incentive to optimize energy sourcing is the largest for large B2B customers (compared to smaller sized customers/SMEs);

- *Energy transition:* Stricter governmental requirements on carbon emissions and consumption drive the demand of B2B customers to work with an energy supplier that can also provide tailored sustainability service and solutions and specific expertise if required;
- *Digitalisation:* There is a growing appetite among customers for digital solutions, because digitalisation enables customers to monitor consumption and receive insights with tailored advice, mainly for energy savings, resulting in cost efficiencies. Additionally, digitalisation provides direct market access through digital energy trading platforms to buy energy in a clear and fast way;
- *Niche expertise:* A specialized supplier in specific sectors elevates the ongoing dialogue with customers on specific solutions. The growing number of these specialised energy suppliers also reinforces the need for niche sector knowledge; and
- *Brand loyalty:* Due to recent divestments of traditional incumbents from the Dutch B2B market, the Company believes that there is a shift from brand loyalty and retention, to price and the overall quality & breadth of the services and products offered as key criteria for an energy supplier in the future. Reason for the shift from brand loyalty to price and service quality is the commodity-like nature of the product and the increasing accessibility to various energy suppliers.

As a result, driven by the challenges that traditional suppliers and the industry as a whole face, Scholt Energy believes that the future energy supplier for the B2B market is shaped around the following characteristics.

- *Offer energy at a transparent price:* Price is a key topic for B2B customers, either out of cost optimisation or overall lack of interest in energy depending on their size and goals;
- *Act as an energy transition partner:* The Company expects energy suppliers will transform into energy partners to offer their clients with the right expertise on a wide range of energy-related topics;
- *Offer a full digital customer journey:* The adoption and importance of energy monitoring, insights and advice strengthens the need for a state-of-the-art digital and trading platform and will play a key role in achieving longer term goals; and
- *Possess a sector expertise:* Speaking the same technical language as customers is crucial in order to best assist and to build a strong and longstanding relation on trust and mutual benefits.

Barriers to entry

The Company views the following as key entry barriers for new entrants to obtain a competitive position in the B2B energy supply market in its current geographies:

- *Technology requirements:* Long term investments in IT infrastructure, together with technological knowledge, are required to integrate a data driven approach;
- *Customer relationships & intimacy:* Time consuming process of building a trusted and well-known network of clients and relationships, with customers demanding a consistent high and personal service level. Moreover, the contracting nature of the business (i.e. contracts are renewed on a rolling basis) with long lead times and future revenue locked-in, limits the ability of customers to switch suppliers;
- *Financing / guarantee facilities:* Entrants need significant banking guarantee facilities to be able to fulfil collateral requirements in forward energy purchase contracts, as well as a strong hedging strategy to secure margin profile;

- *Regulatory barriers & local requirements:* For supplying energy, each country has specific requirements and licences a supplier needs to obtain. Moreover, different subsidy schemes for each country with regulatory uncertainty makes it difficult to pursue a long-term strategy; and
- *Staff with relevant expertise:* The Company sees limited availability of experienced and seasoned employees with years of experience in the sector (i.e. specialists rather than generalists). This makes it expensive to attract and time consuming to recruit and train quality workforce for new entrants.

Market for energy transition services

Energy transition and Roadmap to 2050

The global energy sector's structural shift, away from the use of energy generated by fossil fuels and towards the use of energy generated in a sustainable manner (e.g. using renewable sources such as solar or wind) is referred to as the 'energy transition'. The industry trend reduces energy-related carbon emissions, lowering negative impact on the global climate of energy generation/consumption. Main drivers of the transformation include growth in global energy needs, increased environmental awareness, the potential economic benefit from using renewables and the political pressure translated into enforced policy. Furthermore, technological developments support the transition, e.g. the development of electronic vehicles.

The 1992 United Nations Framework Convention on Climate Change (**UNFCCC**), laid the groundwork as an international environmental treaty to push global policy in support of action to benefit the environment. The first implementation of measures under the UNFCCC was the Kyoto Protocol (1997), which preceded the Paris Agreement (adopted in December 2015 and entered into force in November 2016). One of the latter's key objectives is to limit global warming to below 2 degrees Celsius above pre-industrial levels. As of March 2021, a total of 194 states as well as the European Union had signed the Paris Agreement. Notably, after withdrawing from the agreement in November 2020 under the Trump administration, the United States of America deposited its instrument of acceptance of the agreement on 20 January 2021.

In order to meet the objectives of the Paris Agreement, the European Union has adopted a package of measures ranging from ambitiously cutting greenhouse gas emissions, to investing in innovation with the aim to protect Europe's natural environment, under the 'European Green Deal'. Investments will be made in several energy transition related segments such as transportation, buildings, infrastructure, power, agriculture, and industry. Regarding its commitment to reducing greenhouse gas emissions, key targets have been formulated as part of a 2050 long-term strategy. Targets are included for instance in the 2020 climate and energy package (set of binding legislations to meet the climate targets of the European Union in 2020, which included a 20% reduction target against 1990 levels of greenhouse gases (**GHG**) by 2020) and the 2030 climate and energy framework (European Union-wide targets and policy objectives for the period up to 2030, which include reducing greenhouse gas emissions with at least 55% below 1990 levels, achieving a 32% share of renewables in the energy mix, and enhancing energy efficiency resulting in a 32.5% reduction in energy demand). These targets are to be reviewed by 2023 (and can only be raised, not lowered). Eventually, the European Union aims to cut greenhouse gas emissions with at least 80% below 1990 levels by 2050.

Key trends and resulting challenges in the energy transition environment

The energy transition has given rise to four megatrends that are shaping the energy industry, and that are referred to as the four D's: decarbonisation, decentralisation, digitalisation and democratisation.

Decarbonisation represents the shift to generation and use of renewable energy and reducing greenhouse gas emissions (primarily CO₂). BNEF estimates that energy production capacity from sources worldwide will increase from 7.6 TW in 2019 to approximately 20.4 TW in 2050, close to tripling during the period. Wind and solar PV is expected to account for 56% of global electricity supply capacity by 2050. Together with a further 20% from nuclear, hydro and other renewables, that means that zero-carbon sources will provide 76% of global electricity. Fossil fuels are expected to fall from 62% today to 24% of generation capacity by 2050. Among these energy

sources, wind-capacity is expected to grow at 5.7% year-on-year until 2050, and solar PV at 5.3% year-on-year, compared to stagnant or no growth for fossil energy sources.

Decentralisation means that the shift to generation and use of renewable electricity causes electricity sources to generate electricity locally, e.g. at wind- and solar farms or at industrial or residential premises, and rely on atmospheric conditions. Importantly, these conditions vary throughout time and weather conditions and are often not predictable. Contrary to traditional sources which generate electricity in central locations and at a controlled and stable pace, these renewable sources experience volatility in their generation levels, where periods of peak-production require storage capacity and periods of low production require the availability of back-up supply. Whereas a traditional production set-up (using large-scale nuclear or fossil fuel based electricity plants) allows for an even, one-directional supply of electricity to the grid, decentralised generation presents challenges in the even distribution of electricity to the grid and safeguarding its stability. This calls for monitoring of electricity production and consumption patterns and strict management of the power grid.

Digitalisation refers to the increased use of digital hardware and software to collect data on energy generation and production and subsequently manage the stability of the grid. There is a need to integrate diverse energy systems, including distributed generation, intermittent renewable electricity and energy storage. This also requires smart energy management to help balance the system in the most efficient way.

Democratisation means that the energy transition affects the way in which decisions on energy generation and consumption are being decentralised, e.g. as consumers can assert greater influence on their energy consumption and production.

As a result of the energy transition and these four megatrends, the energy market faces a number of challenges, including increased energy price volatility, increasing complexity of energy supply markets, intermittent availability of renewable power sources, more and smaller power sources requiring increased grid intelligence, highly complex supply-demand matching, challenged grid stability to cope with increasing peak power demand (i.e. EV charging after work), challenged roll-out of new grid connections for new sustainable energy generation projects, the availability of charge points, related grid and infrastructure to cope with the rise of electric vehicles and access to the right energy savings expertise.

All in all, realising the energy transition and addressing its challenges will continue to require significant investments from governments, industry and consumers, providing opportunities for those active in providing products and solutions supporting the transition. BNEF indicates that global investment in the low-carbon energy transition totalled USD 501.3 billion in 2020 (including renewable power projects, energy storage, EV charging infrastructure, hydrogen production and carbon capture & storage projects, as well as end-user purchases of low-carbon energy devices, such as small-scale solar systems, heat pumps and zero-emission vehicles), up from USD 235.4 billion in 2010. IRENA estimates that achieving the Paris Agreement objectives will require total investments in renewable energy of USD 27 trillion during the 2016-2050 period. The Company aims to participate in the energy transition by providing a broad portfolio of Energy Transition Services and solutions to fully service its customers' needs. The Company's services and solutions are currently centred around solar, flexibility, electric vehicles and energy savings solutions. Scholt Energy sees opportunity to further increase its Energy Transition Services profile in the coming years through hydrogen, flexibility, HBEs, renewable energy, solar, and supply. See "*Business—Overview*" on how Scholt Energy's services and solutions are impacted by the energy transition.

Solar

Solar PV is one of the key renewable energy solutions envisaged to lead the energy transition, with energy generated by solar PV installed in Europe forecasted to grow by a 6.2% CAGR over the 2020-2050 period, resulting in approximately 6.0x expansion of solar PV generation by 2050 during that same period. At present, solar PV generation represents the second largest absolute energy generation growth of all renewable technologies and in 2020, there were 17.6 GW additions of solar PV in the EU. While solar energy currently accounts for approximately 14% of installed energy generation capacity across Europe, this is envisaged to increase to 36% of

installed capacity by 2050, making it the most important electricity generation source on the continent by that time.⁵⁸ Despite the fact that solar PV only generates energy during sunlight hours, the continued technological evolution leading to increased efficiency and decreasing costs continuously increases the economical attractiveness of solar PV as an energy source. Solar is envisaged to exhibit persistent growth over the foreseeable future on the back of amongst others:

- *Development of panels and increased efficiency:* The technology and innovation in solar panels has seen strong development over recent years as an increasing number of market participants have stepped up their efforts to produce more efficient panels. In order to enhance solar PV panels' efficiency, producers have amongst others introduced new panel materials and increased the sunlight-facing surface of the panels. On the back of the increased shift towards solar PV as an energy source, all stakeholders remain incentivised to continue innovating and further improving the efficiency of solar panels on the market while driving down the production and installation costs.
- *Increasing cost efficiency in solar production:* While manufacturers differentiate their panels on efficiency and quality, the market's competitiveness has also driven competition on price. As a result, prices for solar panels have fallen by more than 80% over the last decade (IRENA, Renewable Power Generation Costs in 2019). As technical development and increasing efficiency of solar panels has persisted at the same time, solar-generated energy has become a significantly more economically attractive source of energy over the past decade.
- *Governmental policies, regulation and support schemes:* Solar PV expansion is supported by governmental policies and subsidy schemes across Europe. For example, in the Dutch SDE+ and the new SDE++ subsidy schemes and the net-metering regulation, energy providers are obliged to deduct all electricity usage that a solar electricity producing entity (or household) feeds back into the grid from the amount of power that it consumes from the grid. In Germany, the parliament recently agreed to increase tender volumes for next year's solar PV installations threefold (6 GW versus the originally envisaged 1.9 GW) in an effort to accelerate the shift towards renewable energy. In Belgium, the Flemish authorities announced to grant rebates for PV systems (up to €1,500) to home owners as of January 2020, which is envisaged to lead to an additional approximately 1.5 GW of installed solar PV capacity by 2025. Together, these cases of governmental policy initiatives stimulating the further rollout of solar PV are exemplary of most governments' positive stance towards solar PV across Western Europe.
- *Refurbishing existing solar installations:* As early solar panel projects and plants are depreciated over time, the concept of repairing and refurbishing solar installations has become increasingly important. As more and more European solar projects will mature, they will require upkeep and potentially refurbishments in order to maintain capacity levels.
- *Storage:* An increasing number of Solar panel projects are supported by battery storage as grid stability has become an increasingly important factor given peak grid load levels. Battery storage and flexibility is further elaborated upon below.

The increasing demand for solar PV in the broader market logically translates into an increasing demand for solar panels on the large rooftops of (industrial) companies, who are increasingly recognising that solar PV can provide them with a long-term solution to reduce their environmental footprint and potentially reduce their total cost of energy supply. For Scholt Energy, the long-term nature of solar solutions offers the opportunity for recurring revenue streams with long-term contracts, which also increases the likelihood of a customer prolonging its energy supply contract with Scholt Energy.

⁵⁸ Source: Bloomberg NEF – New Energy Outlook (2020), figures based on BNEF's mid-case 'Current Policy Scenario' modelling assumptions.

Flexibility

Flexibility will form an integral part of the energy transition on the back of an increasing level of energy supply volatility and grid complexity. This is evidenced by the introduction of the Power System Flexibility Campaign in 2018. This was introduced to help governments and industries to accelerate system transformation by increasing flexibility. While renewable energy provides numerous benefits, its intermittent generation profile (e.g. originating from periods lacking sun or wind) has resulted in challenges in relation to grid stability. Grid operators are responsible for maintaining the stability of the electrical grid and hence must carefully monitor and manage the grid load at all times. An excessive load on the grid can cause disconnections from the grid or even blackouts at any time. Given the grid should be able to absorb both periods of peak as well as low power demand, a need for electricity flexibility solutions arose. While historically these electricity flexibility services could be provided by thermal power plants and hydropower plants, innovation resulted in four general ways to create electricity flexibility at more attractive economical terms: storage, demand response, curtailment and conversion.

- *Energy storage:* Similar to the technical development of solar PV, batteries are continuously being innovated and developed leading to decreasing production costs and prices (lithium-ion battery prices fell approximately 80% between 2010 and 2017) and increasing capacity, making electricity storage through batteries increasingly economical. The European cumulative installed battery capacity is envisaged to grow by 7x by 2030 with a yearly addition of approximately 5 GW reaching approximately 123 GW of installed batteries across Europe by 2050.⁵⁹ Key battery applications include electricity generation smoothing, grid stability, load balancing, trading and off-grid solutions. Scholt Energy has a track record in energy storage as it has successfully managed several energy storage projects. Also, Scholt Energy currently estimates that it manages the largest portfolio of individual batteries on the Dutch market.
- *Demand response:* By actively managing flexible assets, the demand side of the electricity grid can be actively influenced in an attempt to flatten or shave peak loads on the grid. By charging higher electricity prices at times of peak loads, consumption of electricity at these times is discouraged, with consumption encouraged at hours with less grid load. Less than 2% of demand response potential (embedded in flexible assets in the residential, commercial and industrial sectors) is currently being utilised, yet installed demand response capacity is increasing in regulatory stable markets.⁶⁰
- *Curtailment:* Electricity generation plants such as wind or solar farms can be actively and automatically managed to lower generation or output at times of lower demand (e.g. operate solar PV at reduced capacity or switch off to match supply and demand). Consequently, grid stability is improved while ensuring Solar PV and wind remain competitive despite not producing useable electricity during every hour of operation. It is expected that in Germany by 2030 approximately 3% of wind and solar generation is curtailed. By 2040, this is expected to have risen to 16%, with over 2,300 hours when output exceeds demand.⁶¹
- *Conversion:* Many of Scholt Energy's customers are industrial businesses who rely on the availability of electricity and hence experience the challenges in grid stability first-hand. Consequently, the Company observes a strong need for flexibility solutions at grid operators, which is increasingly recognised by the broader market and Scholt Energy's existing customer base. As with solar solutions, long-term contracts for flexibility solutions will also provide recurring revenue streams for Scholt Energy.

Electric vehicles

Global EV sales have risen quickly over the past years on the back of supportive government policies and subsidies, an active market push by manufacturers and customer pull, a high rate of innovation in the sector leading

⁵⁹ Source: Bloomberg NEF – New Energy Outlook (2020), figures based on BNEF's mid-case 'Current Policy Scenario' modelling assumptions.

⁶⁰ Source: Demand response: Tracking progress 2020 – IEA.

⁶¹ Source: Beyond the Tipping Point, BNEF and Eaton in partnership with the Renewable Energy Association, November 2017.

to increasing vehicle ranges and decreasing battery costs, and an improving EV charging infrastructure. For example, 16 countries have instituted a target of 100% zero-emission vehicles by 2050. As a result of the acceleration of the aforementioned developments, the market for EVs is expected to grow considerable or even accelerate in the years to come, with Europe acting as a global leader in the market for EVs.

EVs will account for an increasing share of total vehicles sold, envisaged to exceed 50% of all vehicles sold in Europe by 2034, growing to 73% of all sales by 2050. EVs are expected to make up 20.9% of the electricity demand in Europe by 2050. Consequently, EVs are expected to exhibit an annual growth CAGR of approximately 20% up to 2050, envisaged to make up approximately 24% of all electricity demand in Europe by that same year.⁶²

The growing number of EVs on the road and growing demand for electricity to charge EVs implies a need for additional physical charging infrastructure, and the increasing EV-related peak loads on the grid create additional challenges, paving the way for smart charging solutions. Despite the fact that the number of EVs per public charging connector is envisaged to rise over time as faster charging infrastructure becomes available and utilization of infrastructure is increased, the European network of public chargers is envisaged to double in size approximately every four years between 2020 and 2032, reaching approximately 2.5 million public chargers by 2040 up from approximately 0.2 million public chargers in 2020.⁶³

The trend away from internal combustion engines towards EVs in personal vehicles is expected to also take place in larger vehicles such as trucks and buses ("heavy duty EV"). The adoption of heavy duty EV is envisaged to exhibit increased momentum over the foreseeable future with an electric truck growth CAGR of 43% for the 2020-2027 period.⁶⁴ As these vehicles will have significantly larger batteries requiring heavy duty charging infrastructure providing larger charges at once, further adoption of the EV trend across trucks and e-buses can accelerate its impact on electrification of transport.

The increase in number of EVs on Western European road requires Scholt Energy's customers to install an increasing number of EV charging stations at business locations. In turn, the resulting peak demand on the local energy grid can lead to a demand for flexibility services. Consequently, the Company has observed an increasing demand for both EV charging solutions as well as flexibility solutions on the back of the strong EV growth.

Energy savings

Energy savings can facilitate businesses and households in becoming more cost efficient and a shift towards minimisation of environmental footprints. As part of the energy transition, energy savings are increasingly important for both corporates and households. However, most corporates and households lack the expertise and resources to fully realise possible energy savings. Companies are increasingly developing new products to address the demand for energy savings expertise, from consumption scans and simple measures such as LED lighting, to complex energy management systems. Energy savings such as smart appliances, energy management systems, transport automation and cost-effective alternatives in industry have proven to be effective in decreasing electricity consumption, illustrated by a 50 exajoule (approximately 13,889 TWh) reduction in demand from 2000 to 2017.⁶⁵

Although a significant amount of total energy investments by businesses are spent on energy efficiency and lowering energy consumption, current investment levels remain insufficient to meet future sustainability goals, such as the 2030 Climate and Energy Framework stating a 32.5% envisaged improvement in energy efficiency by 2030. Accordingly, supported by government policies and sustainability agendas, business investments in energy efficiency are expected to grow over the next years in an effort to meet the applicable sustainability goals. According to IRENA, energy efficiency will account for USD 29 trillion of investment between 2016 and 2030, or roughly half out of a total investment of USD 60 trillion in the Transforming Energy Scenario, growing to USD

⁶² Source: Bloomberg NEF – New Energy Outlook (2020).

⁶³ Source: Bloomberg NEF – Electric Vehicle Outlook (2020).

⁶⁴ Source: Grand view Research.

⁶⁵ Source: Multiple Benefits of Energy Efficiency (Report Extract; Energy Savings) – IEA: <https://www.iea.org/reports/multiple-benefits-of-energy-efficiency/energy-savings>.

37 trillion for the 2016-2050 period (out of a total of USD 110 trillion). Also as a result of the policies and broader sustainability goals set out above, Scholt Energy observes that customers are becoming more conscious of their energy consumption and environmental footprint. Consequently, there is an increasing demand for, and thus opportunity in the field of, energy savings services.

Competitive landscape

The competitive landscape in energy transition services is highly diversified and involves a large number of different competitors across each segment and product line, differing per geography in which the Company operates. For solar project development, the competition mainly comes from local installers and consultants. On the flexibility market, Scholt Energy competes as a balancing service provider (**BSP**) with internationally active parties like Next Kraftwerke, Sympower and Centrica. Although no direct competition, in the European flexibility market a mix of both large scale energy companies (e.g. Eneco) and smaller tech-companies (e.g. kiwipower) offer virtual power plant solutions. These services are often software driven, contrasting with Scholt Energy's starting point at the customer side.

Energy savings and EV are currently mainly supporting service products for Scholt Energy. Scholt Energy introduces interested customers to selected partners to help them with savings, studies or the installation of charging stations. Because customers approach Scholt Energy for these services and Scholt Energy does not provide the service itself, there is little or no competition in this area.

However, Scholt Energy's broad portfolio of Energy Transition Services (being product- and technology-agnostic), secures a unique position in the broader competitive landscape.

BUSINESS

Overview

"Energy as a Service"

Scholt Energy is an independent B2B energy partner focussed on the mid to large corporate segment (i.e. companies with a monthly energy bill over €1,000), with activities in the Netherlands, Belgium, Germany and Austria. Started in 2005 as a family business, Scholt Energy has been expanded step by step into a solid, reliable and distinguished European challenger in the energy sector.

Scholt Energy's mission is to fully unburden corporate customers in the field of sourcing (renewable) energy supply and implementing changes in response to the energy transition in a personal, clear and independent manner. Striving for long-term powerful partnerships, Scholt Energy offers a wide range of products and services that can be combined in a tailor-made offer for each customer. Therefore, Scholt Energy can easily adapt to the goals and desired pace of the customer, resulting in a personalised high-quality customer experience.

Scholt Energy strives for an organisation where customers, employees and partners become ambassadors of the company. This strategy has successfully resulted in a quality customer portfolio (NPS of +28 in 2020), staff and partner network, with an industry high customer and employee satisfaction (eNPS of +45 in June 2021) and industry low churn (3.5%).⁶⁶

Since 2005, Scholt Energy is, as an independent B2B energy partner, positioned between the utility generators (Scholt Energy does not own or operate energy generating assets itself) and end consumers, providing "Energy as a Service". The "Energy as a Service" proposition can be segmented into two business lines: Market Access and Energy Supply and Energy Transition Services, as set out in the table below.

Energy as a Service	
Market Access and Energy Supply	Energy Transition Services
<p>As an energy supplier and a balancing responsible party (BRP) Scholt Energy gives its customers, through Market Access and Energy Supply, access to the wholesale energy (electricity and gas) markets, forward as well as spot.</p> <p>Besides energy supply, Scholt Energy also provides its customers with tailor-made (renewable certificates) procurement and cost savings advice and the ability to choose from multiple sources of renewable energy.</p> <p>As an energy supplier, without energy generating assets, Scholt Energy's incentives are uniquely aligned with its customers, through a transparent pricing model based on fixed services fees per energy volumes. This way, Scholt Energy can guarantee the independent nature of its services to its customers.</p>	<p>Through Energy Transition Services, Scholt Energy offers customers a broad range of services related to the energy transition. These consists of four product groups: solar, flexibility, services related to electric vehicles (EV) and energy savings. Scholt Energy has offered these services since 2015.</p> <p>The energy transition is taking place at an ever-accelerating pace to achieve the ambitious 2030 and 2050 sustainability targets set by various governments. The energy market is moving from a central non-sustainable energy system to a decentralised sustainable energy system. Along with Scholt Energy's customers own internal pursuit of sustainability, they are also impacted by regulatory requirements and other obligations to pursue sustainability targets. Scholt Energy has the ambition to proactively guide its customers in this transition.</p>

⁶⁶

Source: Based on management information per February 2021.

Energy as a Service	
Market Access and Energy Supply	Energy Transition Services
<p>Market Access and Energy Supply Gross Margin</p> <ul style="list-style-type: none"> • €16.2 million for the six months ended 30 June 2021 • €26.8 million for the year ended 31 December 2020 	<p>Energy Transition Services Gross Margin</p> <ul style="list-style-type: none"> • €0.4 million for the six months ended 30 June 2021 • €1.1 million for the year ended 31 December 2020

Energy consumers will experience the impact of ambitious climate goals set by various governments and others, and as a result, understand the necessity of the energy transition. The decline of conventional, centrally-produced energy is forcing companies to contemplate the source of their future energy supply. Boosted by subsidies, governments motivate energy consumers to at least partly generate their own energy usage by renewable energy sources, such as solar energy. At the same time, companies are increasingly obliged to reduce their energy usage, pre-sort on electrical transportation and a largely gasless future. Consumers are increasingly playing a role in decentralising and creating a more and more flexible energy market. All these circumstances have an impact on Scholt Energy's customers. To make informed decisions, both financially and technically, Scholt Energy acts as a partner to customers in navigating this landscape.

In addition to helping its customers through the energy transition, Scholt Energy sees multiple additional opportunities to expand and strengthen its position in the energy market through innovative solutions for other energy market participants. For example, decentralised generation of energy presents challenges in the even distribution of energy to the grid and safeguarding its stability. This calls for monitoring of energy production and consumption patterns and strict management of the power grid. Scholt Energy assists with this by balancing the decentralised electricity network for national and regional grid operators by managing flexible assets like large scale batteries and wind farms and by exploiting the still largely unused potential of flexible industrial systems and processes. Scholt Energy's high-quality innovation staff, flexible IT-landscape and independence in selecting partners, ensure short product implementation cycles and high market development adaptability, which have already resulted in numerous successful projects related to the energy transition.

Scholt Energy is headquartered in Valkenswaard (the Netherlands) where the Dutch activities (except for the sales activities) and the back office activities of all countries in which Scholt Energy operates are located. The back office activities include IT, balancing and sourcing, structuring and origination, finance, billing, legal and human resources. Scholt Energy has a separate sales office in Nieuwegein (near Utrecht, the Netherlands). In the other countries, Scholt Energy has offices in Waregem (Belgium), Ratingen (Germany) and Stuttgart (Germany) for its sales and front office activities (customer service, sales support and marketing). Scholt Energy had 156 employees based on a full-time contract (**FTE**) as of 30 June 2021.

Scholt Energy's consolidated revenue for the six months ended 30 June 2021 and the years ended 31 December 2020, 2019 and 2018 were €347.3 million, €456.9 million, €418.3 million and €375.5 million, respectively. With the growth rate of the amount of energy supplied in Germany, exceeding the growth rate on amount of energy supplied in the Netherlands, Scholt Energy's activities in the Netherlands accounted for 49.9%, 49.0%, 55.6% and 65.5% of its consolidated revenue for the six months ended 30 June 2021 and the years ended 31 December 2020, 2019 and 2018, respectively.

History

Scholt Energy was incorporated as Scholt Energy Control B.V. (**SEC**) in 2003 in Valkenswaard (the Netherlands) by its former CEO Mr J.C. Scholt. As from 2003, Scholt Energy acted as an agent to Nutsbedrijven Regio Eindhoven. Before founding Scholt Energy, Mr J.C. Scholt founded other businesses related to the energy sector. Following the phased liberalisation of the Dutch energy market from 2001 until 2004, many customers of those businesses raised questions on the best way to purchase energy. For that reason, as from 2005, Scholt Energy

decided to become an energy supplier itself and to start selling energy under its own brand, to assist corporate customers with efficiently purchasing energy. In that initial stage, Scholt Energy only supplied electricity.

Between 2005 and 2010, the internal organisation and processes were set up and Scholt Energy gradually built up a Dutch customer portfolio. In 2010, Scholt Energy entered the Belgian electricity supply market. Initially because a number of Dutch customers with Belgian production sites asked to also supply them in Belgium. This market entry was followed by the opening of a sales office in Nazareth (Belgium), which was the start of expansion towards greenfield Belgian customers. This office later moved to Waregem (Belgium).

In an effort to be a one-stop-shop energy supplier, Scholt Energy started with gas supply in the Netherlands from 2012 and with gas supply in Belgium from 2013.

In 2015, following the Paris Climate Agreement, Scholt Energy decided to set up "Scholt Energy Services B.V." (SES), its first step towards its energy transition service offering.

Also in 2015, Scholt Energy entered the German electricity supply market and since 2017 onwards, Scholt Energy has also supplied gas in Germany. In 2015, Scholt Energy opened an office in Ratingen (Germany) and in 2019 an additional office in Stuttgart (Germany).

In 2016, Scholt Energy set up the joint ventures C-Wind B.V. and V-Storage B.V. C-Wind, a joint venture between Scholt Energy and De Wilde Wind Holding B.V., is active in the field of storage of wind-energy. V-Storage, a joint venture between Scholt Energy and VDL Nederland Beheer B.V., supplies power through battery storage solutions, with the aim of developing solutions utilising second-life batteries.

Scholt Energy was family-owned until 2016, when Waterland Private Equity acquired a majority stake. After the acquisition, 72.2% of the shares in the capital of SEC Topholding B.V. were held by Waterland, a holding company of Waterland Private Equity, a Dutch investment firm. The founder of Scholt Energy, Mr J.C. Scholt, retired in 2017.

Between 2018 and 2020, Scholt Energy grew from 114 to 147 employees. Much of this growth consisted of additional sales personnel. The sales structure has been changed by making a new division of regions in all countries in which Scholt Energy operates, led by regional managers. The regional managers were introduced to support the growth of the sales force. The regional managers report to the country sales manager. The country sales manager reports to the CCO. In this way, the personal regional character is safeguarded as well as quality and performance management.

In 2019, a re-branding process was implemented in which the trade name was changed from "Scholt Energy Control" to "Scholt Energy" and the corporate identity was adapted by the marketing department, while SES merged into SEC, to promote uniformity.

To reinforce its European ambitions, Scholt Energy entered the Austrian energy sales market in 2020, expecting to supply both electricity and gas by 2022.

To (jointly) participate in renewable energy assets such as solar panels, charging stations and hydrogen facilities, Scholt Energy Assets B.V. was founded in 2021.

Selected significant corporate events since 2005

Year	Description
2003.....	Incorporation of Scholt Energy
2005.....	Start Scholt Energy as an energy supplier
2010.....	First expansion abroad by entering the Belgian electricity market
2012.....	Start of Scholt Energy's gas supply activities on the Dutch market
2013.....	Start of Scholt Energy's gas supply activities on the Belgian market

Year	Description
2015.....	Founding of SES
2015.....	Entering the German electricity supply market
2016.....	Waterland Private Equity acquires a majority stake
2016.....	First application curtailment at Dutch wind farm
2017.....	Entering the German gas supply market
2017.....	First storage project with battery at Dutch windfarm
2017.....	Completion of first large-scale solar project.
2017.....	Opening of the new offices in Ratingen (Germany) and Waregem (Belgium)
2018.....	First operational application of combined solar, storage and EV charging sites
2019.....	Expansion of energy savings products
2020.....	First application of industrial flexibility process on balancing market
2020.....	Entering the Austrian energy sales market (supply of both electricity and gas expected as from 2022)
2021.....	Founding of Scholt Energy Assets B.V.

Key Strengths

Scholt Energy's main competitive strengths are the following:

Bespoke "Energy as a Service" business model allows for alignment of incentives between Scholt Energy and its customers

As a start-up in 2005, Scholt Energy has had the opportunity to design its strategy and product offering completely around its customer needs. In contrast to the established utilities with existing organisations, systems and structures, Scholt Energy, has been able to build the company and services from scratch so that it matches the wishes of the customer and opportunities that market liberalisation offered.

This has resulted in Scholt Energy's customer-centric "Energy as a Service" offering. Scholt Energy's customers are offered a tailored way of (renewable) energy supply through access to the forward- and spot market based on a fully transparent pricing model.

Scholt Energy's incentives are aligned with those of its customers, a key element that differentiates it from traditional utilities who benefit from selling energy at higher prices to cover the costs for their generation facilities. Scholt Energy does not own or operate energy generation assets and charges its customers a transparent fixed fee per energy volume (independent of the price per unit of energy at which this volume is sold), which is more akin to a subscription model. The lower the contracted energy volume, the higher the fixed fee charged, and when the contracted energy volume grows, the service fee per volume declines. Through this pricing structure, Scholt Energy's margin is not impacted by energy wholesale market price variations and, as such, Scholt Energy does not benefit from selling energy to its customers at high prices.

Scholt Energy's alignment of incentives between itself and its customers results in a high-quality customer portfolio and low customer churn

Scholt Energy works with its own sales force, in contrast to many competitors who work with external consultants. By working with internal sales staff, Scholt Energy develops and maintains a direct customer relationship. Scholt Energy's personal and distinctive approach and its year after year fine-tuned customer journey, has resulted in a high-quality and diverse customer portfolio, with over 17 years of experience as an energy partner, an NPS of +28 (2020), a low churn rate of approximately 3.5% of Gross Margin in 2021 that leads to a retention rate of 96.5% of customers (based on the average customer churn between 1 January 2018 and February 2021), evidencing Scholt Energy's strong relations with its customers.

As their energy partner, Scholt Energy is at the heart of the energy transition strategy of its customers

Due to the strong customer relationship and Scholt Energy's deep market knowledge, Scholt Energy believes customers see Scholt Energy as their trusted energy partner. Through its personal approach based on frequent customer visits and easy to access customer service, Scholt Energy remains aware of its customers' energy needs and it can quickly adapt to new energy related demands.

The trend towards stricter climate regulations and an increasing focus on sustainable energy sources such as solar and wind energy are expected to continue to drive growing demand for reliable and cost-efficient solutions for renewable energy. Scholt Energy believes the energy system will change from a central fossil energy system to a decentralised sustainable energy system, which will shift the energy related needs of all of Scholt Energy's customers.

Scholt Energy sees the shift to onsite renewable energy infrastructure such as solar power or the shift to green certificates as opportunities to grow its existing services and products. Scholt Energy offers its customers a wide variety of renewable energy, whether through green certificate options through its Market Access and Energy Supply services or through its provision of solar project development and management through its Energy Transition Services. These options allow Scholt Energy the opportunity to continue to capture market shifts through its green or other renewable sources energy supply options, and can also benefit its operating results since these products and services carry a higher margin than its traditional electricity and gas volume fees.

As their energy partner, Scholt Energy seeks to place itself at the heart of the energy transition strategy of its customers. With its proximate customer relationships and expertise of the energy transition, Scholt Energy believes it is well positioned to profit from the cross-sell opportunities it sees with customers related to the energy transition and serve as its customers' energy transition partner.

Operational excellence, supported by high-quality staff and state-of-the-art IT

Scholt Energy believes that an outstanding process execution is a key driver for customer satisfaction. Therefore, Scholt Energy invests in retaining in-house expertise and high quality IT throughout the process chain, ranging from product development to country specific tax benefits, and takes an agnostic approach to technology and products. As almost all processes are interconnected, Scholt Energy strives for maximum accuracy and minimum errors. For example, accurate customer billing (estimated as a 99.5% historical billing accuracy for the year ended 31 December 2020 and through May 2021) and minimal forecasting errors on energy consumption (3.6% error on average during 2020) contribute to a steady cash flow and customer satisfaction. Scholt Energy believes this contributed to its customer effort score – which measures the effort for customers to get in contact with Scholt Energy – of 1.8 in 2020 (1-5 range; the lower the score, the better).⁶⁷

Both a state-of-the-art IT-landscape and knowledgeable staff support Scholt Energy's high operational standards. Flexibility in IT is particularly relevant for covering custom arrangements with customers, incorporating new Energy Transition Services solutions for customers and aligning with evolving market regulations.

Scholt has a highly educated (86% have a bachelor's or master's degree), young (average age 31) and entrepreneurial staff, with a high level of employee satisfaction (eNPS +45 in June 2021) (compared to a Dutch average eNPS of +10 as at 2019).⁶⁸ Loyalty is created by a strong family culture, with periodic team building activities, both on team and company level.

Next to customer satisfaction, Scholt Energy's operational excellence is required to maintain licenses and comply with legislation and regulation in every country it has operations.

⁶⁷ Source: Based on management information per February 2021.

⁶⁸ Source: Based on internal survey dated June 2021. Measured every uneven year since 2019.

Strong financial profile, with double-digit growth of Gross Margin and Adjusted EBITA

Scholt Energy has shown stable and strong historical financial growth, with revenue growing from €375.5 million for the year ended 2018 to 456.9 million for the year ended 31 December 2020. During that same period, Gross Margin increased from €18.3 million to €27.9 million and Adjusted EBITA grew from €7.9 million to €13.8 million. Scholt Energy has steadily grown year over year, driven by its controlled organic expansion strategy in both its home and new markets.

Scholt Energy has a high cash conversion and a high Adjusted EBITA Margin relative to Gross Margin. Scholt Energy operates with a limited level of annual investments (or capital expenditure), with most expenses included in the operating expenses. In addition, Scholt Energy benefits from working capital dynamics that provide a short-term source of liquidity as described below.

High visibility on future earnings and negative working capital

Scholt Energy has strong visibility on its future earnings as a result of multi-year customer contracts. Through Market Access and Energy Supply, Scholt Energy's customers can fix their future energy supply by procuring energy volumes for multiple years in advance through entering into a contractual agreement with Scholt Energy for future supply of energy volumes at a pre-agreed price. This is facilitated by Scholt Energy entering into forward contracts in the wholesale market to align with the volumes it contractually agrees to with its customers. As a result, customers that procure energy in advance will remain under contract with Scholt Energy for the period procured. Historically, the majority of Market Access and Energy Supply future contracted Gross Margin for a given year is locked-in over few years prior, with an average of 67% of the Group's Gross Margin during 2018, 2019, 2020 and that expected for 2021 being locked-in more than one year prior to the relevant financial year. As at 30 June 2021, Scholt Energy had €134.1 million in Market Access and Energy Supply future contracted Gross Margin for the years after 2020. This contracted Gross Margin offers Scholt Energy strong visibility on its future earnings.

Scholt Energy has a favourable cash flow pattern of billing customers and the timing of its own payments for energy, which allows for a negative working capital. Scholt Energy's customers typically pay their bill within four to five days of being invoiced (with such invoices applying a payment term of 30 days). More than 70% of Scholt Energy's customers pay their invoices via the single euro payment area (SEPA) which harmonises cashless payment across Europe and facilitates bill processing by Scholt Energy. Scholt Energy invoices customers on the first day of the month following delivery of energy by Scholt Energy. Scholt Energy's typical payment terms with its suppliers however, is 20 days following delivery of energy to Scholt Energy. In addition, Dutch VAT-payment is applied during the three months of a quarter and is paid at the end of the last month of the relevant quarter. As these VAT payments are collected, they also provide additional working capital that Scholt Energy can use prior to the time they are due. This build-up of Dutch VAT as the quarter progresses is repeated every quarter of a year. These factors combined lead to Scholt Energy's negative working capital and provide Scholt Energy with a helpful source of short-term liquidity.

Low risk business model in which most of the risks are effectively mitigated

The Market Access and Energy Supply offering results in high visibility on future earnings through its customer contract book in combination with future energy procurement commitments. Since Scholt Energy enters into contracts with its Market Access and Energy Supply customers for a volume of energy charged at an agreed fixed fee and hedges these contracts with back-to-back forward contracts which it enters into with energy suppliers, Scholt Energy itself has limited direct exposure to price fluctuations in the electricity and gas markets. The Group's risk management policy requires that forward volumes are only entered into in connection with back-to-back agreements with customers and does not allow for speculations or for open positions that incur more than 5% risk to lose either more than €20,000 in one day or to lose more than €50,000 in eight days. Scholt Energy has access to multiple exchanges and suppliers for sourcing energy.

However, Scholt Energy's forward commitments result in two key risks for Scholt Energy, i.e. the liquidity risk and the customer default risk, which Scholt Energy believes are both effectively mitigated.

Scholt Energy attempts to mitigate the "liquidity risk" through frequent market monitoring and maintaining sufficient headroom in financial facilities provided by several banks. If the market price of forward contracts Scholt Energy has entered into declines, Scholt Energy may face margin call obligations. Scholt Energy satisfies these margin call obligations through cash or through providing collateral in the form of financial guarantees to suppliers. Scholt Energy continuously performs risk analyses on its portfolio to predict its mark-to-market position. Scholt Energy manages this liquidity risk through its bank guarantee facility of €150 million under the Senior Facilities Agreement, where Scholt Energy maintains an amount available for cash drawings of approximately €20 million (which can be increased by an amount not exceeding €10 million in respect of a temporary increase), to manage price fluctuations. Scholt Energy has a track-record safeguarding sufficient liquidity headroom, even in periods of extreme market volatility, such as the COVID-19 pandemic. In addition, Scholt can demand cash collateral from its customers if the forward contracts are in a negative mark-to-market position, though it sees this contractual right as a measure of last resort in an effort to safeguard customer satisfaction. Through arranging financial facilities with sufficient headroom and continuous monitoring of the development of the mark-to-market position, Scholt Energy mitigates the liquidity risks related to margin calls.

Scholt Energy attempts to mitigate customer default risk through its credit insurance policy, which covers 95% of Scholt Energy's credit default loss (except in the cases of any credit default losses on Scholt Energy's forward contracts and except where customers were rejected by the insurer but nevertheless accepted by the Company). Scholt Energy's credit insurance covers customer credit defaults for services already rendered that are unpaid, as well as the volume of energy that was supplied to the customer through the energy cut-off period (which cut-off period is driven by local regulatory law and is typically two weeks to a month from the time the notice to cut off the supply of energy is made). Through this credit risk insurance, Scholt Energy believes it can sufficiently mitigate direct customer default risk. The second customer default risk is related to the mark-to-market positions of defaulting customers. Closing negative mark-to-market positions of defaulting customers will result in a loss at settlement for Scholt Energy. In an attempt to mitigate the risk of negative mark-to-market positions of defaulting clients, Scholt Energy: (1) requires its customers that elect to enter into contracts with Scholt Energy for the future supply of energy to be grouped in a cluster with a collective of customers whose energy volume requirements will be pooled together. In the event that any customer defaults on its forward contract obligations, Scholt Energy's terms and conditions require that any surplus supply of energy resulting from such customer default, as well as any loss incurred if such position is sold, is respectively procured or borne by the remaining customers in the collective, i.e. the other customers in the cluster absorb the forward purchase agreement obligations of the defaulting customer, (2) exclude customers from entering into additional forward positions upon any sign of risk increase such as repeated late payment and (3) can demand cash collateral from customers. Through continuous risk management, the damage incurred by the customer default risk related to the mark-to-market position has been negligible historically.

Strategy

Levering on its bespoke customer approach and business model, Scholt Energy has developed stable and long-term relationships with its customers, primarily mid and large companies. The same applies to its dedicated team of employees, which excels in a strong but professional family culture. Scholt Energy believes that this external and internal stability is the basis of historical and future success.

Scholt Energy has demonstrated continuous growth since its incorporation in 2005, in number of customers, products and countries in which it operates. Scholt Energy's forward contracts with customers also gives Scholt Energy visibility on contracted revenue, which has historically provided Scholt Energy with predictable profitability.

Scholt Energy holds a strong position in its market, with in-house developed products, proprietary systems and services designed to support its customers in their energy supply and energy transition ambitions and needs. All this is driven by an experienced management team and a highly skilled and committed group of employees.

Scholt Energy expects to continue to be successfully driven by six strategic growth pillars in the future:

1) Growth of energy supply market share in all existing geographic markets

Scholt Energy's believes its' bespoke independent business model works across the geographic markets in which it operates, which is supported by the successful roll out of the business into new geographies such as Belgium and Germany. In 2020, Scholt Energy delivered 11,700 GWh to its customers in the markets in which it operates. Scholt Energy's market share in its current markets is as follows:

Country	Market share industrial electricity consumption	Market share industrial natural gas consumption
The Netherlands	13% (36,058 GWh)	6% (66,078 GWh)
Belgium.....	3% (36,898 GWh)	2% (52,124 GWh)
Germany.....	1% (230,527 GWh)	1% (260,627 GWh)
Austria.....	0% (28,670 GWh)	0% (35,674 GWh)

- (1) Note that to calculate market share Scholt Energy's volume of industrial electricity or gas consumption is based on contracted amounts for 2021 as at 31 December 2020, expressed as a percentage of national industrial electricity and natural gas consumption of each country over 2018 (the last available information for all markets).
- (2) Note that the market share for industrial natural gas consumption is lower than the market share for industrial electricity consumption due to the fact that there are several very large gas companies acting in the markets in which Scholt Energy operates.

Despite the market share of Scholt Energy in the countries where it currently operates, Scholt Energy believes the remaining market share potential is significant. Of this market share, in the Netherlands, 74% of the energy volume is used by a customer group consisting of 350 customers that use more than 5,000 MWh. Similarly in Belgium, 62% of the energy volume is used by a customer group consisting of 93 customers that use more than 5,000 MWh. In Germany, 79% of the energy volume is used by a customer group of 126 customers that use more than 5,000 MWh. The total volume of energy in 2020 was 7.8 TWh, 1.6 TWh and 2.3 TWh in the Netherlands, Belgium and Germany, respectively. Scholt Energy will seek to further expand its existing sales teams and to become active in regions where no active sales take place yet, mainly in the East and South of Germany, Wallonia in Belgium and Austria. Scholt Energy aims to continue the growth trajectory of the past years and aims to increase its market penetration in its existing markets going forward. Further, while Scholt Energy expects there may be some decline in the demand for gas with the phasing out of the Groningen gas fields, it expects that demand for electricity will rise in the Netherlands and Belgium. Scholt Energy believes that this will be advantageous to its operations and financial results since it makes higher margins on electricity than on gas.

It is estimated that two thirds of European installed energy capacity will originate from renewables by 2030 and 78% of capacity additions over the next 30 years will originate from renewables, resulting in increasing price volatility. The energy production capacity from all sources in Europe is expected to nearly double by 2040 (1.2 TW in 2020 to 2.0 TW in 2040).

2) Leverage exponential growth in energy transition trends by offering a unified Energy Transition Services portfolio in all countries

The energy market is changing at a rapid pace. The key trends in the energy transition can be described as: decarbonisation, decentralisation, digitalisation and democratisation.



These key trends lead to a number of market challenges including: increasing energy price volatility; increasing complexity of energy supply markets; intermittent availability of renewable power sources; more (smaller) power sources that require increased grid intelligence; highly complex supply-demand matching; challenged grid stability to cope with increasing peak power demand (i.e. EV charging after work); challenges with the roll-out of new grid connections for new sustainable generation projects; lack of availability of charge points, related grid and infrastructure to cope with rise of EVs; and the need to access to the right energy savings expertise.

Scholt Energy believes these key trends and challenges offer substantial market potential for Scholt Energy's tailor-made Energy Transition Services. Scholt Energy can offer solutions for these market challenges through (i) solar, (ii) flexibility, (iii) EV and (iv) energy savings.

The below provides a summary of the market opportunity in relation to each of the solutions offered in relation to Energy Transition Services:⁶⁹

- **Solar:** It is estimated that by 2050 installed solar capacity in Europe across commercial and residential systems will have grown by a factor of approximately 2.5 times (from approximately 14% to approximately 36%). Especially in the Netherlands, solar is expected to expand as the Dutch government has existing and new subsidy offerings for sustainable energy usage (*Stimuleren Duurzame Energieproductie en Klimaattransitie* or **SDE**).
- **Flexibility:** European cumulative installed battery capacity is estimated to grow by approximately seven times by 2030, with a yearly addition of approximately 5 GW reaching approximately 123 GW of installed batteries across Europe in 2050 and an estimated \$130 billion to be invested in new battery storage capacity in Europe by 2050. Energy generation plants such as wind or solar farms can be actively and automatically managed to lower generation or output at times of lower demand. It is expected that in Germany approximately 3% of wind and solar generation is curtailed by 2030. By 2040, this is expected to have risen to 16%, with over 2,300 hours when output exceeds demand.⁷⁰ Scholt Energy is able to balance these volatile generators on the electricity grid through automated control signals to the industrial processes of its customers and contracted generators (e.g. wind).
- **EV:** EV charging-related electricity demand is estimated to grow by over 20 times from 5 TWh in 2020 to 103 TWh by 2030. EVs will account for an increasing share of total vehicles sold, with EVs first envisaged to exceed 50% of all vehicles sold in Europe by 2034 (to 73% of all sales by 2050). Consequently, EVs are expected to exhibit an annual growth CAGR of approximately 20% up to 2050, with EVs envisaged to make up approximately 24% of all electricity demand in Europe by the same year. As Scholt Energy already supplies electricity to the largest electric bus fleet in the Netherlands⁷¹, it believes it is able to increase its services in this market.
- **Energy savings:** It is estimated that energy efficiency will account for \$29 trillion of investment between 2016 and 2030, or roughly half out of a total investment of \$60 trillion in the Transforming Energy Scenario, growing to \$37 trillion for the 2016-2050 period (out of a total of \$110 trillion).

In order to offer a complete range of Energy Transition Services across Scholt Energy's existing markets, Scholt Energy intends to align its cross-border services and to expand the number of employees in the Energy Transition Services team. Below is an overview reflecting the services offered currently and the years in which Scholt Energy expects to implement these solutions in each of its existing markets:

	Solar		Flexibility		EV	Savings
Country	Project development	Asset management				
	✓	✓	✓	✓	✓	✓
	✓	Currently in pilot phase	Currently in pilot phase		2021	✓

⁶⁹ Source: BNEF Energy Transition Outlook, January 2021.

⁷⁰ Source: Beyond the Tipping Point, BNEF and Eaton in partnership with the Renewable Energy Association, November 2017.

⁷¹ Source: <https://www.schiphol.nl/nl/schiphol-als-buur/pagina/elektrische-bussen-en-taxis-en-stimuleren-ov/>.

	Solar	Flexibility	EV	Savings
Country	Project development	Asset management		
	2021	2023	Pilot in 2021	2022
	2023	2023	2023	2022

* Note: These years are expected

There is no guarantee that Scholt Energy will be able to implement those solutions in all or any of those markets or within the timeframe contemplated above. Successful implementation of solutions in new markets in the anticipated timeframe depends on obtaining regulatory approvals or permits and the organisation of local operations in the manner contemplated by the business case. In addition to the existing solutions offered as part of the Energy Transition Services, the focus remains on discovering new opportunities in the energy transition, which Scholt Energy manages through the work of its innovation director and their team.

3) Maintain employee and customer satisfaction and strong supplier relationships

Strong relationships, both externally and internally, are of the utmost importance for Scholt Energy. Maintaining and further strengthening those relations has a high priority. These strong relationships are reflected externally with customers with an industry NPS of +28 (2020) and internally with employees with an eNPS +45 (in June 2021) (compared to a Dutch average eNPS of +10 as at 2019).

4) Increase cross-selling by leveraging a large customer portfolio, high customer satisfaction and specialist sales

Scholt Energy's large and loyal customer group, who are increasingly confronted with the energy transition in terms of their own energy needs or as a result of new or changing regulatory or other obligations, offers excellent opportunities to cross-sell Energy Transition Services. This is in addition to the growing sales of Guarantees of Origin (as defined below), which Scholt Energy is supporting in the countries in which it operates. A **Guarantee of Origin** is a tracking instrument defined in article 15 of the European Directive 2009/28/EC, which labels electricity from renewable sources to provide information to electricity customers on the source of their energy. Guarantees of Origin are the only exact defined instruments evidencing the origin of electricity generated from renewable energy sources.

Since the end of 2020, specialist account managers have been appointed to sell Energy Transition Services specifically. Due to a more extensive knowledge of these services and more time and focus on the sale thereof, the goal and the expectation is that more cross-selling between Market Access and Energy Supply customers and Energy Transition Services will take place. Scholt Energy also benefits from the successful implementation of a number of Energy Transition Services, which are often publicised to other customers and serve as case studies to other customers of the possibilities that exist through these services.

In addition to the cross-selling of Energy Transition Services, Scholt Energy has the opportunity to cross-sell Guarantees of Origin to its customers through its Market Access and Energy Supply activities, allowing its customers to adjust their procurement of energy to their preferred renewable sources

5) Expand into new geographies

The strategy behind Scholt Energy's international growth consists of a controlled approach. This means starting pragmatically, collecting proof that this chosen strategy works and subsequently grow in a controlled manner, all

based on the premise that quality comes first. Over the past years, Scholt Energy has gradually and successfully expanded into three new countries through a proven strategy of controlled expansion. Scholt Energy intends to continue this international expansion strategy, where opportunities for new country expansions will be carefully assessed and evaluated. Country assessment is based on total industrial energy consumption, number of companies in high potential sectors, availability of trusted back-end partners and competition. Scholt Energy will implement its current market strategy across new markets. This includes its focus on mid-sized businesses and uniform product offering. Scholt Energy believes that Sweden, Italy and the United Kingdom are other potential markets into which it could expand in the future, which could be by expanding its operations or through acquiring an asset or company if an attractive opportunity were identified.

6) Operational excellence

The growth strategy will be supported by continuing operational excellence. Continuous improvement and innovation are of great importance to stay ahead of competitors and to keep pace with the rapidly changing energy market. Scholt Energy's flexible IT-landscape gives Scholt Energy the ability to continuously refine processes and systems to meet changing requirements from customers, partners or by legislation. Scholt Energy invests to continuously maintain its IT-systems in the ordinary course of business. These investments are reflected in Scholt Energy's capital expenditure and are funded through its own available resources without the need for external financing.

Scholt Energy Assets

Scholt Energy Assets B.V. was founded in 2021 to (jointly) participate in renewable energy assets such as solar panels, charging stations and hydrogen facilities. This can be done through acquiring share participations in other companies or by investing in specific assets. Scholt Energy Assets B.V. acquired a 50% shareholding in Van der Valk Solar Exploitatie I B.V., which aims to operate a solar panel installation on the roof of a distribution center of Van der Valk and acts as lessee of the installation. The total investment will be approximately €420 thousand. Scholt Energy Assets B.V. has also invested €250 thousand in connection with the acquisition of one-third of the shares in Hysolar Beheer B.V. (which holds 85% of the shares in Hysolar B.V., which develops a hydrogen station and an electrolyser) and is expected to provide a €800 thousand loan to that company. All investments through Scholt Energy Assets B.V. are funded through Scholt Energy's available funds.

Medium-Term Objectives

Scholt Energy has established financial and operational medium-term financial performance objectives. Scholt Energy has set the following financial objectives:

- Market Access and Energy Supply Gross Margin envisaged to grow in the medium-term at 10-20% per annum on average;
- Energy Transition Services Gross Margin envisaged to double in the near-to-medium term; and
- Adjusted EBITA Margin as percentage of Gross Margin envisaged to increase to 60% in the medium-term.

Scholt Energy has not defined, and does not intend to define "medium-term". Scholt Energy's medium-term objectives should not be read as forecasts, projections or expected results and should not be read as indicating that Scholt Energy is targeting such metrics for any particular year. They are merely objectives that result from the pursuit of its strategy.

Scholt Energy's ability to meet these objectives is based upon the assumption that it will be successful in executing its strategy and it depends, in addition, on the accuracy of a number of assumptions, involving factors that are significantly or entirely beyond its control and no assurance can be given that Scholt Energy will be able to meet these objectives or that its financial position or results of operations will not be materially different from these

objectives. The objectives are also subject to known and unknown risks, uncertainties, and other factors that may result in Scholt Energy being unable to achieve them. These objectives constitute forward-looking statements and are not guarantees of future financial performance.

As a result, Scholt Energy's actual results may vary from the medium-term objectives established herein and those variations may be material. Many of the risks and uncertainties are described in "*Risk Factors*". Scholt Energy does not undertake to publish updates as to its progress towards achieving any of the above objectives, including as it may be impacted by events or circumstances existing or arising after the date of this Prospectus or the reflect the occurrence of unanticipated events or circumstances. Investors should independently assess whether or not they believe the objectives to be reasonable or achievable and should carefully evaluate whether investing in the Offer Shares is appropriate, bearing in mind personal circumstances and the information included in this Prospectus, particularly considering the information described in "*Risk Factors*". See also "*Important Information—Information regarding Forward-Looking Statements*" for further information.

Description of Operations

Scholt Energy offers (i) access to wholesale electricity and gas markets through the Market Access and Energy Supply segment, and (ii) a broad range of services related to the energy transition through the Energy Transition Services segment: solar, flexibility, EV and energy savings.

Market Access and Energy Supply: Access to the wholesale electricity and gas markets: forward market and spot market

Markets and Exchanges

For both electricity and gas, the market is accessible by two main exchanges: the forward market and the spot market.

On the forward market, electricity and gas are traded on domestic markets for several years in advance. Scholt Energy purchases on the forward markets on a back-to-back basis, meaning Scholt Energy purchases on the forward market to secure supply that matches the volume and duration of supply agreements that Scholt Energy has entered into with customers. On the forward market, prices are fixed based on gas prices, CO₂ prices, coal prices and speculation. Scholt Energy facilitates 100% of electricity or gas in any year in which a customer purchases any electricity or gas forward. Scholt Energy applies a back-to-back hedging strategy, which eliminates energy risk. Forward buy advice is based on market analysis. Volumes not purchased forward are purchased on the historically favourable spot market. Scholt Energy is able to purchase energy five years ahead and can therefore contract customers to which it will supply energy in future years.

On the spot market, electricity and gas is traded on an international 'day-ahead' market for next day delivery. On the spot market, prices float based on supply and demand. Over the 2007-2020 period, electricity pricing on the spot market has on average been 12% lower than the unweighted average pricing on the forward market in the three years prior to delivery. The increasing share of renewable energy sources available on the European energy markets, including wind, solar and hydro, compared to other energy sources, such as nuclear, coal power and gas, leads to higher volatility of energy supply and therefore of energy prices. Scholt Energy takes into account these historical trends when advising its customers on its energy supply portfolio.

Pricing Model

Scholt Energy charges customers a fixed fee per supplied volume of electricity or gas, as a 'Market Access and Energy Supply service fee'. This fee is fixed per volume and not impacted by the sourcing strategy of the customer, hence it is independent from purchasing on forward or spot markets and independent from wholesale market price levels. This pricing model ensures that Scholt Energy's results depend on supplied energy volumes, while not being impacted by wholesale energy market price levels. This fee model aims to fully align incentives between Scholt Energy and its customers. In addition, Scholt Energy has increased control over its financial performance,

as the supplied energy volumes are dependent on its (internal) sales team, while its financial performance is not impacted by (external) wholesale energy price fluctuations, which are driven by fuel prices, political decisions, speculation and weather conditions.

The customer's Market Access and Energy Supply service fee is based on its contracted energy volume. The lower the contracted energy volume, the higher the service fee charged, and when the contracted energy volume grows, the service fee per volume declines. Volume graduations with associated fees are determined by sales management, which in each market consists of the national sales manager in consultation with the CCO. Sales management evaluates the graduated levels and fees annually and adjusts them where necessary.

Green Energy and Guarantees of Origin

Additionally, Scholt Energy offers customers through its Market Access and Energy Supply proposition the optionality to use green electricity or gas, by buying Guarantees of Origin. Scholt Energy stimulates the use of renewable energy by offering (i) green energy certificates in all countries where it operates, (ii) custom certificates from specific renewable sources called 'GroenOpMaat' and (iii) a peer2peer solution where the customer can claim both the green certificates and the produced renewable energy from a specific source. Scholt Energy promotes its renewable energy offerings as a standardised option in the supply agreements, supported by periodic marketing campaigns. Scholt Energy currently provides its customers with several renewable energy options, ranging from a European mix of sustainable sources to a 100% Dutch wind energy source, and to energy sourced from a specifically selected sustainable project. This adoption of renewable energy consumption by Scholt Energy's customers is a result of a mix of internal and external factors, including customers own preferences and European and national legislation that encourages the use of green energy. This results in a current mix of approximately 90% conventional and 10% renewable electricity supply over all countries in which Scholt Energy operates. Scholt Energy experiences an increasing appetite among its customers for renewable energy now legal obligations and end-customer expectations towards "going green" increase.

Scholt Energy facilitates the purchase of those certificates and administrative processes with certifications authorities. Scholt Energy uses a fixed-fee model per energy volume for green energy and Guarantees of Origin, which is charged on top of the market price charged for the Guarantees of Origin (also referred to as green energy certificates).

Market Access and Energy Supply: Advice to Customers

Scholt Energy advises its customers in their energy procurement strategy. By profiting from favourable purchasing moments on the forward market, customers can benefit from low energy prices going forward by fixing their future energy commitments.

In an effort to identify such favourable purchasing moments, Scholt Energy's analysts continuously monitor energy market price developments via various proven analyses and prepare fixation recommendations fitting market circumstances. Scholt Energy's analysts use the Bollinger Bands and regression analysis, among other tools, in order to monitor pricing developments in the market. Customers determine whether to follow the advice and subsequently fix part of their future energy demand. This fixation process is fully automated. If the advice moves into a subsequent year that is outside of a customer's contract with Scholt Energy, and the customer decides to purchase energy in a period beyond the existing contract, the customer's contract with Scholt Energy is extended automatically. Scholt Energy's procurement advice is part of the Market Access and Energy Supply proposition, and has no additional fees for customers aside from the fixed Market Access and Energy Supply service fee. This advisory service enables customers with no internal energy market knowledge to benefit from the expertise of experienced energy analysts employed by Scholt Energy.

Scholt Energy also proactively advises customers on possible savings of network costs and energy tax as part of the standard fixed service fee for Market Access and Energy Supply.

Energy Transition Services

Scholt Energy supports its customers through the energy transition with various services. While Scholt Energy has offered these services since 2015, they are still a growing area of Scholt Energy's offering. In the six months ended 30 June 2021 and the year ended 31 December 2020, Energy Transition Services Gross Margin represented €1.1 million and €0.4 million, respectively, which was 2.5% and 4.0%, respectively, of Scholt Energy's Gross Margin, which was €16.6 million and €27.9 million, respectively, during those same periods. The solutions in relation to Energy Transition Services are segmented into solar, flexibility, EV and energy savings.

Solar

Scholt Energy offers "Solar Project Management" and "Solar Asset Management".

Through Solar Project Management, Scholt Energy manages the complete solar implementation project for a customer through its in-house specialists. The project management starts from the design phase onwards to the subsidy application, tendering process and supervising the realisation. In this regard, Scholt Energy does not operate as an installation company, but solely oversees the project management. Solar Project Management's earnings model is a contractual (one-off) fixed fee that is determined on a case-by-case basis.

Through Solar Asset Management, Scholt Energy additionally monitors the operational PV-installation and validation of EPC-contracts, the business case and correspondence according the subsidy in the subsequent years. The Solar Asset Management earnings model is a multi-year contract pursuant to which a contractual (annual) fixed fee is paid. The average duration of Scholt Energy's asset management contracts is currently approximately 8.6 years.

Flexibility

Scholt Energy acts as a balancing service provider (BSP) and offers flexibility solutions amid the changing energy mix to address the imbalances in supply and demand. Scholt Energy is able to fulfil this role through its Market Access and Energy Supply and by meeting strict qualifications from grid operators.

As a BSP, Scholt Energy can offer the customers flexibility in their energy supply, which can be offered through various solutions, and provide this to the grid operators to cover any imbalance in grid supply and demand. As a BSP, Scholt Energy has the ambition to manage the future renewable decentralised energy grid.

Scholt Energy offers flexibility through various solutions:

- *Storage:* Batteries are used to constantly balance the electricity grid on 50 Hertz. Batteries store energy when there is a surplus of electricity generated and supply electricity to the grid when there is a shortage. Through its storage solutions, Scholt Energy monitors and manages the flexibility of battery storage through a multi-year contract in return for a fixed management fee and a result-based profit sharing mechanism. Scholt Energy currently has the largest number of individual batteries on the Dutch frequency containment reserves (**FCR**) market which is fully automated.
- *Demand response:* This solution increases or reduces customers' demand for electricity in a controllable electrical process. Through this process, a customer temporarily consumes more or less energy, without its operations being adversely affected. By shifting demand or consumption of electricity by the customer, the process contributes to balancing the market. Grid operators offer a fee for flexibility offered and deployed on the market. Scholt Energy manages the demand response flexibility deployment in return for a profit sharing mechanism, potentially in combination with a fixed management fee.
- *Curtailment:* This solution manages the production of energy at a customer's wind- or solar farm. By switching production off during a surplus of electricity or turning production on during a shortage of electricity, the energy market can be balanced and customers' revenues can be optimised through

additional revenues through flexibility earnings. Scholt Energy is mandated to manage the flexibility of energy production at the wind- and solar farms in return for a profit sharing mechanism, potentially in combination with a fixed management fee.

- The average duration of Scholt Energy's flexibility contracts is currently approximately 5.8 years.

Electric vehicles (EVs)

Scholt Energy offers EV chargers (together with a partner), manages customers' trading renewable energy units (*hernieuwbare brandstofeenheden*) (**HBEs**) that arise from renewable energy vehicle usage and offers solutions for smart charging.

- *EV chargers:* Scholt Energy offers advice about the amount and type of EV chargers, depending on the customers' desires and the technical (im)possibilities. EV charging influences the volume of electricity a customer uses and the possibilities depend on grid connection capacity. Scholt Energy partners with an EV charging station supplier for the implementation of the EV chargers. Scholt Energy receives a commission from the charging station supplier in return for the partnership. The EV charging solution is perceived as a complementary service offering in the energy partner proposition of Scholt Energy to its customers.
- *Trading of HBEs:* HBEs are the certificates provided by local compliance systems in the Netherlands, in return for transportation based on renewable energy sources. Through operating EV chargers, customers can apply for these HBE certificates. The HBEs obtained can subsequently be traded on exchanges, where other parties procure these certificates to lower their carbon footprint. Scholt Energy takes care of the administrative process and the trading of HBEs. The market price of HBEs is volatile and therefore the timing of sales is crucial. Scholt Energy uses its market analysts to determine the sales moments. HBEs earnings model is a profit share of the realised market revenue. The average duration of Scholt Energy's HBE contracts is currently approximately 4.7 years.
- *Smart charging:* Because of the increasing volatility on the energy markets and the need for flexibility, it is crucial to use a charging strategy that takes into account the energy prices and availability of electricity. By using smart charging strategies, customers can significantly save on charging costs and at the same time contribute to grid stability. Smart charging is a business development area for Scholt Energy to be test with customers in a pilot before implementing and Scholt Energy expects the earnings model to be a profit share of the savings realised through smart charging.

Energy savings

Scholt Energy gives customers insight into their energy consumption and savings opportunities to meet sustainable goals and obligations. This includes a consumption scan, advice on LED lighting and other energy saving lighting options and energy monitoring. Together with a specialist energy savings partner, a customer's energy needs and obligations are examined and a tailor-made proposal for its energy savings potential is made.

Scholt Energy's energy savings' earnings model consists of a commission fee from the specialist partner. Scholt Energy perceives the energy savings proposition as a complementary service offering, to complete its Energy Transition Services offering.

The Energy Transition Services are monitored and further developed by Scholt Energy's innovation director, business manager and team, to ensure that Scholt Energy can meet the rapidly changing customer and market demands following from technical developments due to the energy transition. New solutions are frequently developed and tested in defined pilots before being more broadly launched.

Energy Transition Services Illustrative Recent Projects

The following projects are examples chosen to give an impression of the type of work carried out by Scholt Energy, rather than based on their size in terms of revenue generation or profit contribution. The projects show Scholt Energy's approach to the energy transition, consisting of (i) development of energy transition products based on customer needs or market opportunities, (ii) in-house design, development, sale and delivery of energy transition projects and (iii) internal expertise driving fast route-to-market for new propositions.

- *Scholt Energy, Valkenswaard (the Netherlands):* As a showcase and for learning purposes, Scholt Energy combined its Energy Transition Services and applied them to its headquarters in Valkenswaard. At its headquarters, solar panels feed a battery storage system that is connected to the EV charging poles.
- *Cars Jeans Stadium, The Hague (the Netherlands) – Energy Smart Grid consisting of EV, Solar and Flexibility solutions.* The energy smart grid at Cars Jeans Stadium is a joint undertaking between Scholt Energy, network operator Stedin and Alfen. Since its completion in 2018, Scholt Energy has been responsible for its daily monitoring. The energy smart grid has been developed for research purposes, is ready for operation in line with the Universal Smart Energy Framework (USEF) and consists of three types of parts: (i) a smart grid of solar panels, (ii) battery storage and (iii) vehicle charging stations. The charging hub is able to connect directly to the energy storage system and to Stedin's electricity grid, and is equipped with an advanced load-balancing platform to maximise the utilisation of the existing grid connection.
- *Van der Valk Hotel/Lidl, Nijmegen (the Netherlands) – Flexibility.* Scholt Energy created the first ever Dutch flexibility markets in 2019. The flexibility market was piloted in the area of Nijmegen-Noord because of its energy supply shortages. In order to address these shortages, Scholt Energy entered into an agreement with the distribution center of Lidl, the Van der Valk Nijmegen-Lent hotel and network operator Liander. Van der Valk hotel can have its heat-cold storage installation controlled via a smart system, so flexibility is created. When there is a high-energy consumption in Nijmegen-Noord, the Van der Valk hotel first uses the stored energy from their heat pumps, with which heated water is pumped from the ground for heating the Van der Valk hotel and the hot water supply. At times when the electricity demand peaks, the Van der Valk hotel switches to a buffer from the thermal storage system and, in extreme cases, to gas, so that the load on the electricity network is relieved. Lidl agreed to switch to a lower capacity for its refrigeration and freezer systems and the Lidl battery starts to feed electricity into the grid. These switching moments are fully automated using smart algorithms and software. Scholt Energy coordinates this entire process.
- *Pluimveehouderij Jan van Elp, Staphorst (the Netherlands) – Flexibility – Energy Storage.* In 2020, Scholt Energy completed the creation of the first Dutch leased large-scale energy storage system (1MW/1MWh) commissioned by metering company Fudura. The energy storage system is created from old electric car batteries. For the energy storage system, 6,600 kilograms of batteries were used, which corresponds to almost 20 EVs. By reusing these batteries instead of recycling them, they are utilised in a more sustainable way, thereby contributing to the energy transition for a longer period of time. The energy storage system with a capacity of 500 kWh provides flexibility services to the grid operator and will at the same time be used for peak shaving of solar energy that is generated on the site. This project was jointly undertaken by Time Shift, Fudura and Scholt Energy. Where Time Shift supplies the storage system and Fudura provides the service, maintenance and management, Scholt Energy takes care of the trade on the energy markets to optimise the customers' revenues and contribute to grid balancing. By storing excess solar energy, this energy can be used locally in the evening or during the night without overloading the grid (peak shaving). In the Netherlands, this is the first battery system where a rental model has been applied. Because a fixed monthly fee is used, the user does not have to make a large investment.
- *VDL Weweler, Apeldoorn (the Netherlands) – Flexibility - Demand Response.* Scholt Energy has innovated methods to create sustainable demand management in the electricity market. One way in which

Scholt Energy has done this, is through the use of salt baths at VDL Weweler. VDL Weweler, who produces components for the truck, trailer and commercial vehicle market in Apeldoorn, has a thermal salt bath for metalworking in its factory. Scholt Energy provides demand management for this process with its access to specific energy trading markets. The salt bath is linked by software to the emergency power market of the national grid operator in the Netherlands. Whenever supply and demand in the electricity network are in danger of becoming unbalanced, a control signal is sent. Scholt Energy then ensures that the salt bath automatically consumes more (in the event of an oversupply) or less (in the event of a shortage) electricity. Scholt Energy's systems also monitor the available capacity and ultimately settle the cost. Scholt Energy receives a profit share of the compensation the customer receives from the transmission service operator.

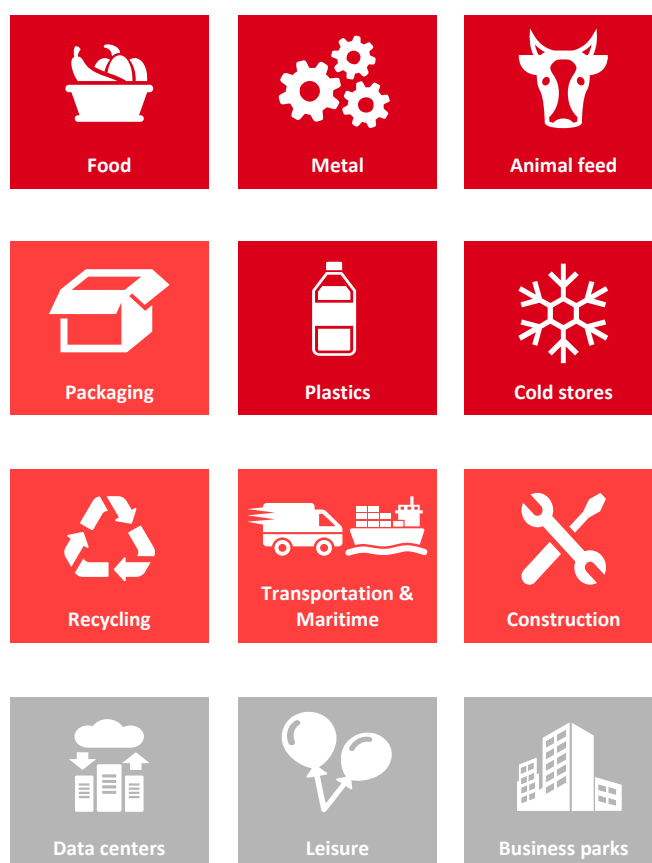
- *CEVA Logistics, the Netherlands and Belgium – Green Certificates and Guarantees of Origin.* With its 'Groen op Maat' (tailor-made energy) product, Scholt Energy has linked CEVA Logistics' own production of wind and solar energy to its purchase locations through Guarantees of Origin. For each sustainably produced MWh of energy, a digital Guarantee of Origin will be issued based on European regulation. Scholt Energy takes care of the administration of the Guarantees of Origin generated by CEVA Logistics. Scholt Energy buys the Guarantees of Origin that come from the wind and solar energy production by CEVA Logistics, and matches these with CEVA Logistics' electricity consumption. The entire electricity consumption of CEVA Logistics is covered by its self-generated Guarantees of Origin. There is also a strong focus on energy saving, for example by using LED lighting.
- *Dijkstaal Holding, Maassluis (the Netherlands) – Solar and Solar Asset Management.* Companies do not have to purchase energy from Scholt Energy to use its Energy Transition Services. For example, Dijkstaal Holding reached out to Scholt Energy to realise its sustainable ambition for solar panels. Dijkstaal Holding is a specialist in steel construction. Scholt Energy provided project management services to Dijkstaal Holding in its implementation of 748 solar panels in January 2021. In doing so, Dijkstaal Holding is able to fully generate its own energy demand by means of solar energy. In addition, Scholt Energy provides Solar Asset Management as aftercare for the solar project. Scholt Energy takes care of the monitoring, validation and correspondence of all matters concerning the solar project, providing an ongoing source of revenue to Scholt Energy.

Customers

Scholt Energy has longstanding relationships with a loyal customer base, primarily from the mid to large corporate segment (i.e. companies with a monthly energy bill over €1,000), in the Netherlands, Belgium, Germany and Austria, which has generated stable income through the supply of energy through the Market Access and Energy Supply segment and provides it with a large pool of customers to offer Energy Transition Services and to facilitate further innovation and expansion of services.

Scholt Energy's diversified customer base consisted of over 7,000 customers, spread over the Netherlands (71.6%, over 5,000 customers), Belgium (17.6%, over 1,250 customers) and Germany (10.7%, over 760 customers) as at 30 June 2021.

Scholt Energy's portfolio includes a wide variety of customers, including in the following sectors:



Scholt Energy has existing customer relationships with a large number of customers in its key markets, with a selection of its existing customers reflected below. The number of customers shown per country are not an indication of the scope of Scholt Energy's operations or revenue generation in such country:

Country	Select Customers
Netherlands	Albert Heijn franchisers, DAF, De Heus Animal Nutrition, Fastned, Hunter Douglas, Plukon, Prysmian Group, Van der Valk, VDL Groep, Vitol, Wereldhave. Keter
Belgium	BelOrta, Brabantia, Delhaize, Katoen Natie, Profel, Renson, Willy Naessens Group
Germany	Hubert Tempelmann, ForFarmers, OSI Group, Poggenpohl, Siepmann, TanQuid, Toyota, Villeroy & Boch, Schutz, Knorr-Bremse

Suppliers

Energy Suppliers and Sourcing Partners

Scholt Energy has a wide group of sourcing partners for entering into forward positions in the energy market. This multiple partner strategy gives Scholt Energy the highest certainty that it can trade forward positions at any time, at competitive market prices in all of Scholt Energy's markets. Collaboration with sourcing partners is typically

based on an EFET (European Federation of Energy Traders) agreement containing standardised conditions, which conditions have in the past been satisfactory to Scholt Energy. In addition to sourcing partners, Scholt Energy can buy directly via exchanges, both on the spot market and the forward market.

Energy Transition Services

To unlock flexibility and offer it to the market, Scholt Energy works together with trusted software and hardware partners that are able to cope with country specific conditions and often bespoke industrial set-ups. Proven expertise with regards to the scale and complexity of industrial situations has also been a key factor in selecting partners that provide EV and savings solutions for Scholt Energy customers. Regarding solar, Scholt Energy preserves independence towards the multitude of available suppliers to guarantee the best fit with the customer.

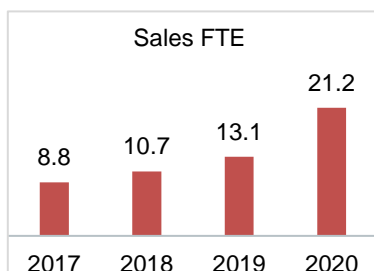
IT suppliers

Scholt Energy seeks durable and close co-operation with IT suppliers, resulting in ongoing partnerships, with certain of Scholt Energy's relationships lasting over 12 years. Preferred IT suppliers cover multiple countries to simplify IT management and benefit from economies of scale. During IT partner selection Scholt Energy aims at outsourcing generic technical tasks in order to focus on value adding functionality.

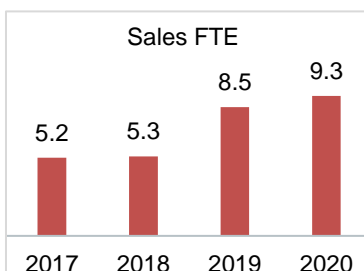
Sales

Scholt Energy has its own local sales organisations in the Netherlands, Belgium, Germany and Austria. Below is an overview of the growth in sales FTEs from 2017 to 2020 for the Netherlands, Belgium and Germany:

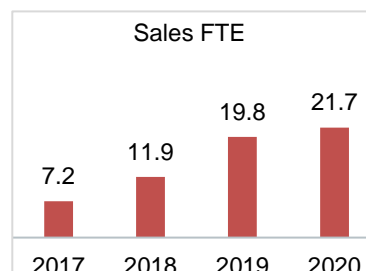
The Netherlands



Belgium



Germany



Scholt Energy has 68 FTE in its sales department as at 30 June 2021.

Scholt Energy places an emphasis on the entire buyer and customer journey and does this through direct customer contact, with frequent interaction.

Initial Customer Contact and Customer Prospect Phase

Prospective customers may be found through customer referrals, direct contact from the customer, referrals from partners or other third parties or through cold calling. Customer engagement in the buyer journey typically starts with a personal visit (or video conference calls during the COVID-19 pandemic) to introduce Scholt Energy and its working method.

Customer Onboarding

After meeting with the customer, Scholt Energy presents an offer to the customer, based on the customer's specific energy needs, which includes Scholt Energy's fixed Market Access and Energy Supply service fee reflecting the volume of energy to be supplied. Once a customer signs a contract for the provision of energy through Market Access and Energy Supply or for Energy Transition Services, the customer journey starts.

Customer Engagement

Via the personal account manager, customer service department or online tools, the customer is proactively informed of the latest energy market developments and related purchase advice, detailed insights into the customer's consumption, savings options regarding energy tax and network costs or interesting Energy Transition Service solutions. Scholt Energy typically remains in frequent dialogue with its customers through weekly online updates, regular direct contact by the account manager and annual on-site customer visits. Through Scholt Energy's internally developed customer service platform, the customer additionally has the opportunity to continuously adjust its energy demand. The overall aim of Scholt Energy's customer approach is to completely unburden the customer in respect of its energy needs.

Scholt Energy's sales-oriented and high customer service approach has historically resulted in an above average NPS and sales by referral. Scholt Energy sells its services under the Scholt Energy brand. Marketing materials are available in multiple languages to support the internationalisation of Scholt Energy's sales efforts. Scholt Energy also generates media exposure through its own press releases and news items that are published on its website and through social media. This also allows Scholt Energy to publicise the projects it implements for large customers, which can lead to new customers or projects with existing customers seeking similar solutions.

In-house Sales, Customer Applications and Fixation Process

Scholt Energy's account managers and other sales team members use in-house developed, proprietary sales and customer applications, while additionally having access to digital marketing and product presentations developed and maintained by the in-house marketing department. These tools and solutions allow account managers to easily explain the complexity of the energy markets to customers and lead to more consistent advice of Scholt Energy to its customers.

Scholt Energy's in-house developed proprietary customer focused IT-tooling supports its high-service and sales-oriented approach. Customers have the opportunity to buy (fix) parts of their yearly future energy need in just a few clicks through a fully automated digital process. This process is initiated by Scholt Energy's market analysts, who identify attractive fixation moments based on futures market developments and statistical analyses. When such a moment is identified by the market analysts and is confirmed by the management team, Scholt Energy's fully automated digital system can automatically generate an advice regarding the energy amounts to be fixed for each specific customer, based on pre-agreed customer needs and already fixed volumes for a specific period. Customers are automatically informed about the advised fixation by e-mail, while they have access to a portal in which they can see the specific details (price, volume, product) of the fixation offer. Customers can select to digitally approve the offer, or to contact the account manager or customer service department to adjust the offer, matching the customers' needs.

The fixation process consists of the following steps:

- ***Continuous monitoring:*** Scholt Energy market analysts continually monitor price developments via proven analyses in the energy and other relevant markets;
- ***Fixation advice:*** well-founded purchasing advice on selected moments by market analysts is communicated to customers through email by the personal account manager;
- ***Customer confirmation:*** online or through direct contact with their account managers, customers can elect to approve the proposed fixation advice;
- ***Price fixation:*** typically before 9:30am CET on the agreed day, customers must approve the purchase with the market prices of that day;
- ***Fixation confirmation:*** after approval, customer receives confirmation email;

- **Automatic renewal:** customers automatically extend their contract when purchasing in a new year;
- **Energy is bought:** Scholt Energy's sourcing department receives the approved volume of future energy sought and contracted with the customer and purchases the equivalent amount in the forward market, hedging the supply through these back-to-back transactions. Customer energy required that is not fixed by the customer will be bought on the day-ahead market.

After completion of the fixation, the customer has insight in the total amount of fixed volumes and prices in their personal Scholt Online portal. In the Scholt Online portal, the customer has a complete overview of fixed energy volumes, prices and products. The full fixation process is supported by an internally developed and maintained IT-portal.

Customer Service

If customers encounter any energy related issues, the customer service department is the first point of contact. From setting up administration before supply starts in a customer onboarding process, performing a complete energy savings check to any other energy matters a customer has to deal with, the customer service energy specialists are directly available. The department therefore is fully supported by a tailor-made customer relationship management (**CRM**) system. This CRM system makes all relevant customer data easily accessible and is highly automated for specific energy market processes that proactively support customer-related matters. For example, a yearly savings check is automatically initiated by the CRM system and executed via a tailor-made customer portal in which a customer can select savings options and upload necessary documents. The customer service department also has a broad network of connections with network operators, measurement service parties and energy transition service partners and therefore plays a central role in coordinating customers' energy matters.

Incentive Remuneration for Employees

As Scholt Energy's business and Gross Margin is largely driven by the volume of sales obtained from customers, the incentives for employees are linked to the performance targets of the respective Scholt Energy group company.

Scholt Energy has two bonus systems in place to incentivise its employees. There is a contractually agreed annual bonus for non-sales employees and there is a dynamic bonus system for employees working in sales (which differentiates on the basis of employees' function: account managers, regional managers, sales managers or energy services specialists). The sales team of Scholt Energy is incentivised through the "Dynamic Bonus System" (**DBS**). Through the DBS, a sales team member receives a bonus related to the personally contracted Gross Margin, from both new business and renewals, in that year.⁷² Scholt Energy's CRM system tracks and monitors the performance of sales employees. By structuring the DBS on Gross Margin, there is alignment of incentives between Scholt Energy and its sales staff.

All non-sales employees can earn a contractually agreed bonus at the end of the year based on their personal performance measured by established performance and competence indicators.

With these two bonus systems, the objective of Scholt Energy and its employees is the same. Resulting in maximum personal performance, customer satisfaction and growth of Scholt Energy. Scholt Energy believes the bonus amounts its employees are eligible to receive are generally competitive with those offered by others in the market.

Employee Development

In addition to a good fixed salary and attractive bonus incentives, Scholt Energy offers its employees a clear growth path in terms of base salary. To attract the right persons, Scholt Energy's HR department works closely

⁷² In Belgium, Scholt Energy grants bonuses in the form of bank warrants issued by a financial institution to its employees, up to a certain amount, after which it is paid out in cash. The employee will then resell the warrants at market price. In comparison with a bonus paid in cash, a bonus granted in the form of warrants benefits from favourable social security treatment.

together with a number of selected recruitment agencies that are aware of Scholt Energy's business model and DNA. Job interviews are conducted by recruitment employees of Scholt Energy in a first stage and by the manager of the respective department in a second stage.

Scholt Energy mainly attracts graduates for its sales team. Those selected then undergo a four step development plan: (1) learn the basics, (2) business phase, (3) specialisation phase and (4) continued development. In the 'learn the basics' phase, new sales employees start with a week-long introduction explaining the overall history, strategy and structure of Scholt Energy. This introductory training is tailor made per country and hosted by experienced colleagues in order to impart company culture and answer questions as they come up. In the business phase, new sales employees start in the "Scholt Sales Academy", which takes one month. In this first month the sales employees learn the basics of the energy market, the Scholt Energy products, how to perform cold calling and how to present Scholt Energy's sales pitch. The sales manager is in charge.

After completion of the Scholt Sales Academy, the sales employees enter the specialisation phase where they begin to put the theory learned into practice. At this stage, most employees develop a specialty on top of basic function (e.g. energy taxes, data reporting, country legislation or complex situations for large customers). The sales employees are gradually guided to become self-reliant with the help of the regional manager and experienced sales colleagues during a period of six to 12 months. Evaluations take place after one month, three months and seven months. Finally, the sales employees enter the continued development phase, where they are subject to an educational policy designed to facilitate personal development for every staff member.

While every sales employee will begin to contribute to Gross Margin from the point they begin their sales efforts (which typically begins after about one month after their start date once they have completed their initial training through Scholt Sales Academy), the results of this contribution are typically not evident until future financial periods since sales contracts for energy supply typically begin from 1 January in any given year, as described in *"Operating and Financial Review—Key Factors Affecting the Group's Results of Operations—Contracted energy volume amounts and contracted Energy Transition Services"* and for further information about sales employees' historical contributions to Gross Margin and Adjusted EBITA.

Property, Plant and Equipment

The following table lists the principal properties of Scholt Energy as of the date of this document.

<u>Name and Location</u>	<u>Type of Facility</u>	<u>Tenure</u>	<u>Lease Expiry</u>	<u>Approximately floor area (square feet)</u>
Group Head Office, Valkenswaard, Netherlands	Office	Leased	31-12-2025	1,700
Sales Office, Nieuwegein, Netherlands	Office	Leased	31-12-2021	150
Sales Office, Apeldoorn, Netherlands	Office	Leased	30-06-2022	130
Belgian Office, Waregem, Belgium	Office	Leased	10-1-2023	190
German Office, Ratingen, Germany	Office	Leased	31-03-2026	335
German Office, Stuttgart, Germany	Office	Leased	indefinite	80
Battery storage unit, The Hague, Netherlands	Battery storage	Owned	N/A	28

Joint Ventures

Since 2016, SEC participates in the joint ventures C-Wind B.V. and V-Storage B.V. C-Wind is active in the field of storage of wind-energy and was the first battery/wind combination in the Netherlands. C-wind also represents a fully automated optimisation of wind energy production based on actual market prices. With respect to V-Storage, it supplies power through battery storage solutions, with the aim of developing solutions utilising second-life batteries. This is done by combining a group of batteries to form a larger battery system for energy storage. On 24 April 2017, the first V-Storage battery system was put into services at the VDL ETG site in Eindhoven. This system in the Netherlands supplies operating reserve to network operator TenneT. Scholt Energy manages the system's energy trading and monitoring.

Employees, Pensions and Collective Labour

Employees

The number of employees at the end of each period by geography are presented below.

	<u>Year ended 31 December</u>			<u>Six months ended 30 June</u>	
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2020</u>	<u>2021</u>
Netherlands	88	92	108	97	107
Belgium	9	11	15	12	16
Germany	17	24	24	28	32
Austria	-	-	-	-	1
Group Total	114	127	147	137	156

Scholt Energy has a relatively experienced staff, despite having a low average age and rapid staff growth over the last two years. Over the last ten years, the Group's average number of FTEs retained from 2011 through 2020 was

89% (calculated by the number of FTEs at the end of the year minus the new hires during the year over the number of employees at the beginning of the year).

Pensions

Scholt Energy has company-level defined contribution pension schemes in place for all its employees in the Netherlands and Belgium and facilitates an employee paid scheme in Germany. The defined contribution pension scheme in the Netherlands is administered by Rabo PGGM PPI, in Belgium by Baloise and in Germany by Allianz (18 employees as at 30 June 2021) and DEBEKA (1 employee on 30 June 2021).

A defined contribution scheme is a pension scheme under which fixed contributions are paid to the pension provider. The liability of Scholt Energy is limited to payment of the fixed contributions for old-age pension and administration costs. The benefits are not pre-determined. The contributions are recognised as employee benefit expense when they are due.

The Netherlands

The defined contribution pension schemes provide for old-age pension and for partner's pension and orphan's pension on a risk-basis in case the employee dies before the retirement age. The defined contribution pension schemes do not provide for pension in case of occupational disability, but include a waiver of the obligation to pay premiums in case of occupational disability. The contribution for old-age pension is a percentage of the pension calculation basis (i.e. the pensionable salary minus social security offset), which percentage varies per age category. There is no mandatory employee contribution. The various Scholt Energy entities amended their defined contribution pension schemes in the Netherlands as per January 2015 and as per January 2018, and for SEC Topholding B.V. (which merged into the Company on 31 August 2021) per January 2021, and provided notice of the amendments to the participants in the defined contribution pension schemes.

Belgium

The defined contribution pension scheme provides for old-age pension and death-in-service payments on a risk-basis in case the employee dies whilst in service of Scholt Energy Control NV. The defined contribution pension scheme provides for continued pension build-up in case of occupational disability as well as maternity leave, whereby contributions paid by Scholt Energy Control NV are reimbursed by the insurance company (premium reimbursement). The defined contribution pension scheme further provides for the payment of an additional payment to participants in case of occupational disability (income guarantee).

The defined contribution pension scheme is financed solely through employer contributions that are dependent on the seniority (length of service) of the employee.

In accordance with Belgium occupational pensions law, Scholt Energy Control NV must – in respect of the defined contribution pension scheme that it operates – also guarantee a statutory minimum return on contributions paid into the defined contribution pension scheme. This means that Scholt Energy Control NV's defined contribution pension scheme does not formally meet the definition of a 'defined contributions plan' under IFRS, but the fair value of the obligation to comply with the statutory minimum return is calculated by an actuary and not material enough to accrue for in Scholt Energy's annual accounts.).

Germany

The defined contribution pension scheme (*Direktversicherung*) with Allianz provides for an old-age pension. The employees can choose between different pension concepts offered by Allianz, which differ in terms of the types of capital investments and therefore the risks. The defined contribution pension scheme does not provide for an additional pension in case of occupational disability. Contributions to the defined contribution pension scheme with Allianz and DEBEKA are paid by employees, whereas Scholt Energy Control GmbH pays to the employee a statutory contribution up to 15% by passing on the social security contributions saved.

Collective Labour Agreements

In the Netherlands, no collective labour agreement (**CLA**) applies to Scholt Energy. There is a non-generally binding CLA that applies for the energy sector in the Netherlands. However, Scholt Energy is not a member of the employers' associations that is party to this non-generally binding CLA. This CLA has also not been applied by Scholt Energy.

In Belgium, CLAs are agreed on different levels:

- **National level:** all employers fall within the scope of the CLAs entered into at the level of the National Works Council. Those CLAs automatically apply to Scholt Energy Control NV.
- **Sector level:** an employer falls within the scope of a Joint Committee (**JC**), which is a body established at industry level, composed of employee and employer representatives, that has, in particular, the task of negotiating employment terms and conditions applicable at the sector level based on its main activity. Scholt Energy Control NV falls within the scope of JC 326, being the JC for the gas and electricity industry. The CLAs entered into at the level of JC 326 are thus also applicable to Scholt Energy Control NV.
- **Company level:** an employer also has the possibility of drafting its own (company) CLAs. However, Scholt Energy Control NV did not enter into such company-level CLA.

There is no CLA applicable to Scholt Energy Control GmbH in Germany.

In Austria, the applicable CLA is determined by the trade licence held by the employer. Scholt Energy Control GmbH holds the trade license for "Commercial trades with the exception of regulated commercial trades and commercial agents". Therefore, the (sector-wide) CLA for white-collar workers in trade (*Kollektivvertrag für Handelsangestellte*) applies to all employees of Scholt Energy Control GmbH (regardless of whether the individual employee is a member of a trade union or not).

Environment, Health and Safety

Environmental

Due to the nature of Scholt Energy's operations, environmental regulations only have a limited impact on Scholt Energy's business. Scholt Energy's total energy consumption is limited as it only leases a small number of office spaces for performing its activities and does not own material property other than the battery storage unit in The Hague. Green electricity is used throughout the office buildings.

Scholt Energy leases two office buildings in the Netherlands: one office building is located in Valkenswaard and is being used as Scholt Energy's headquarters and the other office building is located in Nieuwegein and is being used by Scholt Energy's sales team.

In close consultation with the owner of the office building in Valkenswaard, PWO35 B.V., a subsidiary of Scholt Group B.V., Scholt Energy has set up a smart grid consisting of a solar plant, an energy storage system, an EV charging point and an energy monitoring system. Scholt Energy prepared and submitted an energy audit in December 2020.

Scholt Energy owns a battery storage unit located in The Hague. An integrated environmental building permit was issued for this installation. Also, a right of leasehold was granted by the municipality of The Hague, being the owner of the plots of land where the battery storage unit is located. Although the battery storage unit is located near the Cars Jeans Stadium in The Hague, the unit operates as a stand-alone unit. Except for using the grid connection of the Cars Jeans Stadium (for which a cooperation agreement is in place), there are no technical or functional connections between the battery storage unit and the Cars Jeans Stadium.

Scholt Energy's employees driving a company car are encouraged to exchange their current company car to a battery EV. As at 30 June 2021, Scholt Energy had 17 EVs in its fleet of 78 vehicles.

Health & Safety

Scholt Energy monitors the employment conditions in its offices in the countries where it operates. Scholt performed hazard identification and risk assessment in the different offices and has an action plans in place to further improve the safety in these offices. In addition, there are trained "Emergency Response Officers" in all of Scholt Energy's offices (except for Stuttgart and Nieuwegein).

For specific projects in the field of the Energy Transition Services, a limited number of employees access the premises of customers. These employees possess a "Safety, Health and Environment Checklist Contractors"-certificate (*VCA-certificaat*), which is a market standard for health and safety issues training for Solar and Flexibility - Storage.

Information Technology

Scholt Energy manages to maintain a flexible yet robust IT-landscape, where front-end solutions are custom made by in-house departments and back-end solutions rely on proven applications provided by trusted partners. Through this IT set-up, Scholt Energy is able to cope with the rapidly changing customer demands as well as adapting to periodic changes in the market models in all countries in which Scholt Energy operates. Scholt Energy's customer interaction solutions are able to handle country specific matters to ensure high-level customer communication over all countries while remaining cost efficient.

Data from both front-end and back-end applications is accessible within the in-house developed Business Intelligence (**BI**) framework in order to produce solid management reports. Scholt Energy's BI framework is focussed on periodic reporting to the sales, finance and billing departments, but is also capable of ad-hoc reporting in specific cases.

The following table presents an overview of Scholt Energy's primary IT-systems by purpose (customer interaction, front end, back end) and reflects whether Scholt Energy utilises custom, off-the-shelf (standardised), hybrid (standardised with custom features) or outsourced solutions:

Tier	Domain	Netherlands	Belgium	Germany	Austria
Customer interaction.....	Customer portal	Custom solution			
	Sales	Custom solution			
Front End.....	Sales support	Custom solution			
	Customer Service				
Back End	Contract Management	Standardised with custom features		Standardised with custom features	
	Market Interaction			Processes outsourced	
	Billing				
	Finance	Standardized			
	Balancing	Standardised with custom features			
	Sourcing	Standardised with custom features			

Business Intelligence

Data centres and resilience

In order to focus on customers, handle data traffic volatility and limit the requirement of scarce IT-resources, Scholt Energy adapted a cloud/SaaS first strategy. This means that the responsibility of hosting key applications is granted to specialised partners operating across multiple regions. Scholt Energy uses Microsoft Azure for its cloud-based data centres. However, Scholt Energy ensures its control over both access and data ownership.

Due to time critical processes like energy supply forecasting, nominating and trading energy on the market, the IT-infrastructure and policies of Scholt Energy focus on system availability and data integrity. Systems and processes are covered with back-up staff and integrated in the "ICT disaster recovery plan", with mission critical data being backed up every hour and stored externally for 30 days. As a result, Scholt Energy expects to be able to access critical data in case of any failures.

Data Security

Scholt Energy seeks to comply with all laws, legislations and best practices regarding data security, including data encryption, multi-factor authentication and data back-up policies. Data processing agreements have been signed with all relevant partners and internal data security campaigns are periodically performed to raise awareness for phishing mail, ransomware and hacking.

Additionally, Scholt Energy seeks to use customer data responsibly and has established clear guidelines in connection with data collection, storage and processing. Data is stored securely in line with the legal frameworks of the relevant jurisdiction, with appropriate controls and regular audits. Scholt Energy is transparent about its use of data in its privacy policy and other notifications that it provides to customers as necessary.

Legal and Arbitration Proceedings

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Scholt Energy is aware), during a period covering the previous 12 months that may have or have had in recent past significant effects on Scholt Energy's financial position or profitability.

Insurance

The principal risks covered by Scholt Energy's insurance policies relate to general liability, corporate liability, property damage, business interruption, employees, industrial accidents, product and public liability, and certain other claims consistent with customary practice for the type of businesses Scholt Energy operates. Scholt Energy has undertaken a cost-risk analysis and determined not to insure certain aspects of the business, including cybersecurity, advisory activities in general and mark-to-market risks with respect to forward energy contracts. In the Netherlands, with respect to long-term disability coverage, Scholt Energy determined to be own-risk bearer for the Sickness Benefit Act and the Return to Work (Partially Disabled Persons) Regulations and did not insure any possible costs following from being an own-risk bearer. Scholt Energy believes that its insurance coverage, including the excesses set, maximum coverage amounts and terms and conditions of the policies, are standard for Scholt Energy's industry and are appropriate.

Scholt Energy also has a credit insurance policy that covers 95% of Scholt Energy's credit default losses, except in the cases of any credit default losses on Scholt Energy's forward contracts and except in cases of customers rejected by the insurer but nevertheless accepted as customers by the Company. Scholt Energy's credit insurance has a maximum cover per year equal to the higher of (a) €9,425,000 and (b) 50 times the insurance premium paid in that calendar year. Scholt Energy's credit insurance covers customer credit defaults for services already rendered that are unpaid, as well as the volume of energy that the customer was contracted to be supplied under forward contracts through the energy cut-off period (which cut-off period is driven by local regulatory law and is typically two weeks to a month from the time the notice to cut off the supply of energy is made). Scholt Energy's current credit insurance policy expires at the end of 2023. In practice, Scholt Energy starts discussions on prolongation of the credit insurance policy approximately six months before expiry. See "*Risk Factors—Risks Relating to Scholt*

Energy's Business and Industry—Scholt Energy's credit insurance may be insufficient to protect against losses incurred or costly to renew." for additional information.

Intellectual Property

Scholt Energy owns registrations for various trademarks and domain names. The most important trademarks relate to "SCHOLT", as this name is currently used by Scholt Energy's operating companies. The word "SCHOLT" is protected in the Benelux and in the EU. A trademark registration must be renewed – for the Benelux and EU every ten years – in order to avoid the lapse of the trademark registration. Also, it is possible that third parties try to cancel one of the Scholt Energy's trademark registrations.

The Scholt-logo has also been registered as figurative trademark in the EU. In 2019, the logo, brand story and corporate identity were restyled. The new brand name "Scholt Energy" has been used in communication.

As Scholt Energy's trademarks and trade names contain the family name of the founder, Mr J.C. Scholt, which family name is also used by companies affiliated to Mr J.C. Scholt, Scholt Energy licensed back certain trademarks and trade names. According to an intellectual property transfer and license agreement dated 7 October 2016, Scholt Energy has granted Scholt Group B.V., Mr J.C. Scholt, SMS82 Beheer B.V. and SJS85 Beheer B.V. (being the former owners of the trademarks), and their respective affiliates (together: the **Licensees**), a worldwide royalty-free, irrevocable, perpetual, non-exclusive and non-transferable license to use the Benelux trademark "SCHOLT", the trade name "Scholt" or any similar trademark or trade name containing the word "Scholt". These Licensees are not permitted to use this trademark of trade name in combination with the word "Energy" in any way that may cause confusion with the trade name "Scholt Energy" or with energy related products or services of Scholt Energy.

Certain of Scholt Energy's intellectual property rights, including its trademarks, have been pledged as security under Scholt Energy's Senior Facilities Agreement. Following an enforcement event under the Senior Facilities Agreement, Rabobank would be able to sell the trademarks. See "*Business—Material Agreements—Senior Revolving Facility Agreement*".

Material Agreements

Senior Revolving Facility Agreement

On 7 October 2016, the Company entered into a €80 million senior term and revolving facilities agreement with Rabobank and KBC Bank NV (as, among other capacities, original lenders) (as amended, amended and restated or otherwise modified from time to time, the **Original Facilities Agreement**). With effect from 17 February 2020, the Original Facilities Agreement was amended and restated to construe a €105 million restated and amended senior revolving facility agreement (the **2020 Amended and Restated Facilities Agreement**). With effect from the moment immediately prior to the occurrence of the Admission, the 2020 Amended and Restated Facilities Agreement is again amended and restated to construe a €180 million restated and amended senior revolving facility agreement between, amongst others, Scholt Energy Holding N.V. as the successor company (the **Successor Company**) and Rabobank, Deutsche Bank AG, Amsterdam Branch and KBC Bank NV Nederland as original lenders and ABN AMRO as acceding lender (the **2021 Amended and Restated Facilities Agreement**) (the Original Facilities Agreement, the 2020 Amended and Restated Facilities Agreement and the 2021 Amended and Restated Facilities Agreement will hereinafter be referred to as the **Senior Facilities Agreement**).

Pursuant to the Senior Facilities Agreement, a revolving credit facility in an aggregate amount equal to €180 million has been made available, with the following sub-limits: (i) in an amount not exceeding €20 million for cash drawings, (ii) in an amount not exceeding €150 million for contingent liabilities and (iii) in respect of the Temporary Increase (as defined in the Senior Facilities Agreement), in an amount not exceeding €10 million during each Temporary Revolving Facility Availability Period for VAT payments of the Group (each as defined in the Senior Facilities Agreement).

The revolving credit facility may be utilised by way of ancillary facilities. In this respect, the Successor Company has entered into:

- (i) a €50 million guarantee facility and a €10 million revolving ancillary facility, to be increased by a maximum amount of €5 million during each Temporary Revolving Facility Availability Period (as defined in the Senior Facilities Agreement), with Rabobank (**Rabobank Ancillary Facility**).
- (ii) a €37.5 million non-credit replacing guarantee facility, a €10 million overdraft facility and a €5 million additional seasonal overdraft facility with KBC Bank NV Nederland (**KBC Ancillary Facility**);
- (iii) a €37.5 million guarantee facility with ABN AMRO Bank N.V. (**ABN AMRO Ancillary Facility**); and
- (iv) a €25 million trade related bank guarantee facility with Deutsche Bank AG, Amsterdam Branch (**DB Ancillary Facility**), together with the KBC Ancillary Facility, the Rabobank Ancillary Facility and the ABN AMRO Ancillary Facility, the **Ancillary Facilities**); and

As at 30 June 2021, the outstanding amount under the 2020 Amended and Restated Facilities Agreement was €29.1 million in bank guarantees. No actual debt is drawn by either the Company or the Successor Company under the Senior Facilities Agreement.

Interest

The interest rate on each loan under the revolving credit facility for each interest period is the percentage rate per annum, which is the aggregate of the applicable margin of 2% and EURIBOR. There is a EURIBOR floor of 0%.

Fees

The following fees are, or will be, applicable with respect to the Senior Facilities Agreement:

- (i) an arrangement fee;
- (ii) a commitment fee computed at the rate of:
 - a. 0.75% per annum on the lender's available commitment under the revolving facility, which is made available as a sub-limit for cash drawings; and
 - b. 0.30% per annum on the lender's available commitment under the revolving facility, which is made available as a sub-limit for contingent liabilities.
- (iii) other customary fees and expenses, such as customary agency fees to the agent and security agent.

The following fees are, or will be, applicable with respect to the Ancillary Facilities specifically:

Rabobank Ancillary Facility

- a commitment fee amounting to (i) 0.30% per annum of the unused portion of the ancillary facility consisting of an ancillary guarantee facility and (ii) 0.75% per annum of the unused portion of the ancillary facility consisting of a revolving ancillary facility;
- a guarantee fee amounting to 1.00% per annum of the total amount outstanding under the ancillary facility consisting of an ancillary guarantee facility; and
- other customary fees and expenses, such as customary agency fees to the agent and security agent.

KBC Ancillary Facility

- an upfront fee of €262,500;
- a commitment fee amounting to (i) 0.75% per annum for the overdraft facility and (ii) 0.30% per annum for the guarantee facility; and
- a guarantee fee amounting to 1.00% per annum of the total amount outstanding under the ancillary facility consisting of an ancillary guarantee facility.

ABN AMRO Ancillary Facility

- a commitment fee amounting to 0.30% per annum in relation to the daily unused and uncanceled amount of the ABN AMRO Ancillary Facility; and
- other customary fees and expenses, such as amendment fees and fee for handling of claims under a guarantee.

DB Ancillary Facility

- a commitment fee amounting to 0.30% per annum in relation to the daily unused and uncanceled amount of the DB Ancillary Facility;
- a guarantee fee amounting to 1.00% per annum or part thereof of the total amount outstanding under the ancillary facility consisting of an ancillary guarantee facility; and
- other customary fees and expenses, such as amendment fees and fee for handling of claims under a guarantee.

Guarantees and security

Each Guarantor (as defined in the Senior Facilities Agreement) irrevocably and unconditionally guarantees the obligations under the Senior Facilities Agreement.

Scholt Energy has pledged its shares in the Successor Company. The Successor Company has pledged shares in Scholt Energy Control B.V., Scholt Energy Trading B.V., Scholt Energy Control NV and Scholt Energy Control GmbH. Additionally, all Original Obligors incorporated in the Netherlands (as defined in the Senior Facilities Agreement), except for the Company, have pledged bank accounts, receivables (including intercompany, insurance and trade receivables), moveable assets, goods in transit and intellectual property to Rabobank, acting as security agent. Finally, Scholt Energy Control GmbH entered into a German law governed confirmation and junior ranking account pledge agreement on 27 August 2021 as pledgor and Rabobank as original pledgee and security agent.

Representations, Warranties, and Covenants

The Senior Facilities Agreement contains customary representations and warranties and affirmative covenants.

The Senior Facilities Agreement also contains customary undertakings that, subject to exceptions, limit the ability of the obligors and its subsidiaries to, among other things:

- incur additional financial indebtedness;
- create or permit to subsist additional security interests on assets;
- change its business;

- dispose of all or any part of its assets; and
- make acquisitions or merge or consolidate with another company or person.

Financial Covenants

The Senior Facilities Agreement requires the Successor Company to meet the following financial ratios:

- Leverage for any Relevant Period (each as defined in the Senior Facilities Agreement) shall not on the last day of each Relevant Period exceed 2.50:1.00;
- EBITDA in respect of any Relevant Period specified in column 1 below shall be equal to or more than the amount set out in column 2 below opposite to that Relevant Period:

<i>Column 1</i>	<i>Column 2</i>
Relevant Period	Minimum amount in EUR
Relevant Period ending on 31 December 2021	13,000,000
Relevant Period ending on 31 December 2022	15,000,000
Relevant Period ending on 31 December 2023	17,000,000
Relevant Period ending on 31 December 2024	19,000,000
Relevant Period ending on 31 December 2025	21,000,000
Relevant Period ending on 31 December 2026	23,000,000
Relevant Period ending on 31 December 2027	24,000,000
Relevant Period ending on 31 December 2028	25,000,000

Until the Senior Facilities Agreement was amended in the 2021 Amended and Restated Facilities Agreement, the financial ratios in the Senior Facilities Agreement were evaluated under the Accounting Principles as applied in the consolidated audited financial statements of Scholt Energy Holding N.V. for the year ended 31 December 2015, being Dutch GAAP rather than IFRS.

Events of Default

The Senior Facilities Agreement contains customary events of default, including breach of the financial covenants described above, a cross-default to debt of any member of the Group, and when an Obligor (as defined in the Senior Facilities Agreement) ceases to be a Subsidiary (as defined in the Senior Facilities Agreement) of the Successor Company. The agent under the Senior Facilities Agreement, may, and shall if so directed by the majority lenders, on the occurrence of an event of default that is continuing, amongst other things, upon written notice to the Successor Company, cancel the commitments, accelerate all or part of the (outstanding) loans, declare all or part of the cash cover and the other amounts accrued or outstanding under the finance documents payable on demand or exercise its other rights under the Senior Facilities Agreement and other finance documents.

Change of Control

The Senior Facilities Agreement contains a change of control provision. A change of control occurs if, after the Admission, (i) the Company ceases to own and control directly 100% of the issued share capital of the Successor Company, (ii) at any time a person or group of persons (other than the Selling Shareholders) acting in concert acquires 30% or more of the issued share capital or the maximum number of votes that might be cast at a general meeting, in each case, of the Company, (iii) until the date being six months from the Admission, Waterland ceases, directly or indirectly, to (a) own and control 30% or more of the issued share capital of the Company or (b) cast, or control the casting of, 30% or more of the maximum number of votes that might be cast at a general meeting of the Company or (iv) in relation to the period starting on the date falling six months after the Admission and ending on the date on which the Successor Company has made available its consolidated financial statements for the first financial half year in 2023 in accordance with the information undertakings under the Senior Facilities

Agreement, Waterland ceases, directly or indirectly, to own more than 10% of the issued share capital of the Company.

Upon the occurrence of a change of control, the Successor Company shall promptly notify Rabobank and Rabobank shall (by 20 business days' notice to the Successor Company), if so required by a lender within 20 business days of receipt of such notice from the Successor Company, cancel the commitments of that lender and declare the participation of that lender in all outstanding loans and ancillary outstanding, together with accrued interest, and all other amounts accrued under the relevant finance documents referred to in the Senior Facilities Agreement immediately due and payable. Rabobank shall inform each lender promptly of a request from any lender to be repaid in connection with any change of control.

Concentration Matrix

The Senior Facilities Agreement requires the Successor Company to ensure that the members of the Group shall comply with the following concentration requirement

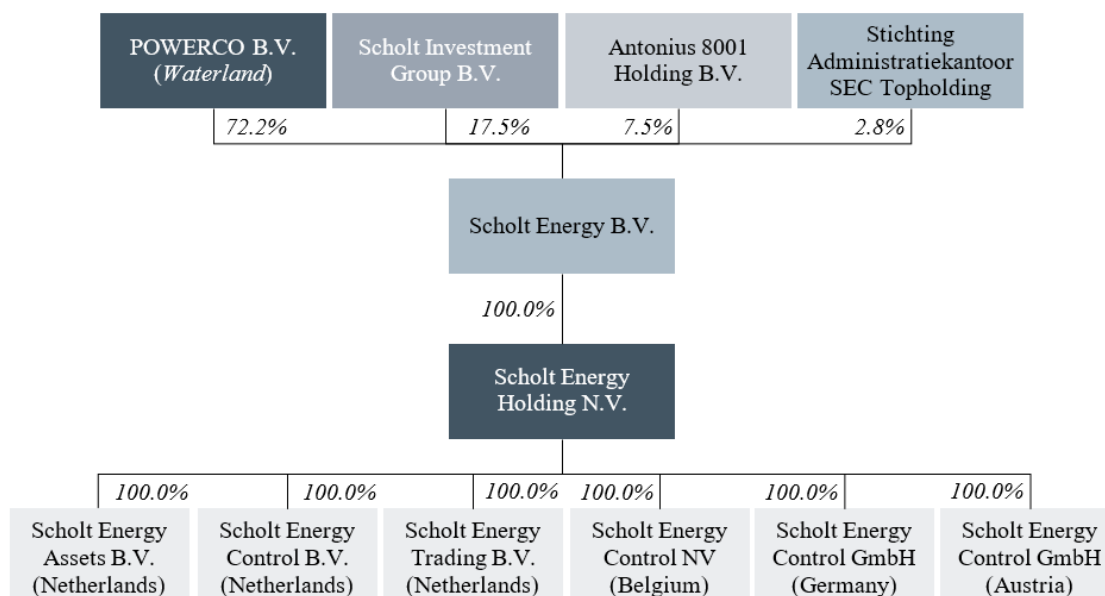
- 10 largest customers: maximum €15 million mark-to-market exposure and maximum €2 million market-to-market exposure on individual 10 largest customers;
- 20 largest customers: maximum €22.5 million mark-to-market exposure and maximum €2 million market-to-market exposure on individual 20 largest customers; and
- All other customers: maximum €650 thousand mark-to-market exposure.

In the event of an excess of the concentration requirements set out above, which will be monitored by the Successor Company on a monthly basis, the Successor Company shall immediately upon the occurrence of such excess ensure that it or any of the other borrowers under the Senior Facilities Agreement will maintain cash cover with the lenders in amounts equal to such excess divided among the lenders *pro rata* to their part of the aggregate utilisation under the Senior Facilities Agreement. If and to the extent such cash cover is maintained, the excess in the contraction requirements shall be deemed to be remedied.

Group Structure

The legal structure chart included below presents the structure of Scholt Energy as a holding company of Scholt Energy's operating subsidiaries and its shareholders. The chart provides an overview as at the date of this Prospectus.⁷³

⁷³ Name of SEC Holding B.V. after merger with SEC Topholding B.V. but prior to conversion into Scholt Energy N.V. to be determined.



The following table provides an overview of the subsidiaries of Scholt Energy as at the date of this Prospectus.

Subsidiary	Country	Description of operation
Scholt Energy Holding N.V.	The Netherlands	Non-financial holding. Administration and investments.
Scholt Energy Control B.V.	The Netherlands	The trade in, as well as the purchase and sale of energy, being gas and electricity
Scholt Energy Trading B.V.	The Netherlands	The purchase and sale of, the import and export of, as well as the trade in electrical energy and gas.
Scholt Energy Assets B.V.	The Netherlands	Holding of (shares in joint arrangements that hold) renewable energy assets.
Scholt Energy Control NV	Belgium	The trade in, as well as the purchase and sale of energy, being gas and electricity
Scholt Energy Control GmbH	Germany	The trade in, as well as the purchase and sale of energy, being gas and electricity
Scholt Energy Control GmbH	Austria	The trade in, as well as the purchase and sale of energy, being gas and electricity

Organisational Structure

The management team of Scholt Energy consists of Rob van Gennip (Chief Executive Officer), Frank van Gastel (Chief Financial Officer), Siebe Scholt (Chief Commercial Officer) and René Dekkers (Chief Operational Officer). Scholt Energy further consists of the following departments:

- *Customer Service.* The customer service department acts as "first point of contact" for customers in the organisation. The members of this department answer all customer queries and requests and ensure that customers are given advice proactively about their energy issues. The department also supports the account managers with customer related documents and queries. In order to be able to provide the level of service provided to Scholt Energy's customers, the customer service staff is aware of all processes within the organisation. Customers are served from local departments in the Netherlands, Belgium and Germany.
- *Structuring & Organisation.* By securing Scholt Energy's access to different markets and suppliers, this department enables Scholt Energy to fulfil its strategy of independence. This department also analyses and develops new potential products and assists the CFO in risk management.
- *Sales.* This department is responsible for concluding and maintaining contracts with customers. The direct point of contact for customers is one of Scholt Energy's account managers. The account managers personally notify customers regarding price developments and the best sourcing strategies. Personal contact is one of the unique selling points that Scholt Energy endeavours.
- *Marketing & Communication.* Scholt Energy's image has been further professionalised by this department, which is responsible for in-house management of websites, apps and campaigns on an ongoing basis. At every level, customer-orientation forms the main purpose for all these activities.
- *Sales Support & Contracting.* This department generates and administrates all sales related offers and documents to optimally serve the account managers. The department also attends the administrative processes for contract management from processing a signed contract to the scheduled start of service for a connection.
- *Billing.* The billing department is responsible for timely and correct invoicing. In order to do so, billing collects and validates all required data from both internal as external sources. Additionally, billing processes customer specific preferences, tax advantages and market disputes.
- *Balancing & Sourcing.* This department purchases the necessary quantity of energy on forward markets as well as on day-ahead and intraday markets. Scholt Energy does not speculate on the development of energy prices. It balances the volume supplied to its customers and generated by its customers back-to-back with its suppliers. The department is also responsible for the daily energy capacity nominations to grid operators.
- *Finance.* Finance supports the organisation's management and accountability. It reports Scholt Energy's cash flow on a weekly basis and its profitability on a monthly basis. It secures Scholt Energy's access to funding and is also responsible for credit control as well as risk management.
- *ICT.* The services of the ICT-department are increasingly called upon. An increase in automated processes requires in-house specialisation, causing ICT to take on an important position within the organisation. Under the denomination 'business intelligence', ICT is also responsible for the composition of comprehensive data reports.
- *HR.* The HR department is responsible for the personnel management of Scholt Energy, including recruitment and selection of new employees. The department provides a professional performance and assessment structure for existing employees, so that the qualities of the staff are utilised optimally.
- *Office.* This department takes care of staff events, as well as the organisation and presentation of Scholt Energy's offices.

- *Legal.* The legal department attends to the provision of timely and correct market reports and the monitoring of obligations and legislation. In addition, the department advises the organisation on legal questions.
- *Energy Transition Services.* This department offers independent, innovative solutions focused on solar, flexibility, e-mobility and energy savings. By investing in innovative products, the Energy Transition Services department can offer added value for Scholt Energy's customers.

Regulation

Introduction regulatory framework

Scholt Energy's key activity is the supply of electricity and gas in the Netherlands, Belgium, Germany and Austria, primarily to mid to large corporate customers. Scholt Energy also supplies electricity and gas to business customers with connection sizes considered small and that require additional regulatory oversight as well as to limited number of household customers in the Netherlands and Belgium. Scholt Energy's services to this segment drives a number of the applicable regulatory obligations to which it is subject.

European Union

The supply of electricity and gas are subject to the European Directives concerning the common rules for the internal market. Directive (EU) 2019/944⁷⁴ is the current directive concerning the rules for electricity. Directive (EU) 2019/944 is part of the Fourth Energy Package and has as its main objective to improve the EU regulatory framework concerning the internal market for electricity. Directive 2009/73/EC⁷⁵ is the directive concerning the rules for natural gas and Directive (EU) 2019/692 has recently amended the Gas Directive⁷⁶. The Electricity and Gas Directives address topics such as the (ownership) unbundling of supply, trade and production of electricity and/or gas on the one hand and transmission activities on the other hand. It also promotes non-discriminatory network access and aims to strengthen the independence of regulators. In relation to the supply of electricity and gas, these directives aim to protect the smaller customers.

The Electricity and Gas Directives aim to create a European internal market for electricity and gas. In addition, market players face many rules on the decarbonisation of the electricity and gas markets. In this respect Directive (EU) 2018/2001⁷⁷ (the **EU Renewable Energy Directive**) sets rules for the European Union (EU) to achieve its (current) renewables target of at least 32% by 2030. The EU Renewable Energy Directive is the main policy tool for promoting renewable energy.

On 14 July 2021, the (draft) proposal for the climate and energy legislative package 'Fit for 55' was published by the European Commission. This package aims to introduce further measures in order to reach a European greenhouse gas reduction target of 55 % in 2030.⁷⁸ This legislative package contains, among others, an amendment of the EU Renewable Energy Directive, an amendment of the Energy Efficiency Directive⁷⁹ and a revision of the Directive 2003/96/EC (the **Energy Taxation Directive**).⁸⁰ As regards the EU Renewable Energy Directive, the 'Fit for 55' package contains a proposal for an amendment, which sets an increased target of 38-40% to produce

⁷⁴ Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity and amending Directive 2012/27/EU (recast).

⁷⁵ Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC.

⁷⁶ Directive (EU) 2019/692 of the European Parliament and of the Council of 17 April 2019 amending Directive 2009/73/EC concerning common rules for the internal market in natural gas.

⁷⁷ Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources.

⁷⁸ See the Press Release of the European Commission, 'European Green Deal: Commission proposes transformation of EU economy and society to meet climate ambitions', 14 July 2021. Accessible via: https://ec.europa.eu/commission/presscorner/detail/en/ip_21_3541.

⁷⁹ Directive (EU) 2018/2002 of the European Parliament and of the Council of 11 December 2018 amending Directive 2012/27/EU on energy efficiency.

⁸⁰ Directive 2003/96/EC of 27 October 2003 restructuring the Community framework for the taxation of energy products and Electricity.

energy from renewable sources in accordance with the Climate Target Plan.⁸¹ The Energy Efficiency Directive presently sets a headline energy efficiency target of at least 32.5% to be reached by 2030, which target is set relative to the 2007 projections for 2030. The proposal for the Energy Efficiency Directive⁸² contains amendments that raise the level of ambition of the EU energy efficiency target and make it binding. The Member States will need to ensure an additional reduction of energy consumption of at least 9% in 2030, compared to the reference scenario levels in 2020. This increased target corresponds to a reduction of 36% for final energy consumption and 39% for primary energy consumption for 2030, compared to the 2007 projections for 2030. In addition to raising the target for 2030, the proposal also increases the obligation on Member States to achieve annual energy savings in final energy consumption, which is one of the policy instruments of the Energy Efficiency Directive to meet the headline target. Currently, this obligation is set at 0.8% per year, but the proposal raises the obligation to 1.5% as of 2024. Furthermore, the 'Fit for 55' package contains a revision of the Energy Taxation Directive in order to align the set tax rules for energy and electricity products with the EU energy and climate goals regarding the green transition. The revision, among others, updates the scope and structure of the tax rates of the Energy Taxation Directive. In addition, the revision promotes clean technologies and removes outdated exemptions and reduced rates that currently encourage the use of fossil fuels.⁸³ We note that the 'Fit for 55' package is still subject to the approval of the European Parliament and the Council of the EU, and could be further amended.

In addition, a political commitment was made in the Energy roadmap 2050⁸⁴ to achieve high energy savings, which are aimed at leading to a decrease in energy demand of 41% by 2050 as compared to the levels in 2005 and 2006.

Finally, it should be noted that due to its activities, Scholt Energy is subject to Regulation (EU) 1227/2011 on wholesale energy market integrity and transparency (**REMIT**). REMIT is a sector-specific legal framework for the monitoring of wholesale energy markets and applies to parties trading thereon or entering into transport contracts. REMIT requires such parties to publish inside information and prohibits trading on the basis of inside information. The objective of REMIT is to detect and deter market manipulation. REMIT requires such market participants to obtain a registration as a "market participant". Scholt Energy has obtained such registration in all the countries where it operates.⁸⁵

The above mentioned European directives on the internal market for electricity and gas are implemented in national legislation. The exact implementation of the European directives and the market design varies from country to country.

Netherlands

In the Netherlands, the markets for electricity and gas are regulated by the Dutch Electricity Act (*Elektriciteitswet 1998*, the **E-Act**) and Gas Act (*Gaswet*, the **Gas Act**), both as amended from time to time. The E-Act and the Gas Act also form the basis of lower legislation and regulations such as the "Information Code", the "Grid Codes" and the "Metering Codes" (together with the other applicable codes, the **Codes**). Scholt Energy has one company that is active as a supplier in the Dutch electricity and gas sector: Scholt Energy Control B.V.

On 28 June 2019, the National Climate Agreement was presented to the House of Representatives of the Netherlands. The objective of this Climate Agreement is to ensure a 49% reduction in national greenhouse gas emissions by 2030 compared to 1990 levels. In addition, the Dutch government also called for an increase of the

⁸¹ COM(2021)557 final, *Proposal for a Directive of the European Parliament and of the Council amending Directive (EU) 2018/2001 of the European Parliament and of the Council, Regulation (EU) 2018/1999 of the European Parliament and of the Council and Directive 98/70/EC of the European Parliament and of the Council as regards the promotion of energy from renewable sources, and repealing Council Directive (EU) 2015/652*. Accessible via: https://ec.europa.eu/info/sites/default/files/amendment-renewable-energy-directive-2030-climate-target-with-annexes_en.pdf.

⁸² COM(2021)558 final, *Proposal for a Directive of the European Parliament and of the Council on energy efficiency (recast)*. Accessible via: https://ec.europa.eu/info/sites/default/files/proposal_for_a_directive_on_energy_efficiency_recast.pdf.

⁸³ COM(2021)563 final, *Proposal for a Council Directive restructuring the Union framework for the taxation of energy products and electricity (recast)*. Accessible via: https://ec.europa.eu/info/sites/default/files/revision_of_the_energy_tax_directive_0.pdf.

⁸⁴ Accessible via: https://ec.europa.eu/energy/sites/ener/files/documents/2012_energy_roadmap_2050_en_0.pdf.

⁸⁵ See <https://www.acer-remit.eu/portal/european-register>.

European target to 55% by 2030 in this Climate Agreement.⁸⁶ As mentioned above, the European Commission adopted on 14 July 2021 the 'Fit for 55', which indeed sets the target at 55%.

Belgium

In Belgium, the electricity and gas markets are regulated by the Belgian Electricity Act (*Wet betreffende de organisatie van de elektriciteitsmarkt* (1999)), and the Belgian Gas Act (*Wet betreffende het vervoer van gasachtige producten en andere door middel van leidingen* (1965)), both as amended from time to time. Just like in the Netherlands, the Electricity Act and the Gas Act form the basis of lower legislation and regulations. The supply of gas and electricity in Belgium via the distribution grids is governed by regional legislation in each of the three regions (i.e. the Flemish Region, the Walloon Region and the Brussels Metropolitan Region). The efficient and safe communication and data exchange between the grid operator and the energy suppliers is guaranteed through the Market Implementation Guide (MIG). As from September 2021, MIG 6 will replace the current MIG 4.1. Scholt Energy has one company that is active as a supplier in the Belgian electricity and gas sector: Scholt Energy Control NV.

Germany

In Germany, the supply of electricity and gas is regulated, in particular, by the German Energy Act (*Energiewirtschaftsgesetz*, **EnWG**), the German Renewable Energy Act (*Erneuerbare Energien Gesetz*, *EEG*) as well as related Energy regulations, as amended from time to time. Just like in the Netherlands and Belgium, the EnWG forms the basis of lower legislation and regulations. Scholt Energy has one company that is active as a supplier in the German electricity and gas sector: Scholt Energy Control GmbH.

Austria

In Austria, the markets for electricity and gas are mainly regulated by the Austrian Electricity Act (*Elektrizitätswirtschafts- und -organisationsgesetz 2010*, **ElWOG**) and by the Austrian Gas Act (*Gaswirtschaftsgesetz 2011*, **GWG**), as amended from time to time. Just like in the Netherlands, Belgium and Germany, the ElWOG and GWG form the basis of lower legislation and regulations. Currently the National Council of the Austrian parliament is debating about the implementation of the new Renewable Expansion Act (*Erneuerbaren-Ausbau-Gesetz*), which would also change certain provisions in ElWOG and GWG and adapt the Austrian legal situation to the above mentioned European Directives. In Austria, Scholt Energy has one company that is active as supplier in the Austrian electricity and gas sector: Scholt Energy Control GmbH. Due to its business location, it is additionally subject to the *Salzburger Landeselektrizitätsgesetz 1999*.

Key Regulatory Frameworks

Scholt Energy's operations result in the application of several regulatory frameworks:

- **Supplier of electricity and gas:** To supply electricity and gas to certain sized customers, Scholt Energy is required to obtain licences or permits in certain of its markets and comply with the regulatory framework applicable to the supply of electricity and gas as to ensure a minimum level of organisational, financial and technical quality.
- **Balancing Responsible Party (BRP)**⁸⁷: The balancing responsible party is an entity that is authorised and obliged to send a daily forecast to the transmission system operator (**TSO**) of the production and consumption of its portfolio on a quarter-hour basis. On the day itself, the balancing responsible party is (financially) responsible if its portfolio is in imbalance in relation to the volume consumed or produced.

⁸⁶ For the English version of the Climate Agreement dated 28 June 2019, see: <https://www.government.nl/documents/reports/2019/06/28/climate-agreement>.

⁸⁷ The definition of 'balancing responsibility party' is stipulated in Article 2(14) of Regulation (EU) 2019/943 on the internal market for electricity. See furthermore, Article 17(1) of Regulation (EU) 2017/2195.

- **Shipper:** Refers to the role of an entity that is authorised to coordinate the supply of gas or supply gas from the grid operator to customers. A shipper is obliged to send a daily forecast to the grid operator specified on an hourly basis. On the day itself, if the daily allocated gas volume deviates from the forecast, this will result in balancing costs for which the shipper is financially responsible.
- **Balancing Service Provider (BSP):** A balancing service provider provides balancing services to the TSO. BSPs balance out unforeseen fluctuations in the electricity grid by rapidly increasing or reducing their power output. The TSO is responsible for procuring balancing services from BSPs in order to ensure operational security of the grid. Pursuant to Article 16(1) of Regulation (EU) 2017/2195, a BSP has to pass a pre-qualification test of the TSO before it can participate to the procurement process.

The regulatory framework of these roles are further set out in more detail below.

Overview permits and licenses Scholt Energy

Below is an overview of the permits and licenses held by Scholt Energy.

Permit / license	Authority / body	Initial issuing date	Most recent renewal date	Term
The Netherlands				
BRP	TenneT TSO B.V.	1 December 2007	13 January 2021	indefinite
BSP	TenneT TSO B.V.	1 February 2019	N/A	indefinite
Shipper license	Gasunie Transport Services B.V.	1 December 2016	N/A	indefinite
Electricity supply license (<i>Leveranciersvergunning elektriciteit aan kleinverbruikers</i>)	Authority for Consumers & Markets	26 March 2007	N/A	indefinite
Gas supply license (<i>Leveranciersvergunning gas aan kleinverbruikers</i>) .	Authority for Consumers & Markets	1 July 2011	N/A	indefinite
REMIT registration	ACER	9 September 2015 (registration date)	4 November 2019 (validity date)	indefinite
Belgium				
BRP	Elia System Operator NV (now: Elia Transmission Belgium NV)	19 November 2009 ⁸⁸	25 August 2019	indefinite
Electricity supply license .	Brugel (Brussels authority)	17 March 2011	N/A	indefinite

⁸⁸

Pursuant to Article 3 of the BRP Contract, the contract enters into force either upon the registration of the BRP in the BRP-register or within three days of receipt by Elia of the BRP Contract as signed by the BRP (provided that the conditions precedent are fulfilled). The BRP Contract was signed by Scholt Energy Control NV/SA on 22 August 2019.

Permit / license	Authority / body	Initial issuing date	Most recent renewal date	Term
Gas supply license	Brugel (Brussels authority)	22 February 2013	N/A	indefinite
Electricity supply license .	CREG (federal authority)	26 August 2019	N/A	5 years
Gas supply license	CREG (federal authority)	11 September 2012	9 July 2019	5 years
Electricity supply license .	CWaPE (Walloon authority)	7 February 2011	29 May 2018	indefinite
Gas supply license	CWaPE (Walloon authority)	2 January 2013	29 May 2018	indefinite
Electricity supply license .	VREG (Flemish authority)	18 November 2009	20 March 2012	indefinite
Gas supply license	VREG (Flemish authority)	11 September 2012	5 November 2019	indefinite
REMIT registration	ACER	9 September 2015 (registration date)	4 November 2019 (validity date)	indefinite
Germany				
BRP.....	TenneT TSO GmbH	7 November 2014	N/A	indefinite
BRP.....	50 Hertz Transmission GmbH	4 December 2014	1 August 2020	indefinite
BRP.....	Amprion GmbH	27 October 2014	1 May 2020	indefinite
BRP.....	TransnetBW GmbH	11 August 2015	1 August 2020	indefinite
Shipper license	GASPOOL	2 September 2016	N/A	1 October 2025
Shipper license	NetConnect Germany	2 September 2016	N/A	1 January 2024
Permit under the German Electricity Tax Act	Main customs office (Hauptzollamt) Düsseldorf	28 August 2014	1 October 2019	indefinite
Permit under the German Energy Tax.....	Main customs office (Hauptzollamt) Düsseldorf	7 January 2016	N/A	indefinite
REMIT registration	ACER	9 September 2015 (registration date)	4 November 2019	indefinite
Austria				

Permit / license	Authority / body	Initial issuing date	Most recent renewal date	Term
BRP (Scholt Energy Trading B.V.) under the Austrian Electricity Act...	Energie-Control Austria (E-Control)	21 December 2020	N/A	indefinite
BRP (Scholt Energy Trading B.V.) under the Austrian Gas Act	Energie-Control Austria (E-Control)	3 March 2021	N/A	indefinite
Shipper license	Energie-Control Austria (E-Control)	23 December 2020	N/A	indefinite
Trade license for commerce with the exception of regulated commerce and sales agent	Magistrat der Stadt Salzburg	13 October 2020	N/A	indefinite
REMIT registration	ACER	18 November 2020 (registration date)	N/A	indefinite

Supply permits

In the Netherlands, the market for the supply of energy was fully liberalised in 2004. Pursuant to the E-Act and Gas Act it is required to obtain a permit for the supply of electricity and gas to customers with a small scale connection (*kleinverbruikers*). Given the fact that part of Scholt Energy's customer base qualifies as customers with a small scale connection, Scholt Energy possesses all the necessary permits to execute its supplier role for gas and electricity. In this respect it should be noted that since 26 March 2007, the regulator (*Autoriteit Consument & Markt*) has granted Scholt Energy an electricity supply license (*Leveranciersvergunning elektriciteit aan kleinverbruikers*). Since 1 July 2011, Scholt Energy possesses a license for the supply of gas (*Leveringsvergunning gas aan kleinverbruikers*). As a supplier, Scholt Energy holds the relationship with the end consumers by selling and invoicing the supply volumes.

In Belgium, the markets for the supply of electricity and gas are also fully liberalised. Supply of electricity and gas in general requires a permit. Note that given that the energy policy in Belgium has been de-federalised, Scholt Energy is required and has obtained permits from the three regional authorities (in the Flemish Region, the Walloon Region and the Brussels Metropolitan Region) and the federal authority.

In Germany, energy supply companies that want to supply household customers must notify the German Federal Network Agency (*Bundesnetzagentur, BNetzA*) when commencing and terminating such activities. A supply licence for the supply of electricity and/or gas is not required under the applicable regulations in EnWG. However, energy suppliers have to obtain a permit from the main customs office (*Hauptzollamt*) under the German Electricity Tax Act (*Stromsteuergesetz*). Moreover, under the German Energy Tax Act (*Energiesteuergesetz*), the supply of natural gas must be notified to the main customs office.

In Austria, a supply license for the supply of electricity and/or gas is not required under the applicable regulations in the EIWOG and GWG. However, a trade license is required according to the Austrian Trade Law Act (*Gewerbeordnung 1994*) for the supply of electricity and/or gas. Scholt Energy holds the respective trade license for commerce with the exception of regulated commerce and sales agent (*Handelsgewerbe mit Ausnahme der reglementierten Handelsgewerbe und Handelsagent*) and is registered under the number 32944518.

BRP, BSP and Shipper license

As a supplier of electricity, Scholt Energy also takes on the role as BRP. In addition, Scholt Energy is a BSP on the electricity network in the Netherlands. With regard to gas, Scholt Energy fulfils the shipper role. The regulatory framework of these roles are further set out in more detail below.

Balancing Responsible Party (BRP)

All connections to the electricity grid must be allocated to a BRP. A BRP must be acknowledged by the TSO: TenneT TSO B.V. (**TenneT**) in the Netherlands, Elia Transmission Belgium NV (**Elia**) in Belgium, TenneT TSO GmbH (**TenneT DE**), 50 Hertz Transmission GmbH (**50 Hertz**) and Amprion GmbH (**Amprion**), TransnetBW GmbH (**TransnetBW**) in Germany and Austrian Power Grid AG (**APG**) in Austria.

The Grid Codes provide that a registered BRP has the rights to: (i) have balancing responsibility on its own connections (unless it is a small customer), (ii) offer balancing responsibility to third parties as a service and (iii) submit energy programmes and participate as transaction party in energy programmes.

BRPs have 'programme responsibility', which entails the responsibility to: (i) set up or have set up a programme related to the production, transportation and consumption of electricity to the benefit of the grid operators and (ii) operate in accordance with such programmes whilst taking into account conditions from applicable law and regulation.

Each BRP shall be financially responsible for the imbalances to be settled with the TSO.⁸⁹ BRPs are obliged to send a daily forecast to the TSO specified on a quarter hour basis. If the allocated volume deviates from the aforementioned forecast, which will be established per quarter of an hour, this will result in imbalance costs for which the BRP is financially responsible. The BRP pays or receives the imbalance price for this imbalance and settles this with the TSO. As mentioned above, Scholt Energy is duly acknowledged to perform the BRP role in the Netherlands, Belgium and Austria respectively and executes this responsibility for its customers as part of its services.

Balancing Service Provider (BSP)

A BSP provides balancing services to the TSO.⁹⁰ BSPs balance out unforeseen fluctuations in the electricity grid by rapidly increasing or reducing their power output. The TSO is responsible for procuring balancing services from BSPs in order to ensure operational security of the grid.⁹¹ A BSP has to pass a pre-qualification test of the TSO before it can participate to the procurement process. Scholt Energy is duly accredited in the Netherlands to perform the BSP role for FCR⁹² and aFRR Free Bids^{93, 94}.

As Scholt Energy is not currently performing the BSP role in Belgium, Germany and Austria, they do not need to be accredited to perform such role. However, Scholt Energy intends to obtain regulatory approval for this role in connection with the expansion of Scholt Energy's Energy Transition Services. For timing and more information about Scholt Energy's plans see "*—Strategy—Leverage exponential growth in energy transition trends by offering a unified Energy Transition Services portfolio in all countries*".

⁸⁹ See Article 17(2) of Regulation (EU) 2017/2195.

⁹⁰ See Article 2(6) of Regulation (EU) 2017/2195.

⁹¹ See Article 14 of Regulation (EU) 2017/2195.

⁹² Frequency Containment Reserves (FCR), see for more information: https://www.tennet.eu/fileadmin/user_upload/SO_NL/Handboek_FCR_voor_BSPs_-_EN_version.pdf.

⁹³ Automatic Frequency Restoration Reserve (aFRR). Prequalified BSPs may also bid their available aFRR volume on a voluntary basis (so-called "free bids"). See for more information: https://www.tennet.eu/fileadmin/user_upload/SO_NL/aFRR_manual_for_BSPs_en.pdf.

⁹⁴ The list of approved BSPs are mentioned on the website of TenneT: <https://www.tennet.eu/electricity-market/ancillary-services/list-of-approved-bsps/>.

Shipper license

By having a shipper role, a party gains access to the gas infrastructure, including the high pressure transmission grid operated by the TSO. Each shipper is obliged to send a daily forecast to the TSO specified on an hourly basis. If the daily allocated gas volume deviates from the forecast, this will result in balancing costs for which the shipper is financially responsible. The shipper pays the balancing costs to the TSO. Scholt Energy is duly accredited by GTS to perform the shipper role in the Netherlands and executes this responsibility directly or indirectly for its customers as a part of its services.

For timing and more information about Scholt Energy's plans see "*—Strategy—Leverage exponential growth in energy transition trends by offering a unified Energy Transition Services portfolio in all countries*".

Potential changes to legal framework

Laws and regulations applicable to energy services are evolving and change often. Scholt Energy faces potential changes in the applicable legal framework for its operations on the basis of amendments or new laws and regulations implemented at the EU-level or in each of its geographic markets.

European Union

On an EU-level, the EU Green Deal and the Fourth Gas Package are expected to change the legal framework with regard to electricity and gas activities. The EU Green Deal is a series of policy initiatives with the overarching goal of making the EU climate neutral by 2050 by means of various proposals of new legislation. The Fourth Gas Package is a new package of legislation for the gas sector, which is expected to be presented in the course of 2021. In addition, the European Commission has recently welcomed a provisional agreement on the European Climate Law, which is part of the European Green Deal. The European Climate Law's aim is to reach climate neutrality by 2050 and to reduce net greenhouse gas emission by at least 55% by 2030. Likewise, the Effort Sharing Regulation is also being revised to achieve these climate goals. In order to achieve the target for the overall greenhouse gas emissions reduction by 2030, the EU Emissions Trading System is also currently being revised, which sets forth that undertakings falling under the scope of the EU Emissions Trading System, must reduce their emissions by 43% compared to 2005.

The Netherlands

The legislation and the Codes, which apply to Scholt Energy, are subject to potential changes. The Dutch government intends to replace the existing E-Act and Gas Act by an integrated Energy Act (*Energiewet*). As such, the E-Act and Gas Act might be substantially amended and merged into the new Energy Act. A draft Energy Act was published on 17 December 2020 for public consultation and this consultation period terminated on 11 February 2021. The draft Energy Act contains various amendments that might be of relevance to the supply of electricity and gas to small customers. These include (i) the introduction of new definitions and categorisation of small customers, (ii) the introduction of new rules on small customer supply permits, (iii) the protection for certain small customers, (iv) enhancing customer data protection and (v) changing the role of customers towards becoming a more active player. At the date of this Prospectus, it is unknown when the Dutch Energy Act will be introduced.

The EU Renewable Energy Directive Implementation Act regarding Guarantees of Origin (*Wet implementatie EU-richtlijn hernieuwbare energie voor garanties van oorsprong*) has been presented to the Dutch Parliament on 21 April 2021. This Implementation Act introduces Guarantees of Origin for gases from renewable energy sources other than green gas.

Furthermore, the Codes are often subject to potential changes. If the Energy Act comes into effect as consulted, this will substantially change the system and scope of the Codes.

Belgium

In Belgium, the following potential changes in the legal framework are particularly worth noting (without this explanation being exhaustive).

Belgium has recently approved a number of legislative acts to complement the legal framework for its Capacity Remuneration System. However, the system is still subject to EU approval.

There is a draft law that aims at implementing the EU Directive 2019/944 of 5 June 2019 on common rules for the internal market for electricity and amending Directive 2012/27. This draft law will amend the Electricity Act and covers (in essence and summary): (i) the reinforcement of the position of consumers by informing them better with regard to their consumption and rights, (ii) new duties for the TSO in relation to the management of data of the end-user and a further clarification of electricity storage, (iii) the introduction of new actors in the electricity market and increased supervision by the regulator (CREG) and (iv) international and regional collaboration that is being reinforced by the establishment of regional coordination centres.

Another recent draft law aims at amending the Gas Act to implement the EU Directive 2019/692 of 17 April 2019 amending Directive 2009/73/EC concerning common rules for the internal market in natural gas. This draft law provides for changes to the definition of "natural gas" in order to bring the terminology in line with the current economic reality. It also aims at clarifying the legal framework for the transportation of biogas, gas derived from biomass and other types of gas (including the mixing thereof with natural gas), on the basis of the individual transportation licences that have been awarded for the transportation of natural gas.

Germany

The legislation applying to Scholt Energy's activities in Germany is subject to potential changes. This is particularly the case following a ruling by the German Federal Constitutional Court (*Bundesverfassungsgericht*, **BVerfG**) on the German Climate Change Act (*Bundes-Klimaschutzgesetz*, **KSG**) of 24 March 2021, which requires a complete review of Germany's route to decarbonisation. The First Senate of the BVerfG held that the provisions of the KSG governing national climate targets and the annual emission amounts allowed until 2030 are incompatible with fundamental rights insofar as they lack sufficient specifications for further emission reductions from 2031 onwards. Further measures to reduce greenhouse gas emissions are therefore to be expected, which are likely to also affect energy and gas suppliers. The specifics of these changes to the regulatory framework in Germany are not clear yet and are expected to be published following the Federal parliament election in September 2021.

Draft laws that were already formulated prior to the BVerfG ruling include the German draft law on the implementation of EU law requirements and on the regulation of pure hydrogen grids in the energy law (*Gesetz zur Umsetzung unionsrechtlicher Vorgaben und zur Regelung reiner Wasserstoffnetze im Energiewirtschaftsrecht*), which was adopted by the German government on 10 February 2021. It implements EU Directive 2019/944 of 5 June 2019 on common rules for the internal market for electricity by amending the EnWG. It is envisaged to have the changes come into effect before the end of the legislative period in summer 2021. The draft law provides for a preliminary legal draft framework enabling the re-dedication of existing gas grids for the use as hydrogen grids as well as the construction of new hydrogen grids. It provides for an opt-in regulation with respect to hydrogen networks, which can now be regulated on a voluntary basis after a positive needs test. The regulation is only intended to provide for a temporary regulation, which can then be further adapted and developed when implementing EU requirements. Moreover, the draft law provides for an expansion of information obligations with respect to energy supply contracts. Provisions on price adjustments and termination rights as well as invoices and billing information will be significantly expanded for all final customers and, thus, affects contractual relationships with larger standard load profile (SLP) and consumption metering (RLM) customers.

A draft law implementing the EU Renewable Energy Directive was published on 3 December 2020. *Inter alia*, it serves the implementation of the procedural requirements as well as regulations on the repowering of systems for generating electricity from renewable energies. Moreover, by way of the German draft law developing the

greenhouse gas reduction quota (*Gesetz zur Weiterentwicklung der Treibhausgasminderungs-Quote*), which was adopted by the German government on 20 May 2021, the share of renewable energies in the transport sector shall be increased to 32% by 2030. The greenhouse gas reduction quota, which is applicable to mineral oil companies, may also be fulfilled by acquiring quotas that were generated by charging point operators charging electric vehicles.

At the date of this Prospectus, the natural gas market in Germany is still divided into two market areas - NetConnect Germany (**NCG**) and GASPOOL. In order to simplify gas trading in Germany, the German Gas Grid Access Ordinance (*Gasnetzzugangsverordnung, GasNZV*) requires the transmission system operators to merge these two market areas operated by GASPOOL and NCG into one single market area called "Trading Hub Europe" or "THE" by 1 April 2022 at the latest. According to the cooperation agreement between the operators of gas supply networks in Germany ("KoV XII") dated 31 March 2021, the relevant changes will take effect on 1 October 2021. The cooperation agreement regulates access to the gas supply networks and is regularly revised and approved by the industry associations. Consequently, balancing group managers will only require one balancing group contract for each gas quality.

Austria

On 17 March 2021, the ministerial proposal for the planned federal Renewable Expansion Law (*Erneuerbare Ausbau Gesetz*) was published. The corresponding legislative package also includes changes of ElWOG, GWG, and other acts, but has not yet been passed by the Austrian parliament. Since the current proposal contains provisions relevant to state aid law, it has to be approved by the European Commission before entering into force. The proposal contains numerous amendments that might be of relevance to the business scope of Scholt Energy, such as: (i) change in the funding system for renewable energy installing market premiums (*Marktprämien*), (ii) facilitation of the disclosure of energy sources by implementing a procedure with only two steps for electricity labelling and (iii) change in gas labelling by demanding a Guarantee of Origin for renewable gases registered in the expanded database (*Herkunftsnachweisdatenbank*). A green-gas-quota (*Grün-Gas-Quote*) might become mandatory for suppliers, but further information on this has not yet been included in the draft.

A new Energy Efficiency Act (*Energieeffizienzgesetz-Neu*) is being drafted at the date of this Prospectus. Transitional regulations have been installed, which will expire by 31 December 2021.

CAPITALISATION AND INDEBTEDNESS

The tables below set out Scholt Energy's capitalisation and indebtedness as at 30 June 2021, on an actual basis, as adjusted to reflect the merger of SEC Topholding B.V. into the Company that became effective on 31 August 2021, and as adjusted to reflect the issuance of additional Ordinary Shares to the Selling Shareholders on 1 September 2021. The information set out in the tables below should be read in conjunction with and is qualified by reference to sections "Important Information—Presentation of Financial and Other Information", "Operating and Financial Review" and "Index to Financial Statements".

The following table shows Scholt Energy's capitalisation on a combined basis as at 30 June 2021.

Capitalisation

	As at 30 June 2021	Adjustment for merger ⁽¹⁾	As adjusted for merger	Adjustment for issuance	As adjusted for issuance ⁽²⁾
	(in € millions)				
Total current debt	(144.4)	0.4	(144.8)	-	(144.8)
Guaranteed	-	-	-	-	-
Secured	(0.9)	-	(0.9)		(0.9)
Unguaranteed/Unsecured	(143.5)	0.4	(143.9)	-	(143.9)
Total non-current debt (excluding current portion of long-term debt)	(12.1)	-	(12.1)	-	(12.1)
Guaranteed	-		-	-	-
Secured	(3.9)	-	(3.9)	-	(3.9)
Unguaranteed/Unsecured	(8.2)	-	(8.2)	-	(8.2)
Shareholder equity	(43.8)	-	(23.8)	-	(23.8)
a. Share capital	-	-	-	(0.2)	(0.2)
b. Legal reserves	-	-	-	-	-
c. Other reserves	(43.8)	(20.0)	(23.8)	0.2	(23.6)
Total capitalisation	(200.3)	(19.6)	(180.7)	-	(180.7)

Notes:

- (1) This relates to the dividend payment to the shareholders of €20 million, financing for shareholder expenditures of €0.4 million and also reflects the impact of the merger of SEC Topholding B.V. into the Company.
- (2) This relates to the 19,900,000 Ordinary Shares issued against their nominal value (€0.01) to the Selling Shareholders pro rata their existing shareholdings, which Ordinary Shares have been paid up at the expense of the Company's share premium reserve.

The following table shows Scholt Energy's indebtedness on a combined basis as at 30 June 2021.

Indebtedness

	As at 30 June 2021	Adjustment for merger ⁽¹⁾	As adjusted for merger	Adjustment for issuance	As adjusted for issuance ⁽²⁾
	(in € millions)				
A. Cash	18.5	0.3	18.8	-	18.8
B. Cash equivalents	-	-	-	-	-
C. Other current financial assets	106.2	(19.6)	86.6	-	86.6

	As at 30 June 2021	Adjustment for merger ⁽¹⁾	As adjusted for merger	Adjustment for issuance	As adjusted for issuance ⁽²⁾
D. Liquidity (A)+(B)+(C)	124.7	(19.3)	105.4	-	105.4
E. Current financial debt	-	-	-	-	-
F. Current portion of non-current financial debt	(0.9)	-	(0.9)	-	(0.9)
G. Current financial indebtedness (E)+(F)	(0.9)	-	(0.9)	-	(0.9)
H. Net current financial indebtedness (G)-(D)	123.8	(19.3)	104.5	-	104.4
I. Non-current financial debt	-	-	-	-	-
J. Debt instruments	-	-	-	-	-
K. Non-current trade and other payables.	(3.9)	-	(3.9)	-	(3.9)
L. Non-current financial indebtedness (I)+(J)+(K)	(3.9)	-	(3.9)	-	(3.9)
M. Total financial indebtedness (H)+(L)	119.9	(19.3)	100.6	-	100.6

Notes:

- (1) This relates to the cash of SEC Topholding B.V. of €0.3 million, the dividend payment to the shareholders of €20 million less financing for shareholder expenditures of €0.4 million and also reflects the impact of the merger of SEC Topholding B.V. into the Company.
- (2) This relates to the 19,900,000 Ordinary Shares issued against their nominal value (€0.01) to the Selling Shareholders pro rata their existing shareholdings, which Ordinary Shares have been paid up at the expense of the Company's share premium reserve.

Significant Changes in Capitalisation and Indebtedness since 30 June 2021

Since 30 June 2021, there has been no material change in any of the information included in the tables above, except for in the ordinary course of business. Changes in the ordinary course of business relate to unguaranteed / unsecured current debt, cash and other current financial assets resulting from payment behaviour of customers to the Company, payment cycles of the Company to its suppliers and development of forward prices, as well as development in share capital (resulting from profits between 30 June 2021 and the date of this Prospectus).

Indirect and Contingent Indebtedness

As of the date of this Prospectus, there has been no material change to the indirect and contingent indebtedness as described in The Financial Statements and the Interim Financial Statements (as included in this Prospectus beginning on page F-1).

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The selected consolidated financial information of the Company, as at and for the years ended 31 December 2020, 2019 and 2018 set forth below, has been derived from the Financial Statements included elsewhere in this Prospectus, which have been audited by KPMG, an independent auditor. The interim financial information of the Company, as at 30 June 2021 and for the six months ended 30 June 2021 and 30 June 2020 set forth below, has been derived from the Interim Financial Statements included elsewhere in this Prospectus. The independent auditors have reported that they applied limited procedures in accordance with professional standards for a review of the Interim Financial Statements. However, their separate report included herein, states that they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their report on such interim financial information should be restricted in light of the limited nature of the review procedures applied. The financial information set forth below has been extracted and presented without material adjustment to the presentation in the Financial Statements and the Interim Financial Statements. The Financial Statements and the Interim Financial Statements have been prepared in accordance with IFRS, as endorsed in the EU based on Regulation (EC) No 1606/2002.

The selected consolidated financial information set out below is a summary only. It may not contain all the information that is important to prospective investors and, accordingly, should be read in conjunction with sections "Important Information—Presentation of Financial and Other Information", "Capitalisation and Indebtedness", "Operating and Financial Review" and "Risk Factors".

Selected Consolidated Income Statement

	For the year ended 31 December			For the six months ended 30 June	
	2020	2019	2018	2021	2020
	(€ millions)			(€ millions)	
Revenue	456.9	418.3	375.5	347.3	214.0
Cost of energy purchases.....	(429.0)	(393.0)	(375.2)	(330.7)	(199.7)
Wages and salaries	(7.5)	(6.3)	(5.4)	(4.5)	(3.7)
Social security and pension charges.....	(1.6)	(1.2)	(0.9)	(0.9)	(0.7)
Amortization and depreciation on intangible and tangible fixed assets	(7.5)	(7.4)	(7.2)	(3.8)	(3.7)
Impairment loss on trade receivables and contract assets	(0.0)	(0.1)	(0.2)	(0.0)	(0.0)
Other operating expenses	(3.8)	(3.5)	(2.9)	(2.2)	(1.9)
Total operating expenses	(449.4)	(411.4)	(373.9)	(342.0)	(209.7)
Operating result.....	7.5	6.9	1.6	5.2	4.3
Finance income	0.0	0.0	0.0	0.1	0.0
Finance costs	(1.3)	(1.4)	(1.9)	(0.5)	(0.7)
Net finance costs	(1.3)	(1.3)	(1.8)	(0.4)	(0.7)
Share of profit of equity-accounted investees, net of tax	0.0	(0.0)	0.0	0.0	(0.0)
Profit before tax.....	6.3	5.5	(0.2)	4.9	3.6
Income tax expense	2.0	2.1	(2.5)	1.3	1.3
Profit for the Year	4.2	3.4	2.2	3.6	2.3

Selected Consolidated Statement of Financial Position

	As at 31 December			As at 30 June
	2020	2019	2018	2021
	(€ millions)			(€ millions)
Non-current assets				
Property, plant and equipment.....	5.4	5.9	6.5	5.8
Intangible assets and goodwill.....	71.0	76.2	81.9	68.6
Equity-accounted investees	0.4	0.3	0.3	0.4
Loans to joint ventures	0.3	0.3	0.4	0.1
Deferred tax assets	0.7	0.8	0.9	0.8
Total non-current assets	77.7	83.5	90.0	75.8
Current assets				
Trade and other receivables.....	66.5	52.5	63.0	106.2
Cash and cash equivalents	5.3	4.1	5.2	18.5
Total current assets	71.8	56.6	68.2	124.7
Total Assets	149.5	140.1	158.2	200.5
Share capital and reserves				
Share capital	-	-	-	-
Share premium	46.4	46.4	46.4	46.4
Retained earnings	(6.2)	(10.5)	(3.9)	(2.3)
Total shareholders' equity	40.3	36.0	42.5	43.8
Non-current liabilities				
Loans and borrowings	3.6	3.8	4.8	3.9
Trade and other payables.....	1.1	0.7	0.9	1.4
Provisions	0.1	0.1	0.0	0.1
Deferred tax liabilities	6.7	7.9	9.1	6.8
Total non-current liabilities.....	11.5	12.5	14.9	12.1
Current liabilities				
Loans and borrowings	0.7	2.9	16.4	0.9
Trade and other payables.....	94.2	85.9	81.5	141.1
Current tax liabilities	2.2	1.5	-	2.4
Contract liabilities	0.6	1.0	-	-
Deferred income	0.1	0.3	0.3	0.2

	As at 31 December			As at 30 June
	2020	2019	2018	2021
Provisions	-	-	2.5	-
Total current liabilities	97.8	91.6	100.8	144.5
Total liabilities	109.3	104.1	115.7	156.6
Total equity and liabilities	149.9	140.1	158.2	200.5

Selected Consolidated Statement Cash Flows

	For the year ended 31 December			For the six months ended 30 June	
	2020	2019	2018	2021	2020
	<i>(€ millions)</i>			<i>(€ millions)</i>	
Cash flow from operating activities					
Profit for the period	4.2	3.4	2.2	3.6	2.3
Adjustments for:					
Depreciation	1.2	1.1	0.9	0.6	0.6
Amortization.....	6.3	6.3	6.3	3.2	3.1
Deferred Income.....	(0.8)	(1.3)	(0.9)	(0.6)	(0.6)
Net finance costs	1.3	1.3	1.8	0.4	0.7
Share of profit of equity-accounted investees, net of tax	-	-	-	-	-
Tax expense/ (income)	2.0	2.1	(2.5)	1.3	1.3
Changes in:					
Contract assets.....	(8.8)	8.7	(12.1)	(27.2)	(0.5)
Trade and other receivables.....	(5.2)	1.1	(14.6)	8.2	(1.2)
Contract liabilities	(0.5)	1.0	-	(0.6)	0.5
Trade and other payables.....	8.7	4.1	26.9	47.1	(5.8)
Government grants	0.6	1.3	1.2	0.7	0.6
Provisions and employee benefits ...	-	(2.5)	2.5	-	-
Cash generated from operating activities	9.1	26.6	11.8	36.6	1.0
Interest paid	(1.2)	(1.2)	(1.6)	(0.5)	(0.6)
Income taxes paid.....	(2.4)	(1.0)	(1.4)	(1.2)	(0.4)
Net cash from operating activities.....	5.4	24.4	8.8	35.0	0.1⁽¹⁾
Cash flow from investing activities					
Interest received	-	-	-	0.1	-
Proceeds from sale of property, plant and equipment	0.1	0.1	-	-	-
Acquisition of property, plant and equipment.....	(0.1)	(0.2)	(0.3)	(0.1)	-
Acquisition of Intangible fixed assets	(1.1)	(0.5)	(0.4)	(0.8)	(0.6)
Divestment in financial fixed assets	-	-	0.1	-	-

	For the year ended 31 December			For the six months ended 30 June	
	2020	2019	2018	2021	2020
	(€ millions)			(€ millions)	
Repayment of loans to joint ventures	-	0.1	0.4	0.1	-
Net cash from (used in) investing activities	(1.1)	(0.4)	(0.2)	(0.7)	(0.6)
Cash flow from financing activities					
Repayment of borrowings	(2.5)	(14.5)	(18.4)	-	1.9
Payment of lease liabilities	(0.7)	(0.6)	(0.5)	(0.4)	(0.4)
Dividends paid	-	(10.0)	-	-	-
Loan to parent	-	-	-	(20.6)	-
Net cash from (used in) financing activities	(3.2)	(25.1)	(18.9)	(21.1)	1.6
Change in cash and cash equivalents	1.2	(1.1)	(10.2)	13.2	1.0
Cash and cash equivalents at the beginning of the period	4.1	5.2	15.4	5.3	4.1
Cash and cash equivalents at the end of the period	5.3	4.1	5.2	18.5	5.1

Alternative Performance Measures

The tables below present certain non-IFRS financial measures, which are not liquidity or performance measures under IFRS, and which Scholt Energy considers to be Alternative Performance Measures (APMs). These APMs are prepared in addition to the figures that are prepared in accordance with IFRS. Scholt Energy uses APMs to provide additional information to investors and to enhance their understanding of its results. The APMs should be viewed as complementary to, rather than a substitute for, the figures determined according to IFRS. Moreover, these metrics may be defined or calculated differently by other companies, and, as a result, they may not be comparable to similar metrics calculated by Scholt Energy's peers. See section "Important Information—Presentation of Financial and Other Information—Alternative Performance Measures and Key Performance Indicators" for more information, including the definitions of these measures.

	For the six months ended 30 June		For the year ended 31 December		
	2021	2020	2020	2019	2018
	(€ millions)		(€ millions)		
Adjusted EBITA Margin (%)	50.7%	51.7%	49.6%	51.9%	43.3%
Operating Profit Margin (%)	31.6%	30.0%	27.0%	27.1%	8.8%

	For the six months ended 30 June		For the year ended 31 December		
	2021	2020	2020	2019	2018
	(€ millions)		(€ millions)		
EBT Margin (%).....	29.4%	25.0%	22.4%	21.8%	(1.3%)
Net Income Margin (%)	21.7%	15.9%	15.2%	13.6%	12.3%

The figures used in the reconciliation tables below have been derived from the Financial Statements, as included in this Prospectus beginning on page F-1.

Reconciliation of Gross Margin

Gross Margin

	For the year ended 31 December			For the six months ended 30 June	
	2020	2019	2018	2021	2020
	(€ millions)			(€ millions)	
Revenue.....	456.9	418.3	375.5	347.3	214.0
Cost energy purchases	(429.0)	(393.0)	(357.2)	(330.7)	(199.7)
Gross Margin.....	27.9	25.4 ⁽¹⁾	18.3	16.6	14.4

Notes: (1) result of rounding of numbers in the table.

Reconciliation of Adjusted EBITA

Adjusted EBITA

	For the year ended 31 December			For the six months ended 30 June	
	2020	2019	2018	2021	2020
	(€ millions)			(€ millions)	
Profit for the period	4.2	3.4	2.2	3.6	2.3
Net finance costs	1.3	1.3	1.8	0.4	0.7
Income tax expense	2.0	2.1	(2.5)	1.3	1.3
Amortization.....	6.3	6.3	6.3	3.1	3.1
Option Plan and share incentive ⁽²⁾ ...	-	-	-	-	-
Adjusted EBITA.....	13.8	13.2 ⁽¹⁾	7.9 ⁽¹⁾	8.4	7.4

Notes: (1) result of rounding of numbers in the table. (2) Adjustment for costs for the option plan and the one-off share incentive for all eligible employees is applied prospectively as set out in "Management and Corporate Governance—Employee Equity Holdings" and is not applicable for the years ended 31 December 2020, 2019, 2018 and for the six months ended 30 June 2021 and 2020.

Reconciliation of Capital Expenditure

Capital Expenditure

	For the year ended 31 December			For the six months ended 30 June	
	2020	2019	2018	2021	2020
	(€ millions)			(€ millions)	
Additions to property, plant and equipment	0.8	0.7	0.3	1.0	0.3
Acquisition of intangible assets and goodwill	1.1	0.6	0.4	0.8	0.6
Capital Expenditure	1.9	1.2 ⁽¹⁾	0.6 ⁽¹⁾	1.9 ⁽¹⁾	0.9

Notes: (1) result of rounding of numbers in the table.

Reconciliation of EBT

EBT

	For the year ended 31 December			For the six months ended 30 June	
	2020	2019	2018	2021	2020
	(€ millions)			(€ millions)	
Profit for the period	4.2	3.4	2.2	3.6	2.3
Income tax expense	2.0	2.1	(2.5)	1.3	1.3
EBT	6.3 ⁽¹⁾	5.5	(0.2) ⁽¹⁾	4.9	3.6

Notes: (1) result of rounding of numbers in the table.

OPERATING AND FINANCIAL REVIEW

The following discussion and analysis should be read in conjunction with the rest of this Prospectus, including the information set out in section "Selected Consolidated Financial Information" and the information in section "Business".

Except as otherwise stated, the figures in the Operating and Financial Review are derived from the Financial Statements, which have been prepared in accordance with IFRS. For a discussion on the presentation of the Company's historical financial information included in this Prospectus, see section "Important Information—Presentation of Financial and Other Information".

The following discussion contains forward-looking statements that involve risks and uncertainties. Scholt Energy's future results could differ materially from those discussed below. Factors that could cause or contribute to such differences include, without limitation, those discussed in particular in the sections entitled "Risk Factors" and "Business" and elsewhere in this Prospectus. See section "Important Information—Presentation of Financial and Other Information" for a discussion of the risks and uncertainties related to those statements.

Overview

Scholt Energy is an independent B2B energy partner focussed on the mid to large corporate segment (i.e. companies with a monthly energy bill over €1,000), with activities in the Netherlands, Belgium, Germany and Austria. Started in 2005 as a family business, Scholt Energy has been expanded step by step into a solid, reliable and distinguished European challenger in the energy sector.

Scholt Energy's mission is to fully unburden corporate customers in the field of sourcing (renewable) energy supply and implementing changes in response to the energy transition in a personal, clear and independent manner. Striving for long-term powerful partnerships, Scholt Energy offers a wide range of products and services that can be combined in a tailor-made offer for each customer. Therefore, Scholt Energy can easily adapt to the goals and desired pace of the customer, resulting in a personalised high-quality customer experience.

Since 2005, Scholt Energy is, as an independent B2B energy partner, positioned between the utility generators (Scholt Energy does not own or operate energy generating assets itself) and end consumers, providing "Energy as a Service". The "Energy as a Service" proposition can be segmented into two business lines: Market Access and Energy Supply and Energy Transition Services, as set out in the table below.

Energy as a Service	
Market Access and Energy Supply	Energy Transition Services
<p>As an energy supplier and a balancing responsible party (BRP) Scholt Energy gives its customers, through Market Access and Energy Supply, access to the wholesale energy (electricity and gas) markets, forward as well as spot.</p> <p>Besides energy supply, Scholt Energy also provides its customers with tailor-made (renewable certificates) procurement and cost savings advice and the ability to choose from multiple sources of renewable energy.</p> <p>As an energy supplier, without energy generating assets, Scholt Energy's incentives are uniquely</p>	<p>Through Energy Transition Services, Scholt Energy offers customers a broad range of services related to the energy transition. These consists of four product groups: solar, flexibility, services related to electric vehicles (EV) and energy savings. Scholt Energy has offered these services since 2015.</p> <p>The energy transition is taking place at an ever-accelerating pace to achieve the ambitious 2030 and 2050 sustainability targets set by various governments. The energy market is moving from a central non-sustainable energy system to a decentralised sustainable energy system. Along with Scholt Energy's customers own internal pursuit of</p>

Energy as a Service	
Market Access and Energy Supply	Energy Transition Services
aligned with its customers, through a transparent pricing model based on fixed services fees per energy volumes. This way, Scholt Energy can guarantee the independent nature of its services to its customers.	sustainability, they are also impacted by regulatory requirements and other obligations to pursue sustainability targets. Scholt Energy has the ambition to proactively guide its customers in this transition.
<p>Market Access and Energy Supply Gross Margin</p> <ul style="list-style-type: none"> • €16.2 million for the six months ended 30 June 2021 • €26.8 million for the year ended 31 December 2020 	<p>Energy Transition Services Gross Margin</p> <ul style="list-style-type: none"> • €0.4 million for the six months ended 30 June 2021 • €1.1 million for the year ended 31 December 2020

Scholt Energy is headquartered in Valkenswaard (the Netherlands) where the Dutch activities (except for the sales activities) and the back office activities of all countries in which Scholt Energy operates are located. The back office activities include IT, balancing and sourcing, structuring and origination, finance, billing, legal and human resources. Scholt Energy has a separate sales office in Nieuwegein (near Utrecht, the Netherlands). In the other countries, Scholt Energy has offices in Waregem (Belgium), Ratingen (Germany) and Stuttgart (Germany) for its sales and front office activities (customer service, sales support and marketing). Scholt Energy had 156 employees based on a full-time contract (FTE) as of 30 June 2021.

Scholt Energy's consolidated revenue for the six months ended 30 June 2021 and the years ended 31 December 2020, 2019 and 2018 was €347.3 million, €456.9 million, €418.3 million and €375.5 million, respectively. Scholt Energy's activities in the Netherlands accounted for 49.9%, 49.0%, 55.6% and 65.5% of its consolidated revenue for the six months ended 30 June 2021 and the years ended 31 December 2020, 2019 and 2018, respectively.

Operating Segments

The Group has the following operating segments, which are also the reportable segments.

- **Supply of energy (gas and electricity):** This segment supplies gas and electricity to corporate customers in the Netherlands, Germany, Belgium and Austria. It enables these customers to reduce their energy costs and reduce their purchasing risk by combining fixed and variable prices.
- **Energy Transition Service activities:** This segment has activities aimed to support customers with all their energy matters, from energy savings to solar panels and monetising flexibility in customer's production processes and energy storage assets by automated control of energy flows.

Geographic Markets

The Group is active in the Netherlands, Belgium, Germany and Austria. The Gross Margin in the Netherlands, Belgium and Germany grew at a CAGR between 2018 and 2020 of 16%, 6% and 69%, respectively.

In 2020, 72% of the Gross Margin came from the Netherlands, 13% from Belgium and 15% from Germany. After obtaining all relevant permits and sourcing contracts to enter the Austrian market in 2020, the Group has installed an Austrian sales-team in 2021 and expects to generate its first Austrian revenue in 2022 (with energy supply contracts beginning from 1 January 2022). For a breakdown of the Group's revenue by geography, see Note 5 to the Financial Statements included in this Prospectus beginning on page F-1.

Key Factors Affecting the Group's Results of Operations

Scholt Energy's results of operations have been, and will continue to be, affected by many factors, some of which are beyond its control. This section sets out key factors the Group considers to have affected the Group's result of operations for the last three years ended 31 December 2020, and six months ended 20 June 2021 and which could affect its result of operations in the future.

Volume fee and Gross Margin

Scholt Energy charges customers a fixed fee / mark-up per supplied volume of electricity or gas, on top of the price that customers pay for electricity and gas, as a 'Market Access and Energy Supply service fee'. This fee is fixed per volume and not impacted by the sourcing strategy of the customer; hence it is independent from purchasing on forward or spot markets and independent from wholesale market price levels. As a result, the Group's Gross Margin is not impacted by changing energy prices, as energy prices are fully passed on to its customers and are generally aligned to Scholt Energy's cost of purchases. This pricing model ensures that Scholt Energy's results depend on supplied energy volumes, while not being impacted by wholesale energy market price levels. In addition, Scholt Energy believes this pricing model provides it with increased control over its financial performance, as the supplied energy volumes are dependent on its internal sales team, and are not impacted by external wholesale energy price fluctuations, which are driven by fuel prices, political decisions, speculation and weather conditions which Scholt Energy cannot control. This model means that when customers use less energy, Gross Margin falls. This was the case in 2020 with Scholt Energy's customers experiencing a decrease in energy needs due to the impact of COVID-19, which resulted in less additional energy purchases through the spot market. Scholt Energy estimates this had an adverse impact of approximately €2.1 million on its Gross Margin during the year ended 31 December 2020 and approximately €0.3 million to €0.6 million on its Gross Margin during the six months ended 30 June 2021.

The customer's Market Access and Energy Supply service fee is based on its contracted energy volume. The lower the contracted energy volume, the higher the service fee per unit of energy charged, and when the contracted energy volume grows, the service fee per volume declines. Volume graduations with associated fees are determined by sales management, which in each market consists of the national sales manager in consultation with the CCO. Sales management evaluates the graduated levels and fees annually and adjusts them where necessary. As a result of this model, the Group could experience a decline in its average Gross Margin per unit of energy if most customers were increasing the volume of energy they contracted. Beginning in 2021, Scholt Energy implemented a service fee that will increase or decrease based on inflation. If this service fee is adopted by a larger part of the customer base moving forward, it could have a positive impact on the Group's Gross Margin in future periods, if customers increase their overall volume of energy purchased and/or inflation remains steady or increases. This change in service fee is not reflected in the Group's medium-term objectives Gross Margin targets. In addition, with respect to green energy, as Scholt Energy adds a fixed fee per MWh on top of the market price, the growth of renewable energy sales (through certificates of origin) could also have a positive impact on the Group's margin if the mix of energy shifts more in that direction compared to conventional energy sources. Finally, with respect to Scholt Energy's Energy Transition Services, the solutions in this segment typically carry a slightly higher Gross Margin than those in the Market Access and Energy Supply segment. As a result, if the mix of services shifts further toward Energy Transition Services, Scholt Energy also expects that this could have a positive impact on its Gross Margin.

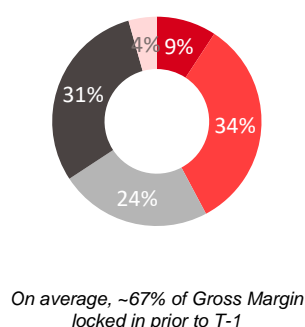
Contracted energy volume amounts and contracted Energy Transition Services

Scholt Energy has strong visibility on its future earnings as a result of multi-year customer contracts. Through Market Access and Energy Supply, Scholt Energy's customers can fix their future energy supply by procuring energy volumes for multiple years in advance through entering into a contractual agreement with Scholt Energy. These contracts are based on estimated volumes (which are partly locked-in at forward pricing and partly flexible via the spot market). Consequently, Gross Margin can deviate from contracted amounts if volumes actually consumed by customers are significantly different from the estimates, since the spot market purchases may be adjusted in the year of purchase.

Scholt Energy's energy supply contracts typically start per the first of January in any given year. This means that the sales activity for new business in year T will typically start generating Gross Margin per 1 January T+1 at the earliest. New customers will change their energy supplier when their existing contract ends, which could occur the upcoming 1 January or could also be two or three years away. Therefore, sales activity for new business in year T can also result in Gross Margin that will be realised in T+2 or T+3, etc. As a result, a minority of new contracts will be initiated within the same calendar year. As such, the Group has visibility on the next year's Market Access and Energy Supply future contracted Gross Margin as of the start of the fourth quarter of any given year.

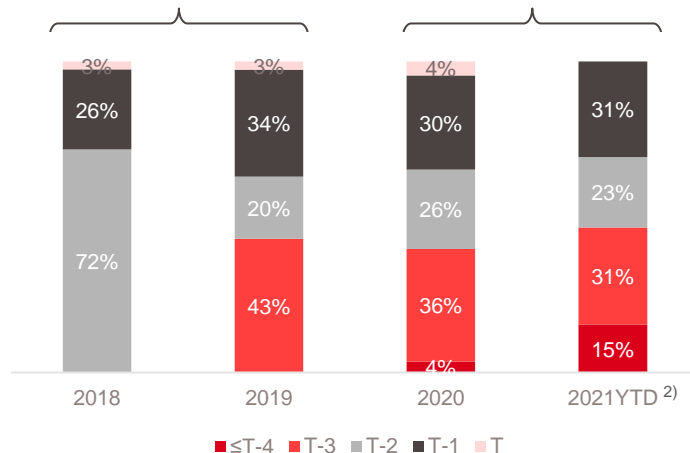
Customers that procure energy in advance will remain under contract with Scholt Energy for the period procured, and procure energy only from Scholt Energy, as there is typically only one supplier per energy connection. Historically, the majority of Market Access and Energy Supply future contracted Gross Margin for a given year is locked-in a few years ahead, with an average of 67% of the Group's Gross Margin during 2018, 2019, 2020 until June 2021 having being locked-in by customer contract more than one year prior to the relevant financial period. In addition, the historical default rate of previously locked-in Gross Margin is very low as a result of the effective mitigants for customer default risk that Scholt Energy has in place. The below charts illustrate the average percentage of Gross Margin locked-in by future periods and for the historical results shows how many years in advance the Market Access and Energy Supply was contracted, which generated Gross Margin for that period:

Average % of Gross Margin locked-in per year¹⁾



Contracted Gross Margin Energy Supply – historical build-up of Gross Margin contracted

Historical annual data available as of 2016, hence for 2018 'T-2' represents '≤T-2' and for 2019 'T-3' represents '≤T-3' Potential for 2021 business to be won throughout the year



Notes:

Scholt Energy's records on the annual generation of Gross Margin is available from 1 January 2016. As a result, when presenting the historical Gross Margin by the period in which it was generated, the following method was used: (1) for 2018, the proportion of Gross Margin that was generated in 2015 (T-3) or earlier years is unknown. Consequently, all business not generated in 'T-1' (which is 2017 when T is 2018) or T (which is 2018 in that year) falls in the category '≤T-2', which amounted to 72% of contracted Gross Margin; (2) for 2019, the proportion of Gross Margin that was generated in 2015 (T-4) or earlier years is unknown. Consequently, all business generated in 'T-4' or earlier is grouped into 'T-4'; (3) for 2020 and 2021 year-to-date, the proportion of Gross Margin that was generated in 2015 (T-5) or earlier years is unknown. Consequently, all business generated in 'T-4' or earlier is grouped into 'T-4'.

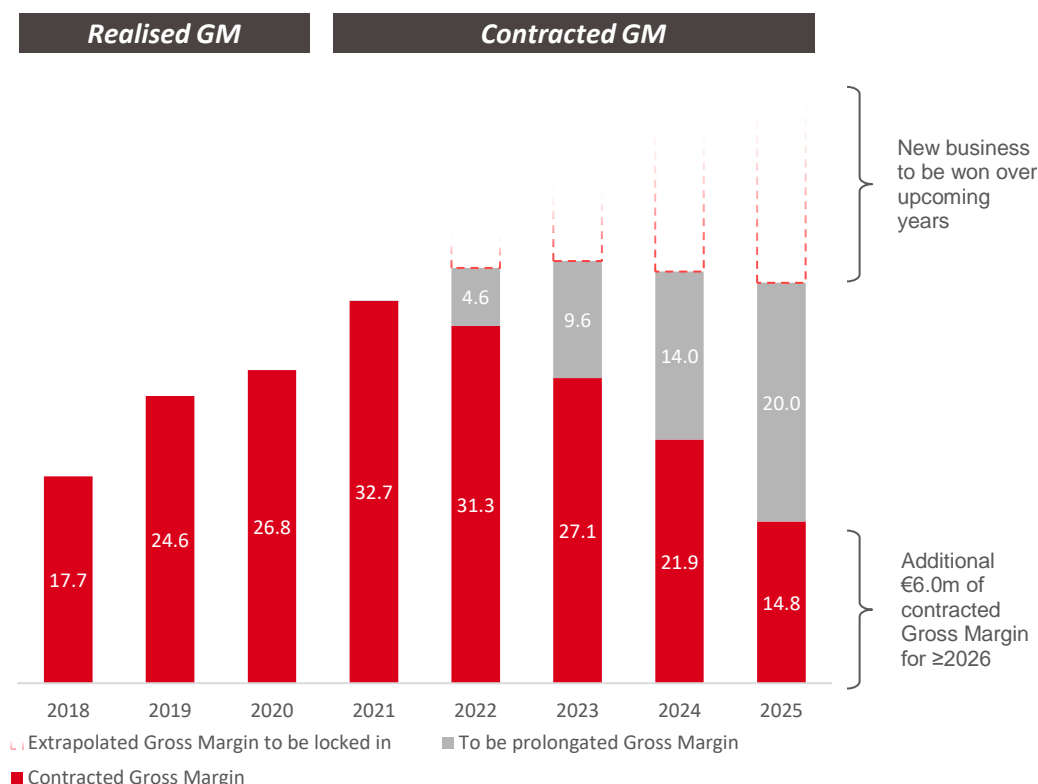
- (1) In calculating the average percentage of Gross Margin that was locked in prior to year 'T-1', 'T-2' aggregated amounts from 2018 and 'T-3' aggregated amounts from 2019 were excluded from the average calculation.
- (2) YTD in the table above means from 1 January 2021 through 25 May 2021.

Scholt Energy's contracted Market Access and Energy Supply and future contracted Gross Margin results in a strong customer contract book of contractually agreed energy volumes going forward. As at 30 June 2021, Scholt Energy had 43.0 TWh of future contracted Market Access and Energy Supply, which reflects €101.3 million in

future contracted Gross Margin (reflecting the service fees on the volume of energy contracted in the future), for 2022 and onward.

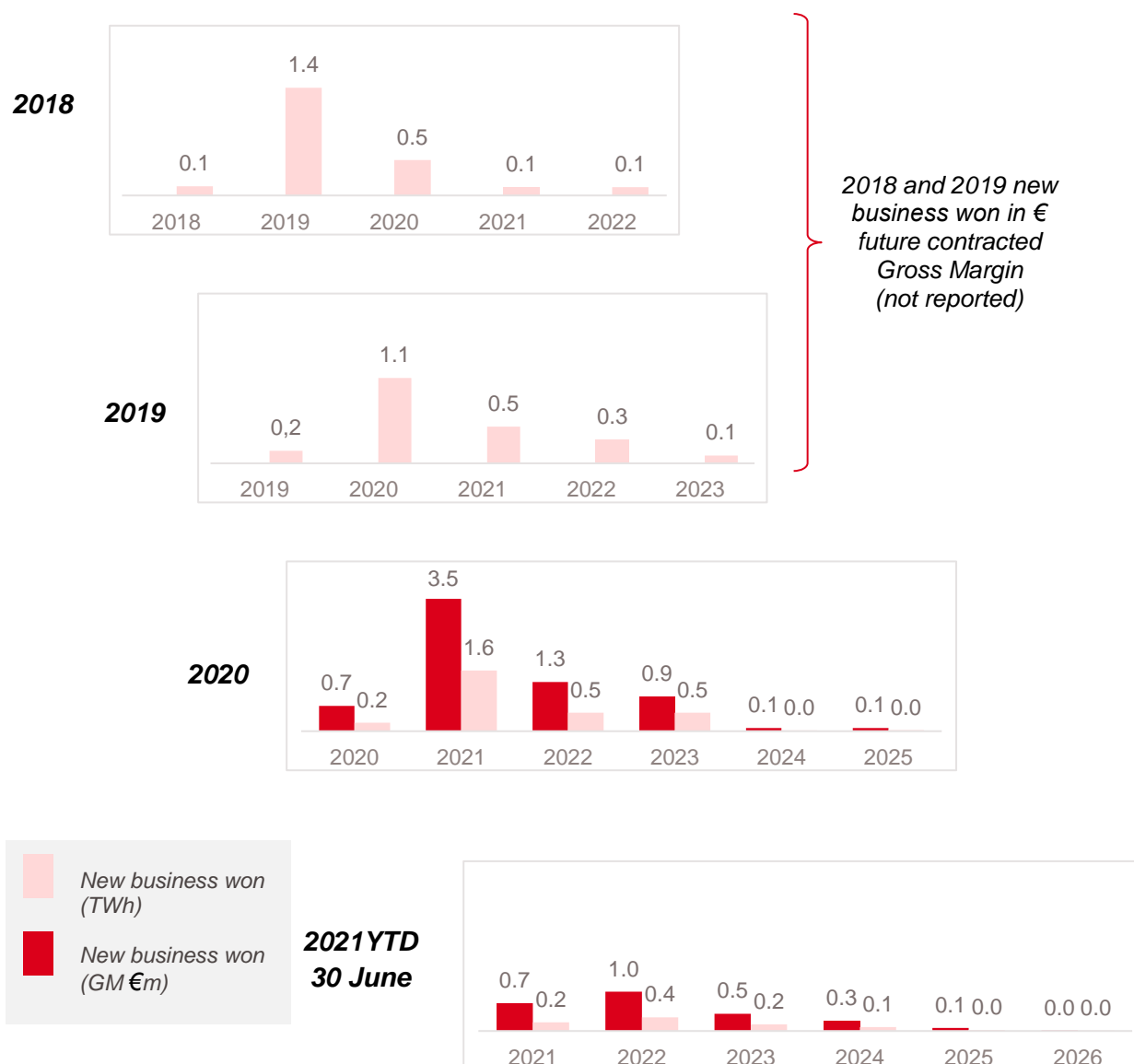
The Group's future contracted Market Access and Energy Supply gives the Group good visibility over its future earnings in part due to its low customer churn rate. According to contracted volumes and prices, Scholt Energy anticipates its future contracted Gross Margin as at 30 June 2021 for Market Access and Energy Supply to be €31.3 million in 2022. In addition to the future contracted Gross Margin, the Group also has visibility on Gross Margin that is contracted and if not renewed prior to the end of the contract period. Based on the Group's historical customer churn by MWh, it also has visibility on the amounts of expiring Gross Margin it expects will be renewed. As Scholt Energy manages to renew contracts that are classified as prolonged (or renewed contracted) Gross Margin, its prolonged Gross Margin for a period decreases and its contracted Gross Margin increases. As at 30 June 2021, the amount of energy that the Group expects to be renewed from its customers was approximately €4.6 million for 2022, based on an assumed customer MWh churn level of 5%.⁹⁵ As a result, Scholt Energy expects its Market Access and Energy Supply Gross Margin as a result of secured and renewed Gross Margin to be at least €35.9 million for 2022. As at 30 June 2021, Scholt Energy anticipates Energy Transition Services Gross Margin of €0.5 million for 2022 based on its Energy Transition Services future contracted Gross Margin. The Group expects this amount to further grow by additional customer contracts added over the remainder of 2021 for 2022, as well as any cross-selling of Energy Transition Services. The new business won is typically impacted by the number of sales staff.

The table below reflects historical contracted Gross Margin, the future contracted Gross Margin as at 30 June 2021 and the prolonged (or renewed contracted) Gross Margin as at 30 June 2021 in relation to Scholt Energy's Market Access and Energy Supply which is expected from 2021 onwards for the periods indicated.



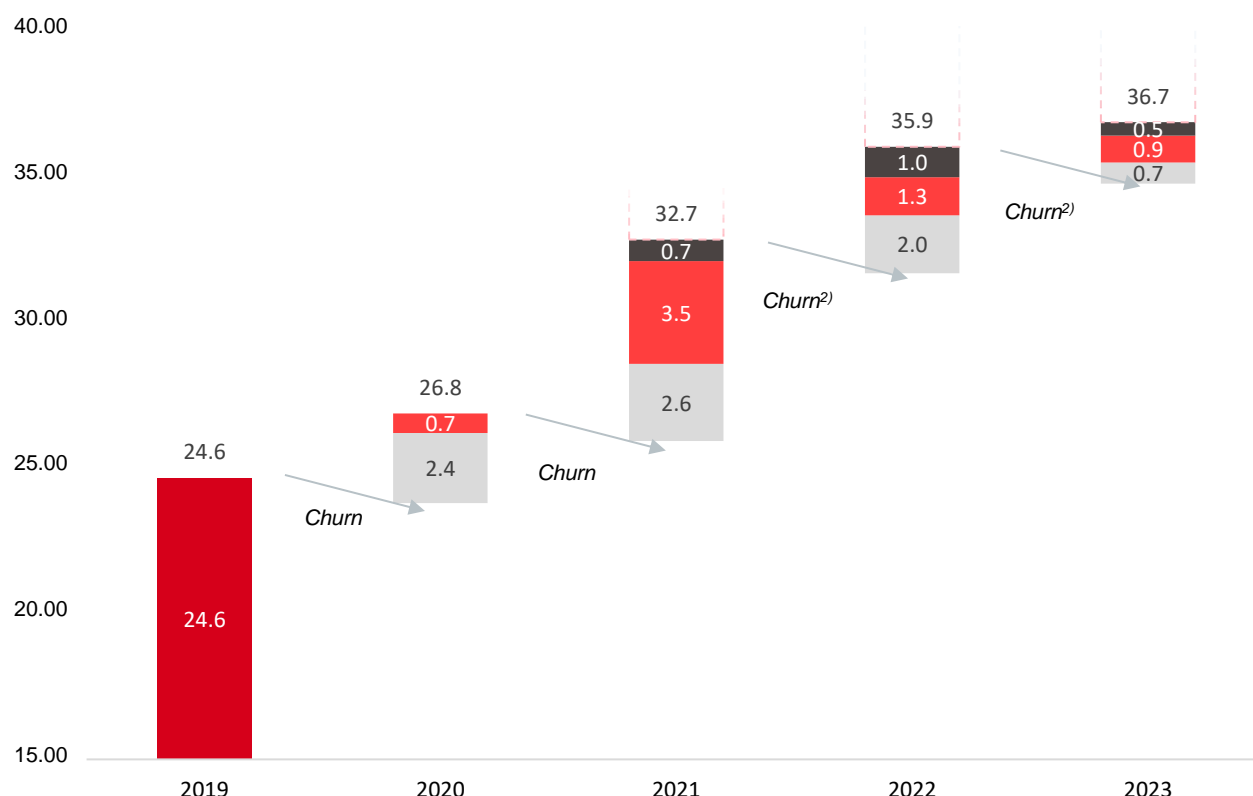
⁹⁵ The average customer churn between 1 January 2018 and February 2021 was approximately 3.5% (based on management information per February 2021). The 5% churn was chosen by management of the Company to adopt a conservative assumption.

The table below shows the new business won over 2018, 2019, 2020 and from 1 January 2021 to 30 June 2021 both in TWh and contracted Gross Margin for Scholt Energy's Market Access and Energy Supply future contracted Gross Margin and how it is distributed over upcoming years from the point it was won. The difference between new business won in 2019 and 2020 can be explained by the acceleration in new account managers hired. Scholt Energy is increasingly investing in new account managers that it expects will contribute more to new business won over the coming years.



The table below shows the development of newly contracted Gross Margin from Market Access and Energy Supply future contracted Gross Margin in € millions as at 30 June 2021.

Development of newly contracted Gross Margin (€m)



■ Historical GM
 ■ Prior to 2020 and new business from existing customers ³⁾
■ 2020
 ■ 2021 YTD
 ■ New business to be won

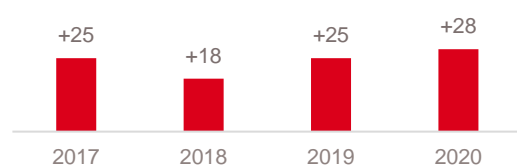
Historical year new business was won

Notes:

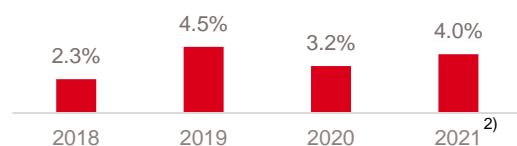
- 1) 100% minus average churn over 2018-2021, based on management information as per February 2021;
- 2) This churn includes already cancelled contracts as well as a conservative 5% churn assumption on contracts to be prolonged;
- 3) New business won prior to 2020 was not reported in Gross Margin, therefore new business won prior to 2020 is derived from total current contracted Gross Margin for future years, new business won in 2020 and 2021 YTD and the assumed churn levels.

Due to the importance of customer satisfaction for retaining existing customers and obtaining referrals for new customers from existing customers, the Group monitors its net promoter score, churn by MWh and its customer effort score as a proxy to assess customer satisfaction. The charts below demonstrate the Group's performance in each of these areas for the periods indicated:

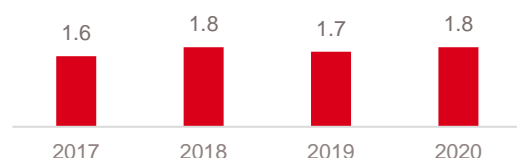
Net Promoter Score (NPS)



Low churn by MWh %¹⁾



Customer effort score³⁾



Notes: (1) Churn is calculated by volume of lost contracted connections for that year (due to competition, bankruptcy, demolition and contract breach) divided by volume of all contracted connections for that year (excluding wind).⁹⁶ (2) Large-consumption energy contracts begin and end on the 1st of January, as such churn for the coming year is already determined on the 1st of January. (3) Customer effort score measures the effort for the customer to get in contact with a company (1 – 5 range, the lower the score the better).

Scholt Energy also has visibility over certain of its contracted Energy Transition Services for upcoming periods. For example, within that segment, its flexibility solutions receive a profit share of the total award and the Group is able to estimate future Gross Margin for its Energy Transition Services based on the contracted amounts for its flexibility solutions within that segment.

Sales employees and contribution to gross volume and Adjusted EBITA

Scholt Energy's results are driven in large part by the number of sales employees it employs. While every sales employee will begin to contribute to Gross Margin from the point they begin their sales efforts (which typically begins after about one month after their start date once they have completed their initial training through Scholt Sales Academy), the results of this contribution are typically not evident until future financial periods since sales contracts for energy supply typically begin from 1 January in any given year, as described above in "*Contracted energy volume amounts and contracted Energy Transition Services*". The Group's sales employees have generally increased over the past year, thus driving the growth of the Group's business. The Group categorises its sales teams into the following categories:

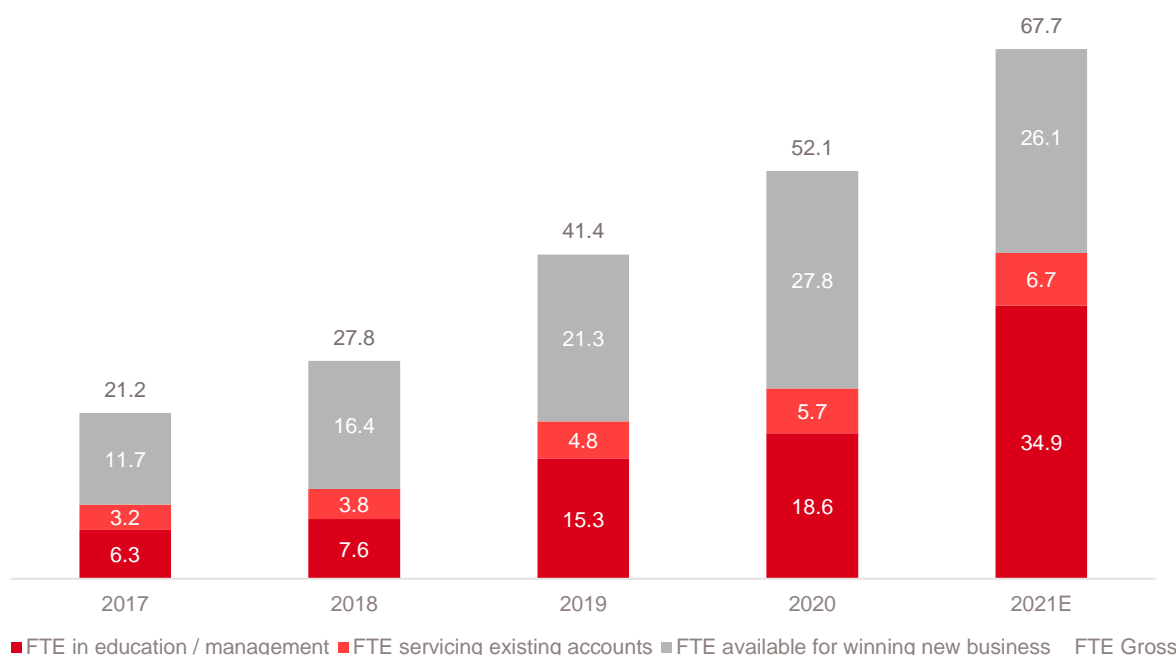
- ***FTEs in education or management:*** consisting of account managers (i) in their first year of employment and thus partially in training, (ii) responsible for training first-year account managers and (iii) employees responsible for managing account managers;
- ***FTEs servicing existing accounts:*** consisting of account managers FTE units employed to minimise churn among existing customer base; and
- ***FTEs available for winning new business:*** account managers FTEs available for acquisition of new business

⁹⁶

Wind is excluded from churn as Scholt Energy cancelled some historical wind contract itself due to loss making conditions. As such, these contracts are not representative for the churn, as Scholt Energy wanted these contracts to be cancelled. The churn figure represents contracts that are cancelled by customers on their own initiative, where Scholt Energy would rather have seen them continued. As Scholt Energy's new wind and solar contracts are profitable, this information is included in the churn for providing guidance on future sales opportunities.

The chart below shows the number of sales FTEs for each of the periods indicated by type:

Development of Scholt Energy's sales force – historical average Account Managers FTE⁽¹⁾⁽²⁾



Notes:

- (1) All values shown for FTE are the average number of account manager FTEs employed over the respective periods.
(2) Values for 2021E are envisaged averages for the year 2021.

As a result of the significant recent ramp-up in sales FTEs over the past couple of years, the Group believes based on historical experience that in the near-term it will have a slightly inflated cost base, which will lay the foundation for growth and margin improvement in the future as new sales FTEs generate additional new contracts that are entered into for future periods. The Group also expects to increase its number of sales FTEs in Germany and Austria, while largely maintaining its sales FTEs in the Netherlands and Belgium. The Group believes an increase in sales FTEs will result in continuous further organic growth. For the first six months of 2021, the Group's average of sales FTEs are 27.3, 12.2, 24.5, and 1.0 in the Netherlands, Belgium, Germany and Austria, respectively, and the Group is targeting 25 to 35; 10 to 20; 40-50; and 5 to 15 sales FTEs in the Netherlands, Belgium, Germany and Austria, respectively, by December 2024. In the medium-term, Scholt Energy aims for its sales FTEs to comprise 45% to 50% of its FTEs overall.

Seasonality

Historically, Scholt Energy's revenue reflects seasonal trends, with the first couple of months of each year and the last couple of months of each year reflecting higher demand for gas and also for power (albeit less volatile). The seasonal impact will vary from year to year in part due to the impact of changes in weather conditions; historically, Scholt Energy has more often experienced slightly higher volumes, and higher revenue and Gross Margin, in the first half of its year.

Outlook on Gross Margin and Adjusted EBITA Margin for 2022

Scholt Energy has already contracted business from its customers, through their purchasing of energy on the forward markets for the coming years or commitments to purchase on the spot market. Based on the contracted volumes (irrespective of energy purchased on forward markets or spot markets) and contracted conditions

(including mark-up in € / MWh), Scholt Energy anticipates Market Access and Energy Supply future contracted Gross Margin on the currently contracted business of €32.7 million in 2021 and €31.3 million in 2022 as at 30 June 2021. Scholt Energy anticipates Energy Transition Services future contracted Gross Margin of €0.9 million for 2021 and €0.5 million for 2022 as at 30 June 2021.

In addition, there are a number of customers that have a contract expiring in 2022, which contracts have not yet been extended, which are referred to as prolonged (or renewed contracted) Gross Margin. Assuming a churn level of 5%,⁹⁷ Scholt Energy assumes that these customers are good for additional Gross Margin of €4.6 million in 2022, all of which is from Market Access and Energy Supply Gross Margin for 2022.

Based on this, Scholt Energy has clear visibility on Gross Margin of €33.6 million in 2021 as at 30 June 2021 based on its future contracted Gross Margin and prolonged (or renewed contracted) Gross Margin from both its Market Access and Energy Supply and Energy Transition Services business and Gross Margin of €36.4 million in 2022 as at 30 June 2021 based on its future contracted Gross Margin and prolonged (or renewed contracted) Gross Margin from its Market Access and Energy Supply business.

Gross Margin is expected to further grow by contracting and adding new customers to the business in 2021 and 2022.

The amounts of future contracted Gross Margin and prolonged (or renewed contracted) Gross Margin for 2021 and 2022 as compared to 2020 does not take into account the Gross Margin from new customers, irrespective of stage of contracting. Scholt Energy anticipates to continue to add new clients to its customer base, with both experienced account managers employed, new account managers in training as well as new account managers it expects to hire.

On the basis of Scholt Energy's future contracted Gross Margin and its prolonged (or renewed contracted) Gross Margin and additional new customers, Scholt Energy's outlook of the Gross Margin for 2022 is €37 million to €38 million, with Adjusted EBITA Margin anticipated to be in line with recent years for 2022.

The outlook expressed above is not a statement about facts and should not be interpreted as such by potential investors. Rather, it is a statement about the expectations of Scholt Energy's management in respect of Gross Margin and Adjusted EBITA Margin of Scholt Energy for 2022. Potential investors should not place unreasonable reliance on this outlook of the Gross Margin and Adjusted EBITA Margin. For information about Scholt Energy's medium-term objectives, see "*Business—Medium-Term Objectives*".

Basis of preparation

For the purpose of the outlook of the Gross Margin, Gross Margin is calculated as follows:

- gross margin for a period is the total revenue for that period minus the total cost of energy purchases for that period; and
- gross margin excludes operating expenses (other than the cost of energy purchases).

The outlook of the Gross Margin is the aggregate of the outlook of the Gross Margin for Market Access and Energy Supply and the outlook of the Gross Margin for Energy Transition Services.

The outlook of the Gross Margin for Market Access and Energy Supply is based on the contracted amount of MWh multiplied by the transparent fee / mark-up per MWh that Scholt Energy charges, and reduced by the marginal costs per MWh Scholt Energy expects to incur.

⁹⁷ The average customer churn between 1 January 2018 and February 2021 was approximately 3.5% (based on management information per February 2021). The 5% churn was chosen by management of the Company to adopt a conservative assumption.

The outlook of the Gross Margin for Energy Transition Services is the aggregate of the outlook of the Gross Margin on flexibility and the outlook of the Gross Margin on solar development. The outlook of the Gross Margin on flexibility is based on the contracted profit shares per MW flexibility contracted multiplied by contracted amount of MW's and multiplied by expected revenue per MW based on historical experience. The outlook of the Gross Margin on solar is based on contracted projects for which services will be performed in 2021 and 2022, respectively, and revenue will be recognised accordingly.

For the purpose of the Adjusted EBITA Margin outlook, Adjusted EBITA Margin is calculated as described in "*Important Information—Presentation of Financial and Other Information*".

The outlook of the Gross Margin and Adjusted EBITA Margin have been prepared on the basis of accounting policies that are consistent with the accounting policies adopted by Scholt Energy in its audited annual financial statements for the year ending 31 December 2020. These accounting policies are expected to be consistent with the accounting policies to be adopted by Scholt Energy in its annual financial statements for the years ending 31 December 2021 and 31 December 2022.

Factors and Assumptions

The outlook of the Gross Margin and Adjusted EBITA Margin for 2022 is influenced by the factors listed below and is based on assumptions by Scholt Energy's management related to these factors. These assumptions relate to factors that can, even if only to a limited extent, or cannot be influenced by Scholt Energy. Even if Scholt Energy believes that these assumptions are reasonable at the time of the outlook of Gross Margin and Adjusted EBITA Margin by Scholt Energy's management, they may prove erroneous or unfounded. If one or more of these assumptions proves to be erroneous or unfounded, the actual Gross Margin and Adjusted EBITA Margin could deviate materially from Scholt Energy's current outlook of the Gross Margin or Adjusted EBITA Margin.

Factors outside Scholt Energy's influence

The expected Gross Margin and Adjusted EBITA Margin for 2022 are generally subject to factors that are beyond the control of Scholt Energy and its subsidiaries or any individual. These factors and the related assumptions of Scholt Energy are outlined below:

Factor: unforeseen events such as force majeure

For the purpose of the outlook of the Gross Margin and Adjusted EBITA Margin, Scholt Energy assumes that no material unforeseen events will occur that could result in material or lasting constraints on the ongoing operations of Scholt Energy such as force majeure (e.g. fire, floods, hurricanes, storms earthquakes or terrorist attacks), strikes, a global pandemic, exceptional macroeconomic events or war.

Factor: legislative and other regulatory measures

For the purpose of the outlook of the Gross Margin and Adjusted EBITA Margin, Scholt Energy assumes that there will be no or only insignificant changes in the current regulatory framework and that there will be no material changes in the legal framework, such as in the tenancy law and fiscal law.

Factor: economic development of the energy sector

For the purpose of the outlook of the Gross Margin and Adjusted EBITA Margin, Scholt Energy assumes that there will be no material negative economic developments in energy markets in the Netherlands, Belgium, Germany or Austria.

Factors that can be influenced by Scholt Energy to a limited extent

In addition, further factors may also influence the Gross Margin and Adjusted EBITA Margin for 2022 as compared to 2020 over which Scholt Energy has limited control. The relevant assumptions are outlined below:

Factor: other operating income and other operating expenses

For the purpose of the outlook of the Gross Margin and Adjusted EBITA Margin, Scholt Energy assumes that the marginal costs of energy purchased per MWh, other than the wholesale price for energy itself, will be stable for the full years 2021 and 2022 compared to the full year 2020. For the year 2022, no other operating income and other operating expenses are expected.

Factors that can be influenced by Scholt Energy

In addition, further factors may also influence Gross Margin and Adjusted EBITA Margin for 2022 over which Scholt Energy has control. The relevant assumptions are outlined below:

Factor: timing and performance of acquisitions and disposals

There are no material acquisitions of subsidiaries, joint ventures and/or associates by Scholt Energy planned prior to 31 December 2022.

Other explanatory notes

The outlook of the Gross Margin and Adjusted EBITA Margin does not include material extraordinary results or results from non-recurring activities.

As the outlook of the Gross Margin for 2022 relates to a period not yet completed and has been prepared on the basis of assumptions about future uncertain events and actions, it naturally entails substantial uncertainties. Because of these uncertainties, it is possible that the actual Gross Margin and/or Adjusted EBITA Margin for 2022 may differ materially from the outlook.

Results of Operations

The tables below set forth certain financial data of the Group for the six months ended 30 June 2021 and 2020 and for the years ended 31 December 2020, 2019 and 2018.

The information in the tables below should be read together with the Financial Statements and Interim Financial Statements, including the notes thereto, included elsewhere in this document.

Consolidated Income Statement data

	For the six months ended 30 June		For the year ended 31 December		
	2021	2020	2020	2019	2018
	<i>(€ millions)</i>		<i>(€ millions)</i>		
Revenue.....	347.3	214.0	456.9	418.3	375.5
Total operating income	347.3	214.0	456.9	418.3	375.5
Cost energy purchases	(330.7)	(199.7)	(429.0)	(393.0)	(357.2)
Wages and salaries	(4.5)	(3.7)	(7.5)	(6.3)	(5.4)

	For the six months ended 30 June		For the year ended 31 December		
	2021	2020	2020	2019	2018
	<i>(€ millions)</i>		<i>(€ millions)</i>		
Social security and pension charges.....	(0.9)	(0.7)	(1.6)	(1.2)	(0.9)
Amortization and depreciation on intangible and tangible fixed asset	(3.8)	(3.7)	(7.5)	(7.4)	(7.2)
Impairment loss on trade receivable and contract assets.....	(0.0)	(0.0)	(0.0)	(0.1)	(0.2)
Other operating expenses	(2.2)	(1.9)	(3.8)	(3.5)	(2.9)
Total operating expenses.....	(342.0)	(209.7)	(449.4)	(411.4)	(373.9)
Operating results	5.2	4.3	7.5	6.9	1.6
Finance income	0.1	0.0	0.0	0.0	0.0
Finance costs	(0.5)	(0.7)	(1.3)	(1.4)	(1.9)
Net finance costs	(0.4)	(0.7)	(1.3)	(1.3)	(1.8)
Share of profit of equity-accounted investees, net of tax	0.0	(0.0)	0.0	(0.0)	(0.0)
Profit before tax.....	4.9	3.6	6.3	5.5	(0.2)
Income tax expense	1.3	1.3	2.0	2.1	(2.5)
Profit for the period	3.6	2.3	4.2	3.4	2.2

Explanation of Consolidated Income Statement line items

Revenue

The Group generates revenue from the delivery of energy and services provided. Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises its energy revenue based on the customers' energy usage, which is invoiced on a monthly basis. The amount of revenue to recognise for electricity and gas, respectively, is dependent on a progress of measurement which is (1) the time elapsed for the contractual fixed fees in the contract, irrespective of usage (i.e. fixed part of the consideration that is charged even when no electricity or gas, respectively, is consumed) and (2) the actual consumption of electricity or gas, respectively. In the case of services, revenue is recognised over time based on the percentage of completion method.

Cost of energy purchases

The Group's cost of purchases relates to the purchases of gas and electricity and costs of third party services to support its energy services to customers.

Wages and salaries

The Group's wages and salaries relate to wages and salaries paid in relation to all staff members employed by the Group.

Social security and pension charges

The Group's social security and pension charges relate to social security contributions and contributions to defined contribution retirement plans paid in relation to all staff members employed by the Group.

Amortization and depreciation on intangible and tangible fixed assets

The Group's amortization and depreciation on intangible and tangible fixed assets relate to (1) amortization on: customers relationships recognised upon the acquisition of Scholt Energy Holding N.V. in 2016 (which will be amortized until and including November 2024 and will then be fully amortized), the Group's trade names recognised upon the acquisition of Scholt Energy Holding N.V. in 2016 (which will be amortized until and including September 2031 and will then be fully amortized) and software; and (2) depreciation on: the Group's rights of use of office buildings, computers, machines and equipment, leasehold improvements, rights of use of transport equipment, and transport equipment owned by the Group. Amortization and depreciation are calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is recognised in profit or loss.

Impairment loss on trade receivables and contract assets

The Group's impairment loss on trade receivables and contract assets relates to expected credit losses arising from contracts with customers. Customer default risk, as well as close out risk, covering the energy cut-off period, is covered by the Group's credit insurance policy, except for a 5% own risk and except for risk on customers who are declined by the Group's credit insurance policy.

Other operating expenses

The Group's other operating expenses includes housing expenses, office expenses, information technology expenses, legal and professional fees, car expenses, insurances, sales and marketing expenses, other employee services, and general expenses.

Finance income

The Group's finance income includes interest income, the net gain on financial assets at fair value through profit or loss and the value gain on contingent considerations classified as a financial liability.

Finance costs

The Group's finance costs include interest expense, the net loss on financial assets at fair value through profit or loss and the net value loss on contingent consideration classified as a financial liability.

Share of profit of equity-accounted investees, net of tax

Share of profit of equity-accounted investees, net of tax relates to the Group's participation in two joint arrangements, V-Storage B.V., Eindhoven, The Netherlands (**V-Storage**) and C-Wind B.V., Hoornaar, Giessenlanden, The Netherlands (**C-Wind**), that are active in the field of energy storage. V-Storage and C-Wind are not publicly listed. Both are structured as a separate vehicle and the Group has a residual interest in the net assets. Accordingly, the Group has classified these participating interests as a joint venture.

Income tax expense

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it related to a business combination, or items recognised directly in equity or other comprehensive income.

Six months ended 30 June 2021 compared to the six months ended 30 June 2020

Consolidated Income Statement data

	For the six months ended 30 June		
	2021	2020	% Change
	<i>(€ millions)</i>		
Revenue	347.3	214.0	62.2%
Total operating income	347.3	214.0	62.2%
Cost of energy purchase	(330.7)	(199.7)	65.6%
Wages and Salaries.....	(4.5)	(3.7)	20.4%
Social security and pension charges	(0.9)	(0.7)	17.6%
Amortization and depreciation on intangible and tangible fixed assets	(3.8)	(3.7)	1.9%
Impairment loss on trade receivables and contract assets	(0.0)	(0.0)	(50.0)%
Other operating expenses	(2.2)	(1.9)	16.5%
Total operating expenses	(342.0)	(209.7)	63.1%
Operating result	5.2	4.3	21.5%
Finance income	0.1	0.0	0.0%
Finance costs	(0.5)	(0.7)	(30.2)%
Net finance costs	(0.4)	(0.7)	(44.8)%
Share of profit of equity-accounted investees, net of tax	0.0	(0.0)	(200.0)%
Profit before tax	4.9	3.6	35.6%
Income tax expense	1.3	1.3	(2.1)%
Profit for the period	3.6	2.3	57.1%

The following is a discussion of the Group's results of operations for the six-month periods ended 30 June 2021 and 30 June 2020.

Revenue

Revenue increased by €133.3 million, or 62.3%, from €214.0 million for the six months ended 30 June 2020, to €347.3 million for the six months ended 30 June 2021. This increase was principally a result of significant growth of the revenue from energy supplied in each of the Netherlands, Germany and Belgium as a result of a 19% increase in MWh of electricity supplied and a 36% increase in MWh of gas supplied, both resulting from an increasing customer base, as well as a result of increased wholesale market prices for both electricity and gas.

Cost of energy purchases

Cost of energy purchases increased by €131.0 million, or 65.6%, from €199.7 million for the six months ended 30 June 2020, to €330.7 million for the six months ended 30 June 2021. This increase was principally a result of the corresponding 19% increase in electricity supplied and the corresponding 36% increase in gas supplied in this period and as a result of recovering energy prices in the six months ended 30 June 2021 compared to those in the six months ended 30 June 2020.

Wages and salaries

Wages and salaries increased by €0.8 million, or 20.4%, from €3.7 million for the six months ended 30 June 2020, to €4.5 million for the six months ended 30 June 2021. This increase was principally a result of an increase in employee numbers (from an average of 129.5 FTE in the six months ended 30 June 2020 to an average of 142.6 FTE in the six months ended 30 June 2021) and furthermore a result of salary inflation and a result of a €0.2 million higher accrual for holiday allowance.

Social security and pension charges

Social Security and pension charges increased by €0.1 million, or 17.6%, from €0.7 million for the six months ended 30 June 2020, to €0.9 million for the six months ended 30 June 2021. This increase was principally a result of the aforementioned increase in employee numbers.

Amortization and depreciation on intangible and tangible fixed assets

Amortization and depreciation on intangible and tangible fixed assets increased over the period under review. Amortization and depreciation on intangible and tangible fixed assets increased by €0.1 million, or 1.9%, from €3.7 million for the six months ended 30 June 2020, to €3.8 million for the six months ended 30 June 2021. This increase was principally a result of an increase of depreciation on transport equipment.

Impairment loss on trade receivables and contract assets

Impairment loss on trade receivables and contract assets decreased by €13 thousand, or 50%, from a loss of €26 thousand for the six months ended 30 June 2020, to €13 thousand for the six months ended 30 June 2021.

Other operating expenses

Other operating expenses increased by €0.3 million, or 16.5%, from €1.9 million for the six months ended 30 June 2020, to €2.2 million for the six months ended 30 June 2021. This increase was principally a result of increasing third-party administration fees in Germany, following an increase in the number of customers being supplied there.

Finance income

Finance income increased by €0.1 million, from €0 million for the six months ended 30 June 2020, to €0.1 million for the six months ended 30 June 2021. This increase was principally a result of the €20.0 million loan entered into in the six months ended 30 June 2021 to facilitate a dividend payment by the parent company SEC Topholding B.V. to the Selling Shareholders (which loan was subsequently extinguished as a result of the merger of SEC Topholding B.V. into the Company that became effective on 31 August 2021).

Finance costs

Finance costs decreased by €0.2 million, or 30.2%, from €0.7 million for the six months ended 30 June 2020, to €0.5 million for the six months ended 30 June 2021. This increase was principally a result of a decrease in bank guarantee fees following a decrease in bank guarantees provided to suppliers, on its turn following an increase in forward prices on wholesale markets.

Share of profit of equity-accounted investees, net of tax

Share of profit of equity-accounted investees, net of tax increased by €40 thousand from a loss of €20 thousand for the six months ended 30 June 2020, to a profit of €20 thousand for the six months ended 30 June 2021. This was principally a result of growth in the V-Storage B.V. joint venture.

Income tax expense

Income tax expense remained stable at €1.3 million for the six months ended 30 June 2020 and 30 June 2021.

Consolidated Income Statement data

	For the year ended 31 December		% Change
	2020	2019	
	<i>(€ millions)</i>		
Revenue	456.9	418.3	9.2%
Total operating income	456.9	418.3	9.2%
Cost of energy purchases	(429.0)	(393.0)	9.2%
Wages and salaries	(7.5)	(6.3)	18.0%
Social security and pension charges	(1.6)	(1.2)	28.7%
Amortization and depreciation on intangible and tangible fixed assets	(7.5)	(7.4)	1.2%
Impairment loss on trade receivables and contract assets	(0.0)	(0.1)	(51.8)%
Other operating expenses	(3.8)	(3.5)	10.1%
Total operating expenses	(449.4)	(411.4)	9.2%
Operating result	7.5	6.9	9.7%
Finance income	0.0	0.0	(43.5)%
Finance costs	(1.3)	(1.4)	(1.3)%
Net finance costs	(1.3)	(1.3)	(0.5)%
Share of profit of equity-accounted investees, net of tax	0.0	(0.0)	-
Profit before tax	6.3	5.5	13.2%
Income tax expense	2.0	2.1	(2.9)%
Profit for the period	4.2	3.4	23.0%

The following is a discussion of the Group's results of operations for the years ended 31 December 2020 and 31 December 2019.

Revenue

Revenue increased by €38.6 million, or 9.2%, from €418.3 million for the year ended 31 December 2019, to €456.9 million for the year ended 31 December 2020. The increase in this period was principally a result of significant growth of the amount of energy supplied in the German geographic market, which accounted for an increase of €46.6 million, partly offset by a decrease in revenue in energy supply segment in the Dutch geographic market of €9.2 million. The decrease in revenue in the Dutch geographic market resulted from a decrease in wholesale prices which were greater than the increase in the volume of energy supplied. Over all geographies, the quantity of gas supplied increased by 66% from the year ended 31 December 2019 to the year ended 31 December 2020, whereas the quantity of electricity supplied increased by 22%.

Cost of energy purchases

Cost of energy purchases increased by €36.1 million, or 9.2%, from €393.0 million for the year ended 31 December 2019, to €429.0 million for the year ended 31 December 2020. The increase was principally a result of the corresponding increase in energy supply in this period.

Wages and salaries

Wages and salaries increased by €1.1 million, or 18.0%, from €6.3 million for the year ended 31 December 2019, to €7.5 million for the year ended 31 December 2020. The increase was principally a result of an increase in employee numbers (from an average of 118 FTE in the year ended 31 December 2019 to an average of 134 FTE in the year ended 31 December 2020) and salary inflation.

Social security and pension charges

Social security and pension charges increased by €0.3 million, or 28.7%, from €1.2 million for the year ended 31 December 2019, to €1.6 million for the year ended 31 December 2020. The increase was principally a result of the aforementioned increase in employee numbers.

Amortization and depreciation on intangible and tangible fixed assets

Amortization and depreciation on intangible and tangible fixed assets remained largely stable, increasing by only €0.1 million, or 1.2%, from €7.4 million for the years ended 31 December 2019 to and €7.5 million for the year ended 31 December 2020. The increase was principally a result of an €107 thousand increase in the depreciation on rights of use of transport equipment.

Impairment loss on trade receivables and contract assets

Impairment loss on trade receivables and contract assets decreased by €43 thousand, or 51.8%, from a loss of €83 thousand for the year ended 31 December 2019, to a loss of €40 thousand for the year ended 31 December 2020. The decrease in losses was principally a result of a decrease of expected credit losses among customers as at 31 December 2020.

Other operating expenses

Other operating expenses increased by €0.4 million, or 10.1%, from €3.5 million for the year ended 31 December 2019, to €3.8 million for the year ended 31 December 2020. The increase was principally a result of significant increases in sales and marketing expenses, legal and professional fees, and offices expenses of €99 thousand, €85 thousand and €73 thousand, respectively, offset by a €92 thousand decrease in car expenses due to reduced car travel during the COVID-19 pandemic and associated lock-downs.

Finance income

Finance income decreased by €10 thousand, or 43.5%, from €23 thousand for the year ended 31 December 2019, to €13 thousand for the year ended 31 December 2020. The decrease was principally a result of a decrease in interest received from loans to Scholt Energy's joint ventures, V-Storage and C-Wind.

Finance costs

Finance cost remained largely stable, decreasing slightly by €17 thousand, or 1.3%, from €1.4 million for the year ended 31 December 2019, to €1.3 million for the year ended 31 December 2020.

Share of profit of equity accounted investees, net of tax

Share of profit of equity accounted investees, net of tax increased by €60 thousand from a loss of €19 thousand for the year ended 31 December 2019, to a profit of €41 thousand for the year ended 31 December 2020. The increase was principally a result of growth in the V-Storage B.V. joint venture.

Income tax expense

Income tax expense decreased by €0.1 million, from €2.1 million for the year ended 31 December 2019 to €2.0 million for the year ended 31 December 2020.

Year ended 31 December 2019 compared to the year ended 31 December 2018

Consolidated Income Statement data

	For the year ended 31 December		% Change
	2019	2018	
	<i>(€ millions)</i>		
Revenue	418.3	375.5	11.4%
Total operating income	418.3	375.5	11.4%
Cost of energy purchases	(393.0)	(357.2)	10.0%
Wages and salaries	(6.3)	(5.4)	17.0%
Social security and pension charges	(1.2)	(0.9)	28.3%
Amortization and depreciation on intangible and tangible fixed assets	(7.4)	(7.2)	1.9%
Impairment loss on trade receivables and contract assets	(0.1)	(0.2)	(54.4)%
Other operating expenses	(3.5)	(2.9)	20.4%
Total operating expense	(411.4)	(373.9)	10.0%
Operating result	6.9	1.6	327.8%
Finance income	0.0	0.0	15.0%
Finance costs	(1.4)	(1.9)	(27.3)%
Net finance costs	(1.3)	(1.8)	(27.7)%
Share of profit of equity-accounted investees, net of tax	(0.0)	(0.0)	(375.0)%
Profit before tax	5.5	(0.2)	53.3%
Income tax expense	2.1	(2.5)	(183.9)%
Profit for the period	3.4	2.2	662.4%

Revenue

Revenue increased by €42.8 million, or 11.4%, from €375.5 million for the year ended 31 December 2018, to €418.3 million for the year ended 31 December 2019. The increase in this period was principally a result of significant growth in the amount of energy supplied in the geographic markets of Germany and Belgium, which accounted for €51.6 million and €4.7 million, respectively, offset by a decrease in the revenue from the Netherlands of €13.5 million. The decrease in revenue in the Dutch geographic market resulted from a decrease

in wholesale prices which were greater overcompensating the 9% increase in MWh of electricity supplied and a 24% increase in MWh of gas supplied.

Cost of energy purchases

Cost of energy purchases increased by €35.7 million, or 10.0%, from €357.2 million for the year ended 31 December 2018, to €393.0 million for the year ended 31 December 2019. The increase was principally a result of the corresponding increase in energy supplied in this period.

Wages and salaries

Wages and salaries increased by €0.9 million, or 17.0%, from €5.4 million for the year ended 31 December 2018, to €6.3 million for the year ended 31 December 2019. The increase was principally a result of an increase in employee numbers (from an average of 97 FTE in the year ended 31 December 2018 to an average of 118 FTE in the year ended 31 December 2020).

Social security and pension charges

Social security and pension charges increased by €0.3 million, or 28.3%, from €0.9 million for the year ended 31 December 2018, to €1.2 million for the year ended 31 December 2019. The decrease was principally a result of the aforementioned increase in employee numbers.

Amortization and depreciation on intangible and tangible fixed assets

Amortization and depreciation on intangible and tangible fixed assets increased by €0.2 million, or 1.9%, from an expense of €7.2 million for the year ended 31 December 2018, to an expense of €7.4 million for the year ended 31 December 2019. The increase in this period was principally a result of an increase in the depreciation on rights of use of transport equipment and on machines and equipment of €99 thousand and €44 thousand, respectively.

Impairment loss on trade receivables and contract assets

Impairment loss on trade receivables and contract assets decreased by €99 thousand, or 54.4%, from a loss of €182 thousand for the year ended 31 December 2018, to a loss of €83 thousand for the year ended 31 December 2019. The decrease in losses in this period was principally a result of a decrease of expected credit losses among customers as at 31 December 2019 compared to as at 31 December 2018.

Other operating expenses

Other operating expenses increased by €0.6 million, or 20.4%, from €2.9 million for the year ended 31 December 2018, to €3.5 million for the year ended 31 December 2019. The increase in this period was principally a result of an increase in legal and professional fees, and car expenses of €230 thousand and €107 thousand, respectively.

Finance income

Finance income increased by €3 thousand, or 15.0%, from €20 thousand for the year ended 31 December 2018, to €23 thousand for the year ended 31 December 2019. The increase was principally a result of a slight increase in the interest received from loans to Scholt Energy's joint ventures, V-Storage and C-Wind.

Finance costs

Finance costs decreased by €0.5 million, or 27.3%, from €1.9 million for the year ended 31 December 2018, to €1.4 million for the year ended 31 December 2018. The decrease was principally a result of a decrease in interest expenses following a repayment of borrowings.

Share of profit of equity-accounted investees, net of tax

Share of profit of equity-accounted investees, net of tax decreased by €15 thousand, or 375%, from a loss of €4 thousand for the year ended 31 December 2018, to a loss of €19 thousand for the year ended 31 December 2019. The decrease was principally a result of the losses in the V-Storage B.V. joint venture.

Income tax expense

Income tax expense increased by €4.6 million, from an expense of €2.5 million for the year ended 31 December 2018, to a gain of €2.1 million for the year ended 31 December 2019. The increase was principally a result of both an increase in the change in statutory tax rates resulting in an expense of €1.7 million for the year ended 31 December 2018, to a gain of €0.4 million for the year ended 31 December 2019 as well as an increase in the corporate tax based on the Dutch tax rates applicable per year resulting in an expense of €0.0 million for the year ended 31 December 2018, to a gain of €1.4 million for the year ended 31 December 2019.

Liquidity and Capital Resources

Overview

The Group's primary sources of liquidity are the cash flows generated from its operations, along with its Senior Facilities Agreement. See "*Business—Material Agreements—Senior Revolving Facility Agreement*" for a summary of the Senior Facilities Agreement. The primary use of this liquidity is to fund the Group's operations and collateral obligations related to the Group's hedging activities.

Historical cash flow data

The following table sets out financial information extracted from the cash flow statements for the six months ended 30 June 2021 and 2020 and the years ended 31 December 2020, 2019 and 2018.

	For the six months ended 30 June		For the year ended 31 December		
	2021	2020	2020	2019	2018
	<i>(€ millions)</i>		<i>(€ millions)</i>		
Net cash generated from operating activities	35.0	0.1	5.4	24.4	8.8
Net cash from (used in) investing activities	(0.7)	(0.6)	(1.1)	(0.4)	(0.2)
Net cash from (used in) financing activities	(21.1)	1.6	(3.2)	(25.1)	(18.9)
Net increase/(decrease) in cash and cash equivalents.....	13.2	1.0	1.1	(1.1)	(10.2)

Net cash generated from operating activities

Net cash generated from operating activities increased by €34.9 million, from an inflow of €0.1 thousand for the six months ended 30 June 2020, to an inflow of €35.0 million for the six months ended 30 June 2021. The increase was principally a result of an increase in cash generated from an increase in cash from trade and other payables from an outflow of €5.8 million for the six months ended 30 June 2020, to an inflow of €47.1 million for the six months ended 30 June 2021, principally as a result of increasing cost of purchases following increases in both volume as well as in wholesale prices. These increasing volumes and increasing wholesale prices also led to an increasing revenue and therefore to an increase in revenue to be billed and as such to an increase in contract assets

from an outflow of €0.5 million for the six months ended 30 June 2020, to an outflow of €27.2 million for the six months ended 30 June 2021. The difference in cash outflow from contract assets and cash inflow from trade and other payables results from an increase in VAT due (again following from an increase in revenue) as well as from an increase in amounts received from the Company's clearing bank following an increase in forward market prices.

Net cash generated from operating activities decreased by €19.0 million, or 77.8%, from an inflow of €24.4 million for the year ended 31 December 2019, to an inflow of €5.4 million for the year ended 31 December 2020. The decrease was principally a result of a decrease in cash generated from changes in contract assets (reflecting amounts to be invoiced, either payable by Group to customers following over-sufficient preliminary invoicing, or payable by customers to Group following insufficient preliminary invoicing) from an inflow of €8.7 million for the year ended 31 December 2019, to an outflow of €8.8 million for the year ended 31 December 2020.

Net cash generated from operating activities increased significantly by €15.6 million, or 177%, from an inflow of €8.8 million for the year ended 31 December 2018, to an inflow of €24.4 million for the year ended 31 December 2019. The increase was principally a result of an increase in cash generated from changes in contract assets from an outflow of €12.1 million for the year ended 31 December 2018, to an inflow of €8.7 million for the year ended 31 December 2019.

Net cash from (used in) investing activities

Net cash used in investing activities increased by €0.1 million, or 16.7%, from an outflow of €0.6 million for the six months ended 30 June 2020, to an outflow of €0.7 million for the six months ended 30 June 2021. The increase was principally a result of an increase of €161 thousand in the acquisition of intangible fixed assets for the six months ended 30 June 2021, largely due to increased investments in software used for energy portfolio management.

Net cash used in investing activities increased by €1.5 million, or 372.3%, from an outflow of €0.4 million for the year ended 31 December 2019, to an outflow of €1.1 million for the year ended 31 December 2020. The increase was principally a result of an increase of €527 thousand in the acquisition of intangible fixed assets for the year ended 31 December 2020, largely in the form of software and software under development.

Net cash used in investing activities increased by €0.2 million, or 100%, from an outflow of €0.2 million for the year ended 31 December 2018, to an outflow of €0.4 million for the year ended 31 December 2019. The increase was principally a result of a €144 thousand increase in the acquisition of intangible fixed assets, in the form of software and software under development, a €303 thousand decrease in the repayment of loans to joint ventures, offset by a €161 thousand decrease in cash from the acquisition of property, plant and equipment.

Net cash from (used in) financing activities

Net cash used in financing activities increased by €22.7 million, from an inflow of €1.6 million of net cash from financing activities for the six months ended 30 June 2020, to an outflow of €21.1 million of net cash used in financing activities for the six months ended 30 June 2021. The increase in net cash used in financing activities was principally a result of a loan provided to parent company SEC Topholding B.V. in order to facilitate the parent's €20.6 million dividend distribution to the Selling Shareholders in the six months ended 30 June 2021 (which loan was subsequently extinguished as a result of the merger of SEC Topholding B.V. into the Company that became effective on 31 August 2021). See "*Capitalisation and Indebtedness—Capitalisation*".

Net cash used in financing activities decreased by €21.9 million, from an outflow of €25.1 million for the year ended 31 December 2019, to an outflow of €3.2 million for the year ended 31 December 2020. The decrease was principally a result of a €12.1 million decrease in repayments of borrowings in the year ended 31 December 2020 as a result of Term Loans under the Group's Senior Financing Facility being fully repaid in February 2019 and an absence in the year ended 31 December 2020 of the €10.0 million dividend payment made in the year ended 31 December 2019.

Net cash used in financing activities increased by €6.2 million or 32.8%, from an outflow of €18.9 million for the year ended 31 December 2018, to an outflow of €25.1 million for the year ended 31 December 2019. The increase was principally a result of the €10.0 million dividend payment made in the year ended 31 December 2019, offset in part by lower repayment of borrowings in the year ended 31 December 2019 compared to the year ended 31 December 2018.

Historically, Scholt Energy generated strong cash flows allowing for €30 million in dividends paid since in the period from 2019 until 30 June 2021 and €35.3 million in debt repayments since the period from 2018 until 30 June 2021. Following the year ended 31 December 2021, Scholt Energy targets a dividend pay-out ratio of 80%-100% of its total comprehensive income, net of tax.

Net Working Capital

As at 30 June 2021, 31 December 2020, 2019 and 2018, the Group's net working capital (excluding cash and cash equivalents), amounted to €38.4 million negative, €37.8 million negative, €39.1 million negative and €31.3 million negative, respectively, representing 6.5% negative, 10.1% negative, 9.3% negative and 6.8% negative of the Group's revenue in each of the year or six month periods preceding the aforementioned evaluation dates, respectively. The Group calculates net working capital as trade and other receivables net of current liabilities.

Historically, the Group's net working capital has been negative primarily from cash received for tax payments prior to their remittance date. The terms of Scholt Energy's forward contracts (whether purchased on exchange or in OTC transactions) carry different terms which have implications for Scholt Energy's net working capital requirements. To optimise net working capital, Scholt Energy increased its spot market trading under bilateral agreements since payments for delivery in month M are paid on the twentieth day of M+1 for a bilateral agreement whereas spot trading on exchanges require payments the day-ahead of any spot market purchases and it decreased its spot market trading on exchanges. Since this shift increased suppliers default risk on the Group, Scholt Energy had to supply additional bank guarantees to these suppliers. Managing its net working capital requirements is a priority of the Group to facilitate its management of margin calls in relation to its forward energy contracts purchased in back-to-back agreements to supply energy to its customers. The frequency and timing of margin calls to provide collateral for mark-to-market adjustments will vary by the terms of the forward contract, with some bilateral OTC transactions and forward transactions on exchanges requiring mark-to-market collateral, whereas other bilateral OTC transactions are covered by fixed guarantees without additional margin calls. When margin calls occur, the required amount of collateral depends on the price development of forward price compared to the current spot price.

Margin calls can be, and typically are, complied with by providing bank guarantees under the Group's Senior Facilities Agreement's financing facility, but are from time to time also settled in cash, since cash is less expensive and faster. Also, margin calls resulting from forward transactions on exchanges are settled in cash by the Group's clearing bank. When margin calls are settled in cash, they affect the Group's working capital position.

Forward Contract Purchases

The following table presents the sum of Scholt Energy's guarantee commitments for each of the periods presented. The guarantees provided for energy contracts have been divided to reflect those that carry a mark-to-market collateral obligation and those where the collateral obligations are fixed. Scholt Energy's guarantee commitments are presented on a cumulative basis, reflecting the total amount of guarantees pledged, when taking into account settlement risk and close-out risk, as well as mark-to-market collateral.

Company Collateral MTM obligation	Utility Type	For the year ended 31 December			For the six months ended 30 June
		€ (Euros)			
		2018	2019	2020	2021
No	Energy	16,000,000	18,250,000	27,500,000	25,900,000
Yes ⁽¹⁾	Energy	-	31,000,000	25,100,000	1,200,000
No	Other	42,197	26,870	26,870	26,870
No	Power purchase agreement	1,060,844	405,616	188,554	157,785
No	Transmission system operators	1,146,734	1,296,122	1,857,422	1,857,422
Total		18,249,775	50,978,775	54,672,846	29,142,077

Notes:

- (1) Reflects forward contracts that require margin calls to be paid for mark-to-market adjustments over the life of the contract.

The following table presents the sum of Scholt Energy's derivative forward energy contract commitments for the six months ended 30 June 2021 presented by whether the contract carries a mark-to-market collateral obligation. The amount of forward contract commitments that have a mark-to-market collateral obligation reflect the forward contracts that pose liquidity risk to Scholt Energy. If the market price of such forward contracts Scholt Energy has entered into declines, Scholt Energy may face margin call obligations. Scholt Energy satisfies these margin call obligations through cash or through providing collateral in the form of financial guarantees to suppliers, including through guarantees. See *"Risk Factors—Risks Relating to Scholt Energy's Business and Industry—Liquidity risk, especially tied to the mark-to-market position of Scholt Energy's forward contracts, is inherent to its operations."*

Scholt Energy continuously performs risk analyses on its portfolio to predict its mark-to-market position. Scholt Energy manages this liquidity risk through its bank guarantee facility of €150 million under the Senior Facilities Agreement, where Scholt Energy maintains an amount available for cash drawings of approximately €20 million (which can be increased by an amount not exceeding €10 million in respect of a temporary increase), to manage price fluctuations.

Company Collateral MTM obligation	2021	2022	2023	2024	2025	Total
No	(18,528,668)	(47,507,529)	(35,764,510)	(22,288,491)	(13,697,154)	(137,786,352)
Yes	(62,862,848)	(91,815,087)	(51,099,953)	(25,762,277)	(6,463,724)	(238,003,886)
Total	(81,391,516)	(139,322,616)	(86,864,463)	(48,050,768)	(20,160,878)	(375,790,238)

Notes:

- (1) Reflects forward contracts that do not require margin calls to be paid for mark-to-market adjustments over the life of the contract. These contracts typically rely on fixed guarantees that are provided when the contract is initially entered into.
- (2) Reflects forward contracts that require margin calls to be paid for mark-to-market adjustments over the life of the contract.

Working Capital Statement

In the opinion of the Company, the working capital available to the Group is sufficient for its present requirements for at least 12 months following the date of the Prospectus.

Capital Expenditure

The following table presents the Group's capital expenditures for the years ended 31 December 2020, 2019 and 2018 and for the six months ended 30 June 2021 and 2020.

	For the six months ended 30 June		For the year ended 30 December		
	2021	2020	2020	2019	2018
	<i>€millions, except %</i>				
Capital expenditure ⁽¹⁾	1.9	0.9	1.9	1.2	0.6

Notes:

- (1) See "Important Information—Presentation of Financial and Other Information—Alternative Performance Measures and Key Performance Indicators" for a reconciliation of capital expenditure.

Given the asset light nature of the business model, Scholt Energy during the period under review incurred very limited capital expenditure at a capital expenditure intensity of 3% to 7% of Gross Margin. The historical capital expend predominantly relates to IT-projects decided upon by the management team before the start of the financial year, this includes the increase in capital expenditure in 2019. In the six months ended 30 June 2021, capital expenditure was above historical averages over the same period. This increase in capital expenditure was driven by an extension of a lease contract for Scholt Energy's German offices, for which the expenses are fully recorded as capital expenditure over the six months ended 30 June 2021. Scholt Energy envisages limited capital expenditure for a further roll-out of Energy Transition Services given the development-related costs are born by its suppliers, charging a SaaS-model subscription to Scholt Energy. These services are envisaged to facilitate Scholt Energy to reap the envisaged growth of the segments.

Contractual Obligations and Commercial Commitments

The Group had the following non-derivative contractual commitments as at 31 December 2020:

	Total	6 months of less	6-12 months	1-2 years	2-5 years	More than 5 years
	<i>(€ millions)</i>					
Lease liabilities.....	4.3	389	363	660	1.2	1.7
Trade payables.....	95.3	94.2		1.1		
Total.....	99.6	94.6	363	1.8	1.2	1.7

Indebtedness

As at 30 June 2021, the Group had the 2020 Amended and Restated Facilities Agreement, which was amended and restated on the moment immediately prior to the occurrence of the Admission by the 2021 Amended and Restated Facilities Agreement described in section "Business—Material Agreements—Senior Revolving Facility Agreement". As at 30 June 2021, the outstanding amount under the 2020 Amended and Restated Facilities Agreement was €29.1 million in bank guarantees. No actual debt is drawn by Scholt Energy under the 2020

Amended and Restated Facilities Agreement, with amounts from term loan A and term loan B under the 2020 Amended and Restated Facilities Agreement repaid in the year ended 31 December 2018.

Off-balance sheet arrangements

As at 30 June 2021, the Group had €1.2 million in off-balance sheet arrangements related to guarantees for collateral in relation to the Group's mark-to-market payments in relation to the Group's hedging activities. See "*Forward Contract Purchases*" above for additional information, including the table presenting the sum of Scholt Energy's guarantee commitments for each of the periods presented. The guarantees provided for energy contracts in "*Forward Contract Purchases*" reflect those that carry a mark-to-market collateral obligation, as well as those where the collateral obligations are fixed.

Quantitative and Qualitative Disclosures about Market Risks

The Group's activities expose it to financial risks including liquidity risk, trading risk, customer default risk, volume risk and interest rate risk. The Group's overall risk management program focuses on minimizing the potential adverse effects of the financial risks on the performance of the Group.

The following sections discuss the Group's exposure to liquidity risk, trading risk, customer default risk, volume risk and interest rate risk.

Trading risk

Trading risk results from offering customers the opportunity to purchase gas and electricity for a period up to five years based on forward prices. This risk is mitigated by entering into forward purchasing contracts (back-to-back) on exchanges as well as with the energy suppliers and maintaining strict Value-at-Risk-limits by total portfolio. Also, under the Group's bank facility it is required to hedge at least 95% of its future exposed positions. The Company has complied with this covenant as at 30 June 2021 and for each of the years ended 31 December 2020, 2019 and 2018. The Group does not engage in any speculative activities or trading of these forward contracts, and only enters into these forward contracts to hedge against contractual demand from customers.

Liquidity risk

The Group's approach to managing liquidity is to ensure that it will have sufficient liquidity and access to bank guarantees to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group has netting arrangements in place with certain of its energy suppliers to settle amounts in cash associated with energy purchase respectively delivery. In addressing the liquidity risk, the Group has financing facilities in place and a bank guarantee facility. The bank guarantee facility is used for providing collateral to suppliers. On a monthly basis, the company runs statistical analyses to evaluate the sufficiency of its guarantee facility.

Customer default risk

Customer default risk is the risk of financial loss to the Group if a customer or counterparty with respect to a financial instrument fails to meet its contractual obligations. This risk is associated with the Group's trade receivables including revenues to be invoiced ("*customer default*" and "*close-out risk, from the energy cut-off date*"), and arises partly from the Group's dependency of third party grid operators to end delivery, which may take weeks after the Group's first request ("*close-out risk, from the energy cut-off date*"). However, the Group considers that the customer default risk mainly arises from the risk on negative mark-to-market value on forward positions in case of a defaulting customer.

Mark-to-market risk

Although the Group's credit insurance policy does not cover for losses on negative mark-to-market value on forward positions in case of a defaulting customer, assessment by the Group's credit insurer indirectly also limits mark-to-market risk, as denial for coverage (among other triggers) leads to exclusion of the possibility to purchase any (further) forward positions other than those explicitly approved by the Group's credit control specialist. Mark-to-market risk is further mitigated by the Group's general conditions which enables the Group to request customers that are exposed to substantial mark-to-market risk for cash collaterals.

Furthermore, the Group monitors market developments and individual mark-to-market positions of customers on a weekly basis. In addition, purchasing clusters are created for customers with collective responsibility for purchase obligations to reduce the mark-to-market risk. If the ten largest clusters in terms of negative mark-to-market position would all default (and all individual members of the clusters in which they participate would default, thus not being able to replace the defaulting individual customer), the impact on the Company's results of operation as a result of such defaults would be equal to €3.1 million, €5.4 million and €0.5 million in the years ended 2020, 2019 and 2018, respectively).

Customer default- and close-out risk from the energy cut-off date

Customer default- and close-out risk from the energy cut-off date are mitigated by means of a credit insurance policy covering 95% of incurred losses. Individual customers that are exposed to an aggregated customer default- and close-out risk from the energy cut-off date of at least €50 thousand are assessed to be included in the credit insurance policy on an individual basis. Customers that bear less individual risk are covered under the credit insurance policy by means of self-acceptance. For these customers, credit insurance is included as a condition precedent in the contract. Finally, for the customers not covered by these insurance policies, the Group obtains alternative coverage for any risk of default in the form of collateral, a bank guarantee or alternative coverages.

Expected credit loss assessment for customers

The Group uses an allowance matrix to measure the expected credit loss of trade receivables from individual customers, which comprise a very large number of small balances. Loss rates are calculated using a method based on the probability of a receivable based on, amongst others, the following common credit risk characteristics, such as type of contract with customer, loss experience based on an average of the preceding years and ageing of the outstanding debtors also in relation to the accrued revenue to be invoiced.

Volume risk

Volume risk entails the risk that the Group has to purchase electricity from TSO's against unfavourable "imbalance-prices" if estimated volumes do not match the actual volumes supplied to the Group's customers. Over the years, the Group invested in qualified staff and software to manage and reduce volume risk. Quality of the predictions regarding consumption and production of energy improved and automated tools to adapt production to imbalance in market as well as to imbalance in the Group's portfolio were implemented. If, however, actual volumes delivered to customers differ from the estimated volumes, that difference does not impact the Group's result or financial position significantly, as the costs following from these differences are generally charged on to the Group's customers.

Interest rate risk

The Group distinguishes interest rate risk between the impact of declining interest rates leading to increasing costs on the Group's credit balances and the impact of increasing interest rates leading to increasing costs on the Group's interest bearing financial instruments.

Exposure to declining interest rates

Interest risk follows from changes in the EURIBOR that apply to the Group's credit balances when EURIBOR turns further negative. The Group does not hedge this risk with financial instruments. The Group's policy is to reduce its exposure to interest risk through daily monitoring of credit positions, through using interest-free thresholds per bank account to the maximal extent by dividing its credit balances over bank accounts and through pre-paying suppliers and tax authorities.

Exposure to increasing interest rates

Interest risk follows from changes in the EURIBOR that apply to the Group's debit balances when EURIBOR turns positive. The Group does not hedge its interest rate risk with financial instruments. The Group's policy is to reduce its exposure to interest risk through the netting of debit and credit amounts where possible.

Critical Accounting Policies, Estimates and Judgments

A summary of the main accounting policies applied in the preparation of the Group's financial statements are presented in Note 3 (Significant Accounting Policies) to the Financial Statements included in this Prospectus beginning on page F-1. Preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Estimations and judgments are being constantly verified and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Based on assumptions, the Group makes estimates concerning the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in detail in Note 2d (Basis of Preparation— Use of judgements and estimates) to the Financial Statements included in this Prospectus beginning on page F-1.

MANAGEMENT AND CORPORATE GOVERNANCE

General

This section gives an overview of the material information concerning the Management Board, the Senior Management, the Supervisory Board and Scholt Energy's corporate governance. It is based on, and discusses, relevant provisions of Dutch law in effect as at the date of this Prospectus and the Articles of Association, the Management Board Rules (as defined below) and the Supervisory Board Rules (as defined below) as these will be in effect ultimately on the First Trading Date. The Articles of Association in the governing Dutch language and in an unofficial English translation are available on the Company's website (www.scholt.com/investors) or at the Company's business address at Parallelweg Oost 35, 5555 XA in Valkenswaard, the Netherlands during regular business hours. The Management Board Rules (as defined below) and the Supervisory Board Rules (as defined below) are available on the Company's website (www.scholt.com/investors).

This overview does not purport to give a complete overview and should be read in conjunction with, and is qualified in its entirety by reference to, the relevant provisions of Dutch law as in force on the date of this Prospectus and the Articles of Association.

Management Structure

The Company has a two-tier board structure consisting of the Management Board and the Supervisory Board. The Management Board is the statutory executive body (*bestuur*) of the Company and consists of two members. The Management Board together with two senior managers of the Company form the senior management of the Company (the **Senior Management**). The Senior Management is responsible for the day-to-day management of the Company. The Supervisory Board (*raad van commissarissen*) supervises and advises the Management Board and consists of four members. In addition to the Management Board and the Supervisory Board, the Company has an Audit Committee, which exercises the duties as prescribed in the Decree on the establishment of audit committees in organisations of public interest (*Besluit instelling auditcommissie bij organisaties van openbaar belang*). The Audit Committee consists of all Supervisory Directors. The Management Board and the Supervisory Board are jointly responsible for the governance structure of the Company.

Management Board

Powers, Responsibilities and Functions

The Management Board is the executive body entrusted with the management of Scholt Energy and is responsible for the continuity of Scholt Energy under the supervision of the Supervisory Board. The Management Board's responsibilities include, among other things, setting the Company's management agenda, developing a view on long-term value creation by the Company, enhancing the performance of the Company, developing a strategy, identifying, analysing and utilising business opportunities, identifying, analysing and managing the risks associated with the Company's strategy and activities and establishing and implementing internal procedures, which safeguard that all relevant information is known to the Management Board and the Supervisory Board in a timely manner. The Management Board may perform all acts necessary or useful for achieving the Company's corporate purposes, except for those expressly attributed to the General Meeting or the Supervisory Board as a matter of Dutch law or pursuant to the Articles of Association (see section "*—Management Board Meetings and Decisions*"). The Management Board may delegate duties and powers to individual Managing Directors and/or committees consisting of one or more Managing Directors whether or not assisted by staff officers. In fulfilling their responsibilities, the Managing Directors must act in the interest of the Company and give specific attention to the relevant interests of the Company's employees, shareholders, customers, suppliers and other stakeholders of the Company.

The Management Board shall timely provide the Supervisory Board with the information necessary for the performance of the Supervisory Board's duties. The Management Board is required to keep the Supervisory Board informed and to consult with the Supervisory Board on all important matters. The Management Board shall inform

the Supervisory Board, in writing, and at least once a year, of the main outlines of the Company's strategic policy, the general and financial risks, and the management and control systems.

Subject to certain statutory exceptions, the Management Board as a whole is authorised to represent the Company. Two Managing Directors acting jointly are also authorised to represent the Company. See section "*Conflict of Interest*". Pursuant to the Articles of Association, the Management Board may appoint officers with general or limited power to represent the Company. Each officer will be authorised to represent the Company, subject to the restrictions imposed on such officer.

Management Board Rules

Pursuant to the Articles of Association, the Management Board may adopt rules and regulations, allocating duties to one or more Managing Directors and regulating any such subjects as the Management Board deems necessary and/or appropriate (the **Management Board Rules**). The Supervisory Board may decide that such rules and allocation of duties are subject to its approval. The Management Board Rules are expected to become effective as of the First Trading Date.

Composition, Appointment, Dismissal and Suspension

The Articles of Association provide that the number of Managing Directors is determined by the Supervisory Board after consultation with the Management Board. The Supervisory Board appoints one of the Managing Directors as Chief Executive Officer (**CEO**), who is also the chairperson of meetings of the Management Board. In addition, the Supervisory Board may, after approval by the CEO, appoint one of the Managing Directors as Chief Financial Officer (**CFO**) to specifically oversee the Company's financial affairs.

The General Meeting appoints the Managing Directors upon nomination by the Supervisory Board. A resolution of the General Meeting to appoint a Managing Director, other than in accordance with a nomination by the Supervisory Board, requires an absolute majority of the votes cast representing at least one-third of the Company's issued capital. If a proposal to appoint a person not nominated by the Supervisory Board is supported by an absolute majority of the votes cast, but this majority does not represent at least one-third of the Company's issued capital, a new meeting can be convened in which the resolution can be adopted by an absolute majority of the votes cast, irrespective of the part of the Company's issued capital represented.

The Articles of Association provide that a Managing Director may be suspended or dismissed by the General Meeting at any time. Under Dutch law, such suspension or dismissal should not occur before the Managing Director in question has had an opportunity to be heard by the General Meeting with regard to the intended dismissal. A resolution of the General Meeting to suspend or remove a Managing Director other than pursuant to a proposal by the Supervisory Board requires an absolute majority of the votes cast representing at least one-third of the Company's issued capital. If a resolution as referred to in the previous sentence is supported by an absolute majority of the votes cast, but this majority does not represent at least one-third of the Company's issued capital, a new meeting can be convened in which the resolution can be adopted by an absolute majority of the votes cast, irrespective of the part of the Company's issued capital represented.

A Managing Director may also be suspended by the Supervisory Board. A suspension by the Supervisory Board may be discontinued by the General Meeting. A resolution of the Supervisory Board to suspend a Managing Director can be adopted by a majority of the votes cast.

Term of Appointment

Any new Managing Director that is appointed is appointed for a maximum period of four years, provided that, unless a Managing Director resigns earlier, his or her appointment period shall end immediately after the annual General Meeting that will be held in the fourth calendar year after the date of his or her appointment. A Managing Director may be reappointed for a term of not more than four years at a time, which reappointment should be prepared in a timely fashion. The current Managing Directors have been appointed for four years. The Company's

diversity policy drawn up in accordance with the Supervisory Board Rules will be taken into consideration when preparing the appointment or reappointment.

Management Board Meetings and Decisions

The Management Board meets in accordance with a schedule for its meetings adopted annually, at the latest at the last scheduled meeting of the preceding year. The Management Board shall in principle meet once a week, or more often as deemed desirable or required for a proper functioning of the Management Board by any one or more Managing Directors. The Managing Directors aim to adopt resolutions by unanimous vote. If and when the Managing Directors cannot agree unanimously on a resolution, such resolution shall be adopted by an absolute majority vote of the Managing Directors present or represented. Resolutions can only be adopted if the majority of the Managing Directors then in office who do not have a conflict of interest are present or represented. Each Managing Director has one vote. If there are more than two Managing Directors in office and entitled to vote, the CEO shall have a casting vote in the event of a tie within the Management Board. In other cases, a proposal shall be deemed rejected in case of a tie of votes within the Management Board.

The Management Board may also adopt resolutions in writing, provided that the proposal concerned is submitted to all Managing Directors then in office – with the exception of any Managing Director that has a conflict of interest – and none of them objects to this form of adoption. Adoption of resolutions in writing shall be effected by statements in writing, which can also be issued through a proxy, from all the Managing Directors. A statement from a Managing Director who wishes to abstain from voting on a particular resolution that is adopted in writing must reflect the fact that he or she does not object to this form of adoption. If no resolution can be adopted by the Management Board as a consequence of a conflict of interest of all Managing Directors, the relevant resolution will be referred to the Supervisory Board.

Dutch law and the Articles of Association provide that resolutions of the Management Board involving major changes in the Company's identity or character are subject to the approval of the General Meeting. Such changes in any event include:

- the transfer of the business, or virtually all of the business, to a third party;
- entering into or cancelling any long-term cooperative relationship between the Company or a subsidiary (*dochtermaatschappij*) of the Company and another legal entity or company, or in its capacity as a fully liable partner in a limited partnership or general partnership, if such cooperation or cancellation has a substantial impact on the Company; and
- acquiring or disposing of a participation in the capital of a Company worth at least one-third of the amount of the assets in accordance with the balance sheet and explanation, or if the Company draws up a consolidated balance sheet, in accordance with the consolidated balance sheet and explanation according to the most recently adopted annual accounts of the Company, by the Company or a subsidiary (*dochtermaatschappij*) of the Company.

Resolutions of the Management Board identified in the Articles of Association or identified pursuant to a resolution of the Supervisory Board from time to time on the basis of the relevant provisions in the Articles of Association require the prior approval of the Supervisory Board.

The lack of approval from the General Meeting or the Supervisory Board does not affect the authority of the Management Board or the Managing Directors to represent the Company.

Conflict of Interest

Dutch law provides that a member of the management board of a Dutch public limited liability company, such as the Company (following conversion of the Company into a *naamloze vennootschap*), may not participate in the deliberation or decision-making of a relevant management board resolution if he or she has a direct or indirect

personal interest conflicting with the interests of the relevant company and the business connected with it. Such a conflict of interest exists if in the situation at hand a Managing Director is deemed to be unable to serve the interests of the Company and the business connected with it with the required level of integrity and objectivity.

Each Managing Director shall immediately report any (potential) personal conflict of interest concerning a Managing Director to the CEO and to the other Managing Directors, and shall provide all information relevant to the conflict to such persons. The Supervisory Board must determine whether a reported (potential) conflict of interest qualifies as a conflict of interest under Dutch law and/or the Articles of Association, in which case the conflicted Managing Director shall not be permitted to participate in the decision-making and deliberation process on a subject or transaction in relation to which such Managing Director has a conflict of interest. Such transaction must be concluded on an arm's length basis under terms that are customary in the sector concerned between unrelated parties and must be approved by the Supervisory Board. In addition, if there is a conflict of interest concerning one or more Managing Directors, the Supervisory Board may, whether or not on an ad hoc basis, authorise one or more persons to represent the Company with respect to the matters in which a (potential) conflict of interest exists between the Company and one or more Managing Directors.

If as a consequence of one or more Managing Directors having a conflict of interest no resolution can be adopted by the Management Board, a resolution may be adopted by the Supervisory Board. In addition, if a Managing Director does not comply with the provisions on conflicts of interest, the resolution concerned is subject to nullification (*vernietigbaar*) and the Managing Director concerned may be held liable towards the Company. As a general rule, the existence of a (potential) conflict of interest does not affect a Managing Director's authority to represent the Company as described under section "*Powers, Responsibilities and Functions*" above. Furthermore, as a general rule, agreements and transactions entered into by a company based on a decision of its management board that is adopted with the participation of a managing director who had a conflict of interest with respect to the matter cannot be annulled. However, under certain circumstances, a company may nullify such agreement or transaction if the counterparty misused the relevant conflict of interest.

Managing Directors

As of the Settlement Date, the Management Board is composed of the following members:

Name	Age	Position	Member since	End of current term
Mr R.A.F. (Rob) van Gennip	42	CEO	7 October 2016	General Meeting 2025
Mr F.A. (Frank) van Gastel.....	40	CFO	7 October 2016	General Meeting 2025

Mr R.A.F. van Gennip (born in 1979, Dutch) is the Company's Chief Executive Officer (**CEO**). Mr R.A.F. van Gennip has been a member of the Management Board since 2014. He joined the Company as account manager in 2004, became sales manager in 2009 and was appointed Chief Commercial Officer (**CCO**) in 2014 prior to becoming CEO in 2017. He holds a Bachelor of Science degree in International Business and Management from Fontys Hogescholen in Eindhoven.

Mr F.A. van Gastel (born in 1981, Dutch) is the Company's Chief Financial Officer (**CFO**). Mr F.A. van Gastel joined the Company in 2015 as CFO. Prior to joining the Company, Mr F.A. van Gastel was Head of Finance at De Nederlandse Energie Maatschappij and founder and Finance Director at Phenox Consultants. He started his career as consultant at Willis Towers Watson. Between 2006-2010 and 2014-2018, he was a member of the city council of Valkenswaard. During both terms, he was a member of the audit committee and during the second term, he was a member of the Presidium of the city council. He holds a Master of Science degree in Financial Econometrics from the Erasmus University Rotterdam, the Netherlands.

Senior Management

The members of the Senior Management comprise the Management Board together with the following non-statutory members:

Name	Age	Position
Mr R. (René) Dekkers	38	COO
Mr S.J. (Siebe) Scholt.....	36	CCO

Mr R. Dekkers (born in 1983, Dutch) is the Company's Chief Operations Officer (**COO**). Mr R. Dekkers joined the Company in 2009 as Marketing Agent. After being Marketing Manager since 2013, Mr R. Dekkers became Operations Manager in 2016 and the Company's COO in 2017. He holds a Bachelor of Science degree in Finance, Management and Economics from Fontys Hogescholen in Eindhoven, the Netherlands and a Master of Science in Marketing Management from Tilburg University, the Netherlands.

Mr S.J. Scholt (born in 1985, Dutch) is the Company's Chief Commercial Officer (**CCO**). Mr. S.J. Scholt is the son of founder and former CEO, Mr J.C. Scholt. Mr S.J. Scholt joined the Company in 2010 as account manager. In 2014, he became sales manager and in 2017, the Company's CCO. Mr S.J. Scholt has a background in industrial engineering. He holds a Bachelor of Science degree in Small Business and Retail Management from Fontys Hogescholen in Eindhoven. Since 2013, Mr S.J. Scholt is owner and director of SJS85 Beheer B.V., a 50% shareholder of Scholt Group B.V.

The business address of the Senior Management of the Company is Parallelweg Oost 35, 5555 XA in Valkenswaard, the Netherlands.

Supervisory Board

Powers, Responsibilities and Functions

The Supervisory Board supervises the Management Board's management of the Company, the Company's general course of affairs, and its affiliated business. The Supervisory Board is accountable for these matters to the General Meeting. The Supervisory Board also provides advice to the Management Board. In performing their duties, the Supervisory Directors are required to focus on the effectiveness of the Company's internal risk management and control systems and the integrity and quality of the Company's financial reporting. The Supervisory Directors assist the Management Board with advice on general policies related to the activities of the Company. In the fulfilment of their duty, the Supervisory Directors shall be guided by the interests of the Company and its related business.

Supervisory Board Rules

Pursuant to the Articles of Association, the Supervisory Board may adopt rules and regulations, allocating duties to one or more Supervisory Directors and regulating any such subjects as the Supervisory Board deems necessary and/or appropriate (the **Supervisory Board Rules**). The Supervisory Board Rules are expected to become effective as of the First Trading Date.

Composition, Appointment and Removal

The Articles of Association and the Supervisory Board Rules provide that the Supervisory Board must consist of a minimum of three Supervisory Directors. The exact number of Supervisory Directors shall be determined by the Supervisory Board. If the number of Supervisory Directors is less than three, the Supervisory Board must promptly take any required measures to increase the number of Supervisory Directors. As of the date of this Prospectus, the Supervisory Board consists of four Supervisory Directors. In accordance with Dutch law only natural persons may be appointed as Supervisory Directors.

According to the Articles of Association and the Supervisory Board Rules, the Supervisory Board must prepare a profile (*profiel*) for its size and composition, taking account of the nature and activities of the Company's business, the desired expertise and background of the Supervisory Directors, the desired diverse composition and

size of the Supervisory Board and the independence of the Supervisory Directors. The Company's diversity policy is also taken into account.

The General Meeting appoints the Supervisory Directors upon nomination by the Supervisory Board. The Supervisory Board must inform the General Meeting of the nomination. When a proposal or recommendation for the appointment of a person as a Supervisory Director is made, the following information must be stated: the age, the profession, the amount and number of Ordinary Shares held by such person and the positions held or previously held by such person, insofar as these are relevant for the performance of the duties of a Supervisory Director. Furthermore, the names of any legal entities of which the proposed or recommended person already is a supervisory director must be indicated. If those include legal entities that belong to the same group, a reference to that group is sufficient. The proposal or recommendation must furthermore state the reasons on which such proposal or recommendation is based.

A resolution of the General Meeting to appoint a Supervisory Director other than in accordance with a nomination by the Supervisory Board requires a majority of the votes cast representing at least one-third of the Company's issued capital. If a proposal to appoint a person not nominated by the Supervisory Board is supported by an absolute majority of the votes cast, but this majority does not represent at least one-third of the Company's issued capital, a new meeting can be convened in which the resolution can be adopted by an absolute majority of the votes cast, irrespective of the part of the Company's issued capital represented.

The Articles of Association provide that the General Meeting has the authority to suspend and remove a Supervisory Director. Under the Articles of Association, a resolution of the General Meeting to suspend or remove a Supervisory Director other than pursuant to a proposal by the Supervisory Board requires a majority representing at least one-third of the Company's issued capital. If a resolution as referred to in the previous sentence is supported by an absolute majority of the votes cast, but this majority does not represent at least one-third of the Company's issued capital, a new meeting can be convened in which the resolution can be adopted by an absolute majority of the votes cast, irrespective of the part of the Company's issued capital represented.

Term of Appointment

The Supervisory Directors will be appointed for a maximum period of four years, provided that, unless a Supervisory Director resigns earlier, his or her appointment period shall end immediately after the annual General Meeting that will be held in the fourth calendar year after the date of his or her appointment. Supervisory Directors may be reappointed once more for another four year period and then subsequently be reappointed again for a period of two years, which reappointment may be extended by at most two years. In the event of a reappointment after an eight-year period, reasons should be given in the report of the Supervisory Board. In any appointment or reappointment, the profile as prepared by the Supervisory Board should be observed. The Supervisory Board will prepare a retirement schedule for the Supervisory Directors.

Supervisory Board Meetings and Decisions

The Supervisory Board meets at least six times per year to the extent possible in accordance with the annually adopted meeting schedule. The Supervisory Board shall also meet earlier than scheduled if this is deemed necessary by the chairperson, two other members of the Supervisory Board, or the Management Board.

Pursuant to the Articles of Association and the Supervisory Board Rules, resolutions of the Supervisory Board are adopted by an absolute majority vote in a meeting of the Supervisory Board, in which at least the majority of the Supervisory Directors are present or represented. Each Supervisory Director has one vote. In the event of a tie in voting, the chairperson of the Supervisory Board will have a deciding vote, but only if more than three Supervisory Directors are present or represented.

The Supervisory Board may also adopt resolutions in writing, provided that the proposal concerned is submitted to all Supervisory Directors then in office – with the exception of any Supervisory Directors that are suspended or have reported a conflict of interest – and none of them objects to this form of adoption. Adoption of resolutions

in writing shall be effected by statements in writing, which can also be issued through a proxy, from all the Supervisory Directors. A statement from a Supervisory Director who wishes to abstain from voting on a particular resolution that is adopted in writing must reflect the fact that he or she does not object to this form of adoption.

The resolutions of the Management Board listed below are subject to the approval of the Supervisory Board:

- the allocation of duties of the Management Board to individual Managing Directors;
- the establishment of an executive committee within the meaning of the Dutch Corporate Governance Code;
- all transactions between the Company and natural or legal persons who hold at least 10% of the shares in the Company that are of material significance to the Company and/or such persons;
- all transactions in which there are conflicts of interest with Managing Directors that are of material significance to the Company and/or the relevant Managing Directors;
- all transactions in which there are conflicts of interest with Supervisory Directors that are of material significance to the Company and/or the relevant Supervisory Directors;
- the appointment and dismissal of the company secretary;
- the appointment and dismissal of the senior internal auditor;
- the internal audit plan; and
- all other acts that require the approval by legislation, the Articles of Association, the Management Board Rules, the Supervisory Board Rules, the Dutch Corporate Governance Code or any other applicable legislation.

Conflict of Interest

Similar to the rules that apply to the Directors as described above, Dutch law also provides that a supervisory director of a Dutch public limited company, such as the Company (following conversion of the Company into a *naamloze vennootschap*), may not participate in deliberating or decision-making within the Supervisory Board if he or she has a direct or indirect personal interest conflicting with the interests of the relevant company and the business connected with it.

Pursuant to the Supervisory Board Rules, a Supervisory Director that has a (potential) conflict of interest with respect to a proposed Supervisory Board resolution should immediately report this to the chairperson of the Supervisory Board and provide all relevant information. If the chairperson of the Supervisory Board has a (potential) conflict of interest with respect to a proposed Supervisory Board resolution, he or she should immediately report this to the vice-chairperson. The Supervisory Board, without the relevant Supervisory Director being present or represented, determines whether a reported (potential) conflict of interest qualifies as a conflict of interest. A Supervisory Director shall not participate in the deliberation and decision-making process if he or she has a conflict of interest.

If, as a result of such a conflict of interest a resolution cannot be adopted, the resolution will be adopted by the General Meeting. In addition, if a Supervisory Director does not comply with the provisions on conflicts of interest, the resolution concerned is subject to nullification (*vernietigbaar*) and this Supervisory Director may be held liable towards the Company. Furthermore, as a general rule, agreements and transactions entered into by a company based on a decision of its Supervisory Board that are adopted with the participation of a Supervisory Director who had a conflict of interest with respect to the matter cannot be annulled. However, under certain

circumstances, a company may annul such an agreement or transaction if the counterparty misused the relevant conflict of interest.

Members of the Supervisory Board

As of the Settlement Date, the Supervisory Board will be composed of the following members:

Name	Age	Position	Member since	End of current term
Ms J. (Janneke) Niessen	44	Chairperson	Settlement Date	General Meeting 2025
Mr J.C. (Jan) Scholt.....	68	Member	Settlement Date	General Meeting 2025
Mr R. (Rinaldo) Rosendaal	35	Member	Settlement Date	General Meeting 2025
Mr W.K. (Wouter) Roduner	43	Member	Settlement Date	General Meeting 2025

Ms J. Niessen (born in 1977, Dutch) is an independent member of the Supervisory Board as of the Settlement Date. Ms J. Niessen is founding partner at investment company CapitalT, where she has served since October 2018. She has served as a co-founder of VCVolt, a platform to assess teams in a data driven way, since January 2019. She founded and exited two (tech) companies successfully, Improve Digital (exited in 2017) and DQ&A (exited in 2007). She was a co-initiator of InspiringFifty, a non-profit organisation that aims to increase diversity and inclusion in technology by making female role models more visible, in October 2013, and became a strategic advisor of InspiringFifty in November 2020. She has served as a supervisory board member of UNICEF from 2016 to 2020 and of industrial technology solutions provider ICT Group from June 2020 to July 2021. Further, Ms J. Niessen published The New Girl Code to inspire young girls to pursue careers in technology. Ms J. Niessen holds a bachelor's degree in Management, Economics and Law from the Breda University of applied sciences.

Mr J.C. Scholt (born in 1952, Dutch) is a non-independent member of the Supervisory Board as of the Settlement Date. Mr J.C. Scholt is the former CEO and founder of the Company. Previously, he founded Scholt Business Strategy B.V. Mr J.C. Scholt retired as CEO of the Company in 2017. Prior to founding the Company, he transformed Pulsarr Industrial Research B.V. from a small organization into a worldwide market leader in optical sorting machines for the food industry. Presently, Mr J.C. Scholt is an investor in several high-tech companies. He holds a Bachelor of Science degree in Engineering from the Hogere Technische School (now Avans Hogeschool) in Tilburg. Since 2013, Mr J.C. Scholt is director of Scholt Group B.V. He is also a director of SJS85 Beheer B.V. and SMS82 Beheer B.V. since 2013. These two companies each hold 50% of the shares in Scholt Group B.V. Furthermore, Mr J.C. Scholt is director of Kasteel Rijnhuizen B.V., a company that manages and operates estates, such as the sales office of Scholt Energy in Nieuwegein, and Meelbergsven B.V., also a company that manages and operates estates, but has no relation to the Company.

Mr R. Rosendaal (born in 1986, Dutch) is a non-independent member of the Supervisory Board as of the Settlement Date. Mr R. Rosendaal further is an Investment Director at Waterland in Bussum, the Netherlands. Prior to joining Waterland, he worked as Analyst at Sequoia, an M&A Boutique in Amsterdam, Mr R. Rosendaal holds a Master of Laws degree in Business Law and a Master of Science degree in Financial Economics, both from the Radboud University Nijmegen, the Netherlands. He also holds a Master of Science degree in Finance from the University of Tilburg, the Netherlands and studied U.S. Business Law at the UNC School of Law in Chapel Hill, North Carolina, United States.

Mr W.K. Roduner (born in 1978, Dutch) is a non-independent member of the Supervisory Board as of the Settlement Date. Mr W.K. Roduner further is Partner at Waterland in Bussum, the Netherlands. Prior to joining Waterland, he was founder of Hubbels, an online HR platform. He started his career at the M&A department of ABN AMRO. He holds a Master of Science degree in Business Administration from the Erasmus University Rotterdam, the Netherlands.

Supervisory Board Committees

According to the Supervisory Board Rules, the Supervisory Board may appoint standing and/or ad hoc committees from among its members, which are charged with tasks specified by the Supervisory Board. The Supervisory Board remains collectively responsible for decisions prepared by its committees and accountable for the performance and affairs of the Company. As at the Settlement Date, the Supervisory Board will have constituted an Audit Committee consisting of all the Supervisory Directors.

Other Committees of the Supervisory Board

Other than the Audit Committee, the Supervisory Board has not installed any standing committees as this is not required under Dutch law or the Dutch Corporate Governance Code based on the current composition of the Supervisory Board. If the Supervisory Board would in the future consist of more than four members, it should, in addition to the existing Audit Committee, appoint from among its members a remuneration committee and a selection and appointment committee to remain in compliance with the Dutch Corporate Governance Code.

Remuneration Policy

The Company expects to adopt a remuneration policy prior to the First Trading Date. Any subsequent amendments to this remuneration policy are subject to adoption by the General Meeting. The remuneration of, and other agreements with, the Managing Directors are required to be determined by the Supervisory Board, with due observance of the remuneration policy.

The Company's remuneration policy aims to attract, motivate and retain qualified individuals and reward them with a market competitive remuneration package aiming at achieving sustainable financial results to benefit the long-term strategy of the Company.

Based on the remuneration policy, the remuneration of the Managing Directors consists of the following components:

- annual base pay; and
- pension and other benefits.

Remuneration Information for the Management Board

Annual Base Fee

This represents a fixed cash remuneration consisting of the base fee including holiday allowance, which is set based on the level of experience, responsibility and seniority of the Managing Directors.

Pension and Other Benefits

Managing Directors are eligible to participate in the pension scheme similar to the other employees of Scholt Energy in the Netherlands.

Managing Directors are eligible for a range of other emoluments such as the use of a company car, a mobile phone and a net expense allowance of €250 per month. The Company will arrange for and pay a directors and officers' liability insurance for the Managing Directors.

Variable remuneration

The current remuneration policy does not provide for the possibility to award variable remuneration in the form of short term or long term incentives to the Managing Director.

Severance

The maximum severance payment applicable to the Managing Directors will amount to six times the gross monthly fee of the respective Managing Director. No severance payment will be awarded if the Managing Director's agreement is terminated early at the initiative of the Managing Director, if the Managing Director's behaviour constitutes an urgent reason equivalent to an urgent reason for termination within the meaning of Section 7:678 (1) of the Dutch Civil Code or in the event of seriously culpable or negligent behaviour on the part of the Managing Director.

Outstanding entitlements of the Managing Directors under the Option Plan

At the date of this prospectus, the Managing Directors have outstanding entitlements under the option plan of Scholt Energy B.V., the legal predecessor of the Company (the **Option Plan**). The specifications of the Option Plan are further described in "*Management and Corporate Governance—Employee Equity Holdings—Option Plan*".

The Managing Directors have each been granted a conditional right to receive 100,000 options under the Option Plan, meaning a right to acquire Ordinary Shares under the Option Plan, subject to the terms of the Option Plan (the **Options**), with an exercise price equal to €13.25 per Ordinary Share, subject to the occurrence of the First Trading Date and continued engagement until the applicable vesting dates.

Management Board Remuneration over 2020 and 2021

The table below provides the remuneration of each member of the Management Board for the financial year ended 31 December 2020.

Name	Base Salary (€)	Pension (€)
Mr R.A.F. van Gennip.....	194,400 ⁽¹⁾	12,000
Mr F.A. van Gastel.....	194,400 ⁽¹⁾	10,000

Note:

(1) Excludes remuneration related to the provision of a company car. For remuneration including such amounts, see Note 29 to the Financial Statements.

The table below provides the expected remuneration of each member of the Management Board for the financial year ended 31 December 2021.

Name	Base Salary (€)	Pension (€)
Mr R.A.F. van Gennip.....	213,840	13,000
Mr F.A. van Gastel.....	213,840	11,000

Mr R.A.F. van Gennip and Mr F.A. van Gastel are not entitled to an additional annual bonus.

Remuneration Information for the Senior Management other than the Management Board

Annual base salary

This represents a fixed cash remuneration consisting of the base salary including holiday allowance, which is set based on the level of responsibility of the member of the Senior Management.

Pension and Other Benefits

Senior Management are eligible to participate in the pension scheme similar to the other employees of Scholt Energy in the Netherlands.

Senior Management is eligible for a range of other emoluments such as the use of a company car, a mobile phone and a net expense allowance of €250 per month. The Company will arrange for and pay a directors and officers' liability insurance for the Managing Directors.

Outstanding entitlements of the Senior Management under the Option Plan

At the date of this prospectus, Senior Management have outstanding entitlements under the Option Plan. Mr R. Dekkers has been granted a conditional right to receive 42,120 Options under the Option Plan and Mr S.J. Scholt has been granted a conditional right to receive 30,000 Options under the Option Plan, subject to the terms of the Option Plan, with an exercise price equal to €13.25 per Ordinary Share, subject to the occurrence of the First Trading Date and continued employment until the applicable vesting dates.

Senior Management remuneration over 2020 and 2021

The table below provides the remuneration of each non-statutory member of the Senior Management for the financial year ended 31 December 2020.

Name	Base Salary (€)	Pension (€)
Mr R. Dekkers	106,920	8,700
Mr S.J. Scholt	90,782 ⁽¹⁾	6,800

Note:

(1) The base salary for Mr S.J. Scholt is on a part-time basis (0.8 FTE).

The table below provides the expected remuneration of each non-statutory member of the Senior Management for the financial year ended 31 December 2021.

Name	Base Salary (€)	Pension (€)
Mr R. Dekkers	116,640	9,200
Mr S.J. Scholt	120,282	9,000

Mr R. Dekkers and Mr S.J. Scholt are entitled to an additional annual bonus based on performance. The maximum annual bonus in 2020 and 2021 is €25,000 for Mr R. Dekkers and €35,000 for Mr S.J. Scholt.

Remuneration Information for the Supervisory Board

Annual base fee

The Company has installed a Supervisory Board at the Settlement Date. The General Meeting determines the remuneration of the Supervisory Directors. The Supervisory Board submits from time to time proposals to the General Meeting in respect of the remuneration of the Supervisory Directors. The remuneration of the Supervisory Board may not be made dependent on the Company's results. Supervisory Directors will not receive Ordinary Shares and/or rights to Ordinary Shares as remuneration. The compensation for the chair of the Supervisory Board has been set at €55,000 per year. The other Supervisory Directors will not receive any compensation from the Company.

Supervisory Board Remuneration over 2021

The table below provides the expected remuneration of each member of the Management Board for the financial year ended 31 December 2021.

Name	Base Salary (€)
Ms J. Niessen.....	55,000
Mr J.C. Scholt.....	N/A
Mr R. Rosendaal.....	N/A
Mr W.K. Roduner.....	N/A

Agreements between the Company and the Managing Directors and Supervisory Directors

Each of the Managing Directors have entered into a services agreement (*overeenkomst van opdracht*) that will replace their respective existing employment agreements and become effective as of the First Trading Date. The services agreements are entered into for a definite term and terminate by operation of law on the date directly after the annual General Meeting in 2025, unless the Managing Director is reappointed as a director in accordance with the Articles of Association, in which case the term terminates by operation of law on the date directly after the annual General Meeting in 2029, unless determined otherwise by the General Meeting. The agreements contain a notice period of six months for the Company and three months for the respective Managing Director. Furthermore, the agreements contain severance provisions which provide for compensation for the loss of income resulting from an early termination of employment at the initiative of the Company, with a maximum of six times the monthly base salary, subject to certain conditions such as that the termination is not based on seriously culpable acts or negligence of the Managing Director. The contractual severance amount will replace or be subtracted from any statutory or other severance payments.

Each Supervisory Director is expected to enter into a service agreement with the Company, effective as of the Settlement Date. The agreements are governed by Dutch law. The agreements will be entered into for a period of four years. The Supervisory Directors do not have a severance contract with the Company.

Maximum Number of Supervisory Positions of Managing Directors and Supervisory Directors

Restrictions apply with respect to the overall number of supervisory positions that a managing director or supervisory director (including a one-tier board) of "large Dutch companies" may hold. The term "large Dutch companies" applies to Dutch public limited liability companies, Dutch private limited liability companies and Dutch foundations that meet at least two of the following three criteria: (i) the value of the company's/foundation's assets according to its balance sheet together with explanatory notes, on the basis of the purchase price or manufacturing costs exceeds €20 million; (ii) its net turnover in the applicable year exceeds €40 million; and (iii) its average number of employees in the applicable year is 250 or more.

A person cannot be appointed as a managing or executive director of a "large Dutch company" if he or she already holds a supervisory position at more than two other "large Dutch companies" or if he or she is the chairperson of the supervisory board or one-tier board of another "large Dutch company". Also, a person cannot be appointed as a supervisory director or non-executive director of a "large Dutch company" if he or she already holds a supervisory position at five or more other "large Dutch companies", whereby the position of chairperson of the supervisory board or one-tier board of another "large Dutch company" is counted twice.

The Company does not meet the criteria of a large Dutch company.

Diversity

Until 1 January 2020, Dutch law prescribed that certain large Dutch companies had to pursue a policy of having at least 30% of the seats on the management and supervisory board to be held by men and at least 30% of those seats to be held by women. The objective of this legislation was to increase growth of the proportion of women in top-level management positions. Under Dutch law, this was referred to as a well-balanced allocation of seats. This quota was not mandatory. From 1 January 2020, this legislation has ceased to have effect. The Economic and Social Council (*Sociaal Economische Raad*, the **SER**) has advised the Dutch Cabinet that this law has not led

to sufficient progress in gender diversity of boards of directors. The SER therefore recommends implementing a statutory mandatory transitional quota (*ingroeiquotum*) meaning that any appointment of a supervisory director of a Dutch listed company should contribute towards meeting the quota of at least 30% men and at least 30% women if the percentage of either two of the genders is lower than 30% in the supervisory board of that company. Appointments not in accordance with this transition quota should be regarded as null and void (*nietig*).

The Dutch House of Representatives (*Tweede Kamer*) has endorsed the transitional quota and has indicated it will adopt the SER recommendation in its entirety. A legislative proposal was presented to the Dutch House of Representatives on 6 November 2020 (the **Proposal**). This Proposal provides for Dutch companies listed on a stock exchange in the EU a mandatory quota of one third women (hence 33%) for non-executive directors, rounded up. On 10 July 2020, the Dutch Ministry responsible for diversity informed the parliament that it strives to have new legislation in place "by 2021". On 11 February 2021, the Dutch House of Representatives adopted the Proposal. The Proposal shall now have been passed to the Dutch Senate (*Eerste Kamer*) for further debate. If the statutory mandatory quota were to come into effect, it would apply to future appointments of Supervisory Directors.

Potential Conflicts of Interest and Other Information

Other than the circumstances described below, there are no circumstances that may lead to a (potential) conflict of interest or include (potential) conflicts of interest between the private interests or other duties of each of the Managing Directors or Supervisory Directors on the one hand and the duties to the Company on the other hand. According to best practice principle 2.7.4 of the Dutch Corporate Governance Code, the Company will report on the Managing Directors' and Supervisory Board's conflicts of interest in transactions in its management report where the conflict of interest is of material significance to the Company and/or to the relevant Managing Director/Supervisory Director.

Scholt Energy's headquarters in Valkenswaard (the Netherlands) is owned by PWO35 B.V., a subsidiary of Scholt Group B.V., of which Supervisory Director Mr J.C. Scholt is the sole director and which is jointly controlled by SMS82 Beheer B.V. (which is controlled by Ms S.M. Scholt) and SJS85 Beheer B.V. (which is controlled by Mr S.J. Scholt). Mr S.J. Scholt is the current CCO of Scholt Energy and the son of Mr J.C. Scholt. Ms S.M. Scholt is Scholt Energy's HR-manager, the daughter of Mr J.C. Scholt and the domestic partner of Mr R.A.F. van Gennip, Scholt Energy's current CEO. In 2020, €305,000 rent was paid by Scholt Energy to PWO35 B.V. for rent and other related expenses. Scholt Energy's sales office in Nieuwegein (the Netherlands) is owned by Kasteel Rijnhuizen B.V. (of which Supervisory Director Mr J.C. Scholt is the sole director). In 2020, €13,000 in rent was paid by Scholt Energy to Kasteel Rijnhuizen B.V. for rent and related other expenses. The art exposed in Scholt Energy's offices is owned by Scholt Group B.V. (of which Supervisory Director Mr J.C. Scholt is the sole director and which is jointly controlled by SMS82 Beheer B.V. (which is controlled by Ms S.M. Scholt) and SJS85 Beheer B.V. (which is controlled by Mr S.J. Scholt)). In 2020, €13,000 rent was paid by Scholt Energy to Scholt Group B.V. with respect to this art.

Mr R. Dekkers took out a €36,905 loan facility at a 4% interest rate from an affiliate of Waterland (WPEF VI Finance Limited) to purchase depositary receipts from Stichting Administratiekantoor SEC Topholding B.V. At the date of this Prospectus, €5,796 is still outstanding under the loan facility. Mr R. Dekkers also took out two €15,800 loan facilities at a 4% interest rate from both F.A. van Gastel Holding B.V. (Mr F.A. van Gastel's personal holding company) and RVG 79 Holding B.V. (Mr R.A.F. van Gennip's personal holding company) to purchase depositary receipts from Stichting Administratiekantoor SEC Topholding B.V. At the date of this Prospectus, €5,601 is still outstanding under both the loan facilities.

Mr J.C. Scholt will be a Supervisory Director and he is also the founder and former CEO of Scholt Energy, the father of the CCO (Mr S.J. Scholt) and of Scholt Energy's HR-manager (Ms S.M. Scholt), who is the domestic partner of Scholt Energy's current CEO. In addition, he is the sole director of Scholt Group B.V., which indirectly holds Ordinary Shares (through its 60% shareholding in Scholt Investment Group B.V.) and which is the sole director of Scholt Investment Group B.V., which will hold approximately 12.3% of the Company's issued and

outstanding share capital (11.4% assuming full placement of the Offer Shares and the Over-Allotment Option is exercised in full) immediately after Settlement.

Mr W.K. Roduner and Mr R. Rosendaal have been designated as Supervisory Directors by Waterland. Mr W.K. Roduner indirectly holds investments in the Selling Shareholders (through WPEF VI Holding Coöperatief W.A.) and following Settlement will continue to hold his management position at Waterland Private Equity Investments B.V., which is the sole director of WPEF VI Holding Coöperatief W.A., which in its turn is the sole shareholder and sole director of Powerco B.V., which is one of the Selling Shareholders (see "*Major Shareholders and Related Party Transactions—Related Party Transactions—Supervisory Directors*"). Mr R. Rosendaal indirectly holds investments in the Selling Shareholders (through WPEF VI Holding Coöperatief W.A.) and following Settlement will continue to hold his employment at Waterland Private Equity Investments B.V., which is the sole director of WPEF VI Holding Coöperatief W.A., which in its turn is the sole shareholder and sole director of Powerco B.V., which is one of the Selling Shareholders (see "*Major Shareholders and Related Party Transactions—Related Party Transactions—Supervisory Directors*").

In addition, Mr W.K. Roduner and Mr R. Rosendaal intend to subscribe for Ordinary Shares in the Offering. At the date of this Prospectus, Mr W.K. Roduner intends to subscribe for 18,000 Ordinary Shares and Mr R. Rosendaal intends to subscribe for 6,000 Ordinary Shares. Mr W.K. Roduner and Mr R. Rosendaal would subscribe for these Ordinary Shares against payment of the Offer Price, and it is expected that these Ordinary Shares will be allocated to them. There are no contractual arrangements in place regarding the intended subscription by Mr W.K. Roduner and Mr R. Rosendaal.

In addition, the Managing Directors will have a direct or indirect beneficial interest in Ordinary Shares on the Settlement Date. See "*Management and Corporate Governance—Employee Equity Holdings*".

The Company does not expect that the circumstances described above will cause any of these Managing Directors and/or Supervisory Directors to have a conflict with the duties they have towards the Company. However, since the interests of the Selling Shareholders may not be aligned with the interests of the Company (see "*Major Shareholders and Related Party Transactions—Related Party Transactions*"), a conflict of interest might arise in the future. For example, a conflict of interest between the Company and a Supervisory Director who is related to a Selling Shareholder could arise where a decision that aims to contribute to the long-term and sustainable success of the Group would impact the (short-term) share price of the Ordinary Shares and thus the value of the (indirect) shareholding of the Selling Shareholders.

During the last five years, none of the members of the Senior Management: (i) has been convicted of fraudulent offences; (ii) has served as a director or officer of any entity subject to bankruptcy proceedings, receivership or liquidation, except for Renewable Energy Lease II B.V., a 100% subsidiary of Scholt Energy Services B.V., which was voluntarily liquidated in September 2019 due to inactiveness; or (iii) has been subject to any official public incrimination and/or sanctions by the statutory or regulatory authorities (including designated professional bodies), or disqualification by a court from acting as a member of the administrative, management or supervisory body of an issuer, or from acting in the management or conduct of the affair on any issuer.

Other than as disclosed in "*Major Shareholders and Related Party Transactions—Related Party Transactions—Relationship Agreement*", the Company is not aware of any arrangement or understanding with the Selling Shareholders, clients, suppliers or others, pursuant to which any Managing Director or Supervisory Director was selected as a member of the Senior Management.

Employee Equity Holdings

Option Plan

Certain key employees, including Managing Directors and members of the Senior Management, have been granted Options under the Option Plan as approved by the General Meeting subject to, amongst others, the occurrence of a First Trading Date and continued employment or engagement until the relevant vesting dates (subject to

arrangements for exceptional circumstances, such as death, injury, ill-health or disability). The Option Plan encourages the Managing Directors and selected eligible employees to focus on the Company's long-term success by providing such individuals an economic interest in any growth of the equity value of the Company.

Under the Option Plan, participants may receive Options, meaning a right to acquire Ordinary Shares subject to the terms of the Option Plan against payment of the exercise price of €13.25 per Ordinary Share. The number of Ordinary Shares that may be allocated under the Option Plan on any day cannot, when added to the aggregate of the number of Ordinary Shares already allocated under the Option Plan, exceed the number of 700,000 Ordinary Shares. The Managing Directors have each been granted 100,000 Options, Mr R. Dekkers (the COO) has been granted 42,120 Options and Mr S.J. Scholt (the CCO) has been granted 30,000 Options. In addition, four other key employees have been granted a total of 121,260 Options. Following Settlement, other participants will be granted a total of 306,620 Options. It is currently expected that approximately 50 employees (including Senior Management) will be entitled to receive Options under the Option Plan.

Under the Option Plan, 50% of the Options awarded to a participant vests on the second anniversary of the date of grant and the remaining 50% of the Options awarded to such participant vests on the third anniversary of the date of grant, subject to continued employment or engagement with the Company (subject to arrangements for exceptional circumstances, such as death, injury, ill-health or disability). Vested Options may be exercised after vesting, provided that for members of the Management Board, in general, vested Options can only be exercised on or after the third anniversary of the date of grant of the Options. In the event of a change of control over the Company, the Management Board and the Supervisory Board may determine that any Options shall be deemed to be vested immediately prior to (and conditional upon) such change of control, subject to possible adjustments.

Share incentive for all eligible employees

On the First Trading Date, the Company will grant to all eligible employees, excluding the Managing Directors, rights to acquire existing Ordinary Shares for no consideration under a one-off share incentive. It is currently expected that eligible employees will be granted rights to a cumulative total of 33,930 Ordinary Shares. Eligible employees are all employees of Scholt Energy, other than the Managing Directors, who are employed at the First Trading Date and who have not given or been given notice of termination of their employment agreements. Each eligible employee will be entitled to six Ordinary Shares for each full month he or she has been in service with Scholt Energy on the First Trading Date, with a minimum of 72 Ordinary Shares and a maximum of 360 Ordinary Shares.

The conditional rights to acquire existing Ordinary Shares granted to these employees of Scholt Energy will vest on the date that is one calendar year following the grant date, if this is a trading day or the first trading day thereafter, on the condition that the relevant employee of Scholt Energy continues to be employed by Scholt Energy on this date (subject to arrangements for exceptional circumstances, such as death of permanent disability). The Company entered into an agreement with the Selling Shareholders (excluding Stichting Administratiekantoor SEC Topholding) pursuant to which (i) the Company has the right to acquire from the Selling Shareholders (excluding Stichting Administratiekantoor SEC Topholding) for no consideration a number of Ordinary Shares equal to the number of conditional rights exercised by eligible employees and (ii) the Selling Shareholders (excluding Stichting Administratiekantoor SEC Topholding) shall pay to the Company an amount equal to any costs incurred in relation to taxes and social security contributions due in respect of the one-off share incentive.

Impact on IFRS accounting

Under IFRS, the fair value at the date of a grant of employee equity awards, such as the Options and the one-off share incentive, is recognised as an expense over the vesting period and accounted for as salary costs. In certain

cases, the fair value is re-determined for market conditions at each reporting date, until the final date of grant is achieved. This may impact the Company's results.

Other equity holdings

As at the date of this Prospectus, certain key employees of Scholt Energy (including the Senior Management) indirectly participate in the share capital of the Company. These indirect investments are held through Stichting Administratiekantoor SEC Topholding, a trust foundation (*stichting administratiekantoor*), which has issued depositary receipts of shares (*certificaten van aandelen*) in the capital of the Company to the participating key employees. In this manner, the participating key employees indirectly hold a combined economic interest of 2.8% in the share capital of the Company.

As soon as practically possible following Settlement, the depositary receipts will be cancelled, as a result of which the Ordinary Shares held by Stichting Administratiekantoor SEC Topholding will be transferred to the relevant key employees. The purpose of this restructuring is to have the relevant key employees exit the current investment structure and to allow the participating key employees to participate directly in the capital of the Company.

Following the cancellation of the depositary receipts, Mr R.A.F. van Gennip will indirectly hold 3.35% of the issued Ordinary Shares, Mr F.A van Gastel will indirectly hold 3.35% of the issued Ordinary Shares and Mr R. Dekkers will indirectly hold 0.14% of the issued Ordinary Shares (assuming full placement of the Offer Shares and the Over-Allotment Option is exercised in full). Furthermore, Ms S.M. Scholt and Mr S.J. Scholt together (through Scholt Group B.V.) will indirectly hold 6.82% of the issued Ordinary Shares (assuming full placement of the Offer Shares and the Over-Allotment Option is exercised in full).

Liability of Members of the Management Board and Supervisory Board

Under Dutch law, Managing Directors and Supervisory Directors may be liable towards the Company for damages in the event of improper or negligent performance of their duties. They may be jointly and severally liable for damages towards the Company for infringement of the Articles of Association or of certain provisions of the Dutch Civil Code. In addition, they may be liable towards third parties for infringement of certain provisions of the Dutch Civil Code. In certain circumstances, they may also incur additional specific civil, administrative and criminal liabilities.

Insurance

Managing Directors, Supervisory Directors and certain other officers are insured under an insurance policy taken out by the Company against damages resulting from their conduct when acting in their capacities as Managing Directors, Supervisory Directors or officers.

Indemnification

The Articles of Association include provisions regarding the indemnification, to the extent permissible by law, the Company will indemnify and hold harmless each member of the Management Board and of the Supervisory Board, both former members and members currently in office (each of them an **Indemnified Person**), against any and all liabilities, claims, judgments, fines and penalties incurred by the Indemnified Person as a result of any expected, pending or completed action, investigation or other proceeding, whether civil, criminal or administrative, of or initiated by any party other than the Company itself or a group company (*groepsmaatschappij*) thereof, in relation to any acts or omissions in or related to his or her capacity as an Indemnified Person. Claims will include derivative actions of or initiated by the Company or a group company (*groepsmaatschappij*) thereof against the Indemnified Person and (recourse) claims by the Company itself or a group company (*groepsmaatschappij*) thereof for payments of claims by third parties if the Indemnified Person will be held personally liable therefore.

There shall be, however, no entitlement to reimbursement and any person concerned will have to repay the reimbursed amount if and to the extent that: (i) a Dutch court or, in the case of arbitration, an arbitrator, has established in a final and conclusive decision that the act or failure to act of the person concerned may be characterised as wilful (*opzettelijk*), intentionally reckless (*bewust roekeloos*) or seriously culpable (*ernstig verwijtbaar*) conduct, unless Dutch law provides otherwise or this would, given the circumstances of the case, be unacceptable according to standards of reasonableness and fairness; (ii) the costs or damages directly relate to or arise from legal proceedings between a current or former Managing Director or Supervisory Director and the Company, with the exception of legal proceedings that have been brought by one or more Shareholders, according to Dutch law or otherwise, on behalf of the Company; or (iii) the costs or financial loss of the person concerned are covered by an insurance policy and the insurer has paid out the costs or financial loss.

Works Council

The Company does not have a works council (*ondernemingsraad*) in place.

Dutch Corporate Governance Code

The Dutch Corporate Governance Code, as amended, entered into force on, and applies to any Financial Year starting on or after, 1 January 2017 and finds its statutory basis in Book 2 of the Dutch Civil Code (the **Dutch Corporate Governance Code**). The Dutch Corporate Governance Code applies to the Company as it has its registered office in the Netherlands and its Ordinary Shares will be listed on Euronext Amsterdam.

The Dutch Corporate Governance Code is based on a "comply or explain" principle. Accordingly, companies are required to disclose in their management report whether or not they are complying with the various best practice principles of the Dutch Corporate Governance Code that are addressed to the management board (*bestuur*) or, if applicable, the supervisory board (*raad van commissarissen*) of the company. If a company deviates from a best practice principle in the Dutch Corporate Governance Code, the reason for such deviation must be properly explained in its management report.

As at the Settlement Date, the Company will not comply with the following principle of the Dutch Corporate Governance Code:

- *Best Practice Provision 2.1.7: independence of the supervisory board*: as at the Settlement date, the Company will not be in compliance with best practice provision 2.1.7 that requires that more than half of the Supervisory Directors shall be independent. In addition, as at the Settlement Date, the Company will not be in compliance with best practice provision 2.1.7(iii) that requires that there is at most one non-executive Director who can be considered to be affiliated with a Shareholder, or group of affiliated Shareholders, who holds more than 10% of the shares in a company. Mr J.C. Scholt as founder of the Company has provided Scholt Energy with its strategic vision to become a solid, reliable and distinguished European challenger in the energy sector. The strategic vision of Waterland will continue to be represented at the Company through its two representatives on the Supervisory Board, which the Company believes will benefit the Company, its business and its stakeholders, including its Shareholders. The Company believes that these Supervisory Directors' experience in the energy industry benefits the Company and its Shareholders, which outweighs any perceived disadvantage of non-independence. The independence of Supervisory Directors is assessed for purposes of the Dutch Corporate Governance Code prior to their appointment to the Supervisory Board and, thereafter, annually.

MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

Corporate Restructuring

Prior to the date of this Prospectus, a restructuring was implemented in order to provide for the current corporate structure with the Selling Shareholders as direct shareholders of the Company (the **Restructuring**).

Prior to the Restructuring (i) Mr F.A. van Gastel (through his 100% holding in Irenergie Holding B.V.) indirectly held 15% of the shares in the capital of Scholt Investment Group B.V., (ii) Mr R.A.F. van Gennip (through his 100% holding in RvG 79 Holding B.V.) indirectly held 15% of the shares in the capital of Scholt Investment Group B.V., (iii) Scholt Investment Group B.V. held 25% of the shares in the capital of SEC Topholding B.V. and (iv) SEC Topholding B.V. held 100% of the shares in the capital of the Company (formerly known as SEC Holding B.V.).

In connection with the Restructuring, the following steps have been implemented:

- (1) On 20 July 2021, a new entity Antonius 8001 Holding B.V. was incorporated.
- (2) Upon incorporation of Antonius 8001 Holding B.V., the shares in the capital of Scholt Investment Group B.V. held by Irenergie Holding B.V. and RvG 79 Holding B.V. were contributed to Antonius 8001 Holding B.V., as a result of which Antonius 8001 Holding B.V. held 30% of the shares in Scholt Investment Group B.V.
- (3) On 20 July 2021, the shares in the capital of Scholt Investment Group B.V. held by Antonius 8001 Holding B.V. were cancelled with repayment and 7,500 shares in the capital of SEC Topholding B.V. held by Scholt Investment Group B.V. were sold and transferred to Antonius 8001 Holding B.V., following which Antonius 8001 Holding B.V. directly held 7.5% of the shares in the capital of SEC Topholding B.V. and indirectly held 7.5% of the shares in the capital of the Company.
- (4) Effective as of 31 August 2021, SEC Topholding B.V. (as a disappearing company) merged into the Company (at that time named SEC Holding B.V., as an acquiring company), as a result of which (i) SEC Topholding B.V. ceased to exist, (ii) the Company acquired all assets and liabilities of SEC Topholding B.V. under universal title of succession, (iii) all 10,000 shares held by SEC Topholding B.V. in the capital of the Company were cancelled and (iv) all shares in the capital of SEC Topholding B.V. held by the shareholders of SEC Topholding B.V. were cancelled and in return the Company allotted a similar number of shares (100,000) in its capital to the shareholders of SEC Topholding B.V.
- (5) The Articles of Association of the Company were amended in connection with the merger referred to under (4), including, among other things, the change of the name of the Company to Scholt Energy B.V.

Shareholders at the date of the Prospectus

The following table sets forth the Shareholders as at the date of this Prospectus.

Shareholder	Amount of share capital owned		
	Number of Ordinary Shares	Percentage of share capital	Percentage of voting rights
Powerco B.V. ⁽¹⁾	72,207	72.2%	72.2%
Scholt Investment Group B.V. ⁽²⁾	17,500	17.5%	17.5%
Antonius 8001 Holding B.V. ⁽³⁾	7,500	7.5%	7.5%
Stichting Administratiekantoor SEC Topholding ⁽⁴⁾	2,793	2.8%	2.8%

Notes:

- (1) Powerco B.V. is controlled by WPEF VI Holding Coöperatief W.A. which is controlled by Waterland Private Equity Fund VI C.V.
- (2) Scholt Investment Group B.V. is controlled by Scholt Group B.V. and Accoform NV. Scholt Group B.V. is jointly controlled by SMS82 Beheer B.V. (which is controlled by Ms S.M. Scholt) and by SJS85 Beheer B.V. (which is controlled by Mr S.J. Scholt). Accoform NV is controlled by T.D. Beeuwsaert.
- (3) Antonius 8001 Holding B.V. is controlled by Irenergie Holding B.V. and RvG 79 Holding B.V. Irenergie Holding B.V. is controlled by Mr F.A. van Gastel and RvG 79 Holding B.V. is controlled by Mr R.A.F. van Gennip.
- (4) Stichting Administratiekantoor SEC Topholding is controlled by its board members Mr R.A.F. van Gennip and Mr F.A. van Gastel.

Holdings Immediately After Settlement

The Selling Shareholders are offering up to 6,000,000 Offer Shares, assuming no exercise of the Over-Allotment Option. The Offer Shares excluding the Over-Allotment Shares constitute approximately 30% of the issued share capital of the Company. Assuming the Over-Allotment Option is fully exercised and an Offer Price at the bottom of the Offer Price Range, the Offer Shares will constitute 34.5% of the issued share capital of the Company immediately after Settlement.

The following table sets forth information with respect to the size of the shareholdings of the Selling Shareholders both immediately prior to Settlement and immediately after Settlement, without and with full exercise of the Over-Allotment Option, assuming a sale of the maximum number of Offer Shares.

Without full exercise of the Over-Allotment Option

Shareholder	Amount of share capital owned		
	Number of Ordinary Shares	Percentage of share capital	Percentage of voting rights
Powerco B.V. ⁽¹⁾	10,108,980	50.5%	50.5%
Scholt Investment Group B.V. ⁽²⁾	2,450,000	12.3%	12.3%
Antonius 8001 Holding B.V. ⁽³⁾	1,050,000	5.3%	5.3%
Stichting Administratiekantoor SEC Topholding ⁽⁴⁾	391,020	2.0%	2.0%

Note:

- (1) Powerco B.V. is controlled by WPEF VI Holding Coöperatief W.A. which is controlled by Waterland Private Equity Fund VI C.V.
- (2) Scholt Investment Group B.V. is controlled by Scholt Group B.V. and Accoform NV. Scholt Group B.V. is jointly controlled by SMS82 Beheer B.V. (which is controlled by Ms S.M. Scholt) and by SJS85 Beheer B.V. (which is controlled by Mr S.J. Scholt). Accoform NV is controlled by T.D. Beeuwsaert.
- (3) Antonius 8001 Holding B.V. is controlled by Irenergie Holding B.V. and RvG 79 Holding B.V. Irenergie Holding B.V. is controlled by Mr F.A. van Gastel and RvG 79 Holding B.V. is controlled by Mr R.A.F. van Gennip.
- (4) Stichting Administratiekantoor SEC Topholding is controlled by its board members Mr R.A.F. van Gennip and Mr F.A. van Gastel.

With full exercise of the Over-Allotment Option

Shareholder	Amount of share capital owned		
	Number of Ordinary Shares	Percentage of share capital	Percentage of voting rights
Powerco B.V. ⁽¹⁾	9,384,552	46.9%	46.9%
Scholt Investment Group B.V. ⁽²⁾	2,274,428	11.4%	11.4%
Antonius 8001 Holding B.V. ⁽³⁾	1,050,000	5.3%	5.3%
Stichting Administratiekantoor SEC Topholding ⁽⁴⁾	391,020	2.0%	2.0%

Note:

- (1) Powerco B.V. is controlled by WPEF VI Holding Coöperatief W.A. which is controlled by Waterland Private Equity Fund VI C.V.
- (2) Scholt Investment Group B.V. is controlled by Scholt Group B.V. and Accoform NV. Scholt Group B.V. is jointly controlled by SMS82 Beheer B.V. (which is controlled by Ms S.M. Scholt) and by SJS85 Beheer B.V. (which is controlled by Mr S.J. Scholt). Accoform NV is controlled by T.D. Beeuwsaert.
- (3) Antonius 8001 Holding B.V. is controlled by Irenergie Holding B.V. and RvG 79 Holding B.V. Irenergie Holding B.V. is controlled by Mr F.A. van Gastel and RvG 79 Holding B.V. is controlled by Mr R.A.F. van Gennip.
- (4) Stichting Administratiekantoor SEC Topholding is controlled by its board members Mr R.A.F. van Gennip and Mr F.A. van Gastel.

Related Party Transactions

In the course of its ordinary business activities, members of Scholt Energy regularly enter into agreements with other companies within Scholt Energy. These agreements mainly relate to the rendering of intra-group services, such as the provision of support services. Scholt Energy believes that all transactions with subsidiaries, associated companies and joint ventures are negotiated and executed on an arm's length basis and that the terms of these transactions are comparable to those contracted with unrelated third-party suppliers and service providers. In addition to the information included below, reference is also made to "*Management and Corporate Governance—Potential Conflicts of Interest and Other Information*".

Relationship Agreement

Waterland and the Company entered into a relationship agreement on 8 September 2021 (the **Relationship Agreement**), of which the material elements as described below will become effective as of the First Trading Date. The Relationship Agreement contains certain arrangements regarding the relationship between Waterland and the Company as of the Settlement Date. Below is an overview of the material elements of the Relationship Agreement.

(a) Amendment of the Articles of Association

The Relationship Agreement states that Waterland shall, and shall procure that its affiliates shall, not exercise any of its voting or other shareholder rights and powers to procure any amendment of the Articles of Association that would be inconsistent with any of the provisions of the Relationship Agreement.

(b) Related party transactions

The Relationship Agreement provides that the Company shall have a related party transactions policy as from the Settlement Date. An amendment of such related party transactions policy can only be made by the Management Board subject to approval by the Supervisory Board. No amendment of the related party transactions policy shall be proposed that would contravene, or be contrary to, any provision of the Relationship Agreement.

(c) Composition of the Supervisory Board and designation rights

Pursuant to the Relationship Agreement, the Supervisory Board shall consist of four members. The Supervisory Board shall elect and appoint the chairperson of the Supervisory Board, who shall be an independent Supervisory Director. As from the First Trading Date, Waterland shall have the right to designate two individuals for nomination by the Supervisory Board to be appointed by the General Meeting as members of the Supervisory Board. Waterland shall only designate individuals that cause the Supervisory Board to be composed in accordance with the profile drawn up by the Supervisory Board. Such individuals will not need to be "independent" within the meaning of the Dutch Corporate Governance Code. Mr R. Rosendaal and Mr W.K. Roduner will be the initial Waterland Supervisory Directors. The designation right of Waterland will expire:

- if Waterland, directly or indirectly, holds less than 30% but at least 10% of the Ordinary Shares, Waterland will have the right to designate one Supervisory Director; and
- if Waterland, directly or indirectly, holds less than 10 % of the Ordinary Shares, the right of Waterland to designate a Supervisory Director will expire.

Waterland shall procure that the Supervisory Director appointed pursuant to its expired designation right offers his or her resignation effective upon the earlier of:

- the next General Meeting; and
- the date as determined by the chairperson of the Supervisory Board. Any designation right that expires shall not revive, regardless of any subsequent increase of any Selling Shareholder's shareholding.

(d) Orderly Market Arrangements

The Relationship Agreement states that, at any time after its lock-up period, Waterland is authorised to sell and transfer all or part of its Ordinary Shares. Waterland may require the Company to provide reasonable assistance to optimise any sale of its Ordinary Shares, including but not limited to (i) providing reasonable access to information required for a due diligence and drafting a prospectus, (ii) providing assistance in obtaining regulatory, stock exchange and other approvals required for a sale of its Ordinary Shares and (iii) being a party to an underwriting agreement containing customary provisions.

In addition, the Relationship Agreement provides that Waterland may require the Company to provide reasonable assistance with an offering that entails the Company's involvement in the form of a management road show and/or the preparation of a prospectus (a "**Fully Marketed Offering**"). If Waterland requests the Company to assist on a Fully Marketed Offering of (part of) its Ordinary Shares, the Company and Waterland shall cooperate in executing the Fully Marketed Offering to the highest possible standard. This will require the Company's assistance with documentation (including potentially a prospectus), due diligence, comfort letters, listing requirements, road shows and marketing and any other reasonable requests from any underwriters or advisers in relation to such an offering and the Company agrees to give such full assistance. The Company shall only be required to provide assistance with a Fully Marketed Offering once every four months.

The Relationship Agreement furthermore provides that in the event of a sale of 3% or more of the Ordinary Shares by Waterland other than by way of a Fully Marketed Offering, the Company shall facilitate, upon reasonable request by Waterland (which request may only be made three times a year), such sale by providing an opportunity to perform a limited due diligence investigation by or on behalf of (i) a bookrunner or coordinator, (ii) a reputable investment bank engaged to assist in a sale or (iii) a bona fide, creditworthy potential purchaser of 3% or more of the Ordinary Shares. Such due diligence shall include at least: a management interview, customary issuer representations and management representation letters, a review of the minutes of the Management Board and Supervisory Board and a limited documentary review relating to major litigation and acquisitions and disposals.

(e) Other relevant terms

The Relationship Agreement shall terminate at the first time that any of the following conditions shall be met:

- (a) the Settlement Date shall not have occurred before 1 December 2021;
- (b) Waterland holds Ordinary Shares representing less than 10% of the Ordinary Shares;

- (c) the Company becomes subject to insolvency proceedings;
- (d) a resolution of the General Meeting to liquidate (*ontbinden*) the Company becomes unconditional;
- (e) the Company ceases to exist as a legal entity as a result of a legal merger (*fusie*) or spin off (*splitsing*); or
- (f) termination of the listing of Ordinary Shares on Euronext Amsterdam takes effect.

The Relationship Agreement is governed by the laws of the Netherlands and the courts of Eindhoven, the Netherlands, are to have exclusive jurisdiction to settle any dispute that may arise out of or in connection with the Relationship Agreement.

Supervisory Directors

Supervisory Directors Mr W.K. Roduner and Mr R. Rosendaal hold indirect investments and positions at Waterland. It is expected that they will subscribe for Ordinary Shares in the Offering. Supervisory Director Mr J.C. Scholt holds a position as sole director of Scholt Group B.V. See "*Management and Corporate Governance—Potential Conflicts of Interest and Other Information*".

Employee Shareholdings

For an overview of shareholdings of employees (including of the Senior Management), see "*Management and Corporate Governance—Employee Equity Holdings*".

DESCRIPTION OF SHARE CAPITAL AND CORPORATE STRUCTURE

Set out below is a summary of the relevant information concerning the Company's share capital and of the relevant significant provisions of Dutch law and the Articles of Association. It is based on relevant provisions of Dutch law in effect on the date of this Prospectus and the Articles of Association. This summary does not purport to give a complete overview and should be read in conjunction with, and is qualified in its entirety by reference to, the Articles of Association and the relevant provisions of Dutch law. The full text of the Articles of Association (in Dutch, and an unofficial English translation) will be available free of charge on the Company's website (www.scholt.com/investors) or, during their normal business hours, at the registered office of the Company from the date of this Prospectus until at least the Settlement Date. See also section "Management and Corporate Governance" for a summary of the material provisions of the Articles of Association and Dutch law relating to the Management Board.

General

At the date of this Prospectus, the Company is a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) and it will be converted into a public limited liability company (*naamloze vennootschap*) prior to Settlement. The Company has its statutory seat (*statutaire zetel*) in Valkenswaard, the Netherlands. The Company's registered office is at Parallelweg Oost 35, 5555 XA in Valkenswaard, the Netherlands. The Company is registered with the Dutch Chamber of Commerce (*Kamer van Koophandel*) under number 66811899. The Company's telephone number is +31 (0)40 368 12 23. The Company's Legal Entity Identifier (**LEI**) is 724500LLRNCTWAWOLJ68. The Ordinary Shares' International Securities Identification Number (**ISIN**) is NL0015000IZ9.

Corporate Purpose

Pursuant to article 3 of the Articles of Association, the corporate objects of the Company are:

- to trade in, as well as to purchase and sell energy, and to provide energy transition services;
- to incorporate, to participate in any way whatsoever in, to manage, to supervise businesses and companies;
- to finance businesses and companies;
- to borrow, to lend and to raise funds, including the issue of bonds, promissory notes or other securities or evidence of indebtedness as well as to enter into agreements in connection with aforementioned activities;
- to render advice and services to businesses and companies with which the Company forms a group and to third parties;
- to grant guarantees, to bind the Company and to pledge its assets for obligations of businesses and companies with which it forms a group and on behalf of third parties;
- to acquire, manage, exploit and alienate registered property and items of property in general;
- to trade in currencies, securities and items of property in general;
- to develop and trade in patents, trademarks, licenses, know-how, copyrights, data base rights and other intellectual property rights; and
- to perform any and all activities of an industrial, financial or commercial nature,

and to do all that is connected therewith or may be conducive thereto, all to be interpreted in the broadest sense.

Share Capital

Authorised and Issued Share Capital

As at the date of this Prospectus, the Company's issued share capital amounts to €200,000, divided into 20,000,000 Ordinary Shares, each with a nominal value of €0.01. The Company's issued share capital changed from 10,000 Ordinary Shares to 100,000 Ordinary Shares as a result of the merger between SEC Topholding B.V. and the Company on 31 August 2021. See "*Major Shareholders and Related Party Transactions—Corporate Restructuring*". The Company's issued share capital changed from 100,000 Ordinary Shares to 20,000,000 Ordinary Shares as a result of the issuance of shares on 1 September 2021. See "*—Issuance of Shares*".

With effect as of the Settlement Date, pursuant to a notarial deed of amendment amending the Articles of Association, the Company's authorised share capital will amount to €800,000 divided into 80,000,000 Ordinary Shares with a nominal value of €0.01 each. On the Settlement Date, no Ordinary Shares will be held by the Company or its subsidiaries and all outstanding Ordinary Shares will be fully paid-up.

The Ordinary Shares have been created under, and are subject to, Dutch law.

Set out below is an overview of the Company's issued Ordinary Shares in the Company's capital for the dates stated in the overview.

History of Share Capital

	<u>31 December 2020</u>	<u>31 December 2019</u>	<u>31 December 2018</u>
Ordinary Shares.....	10,000	10,000	10,000
Total.....	10,000	10,000	10,000

Issuance of Shares

On 29 August 2021, the General Meeting resolved to issue 19,900,000 Ordinary Shares in the capital of the Company, whereby Powerco B.V. acquired 14,369,193 Ordinary Shares, Scholt Investment Group B.V. acquired 3,482,500 Ordinary Shares, Antonius 8001 Holding B.V. acquired 1,492,500 Ordinary Shares and Stichting Administratiekantoor SEC Topholding acquired 555,807 Ordinary Shares. Pursuant to the execution of a notarial deed of issuance, such Ordinary Shares were issued on 1 September 2021 to the Selling Shareholders and have been paid up at the expense of the Company's share premium reserve. As a result, the issued share capital of the Company at the date of this Prospectus amounts to €200,000, divided into 20,000,000 Ordinary Shares, each with a nominal value of €0.01.

Shares

On the Settlement date, all of the issued Ordinary Shares will be fully paid-up. On the Settlement date, there will be no convertible securities, exchangeable securities or securities with warrants in the Company. There are no acquisition rights and/or obligations over unissued share capital of the Company (or any undertaking to increase the share capital of the Company). All of the Shares represent capital in the Company. No share or loan capital of any member of Scholt Energy is under option or agreed, conditionally or unconditionally, to be put under option.

None of the Shareholders will have any voting rights different from any other Shareholders. Each Ordinary Share confers the right to cast one vote in the General Meeting. For an overview of the rights that attach to Ordinary Shares see in particular section "*—General Meetings and Voting Rights*".

Shareholders' Register

The Ordinary Shares are in registered form (*op naam*). No share certificates (*aandeelbewijzen*) are or may be issued.

Pursuant to Dutch law and the Articles of Association, the Company must keep a shareholders' register (the **Shareholders' Register**). The Shareholders' Register records the names and addresses of all holders of Ordinary Shares and must be kept up to date. In the Shareholders' Register, the names and addresses of all other persons holding meeting rights (being the right to be invited to and attend General Meetings and to speak at such meetings and the other rights the Dutch Civil Code grants to persons holding depository receipts for shares issued with the cooperation of the Company, as a Shareholder or as a person to whom these rights have been attributed in accordance with the Articles of Association) must also be recorded, as well as the names and addresses of all holders of a right of pledge or usufruct in respect of Shares not holding meeting rights. The Shareholders' Register also contains the names and addresses of usufructuaries (*vruchtgebruikers*) or pledgees (*pandhouders*) of Shares, stating whether they hold the rights attached to such Shares pursuant to Section 2:88 paragraphs 2, 3 and 4, as it relates to usufructuaries (*vruchtgebruikers*), and Section 2:89 paragraphs 2, 3 and 4, as it relates to pledgees (*pandhouders*), of the Dutch Civil Code and, if so, which rights have been conferred upon them. With regard to pledgees, the Company will deviate from the Dutch Civil Code such that the Shareholders' Register shall state that neither the voting right attached to the Shares, nor the rights attached under Dutch law to "depository receipts" for Shares issued with the Company's cooperation (as contemplated in the Dutch Civil Code), have been conferred upon them. The Shareholders' Register shall also state, with regard to each Shareholder, pledgee or usufructuary, the date on which they acquired the Shares, their right of pledge or usufruct as well as the date of acknowledgement or service.

If requested, the Management Board will provide a Shareholder, usufructuary or pledgee of such Ordinary Shares with an extract from the Shareholders' Register relating to his or her title to an Ordinary Share free of charge. If the Ordinary Shares are encumbered with a right of usufruct (*vruchtgebruik*) or a right of pledge (*pandrecht*), the extract will state to whom such rights will fall. The Shareholders' Register is kept by the Management Board. For shares as referred to in the Dutch Act on Securities Transactions by Giro (*Wet giraal effectenverkeer*, the **Dutch Securities Transactions Act**), including the Offer Shares, which are included in: (i) a collective depot as referred to in that Dutch Securities Transactions Act, of which shares form part, as being kept by an intermediary, as referred to in the Dutch Securities Transactions Act; or (ii) a giro depot as referred to in that Act of which shares form part, as being kept by a central institute as referred to in that Act, the name and address of the relevant intermediary or the relevant central institute shall be entered in the Shareholders' Register, stating the date on which those shares became part of such collective depot or giro depot, the date of acknowledgement by or giving of notice to, as well as the paid-up amount on each share.

Issuance of Shares

Resolutions to issue Ordinary Shares are adopted by the General Meeting or the Management Board – subject to the Supervisory Board's approval – if the General Meeting designates the Management Board to do so. A resolution of the General Meeting to issue Ordinary Shares or to designate the Management Board as competent corporate body to issue Ordinary Shares, can only be adopted with an absolute majority. This also applies to the granting of rights to subscribe for Ordinary Shares, such as options, but is not required for an issue of Ordinary Shares pursuant to the exercise of a previously granted right to subscribe for Ordinary Shares. A designation by the General Meeting to issue Ordinary Shares must state the term for which it is valid, which term may not be longer than five years. The designation may be renewed in each case for another maximum period of five years. Unless provided otherwise in the authorisation, it may not be withdrawn.

Prior to the Settlement Date, it is expected that the General Meeting will designate the Management Board as the body authorised, subject to the approval of the Supervisory Board, to issue Ordinary Shares, to grant rights to subscribe for Ordinary Shares and to exclude statutory pre-emptive rights in relation to such issuances of Ordinary Shares or granting of rights to subscribe for Ordinary Shares. Aforementioned authorisation of the Management

Board is limited to up to a maximum of 10% of the Ordinary Shares issued and outstanding on the Settlement Date, and is valid for a period of 18 months after the Settlement Date.

Certain aspects of taxation of the issuance of Ordinary Shares are described in the section "*Taxation—Taxation in the Netherlands—Dividend Withholding Tax*".

Pre-emptive Rights

Upon issue of Ordinary Shares or grant of rights to subscribe for Ordinary Shares, each Shareholder shall have a pre-emptive right in proportion to the aggregate nominal amount of his or her Ordinary Shares. Shareholders do not have pre-emptive rights in respect of Ordinary Shares issued: (i) to employees of the Company or of a Group company as defined in Section 2:24b of the Dutch Civil Code; (ii) against payment other than in cash; or (iii) to a person exercising a previously acquired right to subscribe for Ordinary Shares. These pre-emptive rights and non-applicability of pre-emptive rights also apply in case of the granting of rights to subscribe for Ordinary Shares.

Pursuant to the Articles of Association, the pre-emptive right may be restricted or excluded pursuant to a resolution of the General Meeting. The proposal to this effect must explain in writing the reasons for the proposal and the intended issue price. Subject to the approval of the Supervisory Board, the pre-emptive right may also be restricted or excluded by the Management Board if the Management Board has been designated by a decision of the General Meeting for a limited period of time of no longer than five years to restrict or exclude the pre-emptive right. A resolution of the General Meeting to restrict or exclude the pre-emptive right to Ordinary Shares or to designate the Management Board to restrict or exclude the pre-emptive right requires a majority of at least two-thirds of the votes cast if less than 50% of the issued share capital is represented at the General Meeting.

Pursuant to a resolution of the General Meeting to be adopted on or prior to the Settlement Date, the Management Board, subject to the approval of the Supervisory Board, is authorised for a period of 18 months following the Settlement Date, to resolve to restrict or exclude pre-emptive rights of shareholders in relation to the issue of, or grant of rights to subscribe for, Ordinary Shares for which it was authorised by the General Meeting to resolve upon as described above.

Reduction of Share Capital

Subject to the provisions of Dutch law and the Articles of Association, the General Meeting may, but only if proposed by the Management Board after approval by the Supervisory Board, and in compliance with Section 2:99 of the Dutch Civil Code, pass resolutions to reduce the issued share capital by: (i) cancelling Ordinary Shares; or (ii) reducing the value of the Ordinary Shares by amendment of the Articles of Association. A resolution to cancel Ordinary Shares can only relate to Ordinary Shares held by the Company itself. Reduction of the nominal value of the Ordinary Shares without repayment and without release from the obligation to pay up the Ordinary Shares shall take place proportionately on all Ordinary Shares of the same class. This *pro rata* requirement may be waived if all shareholders concerned so agree. A resolution of the General Meeting to reduce the share capital requires a majority of at least two-thirds of the votes cast if less than 50% of the issued and outstanding share capital is represented at the General Meeting. If 50% or more of the issued and outstanding share capital is represented at the General Meeting, the resolution of the General Meeting requires an absolute majority. In addition, a resolution to reduce the share capital shall require the prior or simultaneous approval of each group of holders of shares of a similar class (if any) whose rights are prejudiced.

In addition, Dutch law contains detailed provisions regarding the reduction of capital.

Certain aspects of taxation of a reduction of share capital are described in the section "*Taxation*".

Acquisition of own Shares

Subject to the approval of the General Meeting, the Management Board is authorised to acquire its own fully paid-up Ordinary Shares either for no consideration (*om niet*), under universal succession of title or if: (i) the Company's

equity, less the payment required to make the acquisition, does not fall below the sum of called-up and paid-in share capital and any statutory reserves; (ii) the aggregate nominal value of the Ordinary Shares which the Company acquires, holds or holds as pledge or which are held by a subsidiary does not exceed 50% of the issued share capital; and (iii) the Management Board has been authorised by the General Meeting to repurchase Ordinary Shares. The Company may, without authorisation by the General Meeting, acquire its own Ordinary Shares for the purpose of transferring such Ordinary Shares to its employees under a scheme applicable to such employees, provided such Ordinary Shares are quoted on the price list of a stock exchange.

The General Meeting's authorisation is valid for a maximum of 18 months. As part of the authorisation, the General Meeting must determine the number of Ordinary Shares that may be acquired, the manner in which the Ordinary Shares may be acquired and the limits within which the price must be set. In addition, the approval of the Supervisory Board is required for any such acquisition.

The Management Board, pursuant to a resolution of the General Meeting to be adopted prior to the Settlement Date, will be authorised for a period of 18 months following the Settlement Date to acquire Ordinary Shares (including Ordinary Shares issued as stock dividend), subject to the approval of the Supervisory Board, up to a maximum of 10% of the aggregate number of Ordinary Shares issued following the Settlement Date, provided the Company will hold no more Ordinary Shares in stock than at maximum 50% of the issued share capital, either through purchase on a stock exchange or otherwise, at a price, excluding expenses, not lower than the nominal value of the Ordinary Shares and not higher than the opening price on Euronext Amsterdam on the day of the repurchase plus 10%.

The Company may not cast votes on, and is not entitled to dividends paid on, Ordinary Shares held by it nor will such Ordinary Shares be counted for the purpose of calculating a voting quorum. Votes may be cast on Ordinary Shares held by the Company if the Ordinary Shares are encumbered with a right of usufruct that benefits a party other than the Company or a subsidiary, the voting right attached to those Ordinary Shares accrues to another party and the right of usufruct was established by a party other than the Company or a subsidiary before the Ordinary Shares belonged to the Company or the subsidiary. No dividend shall be paid to the Ordinary Shares held by the Company in its own capital, unless such Ordinary Shares are subject to a right of usufruct or pledge. For the computation of the profit distribution, the Ordinary Shares held by the Company in its own capital shall not be included. The Management Board is authorised, subject to the approval of the Supervisory Board, to dispose of the Company's own Ordinary Shares held by it.

Certain aspects of taxation of the repurchase of Ordinary Shares are described in the section "*Taxation—Taxation in the Netherlands—Dividend Withholding Tax*".

Form and Transfer of Shares

The Ordinary Shares are in registered form. The Shareholders' Register is held at the Company's head office in Valkenswaard, the Netherlands. No share certificates will be issued for Ordinary Shares. The names and addresses of the holders of Ordinary Shares in registered form and usufructuaries (*vruchtgebruikers*) in respect of such Ordinary Shares are recorded in the register of shareholders of the Company and any other information prescribed by Dutch law.

The transfer of rights a Shareholder holds with regard to Ordinary Shares included in the giro system as referred to in the Dutch Securities Transactions Act (the **Statutory Giro System**) must take place in accordance with the provisions of the Dutch Securities Transactions Act. The transfer of an Ordinary Share in registered form (not included in the Statutory Giro System) requires a deed to that effect and acknowledgement by the Company.

If a registered Ordinary Share is transferred for inclusion in a collective deposit, the transfer will be accepted by the intermediary concerned. If a registered Ordinary Share is transferred for inclusion in a giro deposit, the transfer will be accepted by the central institute, being Euroclear Nederland. Upon issue of a new Ordinary Share to Euroclear Nederland or to an intermediary, the transfer and acceptance in order to include the Ordinary Share in the giro deposit or the collection deposit will be effected without the cooperation of the other participants in the

collection deposit or the giro deposit, respectively. Deposit shareholders are not recorded in the shareholders' register of the Company. Ordinary Shares included in the collective deposit or giro deposit can only be delivered from a collective deposit or giro deposit with due observance of the related provisions of the Dutch Securities Transactions Act. The transfer by a deposit shareholder of its book-entry rights representing such Ordinary Shares shall be effected in accordance with the provisions of the Dutch Securities Transactions Act. The same applies to the establishment of a right of pledge and the establishment or transfer of a right of usufruct on these book-entry rights.

Dividends and Other Distributions

General

The Company may only make distributions, whether a distribution of profits or of freely distributable reserves, to its Shareholders if its Shareholders' equity exceeds the sum of the paid-in and called-up share capital plus the reserves as required to be maintained by Dutch law or by the Articles of Association. See section "*Dividends and Dividend Policy—Dividend Policy*" for a more detailed description regarding dividends.

The dividend pay-out can be summarised as follows.

Annual profit distribution

A distribution of profits other than an interim distribution is only allowed after the adoption of the Company's annual accounts (i.e. non-consolidated) by the General Meeting, and the information therein will determine if the distribution of profits is legally permitted for the respective financial year.

Right to reserve

The Management Board, subject to the approval of the Supervisory Board, may resolve to reserve the profits or a part of the profits realised during a financial year. The profits remaining after being allocated to the reserves shall be put at the disposal of the General Meeting. The Management Board, subject to the approval of the Supervisory Board, shall make a proposal for that purpose. Furthermore, the Management Board may, subject to the approval of the Supervisory Board, decide that payments to the shareholders shall be at the expense of reserves which the Company is not prohibited from distributing by virtue of Dutch law or the Articles of Association.

Interim distribution

Subject to Dutch law and the Articles of Association, the Management Board may, subject to the approval of the Supervisory Board, resolve to make an interim distribution of profits provided that it appears from an interim statement of assets signed by the Management Board that the Company's equity does not fall below the sum of called-up and paid-in share capital plus the reserves as required to be maintained by Dutch law or by the Articles of Association.

Distribution in kind

The Management Board may, subject to the approval of the Supervisory Board, decide that a distribution on Ordinary Shares shall not take place as a cash payment but as a payment in the form of Ordinary Shares, or decide that shareholders shall have the option to receive a distribution as a cash payment and/or as a payment in Ordinary Shares, provided that the Management Board is designated by the General Meeting to do so.

Profit ranking of the Shares

All of the Ordinary Shares issued and outstanding on the day following the Settlement Date, including the Offer Shares, will rank equal. In the event of insolvency, any claims of the holders of Ordinary Shares are subordinated

to those of the creditors of the Company. This means that an investor could potentially lose all or part of its invested capital.

Payment

Payment of any future dividend on Ordinary Shares in cash will in principle be made in euro. Any dividends on Ordinary Shares that are paid to shareholders through Euroclear Nederland will be automatically credited to the relevant shareholders' accounts. There are no restrictions in relation to the payment of dividends under Dutch law in respect of holders of Ordinary Shares who are non-residents of the Netherlands. However, see section "*Taxation—Taxation in the Netherlands—Dividend Withholding Tax*" for a discussion of taxation of dividends and refund procedures for non-tax residents of the Netherlands.

Payments of profit and other payments are announced in a notice by the Company and will be made payable pursuant to a resolution of the Management Board within four weeks after adoption, unless the Management Board sets another date for payment. Payments of profit and other payments are announced in a notice by the Company. A shareholder's claim to payments of profits and other payments lapses five years and one day after the day on which the claim became payable. Any profit or other payments that are not claimed within this period will be considered to have been forfeited to the Company and will be carried to the reserves of the Company.

Exchange Controls and Other Provisions Relating to Non-Dutch Shareholders

Under Dutch law, subject to the 1977 Sanction Act (*Sanctiewet 1977*), or otherwise by international sanctions, there are no exchange control restrictions on investments in, or payments on, Ordinary Shares. There are no special restrictions in the Articles of Association or Dutch law that limit the right of shareholders who are not citizens or residents of the Netherlands to hold or vote Ordinary Shares.

General Meetings and Voting Rights

General Meetings

General Meetings must be held in the Netherlands in Valkenswaard, Eindhoven, 's-Hertogenbosch, Amsterdam or Haarlemmermeer (including Schiphol Airport), at the choice of those who call the meeting. The annual General Meeting must be held at least once a year, within six months after the end of the financial year. Extraordinary General Meetings may be held as often as the Management Board or the Supervisory Board deems desirable. In addition, one or more Shareholders, who solely or jointly represent at least the percentage of the issued capital as required by law, which currently is at least one-tenth of the issued capital, may request that a General Meeting be convened, the request setting out in detail matters to be considered. If no General Meeting has been held within six weeks of the Shareholder(s) making such request, such Shareholder(s) will be authorised to request in summary proceedings a District Court to convene a General Meeting. Within three months of it becoming apparent to the Management Board that the equity of the Company has decreased to an amount equal to or lower than one-half of the paid-up part of the capital, a General Meeting will be held to discuss any requisite measures.

The convocation of the General Meeting must be published through an announcement by electronic means. The notice must be given by at least such number of days prior to the day of the meeting as required by Dutch law, which is currently 42 days.

The notice convening any General Meeting must include, among other items, the subjects to be dealt with, the venue and time of the General Meeting, the requirements for admittance to the General Meeting, the time on which registration for the meeting must have occurred ultimately, the address of the Company's website, as well as the place where the meeting documents may be obtained and such other information as may be required by Dutch law. The agenda for the annual General Meeting must, among other things, include the adoption of the annual accounts, the discussion of any substantial change in the corporate governance structure of the Company and the allocation of the profits, insofar as this is at the disposal of the General Meeting. In addition, the agenda shall include such items as have been included therein by the Management Board, the Supervisory Board or

Shareholders (with due observance of Dutch law as described below). If the agenda of the General Meeting contains the item of granting discharge to the Managing Directors and Supervisory Directors concerning the performance of their duties in the financial year in question, the matter of the discharge shall be mentioned on the agenda as separate items for the Management Board and the Supervisory Board respectively.

The agenda shall also include such items as one or more Shareholders and others entitled to attend General Meetings, representing, pursuant to the Articles of Association, at least the percentage of the issued and outstanding share capital as required by law (which as of the date of this Prospectus is 3%), have requested the Management Board by a motivated request to include in the agenda, at least 60 days before the day of the General Meeting. No resolutions may be adopted on items other than those which have been included in the agenda (unless the resolution would be adopted unanimously during a meeting where the entire issued capital of the Company is present or represented).

Shareholders who, individually or with other shareholders, hold Ordinary Shares that represent at least one-tenth of the issued and outstanding share capital or a market value of at least €250,000 may request the Company to disseminate information that is prepared by them in connection with an agenda item for a General Meeting, provided that the Company has done a so-called "identification round" in accordance with the provisions of the Securities (Bank Giro Transactions) Act. The Company can only refuse disseminating such information, if received less than seven business days prior to the day of the General Meeting, if the information gives or could give an incorrect or misleading signal or if, in light of the nature of the information, the Company cannot reasonably be required to disseminate it.

The General Meeting is presided over by the chairperson of the Supervisory Board, or in his or her absence, by the vice-chairperson. The Supervisory Board may also appoint another person to preside over the General Meeting, even if the chairperson of the Supervisory Board is present at the meeting. If the chairperson of the Supervisory Board is absent and the Supervisory Board has not appointed another person with presiding over the General Meeting instead, the General Meeting itself shall appoint a chairperson of the General Meeting, provided that so long as such appointment has not taken place, the chairpersonship will be held by a Managing Director designated for that purpose by the Managing Directors present at the meeting. The chairperson will have all powers necessary to ensure the proper and orderly functioning of the General Meeting. Managing Directors and Supervisory Directors may attend a General Meeting. In these General Meetings, Managing Directors and Supervisory Directors have an advisory vote. The chairperson of the General Meeting may decide at his or her discretion to admit other persons to the General Meeting.

Each Shareholder (as well as other persons with voting rights or meeting rights) may attend the General Meeting, address the General Meeting and exercise voting rights *pro rata* to his or her shareholding, either in person or by proxy. Shareholders may exercise these rights, if they are the holders of Ordinary Shares, on the record date as required by Dutch law, which is currently the 28th day before the day of the General Meeting, and they or their proxy have notified the Company of their intention to attend the General Meeting in writing or by any other electronic means that can be reproduced on paper at the address and by the date specified in the notice of the General Meeting. The convocation notice shall state the record date and the manner in which the persons entitled to attend the General Meeting may register and exercise their rights.

The Management Board may decide that persons entitled to attend and vote at General Meetings may cast their vote electronically or by post in a manner to be decided by the Management Board. Votes cast in accordance with the previous sentence rank as equal to votes cast at the General Meeting.

Voting rights

Each Ordinary Share confers the right to cast one vote in the General Meeting. All shareholders have the same voting rights. The voting rights of the holders of Offer Shares will rank *pari passu* with each other and with all other Ordinary Shares. Subject to exceptions provided by Dutch law or the Articles of Association, resolutions of the General Meeting are passed by a simple majority of votes cast, regardless of which part of the issued share

capital such votes represent. Pursuant to Dutch law, no votes may be cast at a General Meeting in respect of Ordinary Shares which are held by the Company or any of its subsidiaries.

Amendment of the Articles of Association

The General Meeting may pass a resolution to amend the Articles of Association, with an absolute majority of the votes cast, but only on a proposal of the Management Board that has been approved by the Supervisory Board or, if the proposal lacks, with the explicit approval of the Management Board and the Supervisory Board. A proposal to amend the Articles of Association must be stated in the notice of the General Meeting. In the event of a proposal to the General Meeting to amend the Articles of Association, a copy of such proposal containing the verbatim text of the proposed amendment will be deposited at the Company's office, for inspection by shareholders and other persons holding meeting rights, until the end of the meeting. Furthermore, a copy of the proposal will be made available free of charge to shareholders and other persons holding meeting rights from the day it was deposited until the day of the meeting.

Legal merger/legal division

The General Meeting may pass a resolution to effect a legal merger or a legal division, with an absolute majority of the votes cast, but only on a proposal of the Management Board that has been approved by the Supervisory Board. A proposal to effect a legal merger or a legal division must be stated in the notice.

Dissolution and liquidation

The Company may only be voluntarily dissolved by a resolution of the General Meeting, with an absolute majority of the votes cast, but only on a proposal of the Management Board that has been approved by the Supervisory Board or, if the proposal lacks, with the explicit approval of the Management Board and the Supervisory Board. When a proposal to dissolve the Company is to be made to the General Meeting, such proposal must be stated in the notice convening the General Meeting. If the General Meeting has resolved to dissolve the Company, the Management Board must carry out the liquidation of the Company, under the Supervisory Board's supervision, unless otherwise resolved by the General Meeting. During liquidation, the provisions of the Articles of Association will remain in force as far as possible.

The balance of the assets of the Company remaining after all liabilities and the costs of liquidation shall be distributed among the Shareholders in proportion of their number of Ordinary Shares. Once the liquidation has been completed, the books, records and other data carriers of the dissolved Company will be held by the person or legal person appointed for that purpose by the General Meeting for the period prescribed by law (which as of the date of this Prospectus is seven years).

Certain tax aspects of liquidation proceeds are described in section "*Taxation—Taxation in the Netherlands—Dividend Withholding Tax*".

Annual Accounts and Semi-Annual Accounts

Annually, no later than four months after the end of the financial year, the Management Board must prepare the annual accounts and make them available for inspection by the Shareholders and other persons holding meeting rights at the offices of the Company. The annual accounts must be accompanied by an auditor's statement, a management report and other information required under Dutch law. Annually, the Supervisory Board must prepare a report, which will be enclosed with the annual accounts and the management report. The annual accounts must be signed by all Managing Directors and all Supervisory Directors. If the signature of one or more of them is missing, this will be stated and reasons for this omission will be given.

The annual accounts, the auditor's statement, the management report, the Supervisory Board report and the other information required under Dutch law must be made available to the Shareholders for review as from the day of the notice convening the annual General Meeting where they are discussed until the conclusion of such meeting.

The annual accounts must be adopted by the General Meeting. The Management Board must send the adopted annual accounts to the AFM within five business days after adoption.

After the proposal to adopt the annual accounts has been discussed and voted on, a proposal shall be made to the General Meeting, in connection with the annual accounts and the statements made regarding them at the General Meeting, to discharge the Managing Directors for their management and the Supervisory Directors for their supervision in the last financial year.

The Company must prepare and make publicly available a semi-annual financial report as soon as possible, but at the latest three months after the end of the first six months of the financial year. If the semi-annual financial report is audited or reviewed, the independent auditor's audit or review report, respectively, must be published together with the semi-annual financial report.

Dutch Financial Reporting Supervision Act

On the basis of the Dutch Financial Reporting Supervision Act (*Wet toezicht financiële verslaggeving*, the **FRSA**) the AFM supervises the application of financial reporting standards by companies whose seat is in the Netherlands and whose securities are listed on a regulated Dutch or foreign stock exchange, such as the Company.

Pursuant to the FRSA, the AFM has an independent right to: (i) request an explanation from the Company regarding its application of the applicable financial reporting standards if, based on publicly known facts or circumstances, it has reason to doubt that the Company's financial reporting meets such standards; and (ii) recommend that the Company make available further explanations. If the Company does not comply with such a request or recommendation, the AFM may request that the enterprise chamber of the court of appeal in Amsterdam (*Ondernemingskamer van het Gerechtshof te Amsterdam*, the **Enterprise Chamber**) orders the Company to: (i) provide an explanation of the way it has applied the applicable financial reporting standards to its financial reports; or (ii) prepare its financial reports in accordance with the Enterprise Chamber's instructions.

Rules Governing Obligations of Shareholders to Make a Public Takeover Bid

Pursuant to the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) (**Dutch FMSA**), and in accordance with European Directive 2004/25/EC, also known as the takeover directive, any shareholder who (individually or jointly) directly or indirectly obtains control of a Dutch listed company is required to make a public takeover bid for all issued and outstanding shares in that company's share capital. Such control is deemed present if a (legal) person is able to exercise, alone or acting in concert, at least 30% of the voting rights in the general meeting of such listed company (subject to an exemption for major shareholders who, acting alone or in concert, already had such stake in the company at the time of that company's initial public offering).

In addition, it is prohibited to launch a public takeover bid for shares of a listed company, such as the Ordinary Shares, unless an offer document has been approved by the AFM. A public takeover bid may only be launched by way of publication of an approved offer document unless a company makes an offer for its shares. The public takeover bid rules are intended to ensure that in the event of a public takeover bid, among other things, sufficient information will be made available to the shareholders, that the shareholders will be treated equally, that there will be no abuse of inside information and that there will be a proper and timely offer period.

Squeeze-out Proceedings

Pursuant to article 2:92a of the Dutch Civil Code (*Burgerlijk Wetboek*), a shareholder who on his or her own account contributes at least 95% of a Dutch company's issued share capital may institute proceedings against such company's minority shareholders jointly for the transfer of their shares to him or her. The proceedings are held before the Enterprise Chamber and can be instituted by means of a writ of summons served upon each of the minority shareholders in accordance with the provisions of the Dutch Code of Civil Procedure (*Wetboek van Burgerlijke Rechtsvordering*). The Enterprise Chamber may grant the claim for squeeze-out in relation to all minority shareholders and will determine the price to be paid for the shares, if necessary after appointment of one

or three experts who will offer an opinion to the Enterprise Chamber on the value to be paid for the shares of the minority shareholders. Once the order to transfer becomes final before the Enterprise Chamber, the person acquiring the shares shall give written notice of the date and place of payment and the price to the holders of the shares to be acquired whose addresses are known to him or her. Unless the addresses of all of them are known to him or her, he or she is required to publish the same in a daily newspaper with nationwide circulation.

The offeror under a public takeover bid is also entitled to start squeeze-out proceedings if, following the public takeover bid, the offeror contributes at least 95% of the outstanding share capital and represents at least 95% of the total voting rights. The claim of a takeover squeeze-out needs to be filed with the Enterprise Chamber within three months, following the expiry of the acceptance period of the offer. The Enterprise Chamber may grant the claim for squeeze-out in relation to all minority shareholders and will determine the price to be paid for the shares, if necessary after appointment of one or three experts who will offer an opinion to the Enterprise Chamber on the value to be paid for the shares of the minority shareholders. In principle, the offer price is considered reasonable if the offer was a mandatory offer or if at least 90% of the shares to which the offer related were received by way of voluntary offer.

The Dutch takeover provisions of the Dutch FMSA also entitle those minority shareholders that have not previously tendered their shares under an offer to transfer their shares to the offeror, provided that the offeror has acquired at least 95% of the outstanding share capital and represents at least 95% of the total voting rights. In regard to price, the same procedure as for takeover squeeze-out proceedings initiated by an offeror applies. The claim also needs to be filed with the Enterprise Chamber within three months following the expiry of the acceptance period of the offer.

Dutch statutory reflection period in face of shareholder activism or hostile takeover

On 23 March 2021, the First Chamber of the Dutch Parliament (*Eerste Kamer*) adopted a bill on a statutory reflection period for all Dutch public companies whose shares are listed on a regulated market or a multilateral trading facility in the Netherlands or abroad. According to the bill, Dutch listed companies can invoke a statutory reflection period of up to 250 days in response to shareholder activists seeking changes in the board composition and/or upon hostile takeover attempts (the **Reflection Period**). The act on the Reflection Period entered into force on 1 May 2021.

Dutch listed companies can invoke the Reflection Period if (i) there is a hostile offer or shareholder initiative to change the board composition, (ii) which is deemed to materially conflict with the company's interest, and (iii) there is a need for further policy making.

The relevant management board can invoke the Reflection Period in a reasoned decision, which decision requires the approval of the supervisory board (if any). Unless specifically provided for in the company's articles of association, no shareholder approval is required to invoke the Reflection Period. The 250 days-period is a statutory maximum period. The boards may determine a shorter timeframe. No works council consultation is required for invoking the Reflection Period.

During the Reflection Period, the general meeting of shareholders may not vote on shareholder proposals to:

- appoint, suspend or dismiss management board or supervisory board members; and
- amend the provisions on these specific subjects in the articles of association.

The shareholders do, however, have the right to discuss in the general meeting the appointment, suspension or dismissal of management and supervisory board members or the amendment of the relevant articles of association. If these proposals are put on the agenda at the initiative of the management board, the general meeting can vote on them. Accordingly, upon individual defective performance of a board member, the (other members of) the boards can continue to proceed with seeking dismissal of such board member.

During the Reflection Period, the management board must gather all relevant information necessary for a careful decision making process. In this context, the management board must consult with shareholders representing at least 3% of the company's issued share capital at the time the Reflection Period was invoked, and with the group's works council, if applicable. Formal statements expressed by these stakeholders during such consultations must be published on the company's website to the extent these stakeholders have approved that publication.

The Reflection Period, if invoked, ends upon the occurrence of the earlier of (i) the expiration of 250 days from (a) in case of shareholders using their shareholder proposal right, the day after the expiry of the deadline for making such proposal, (b) in case of shareholders using their right to request a general meeting, the day when they obtain court authorisation to do so, or (c) in case of a hostile offer being made, the first day thereafter, (ii) the day after the hostile offer has been declared unconditional, or (iii) the management board voluntarily terminating the Reflection Period.

In addition, shareholders representing at least 3% of the company's issued share capital may request the Dutch Enterprise Chamber of the Amsterdam Court of Appeal (*Ondernemingskamer*) for early termination of the Reflection Period. The Enterprise Chamber must rule in favour of the request if the shareholders can demonstrate that (i) the management board, in light of the circumstances at hand when the Reflection Period was invoked, could not reasonably have come to the conclusion that the relevant shareholder proposal or hostile offer constituted a material conflict with the interests of the company and its business, (ii) the management board cannot reasonably believe that a continuation of the Reflection Period would contribute to careful policy-making, and (iii) if other defensive measures have been activated during the Reflection Period and not terminated or suspended at the relevant shareholders' request within a reasonable period following the request (i.e., no 'stacking' of defensive measures).

Ultimately one week following the last day of the Reflection Period, the management board must publish a report in respect of its policy and conduct of affairs during the Reflection Period on the company's website. This report must remain available for inspection by shareholders and others with meeting rights under Dutch law at the company's office and must be tabled for discussion at the next general meeting.

Obligations to Disclose Holdings

Shareholders may be subject to notification obligations under the Dutch FMSA. Shareholders are advised to seek professional advice on these obligations.

Obligations of Shareholders to disclose holdings

Pursuant to the Dutch FMSA, any person who, directly or indirectly, acquires or disposes of an actual or potential interest in the capital or voting rights of a listed company must immediately notify the AFM by means of a standard form, if, as a result of such acquisition or disposal, the percentage of capital interest or voting rights held by such person in the company reaches, exceeds or falls below any of the following thresholds: 3%, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95%.

A notification requirement also applies if a person's capital interest or voting rights reaches, exceeds or falls below the abovementioned thresholds as a result of a change in the Company's total outstanding share capital or voting rights. Such notification has to be made no later than the fourth trading day after the AFM has published the Company's notification of the change in its outstanding share capital. The Company is required to notify the AFM immediately of the changes to its total share capital or voting rights if its issued share capital or voting rights changes by 1% or more since the Company's previous notification. The Company must furthermore notify the AFM within eight days after each quarter, in the event its share capital or voting rights changed by less than 1% in that relevant quarter since the Company's previous notification.

In addition, every holder of 3% or more of the Company's share capital or voting rights who interest changes in respect of the previous notification to the AFM by reaching or crossing one of the thresholds mentioned above as a consequence of the interest being differently composed due to having acquired shares or voting rights through

the exercise of a right to acquire such shares or voting rights, must notify the AFM of the changes within four trading days after the date on which the holder knows or should have known that his or her interest reaches or crosses a relevant threshold.

Controlled entities, within the meaning of the Dutch FMSA, do not have notification obligations under the Dutch FMSA, as their, direct and indirect, interests are attributed to their (ultimate) parent. Any person may qualify as a parent for purposes of the Dutch FMSA, including a natural person. A person who has a 3% or larger interest in the Company's share capital or voting rights and who ceases to be a controlled entity for these purposes must immediately notify the AFM. As of that moment, all notification obligations under the Dutch FMSA will become applicable to the former controlled entity.

For the purpose of calculating the percentage of capital interest or voting rights, the following interests must, *inter alia*, be taken into account: (i) shares and voting rights directly held (or acquired or disposed of) by any person; (ii) shares and voting rights held (or acquired or disposed of) by such person's controlled entity or by a third party for such person's account or by a third party with whom such person has concluded an oral or written voting agreement; (iii) voting rights acquired pursuant to an agreement providing for a temporary transfer of voting rights against a payment; (iv) shares which such person (directly or indirectly) or third party referred to above may acquire pursuant to any option or other right to acquire shares; (v) shares that determine the value of certain cash settled financial instruments such as contracts for difference and total return swaps; (vi) shares that must be acquired upon exercise of a put option by a counterparty; and (vii) shares that are the subject of another contract creating an economic position similar to a direct or indirect holding in those shares.

Special attribution rules apply to shares and voting rights that are part of the property of a partnership or other community of property. A holder of a pledge or right of usufruct in respect of shares can also be subject to the reporting obligations, if such person has, or can acquire, the right to vote on the shares. The acquisition of (conditional) voting rights by a pledgee or beneficial owner may also trigger the reporting obligations as if the pledgee or beneficial owner were the legal holder of the shares.

For the same purpose, the following instruments qualify as 'shares': (i) shares; (ii) depositary receipts for shares (or negotiable instruments similar to such receipts); (iii) negotiable instruments for acquiring the instruments under (i) or (ii) (such as convertible bonds); and (iv) options for acquiring the instruments under (i) or (ii).

Notification of Short Positions

Each person holding a gross short position in relation to the issued share capital of a Dutch listed company that reaches, exceeds or falls below any one of the following thresholds: 3%, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95%, must immediately give written notice to the AFM. If a person's gross short position reaches, exceeds or falls below one of the abovementioned thresholds as a result of a change in the Company's issued share capital, such person must make a notification not later than the fourth trading day after the AFM has published the Company's notification in the public register of the AFM. Shareholders are advised to consult with their own legal advisers to determine whether the gross short selling notification obligation applies to them.

In addition, pursuant to Regulation (EU) No 236/2012, each person holding a net short position attaining 0.2% of the issued share capital of a Dutch listed company is required to notify such position to the AFM. Each subsequent increase of this position by 0.1% above 0.2% must also be notified. Each net short position equal to 0.5% of the issued share capital of a Dutch listed company and any subsequent increase of that position by 0.1% will be made public via the AFM short selling register. To calculate whether a natural person or legal person has a net short position, their short positions and long positions must be set-off. A short transaction in a share can only be contracted if a reasonable case can be made that the shares sold can actually be delivered, which requires confirmation of a third party that the shares have been located.

Obligations of Managing Directors and Supervisory Directors to disclose holdings

Pursuant to the Dutch FMSA, each Managing Director and each Supervisory Director must notify the AFM: (i) immediately following the Admission of the Ordinary Shares of the number of Ordinary Shares and options he or she holds and the number of votes he or she is entitled to cast in respect of the Company's issued share capital; and (ii) subsequently of each change in the number of Ordinary Shares or options he or she holds and of each change in the number of votes he or she is entitled to cast in respect of the Company's issued share capital, immediately after the relevant change. If a Managing Director or Supervisory Director has notified a change in shareholding to the AFM under the Dutch FMSA as described above under section "*Obligations of Shareholders to disclose holdings*" above, such notification is sufficient for purposes of the Dutch FMSA as described in this paragraph.

Furthermore, pursuant to the Regulation (EU) No 596/2014 of the European Parliament and the Council (the **Market Abuse Regulation**) and the regulations promulgated thereunder, any Managing Director and Supervisory Director, as well as any other person discharging managerial responsibilities in respect of the Company who has regular access to inside information relating directly or indirectly to the Company and power to take managerial decisions affecting future developments and business prospects of the Company, must notify the AFM by means of a standard form and the Company of any transactions conducted for his or her own account relating to the Ordinary Shares or debt instruments of the Company or to derivatives or other financial instruments linked thereto.

In addition, pursuant to the Market Abuse Regulation, certain persons who are closely associated with Managing Directors, Supervisory Directors or any of the other persons as described above are required to notify the AFM of any transactions conducted for their own account relating to the Ordinary Shares or debt instruments of the Company or to derivatives or other financial instruments linked thereto. The Market Abuse Regulation covers, *inter alia*, the following categories of persons: (i) the spouse or any partner considered by national law as equivalent to the spouse; (ii) dependent children; (iii) other relatives who have shared the same household for at least one year at the relevant transaction date; and (iv) any legal person, trust or partnership whose managerial responsibilities are discharged by a person referred to under (i) to (iii) above or by the relevant Managing Directors, Supervisory Directors or other person discharging the managerial responsibilities in respect of the Company as described above. The notifications pursuant to the Market Abuse Regulation described above must be made to the AFM no later than the third business day following the relevant transaction date. Under circumstances, these notifications may be postponed until all transactions within a calendar year have reached a total amount of €5,000 (calculated without netting). When calculating whether the threshold is reached or exceeded, persons discharging managerial responsibilities must add any transactions conducted by persons closely associated with them to their own transactions and *vice versa*. The first transaction reaching or exceeding the threshold must be notified as set forth above. Any subsequent transaction must be notified as set forth above. Notwithstanding the foregoing, Managing Directors and Supervisory Directors need to notify the AFM of each change in the number of Shares that they hold and of each change in the number of votes they are entitled to cast in respect of the Company's issued share capital, immediately after the relevant change.

Non-compliance

Non-compliance with the disclosure obligations set out in the sections "*Obligations of Shareholders to disclose holdings*" and "*Obligations of Managing Directors and Supervisory Directors to disclose holdings*" is an economic offense (*economisch delict*) and may lead to the imposition of criminal prosecution, administrative fines, imprisonment or other sanctions. The AFM may impose administrative penalties or a cease-and-desist order under penalty for non-compliance. If criminal charges are pressed, the AFM is no longer allowed to impose administrative penalties and, *vice versa*, the criminal prosecution is no longer allowed if administrative penalties have been imposed. Furthermore, a civil court can impose measures against any person who fails to notify or incorrectly notifies the AFM of matters required to be correctly notified. A claim requiring that such measures be imposed must be instituted by the Company and/or one or more Shareholders who alone or together with others represent(s) at least 3% of the issued share capital or are able to exercise at least 3% of the voting rights. The measures that the civil court may impose include:

- an order requiring the person violating the disclosure obligations to make appropriate disclosure;
- suspension of voting rights in respect of such person's Ordinary Shares for a period of up to three years as determined by the court; and
- voiding a resolution adopted by a General Meeting, if the court determines that the resolution would not have been adopted if the voting rights of the person who is obliged to notify had not been exercised, or suspension of a resolution until the court makes a decision about such voiding; and an order to the person violating the disclosure obligations to refrain, during a period of up to five years as determined by the court, from acquiring Ordinary Shares and/or voting rights in Ordinary Shares.

Public registry

The AFM does not issue separate public announcements of these notifications. It does, however, keep a public register of all notifications under the Dutch FMSA on its website (www.afm.nl). Third parties can request to be notified automatically by e-mail of changes to the public register in relation to a particular company's shares or a particular notifying party.

Identity of Shareholders and distribution of information

The Company may, in accordance with Chapter 3A of the Dutch Securities Transactions Act, request Euroclear Nederland, admitted institutions, intermediaries, institutions abroad, and managers of investment institutions to provide information on the identity of its Shareholders. Such request may only be made during a period of 60 days up to the day on which the General Meeting will be held. No information will be given on Shareholders with an interest of less than 0.5% of the issued share capital. A Shareholder who, individually or together with other Shareholders, holds an interest of at least 10% of the issued share capital may request the Company to establish the identity of its Shareholders. This request may only be made during a period of 60 days until (and not including) the 42nd day before the day on which the General Meeting will be held.

If a request as referred to in the previous paragraph has been made by either the Company or a Shareholder in accordance with the previous paragraph, Shareholders who, individually or with other Shareholders, hold Ordinary Shares that represent at least 1% of the issued and outstanding share capital or a market value of at least €250,000 may request the Company to disseminate information that is prepared by them in connection with an agenda item for a General Meeting. The Company can only refuse disseminating such information, if received less than seven business days prior to the General Meeting, if the information gives or could give an incorrect or misleading signal or if, in light of the nature of the information, the Company cannot reasonably be required to disseminate it.

Related Party Transactions

Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement (the **Shareholder Rights Directive II**) establishes requirements in relation to the exercise of certain shareholder rights attached to voting shares in relation to general meetings of companies which have their registered office in a Member State of the European Union and the shares of which are admitted to trading on a regulated market situated or operating within a Member State of the European Union. The Dutch Act to implement the Shareholders Rights Directive II (*bevordering van de langetermijnbetrokkenheid van aandeelhouders*, the **Dutch SRD Act**) entered into force on 1 December 2019 and, among other things, governs related party transactions to the Dutch Civil Code and provides that "material transactions" with "related parties" not entered into within the ordinary course of business or not concluded on normal market terms, will need to be approved by the supervisory board, or, in the case of a one-tier board, the (non-executive members of the) board of directors, and be publicly announced at the time that the transaction is entered into. In addition, certain items in respect of any such related party transaction not concluded on normal market terms must be disclosed in the explanatory notes to the Company's annual accounts. If following the Market Abuse Regulation the information should be published at an earlier stage, that requirement

prevails. The board of directors will be required to establish an internal procedure to periodically assess whether transactions are concluded in the ordinary course of business and on normal market terms.

Any director or shareholder that has a personal interest, direct or indirect, in the transaction cannot participate in the deliberations or decision-making with respect to the related party transaction concerned. As long as not all of the directors are excluded on the basis that they have a personal interest in the relevant transaction, no approval from the General Meeting will be required. In this context: a "*related party*" is interpreted in accordance with IFRS-EU (International Accounting Standards (**IAS**) 24 (*Related Party Disclosures*)) and includes a party that has "*control*" or "*significant influence*" over the company or is a member of the company's key management personnel; and a transaction is considered "*material*" if it would constitute inside information within the meaning of the Market Abuse Regulation and is concluded between the company and a related party (which for this purpose, and in line with the Dutch Corporate Governance Code, in any event includes one or more shareholders representing at least 10% of the issued share capital or a managing director or supervisory director). Certain transactions are not subject to the approval and disclosure provisions of the Dutch SRD Act (for example, transactions concluded between a company and its subsidiary). The supervisory board, or, in the case of a one-tier board, the board of directors, will be required to establish an internal procedure to periodically assess whether transactions are concluded in the ordinary course of business and on normal market terms.

Market Abuse Regime

Reporting of Insider Transactions

Pursuant to the Market Abuse Regulation, no natural or legal person is permitted to: (i) engage or attempt to engage in insider dealing in financial instruments listed on a regulated market or for which a listing has been requested, such as the Ordinary Shares; (ii) recommend that another person engages in insider dealing or induce another person to engage in insider dealing; or (iii) unlawfully disclose inside information relating to the Ordinary Shares or the Company.

Furthermore, no person may engage in or attempt to engage in market manipulation.

The Company is required to inform the public, as soon as possible and in a manner that enables fast access and complete, correct and timely assessment of the information, of inside information which directly concerns the Company. Pursuant to Market Abuse Regulation, inside information is knowledge of concrete information directly or indirectly relating to the issuer or the trade in its securities, which has not yet been made public and publication of which would significantly affect the trading prices of the securities (i.e. information a reasonable investor would be likely to use as part of the basis of its investment decision). An intermediate step in a protracted process can also be deemed to be inside information. The Company is required to post and maintain on its website all inside information for a period of at least five years. Under circumstances, the disclosure of inside information may be delayed, which needs to be notified to the AFM after the disclosure has been made. Upon request of the AFM, a written explanation needs to be provided setting out why a delay of the publication was considered permitted.

A person discharging managerial responsibilities is not permitted to (directly or indirectly) conduct any transactions on its own account or for the account of a third party, relating to Ordinary Shares or debt instruments of the Company or other financial instruments linked thereto, during a closed period of 30 calendar days before the announcement of an half-yearly financial report or a management report of the Company.

Non-compliance with the EU Market Abuse Rules

In accordance with the Market Abuse Regulation, the AFM has the power to take appropriate administrative sanctions, such as fines, and/or other administrative measures in relation to possible infringements. Non-compliance with the market abuse rules set out above could also constitute an economic offense (*economisch delict*) and/or a crime (*misdrijf*) and could lead to the imposition of administrative fines by the AFM. The public prosecutor could press criminal charges resulting in fines or imprisonment. If criminal charges are pressed, it is no longer allowed to impose administrative penalties and *vice versa*.

The AFM shall in principle also publish any decision imposing an administrative sanction or measure in relation to an infringement of the Market Abuse Regulation.

Insider Trading

The Company has adopted an insider trading policy in respect of the reporting and regulation of transactions in the Company's securities by Managing Directors and Supervisory Directors and its employees, which will be effective as at the First Trading Date.

The Company and any person acting on its behalf or on its account is obligated to draw up an insiders' list, to promptly update the insider list and provide the insider list to the AFM upon its request. The Company and any person acting on its behalf or on its account is obligated to take all reasonable steps to ensure that any person on the insider list acknowledges in writing the legal and regulatory duties entailed and is aware of the sanctions applicable to insider dealing and unlawful disclosure of inside information.

Transparency Directive

The Netherlands will be the Company's home Member State for the purposes of Directive 2004/109/EC (as amended by Directive 2013/50/EU) as a consequence of which the Company will be subject to the Dutch FMSA in respect of certain ongoing transparency and disclosure obligations.

THE OFFERING

Introduction

The Selling Shareholders are offering in aggregate up to 6,000,000 Offer Shares, not including any Over-Allotment Shares. Assuming no exercise of the Over-Allotment Option, the Offer Shares will constitute up to 30% of the issued and outstanding Ordinary Shares. Assuming the Over-Allotment Option is exercised in full, the Offer Shares will constitute up to 34.5% of the issued and outstanding Ordinary Shares.

The Offering consists of: (i) a public offering to institutional and retail investors in the Netherlands; and (ii) a private placement to certain institutional investors in various other jurisdictions. The Offer Shares have not been, and will not be, registered under the US Securities Act or with any securities regulatory authority of any state of the US and are being offered or sold: (i) within the US, to persons reasonably believed to be QIBs as defined in, and in reliance on, Rule 144A or pursuant to another exemption from, or in a transaction not subject to, the registration requirement under the US Securities Act and applicable state securities laws; and (ii) to institutional investors in various jurisdictions outside the US, in "offshore transactions" as defined in, and in compliance with, Regulation S. The Offering is made only in those jurisdictions in which, and only to those persons to whom, the Offering may be lawfully made.

Waterland and Scholt Investment Group B.V. have granted the Joint Global Coordinators, on behalf of the Underwriters, the Over-Allotment Option, exercisable up to 30 calendar days after the First Trading Date, pursuant to which the Stabilisation Manager may require Waterland and Scholt Investment Group B.V. to sell at the Offer Price up to 900,000 additional Over-Allotment Shares, comprising up to 15% of the total number of Offer Shares sold in the Offering, to cover over-allotments or short positions, if any, in connection with the Offering.

Selling Shareholders

The Selling Shareholders are: Powerco B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands, with its statutory seat (*statutaire zetel*) in Bussum, registered office at Brediusweg 31, 1401 AB Bussum, the Netherlands, trade register number: 66796474, LEI 724500T0WWOZICY19X38 and telephone number +31 (0)35 694 16 80; Scholt Investment Group B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands, with its statutory seat (*statutaire zetel*) in Valkenswaard, registered office at Maastrichterweg 191, 5556 VB Valkenswaard, the Netherlands, trade register number: 66833825, LEI 7245000UAVH1R0FLR415 and telephone number +31 (0)40 303 26 25; Antonius 8001 Holding B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands, with its statutory seat (*statutaire zetel*) at Valkenswaard, registered office at Maastrichterweg 191, 5556 VB Valkenswaard, the Netherlands, trade register number: 83454365, LEI 724500L8T4HXTNFN4619; and Stichting Administratiekantoor SEC Topholding, a private foundation (*stichting*) incorporated under the laws of the Netherlands, with its statutory seat (*statutaire zetel*) in Valkenswaard, registered office at Parallelweg Oost 35, 5555 XA Valkenswaard, the Netherlands, trade register number: 66994853, LEI 724500YZMT7K71E3WG32.

Timetable

Subject to acceleration or extension of the timetable for, or withdrawal of, the Offering, the timetable below sets forth the expected key dates for the Offering.

Event	Time (CET)	Date
Start of Offer Period	09:00	8 September 2021
End of Offer Period for Dutch Retail Investors	17:30	15 September 2021
End of Offer Period for institutional investors	14:00	16 September 2021

Event	Time (CET)	Date
Pricing and Allocation.....	-	16 September 2021
Commencement of trading on an "as-if-and-when-issued/delivered" basis on Euronext Amsterdam	09:00	17 September 2021
Settlement (payment and delivery).....	09:00	21 September 2021

The Selling Shareholders, together with the Joint Global Coordinators, reserve the right to accelerate or extend the Offer Period.

Any extension of the timetable for the Offering will be published in a press release at least three hours before the end of the original Offer Period, provided that any extension will be for a minimum of one full day. Any acceleration of the timetable for the Offering will be published in a press release at least three hours before the proposed end of the accelerated Offer Period. In any event, the Offer Period will be at least six business days.

Offer Period

Subject to acceleration or extension of the timetable for the Offering, Dutch Retail Investors may subscribe for Offer Shares during the period commencing at 09:00 CET on 8 September 2021 and ending at 17:30 CET on 15 September 2021 and prospective institutional investors may subscribe for Offer Shares during the period commencing at 09:00 CET on 8 September 2021 and ending at 14:00 CET on 16 September 2021. In the event of an acceleration or extension of the Offer Period, pricing, allotment, Admission and first trading of the Offer Shares, as well as payment (in euro) for and delivery of the Offer Shares in the Offering may be advanced or extended accordingly.

If a significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus which may affect the assessment of the Offer Shares arises or is noted before the closing of the Offering, a supplement to this Prospectus will be published, the Offer Period will be extended, if so required by the Prospectus Regulation or the rules promulgated thereunder, and investors who have already agreed to purchase Offer Shares may withdraw their subscriptions within two business days following the publication of the supplement, provided that the significant new factor, material mistake or material inaccuracy arose or was noted before the closing of the Offering.

Acceleration or Extension

After consultation with the Joint Global Coordinators, the Selling Shareholders may adjust the dates, times and periods given in the timetable and throughout this Prospectus. If the Selling Shareholders should decide to do so, they will make this public through a press release, which will also be posted on the Company's website. Any other material alterations will be published through a press release that will also be posted on the Company's website and (if required) in a supplement to this Prospectus that is subject to the approval of the AFM.

Any extension of the timetable for the Offering will be published in a press release at least three hours before the end of the original Offer Period, provided that any extension will be for a minimum of one full day. Any acceleration of the timetable for the Offering will be published in a press release at least three hours before the proposed end of the accelerated Offer Period. In any event, the Offer Period will be at least six business days.

Offer Price and Number of Offer Shares

The Offer Price is expected to be in the range of €16.00 to €19.00 (inclusive) per Offer Share. The Offer Price and the exact number of Offer Shares will be determined on the basis of a book building process. The Offer Price may be set within, above or below the Offer Price Range. The Offer Price Range is an indicative price range. The Offer Price and the exact number of Offer Shares offered will be determined by the Selling Shareholders after consultation with the Joint Global Coordinators after the end of the Offer Period, including any acceleration or

extension, on the basis of the book building process and taking into account economic and market conditions, a qualitative and quantitative assessment of demand for the Offer Shares, and other factors deemed appropriate.

The Offer Price, the exact numbers of Offer Shares to be sold and the maximum number of Over-Allotment Shares will be stated in the Pricing Statement which will be published through a press release that will also be posted on the Company's website and filed with the AFM.

Change of the Offer Price Range or Number of Offer Shares

The Offer Price Range is an indicative price range. The Selling Shareholders, after consultation with the Joint Global Coordinators, reserve the right to change the Offer Price Range and/or to increase or decrease the maximum number of Offer Shares prior to Allocation. Any increase of the top end of the Offer Price Range, or the determination of an Offer Price above the Offer Price Range, on the last day of the Offer Period will result in the Offer Period being extended by at least two business days. Any increase of the top end of the Offer Price Range on the day prior to the last day of the Offer Period will result in the Offer Period being extended by at least one business day. In this case, if the Offer Period for Dutch Retail Investors would already have closed, the Offer Period for Dutch Retail Investors would be reopened. Accordingly, all investors, including Dutch Retail Investors, will in that case have at least two business days to reconsider their subscriptions. Any change in the number of Offer Shares and/or the Offer Price Range will be announced in a press release that will be posted on the Company's website. Upon a change of the number of Offer Shares, references to Offer Shares in this Prospectus should be read as referring to the amended number of Offer Shares and references to Over-Allotment Shares should be read as referring to the amended number of Over-Allotment Shares.

In the event that either: (i) the Offer Price is set above the Offer Price Range; or (ii) the top end of the Offer Price Range is revised upwards, then investors who have already agreed to purchase Offer Shares may withdraw their subscriptions in their entirety following the publication of the press release announcing such change and before the end of the Offer Period, as extended.

Subscription and Allocation

Subscription by Dutch Retail Investors

Dutch Retail Investors can only subscribe on a market order (*bestens*) basis. This means that Dutch Retail Investors will be bound to purchase and pay for the Offer Shares indicated in their share subscriptions, to the extent such Offer Shares are allocated to them, at the Offer Price, even if the Offer Price is above the upper end of the Offer Price Range (if applicable, as amended). Dutch Retail Investors can submit their subscriptions through their own financial intermediary. The financial intermediary will be responsible for collecting subscriptions from Dutch Retail Investors and for submitting their subscriptions to ABN AMRO as the retail coordinator (the **Retail Coordinator**). The Retail Coordinator will consolidate all subscriptions submitted by Dutch Retail Investors to financial intermediaries and inform the Joint Global Coordinators and Selling Shareholders. Dutch Retail Investors are entitled to cancel or amend their subscription, at the financial intermediary where their original application was submitted, at any time prior to the end of the Offer Period (if applicable, as accelerated or extended). Such cancellations or amendments may be subject to the terms of the financial intermediary involved. All questions concerning the timeliness, validity and form of instructions to a financial intermediary in relation to the subscription for or purchase of Offer Shares will be determined by the financial intermediaries in accordance with their usual procedures or as otherwise notified to the Dutch Retail Investors. The Selling Shareholders are not liable for any action or failure to act by a financial intermediary or the Retail Coordinator in connection with any purchase, or purported purchase, of Offer Shares.

Allocation

The allocation of the Offer Shares is expected to take place after the closing of the Offer Period on or about 16 September 2021, subject to acceleration or extension of the timetable for the Offering. Allocation to investors who applied to subscribe for Offer Shares will be determined by the Selling Shareholders after consultation with

the Joint Global Coordinators, and full discretion will be exercised as to whether or not and how to allocate the Offer Shares subscribed for. There is no maximum or minimum number of Offer Shares for which prospective investors may subscribe and multiple (applications for) subscriptions are permitted. In the event that the Offering is over-subscribed, investors may receive fewer Offer Shares than they applied to subscribe for. The Selling Shareholders and the Underwriters may, at their own discretion and without stating the grounds therefore, reject any subscriptions wholly or partly. On the day that Allocation occurs, the Joint Global Coordinators, on behalf of the Underwriters, will notify institutional investors (or the relevant financial intermediary) of any allocation of Offer Shares made to them. Any monies received in respect of subscriptions that are not accepted in whole or in part will be returned to the investors without interest and at the investors' risk.

Notwithstanding the above, it is intended that Dutch Retail Investors will benefit from preferential allocation, for up to 10% of the Offer Shares, assuming no exercise of the Over-Allotment Option. See section "*Preferential Retail Allocation*" below. Apart from the preferential retail allocation, the Selling Shareholders and the Joint Global Coordinators retain full flexibility to change the intended allocation. All Offer Shares will be offered as part of a single offering; there is no separate tranche for Dutch Retail Investors.

Investors participating in the Offering will be deemed to have checked whether and to have confirmed they meet the requirements of the selling and transfer restrictions in section "*Selling and Transfer Restrictions*". Each investor should consult his/her own advisers as to the legal, tax, business, financial and related aspects of a purchase of Ordinary Shares.

Preferential Retail Allocation

There will be a preferential allocation of Offer Shares to Dutch Retail Investors in accordance with applicable law and regulations. Each Dutch Retail Investor will be allocated the first 300 (or fewer) Offer Shares for which such investor applies. However, if the total number of Offer Shares subscribed for by Dutch Retail Investors under the Preferential Retail Allocation would exceed 10% of the total number of the Offer Shares, assuming no exercise of the Over-Allotment Option, the preferential allocation to each Dutch Retail Investor may be reduced pro rata to the first 300 (or fewer) Offer Shares for which such investor applies. As a result, Dutch Retail Investors may not be allocated all of the first 300 (or fewer) Offer Shares for which they apply. The exact number of Offer Shares allocated to Dutch Retail Investors will be determined after the Offer Period has ended.

The Preferential Retail Allocation will only be made in relation to Offer Shares comprising up to 10% of the total number of Offer Shares, not including the Over-Allotment Shares. The Selling Shareholders after consultation with the Joint Global Coordinators have full discretion as to whether or not and how to allocate the remainder of the Offer Shares applied for.

For the purpose of the Preferential Retail Allocation, a Dutch Retail Investor is either: (i) a natural person resident in the Netherlands; or (ii) a special investment vehicle having its seat in the Netherlands, which is a legal entity established for the express and sole purpose of providing asset management and/or retirement planning services for a natural person.

To be eligible for the Preferential Retail Allocation, Dutch Retail Investors must place their subscriptions during the period commencing at 09:00 CET on 8 September 2021 and ending at 17:30 CET on 15 September 2021 through financial intermediaries. Different financial intermediaries may apply deadlines before the closing time of the Offer Period.

The Retail Coordinator will communicate to the financial intermediaries the aggregate number of Offer Shares allocated to their respective Dutch Retail Investors. It is up to the financial intermediaries to notify Dutch Retail Investors of their individual allocations.

Payment

Payment (in euro) for and delivery of the Offer Shares will take place on the Settlement Date. Taxes and expenses, if any, must be borne by the investor (for more information see section "*Taxation*"). Dutch Retail Investors may be charged expenses by their financial intermediary. Investors must pay the Offer Price in immediately available funds in full in euro on or before the Settlement Date (or earlier in the case of an early closing of the Offer Period and consequent acceleration of pricing, allocation, commencement of trading and Settlement).

Delivery, Clearing and Settlement

The Offer Shares will be delivered in book-entry form through the facilities of Euroclear Nederland. Application has been made for the Ordinary Shares to be accepted for clearance through the book-entry facilities of Euroclear Nederland. Euroclear Nederland has its offices at Herengracht 459-469, 1017 BS Amsterdam, the Netherlands.

Delivery of the Offer Shares will take place on the Settlement Date, through the book-entry facilities of Euroclear Nederland, in accordance with its normal settlement procedures applicable to equity securities and against payment (in euro) for the Offer Shares and the Over-Allotment Shares, if applicable, in immediately available funds.

The closing of the Offering may not take place on the Settlement Date or at all if the relevant conditions or events referred to in the Underwriting Agreement are not satisfied or waived or occur on or prior to such date. See section "*Plan of Distribution*".

If Settlement does not take place on the Settlement Date as planned or at all, the Offering may be withdrawn, in which case all subscriptions for Offer Shares will be disregarded, any allotments made will be deemed not to have been made and any subscription payments made will be returned without interest or other compensation. Any dealings in Ordinary Shares prior to Settlement are at the sole risk of the parties concerned. Neither the Company, the Selling Shareholders, the Underwriters, the Listing and Paying Agent nor Euronext Amsterdam accepts any responsibility or liability for any loss incurred by any person as a result of a withdrawal of the Offering or the related annulment of any transactions in Ordinary Shares on Euronext Amsterdam.

There are restrictions on the transfer of Ordinary Shares, as set forth in "*Selling and Transfer Restrictions*".

Listing and Trading

Prior to the Offering, there has been no public market for the Ordinary Shares. Application has been made to list all of the Ordinary Shares on Euronext Amsterdam under the symbol "SCHLT" with ISIN (International Securities Identification Number) NL0015000IZ9. Subject to acceleration or extension of the timetable for the Offering, unconditional trading in the Offer Shares on Euronext Amsterdam is expected to commence on the Settlement Date. Trading in the Offer Shares before the closing of the Offering will take place on an "as-if-and-when-delivered" basis.

Listing and Paying Agent

ABN AMRO is the Listing and Paying Agent with respect to the Ordinary Shares on Euronext Amsterdam.

Retail Coordinator

ABN AMRO is the Retail Coordinator with respect to the Preferential Retail Allocation.

Stabilisation Manager

ABN AMRO is the Stabilisation Manager with respect to the Ordinary Shares on Euronext Amsterdam.

Fees and Expenses of the Offering and Listing

No expenses or taxes will be charged by the Company or the Selling Shareholders to the investors in respect of the Offering.

PLAN OF DISTRIBUTION

Underwriting Arrangements

The Selling Shareholders and the Underwriters entered into the Underwriting Agreement on 8 September 2021 with respect to the offer and sale of the Offer Shares in connection with the Offering.

The Underwriting Agreement is conditional on, among others, the entry into a pricing agreement between the Company and the Underwriters setting the Offer Price per Offer Share. Pursuant to, on the terms of, and subject to, the conditions set out in the Underwriting Agreement, the Company has agreed to issue the Offer Shares at the Offer Price to purchasers procured by the Underwriters or, failing subscription or purchase by such procured purchasers, to the Underwriters themselves, and each of the Underwriters has, severally but not jointly, agreed to procure purchasers for the Offer Shares or, failing subscription or purchase by such procured purchasers, to purchase, or subscribe for, the Offer Shares themselves at the Offer Price.

The proportion of total Offer Shares that each Underwriter may severally but not jointly be required to purchase, or subscribe for, is indicated below.

Underwriters	Underwriting Commitment of Offer Shares
ABN AMRO.	42.105%
Rabobank.....	42.105%
KBC.....	15.79%
Total	100%

In the Underwriting Agreement, the Company has made customary representations and warranties and given customary undertakings. In addition, the Company will indemnify the Underwriters against liabilities in connection with the Offering.

The Underwriting Agreement provides that the obligations of the Underwriters to procure subscribers and/or acquirers for the Offer Shares or, failing subscription by the procured subscribers and/or acquirers, to subscribe for and/or purchase for the Offer Shares themselves are subject to the following conditions precedent: (i) representations and warranties made by the Company and the Selling Shareholders being true and accurate in every respect and not misleading; (ii) the Company and the Selling Shareholders having complied with and satisfied or performed all of their respective obligations and undertakings under the Underwriting Agreement; (iii) this Prospectus having been approved by the AFM and such approval being in full force and effect, (iv) publication of the Launch Press Announcement and the Pricing Statement, (v) the Offer Shares having been accepted for book-entry transfer by Euroclear, (vi) delivery of pre-determined documents related to the Offering, (vii) the Admission of the Offer Shares on Euronext Amsterdam, (viii) pricing having occurred prior to or at the time of publication of the Pricing Statement, and (ix) no material adverse change or force majeure in the Company or its business having occurred since the date of this Prospectus.

The Underwriters may elect to terminate the Underwriting Agreement at any time prior to the Settlement Date (or thereafter, in respect of the Over-Allotment Option only) upon the occurrence of the following specified events: (i) trading generally having been suspended or materially limited on any of Euronext Amsterdam, the London Stock Exchange, or the New York Stock Exchange, (ii) a material disruption in commercial banking or securities settlement, payment or clearance services in the Netherlands, the European Economic Area generally, the United Kingdom or the United States, (iii) a moratorium on commercial banking activities in the United States, the United Kingdom or the Netherlands shall have been declared by the relevant authorities, (iv) a material adverse change has occurred since 30 June 2021, (v) a breach by the Company or any of the Selling Shareholders of any of the material undertakings or obligations contained in the Underwriting Agreement, (vi) any representation or warranty

by the Company or any of the Selling Shareholders contained in the Underwriting Agreement is not true and accurate, (vii) the documents related to the Offering contain an untrue, inaccurate, or misleading statement that is material in the context of the Offering or a matter has arisen that constitutes a material omission from any of these documents, (viii) the application for Admission is rejected by the AFM or Euronext Amsterdam, and (ix) any condition precedent in the Underwriting Agreement has not been satisfied or (to the extent capable of being waived) waived by the Underwriters by its due time and date. Following termination of the Underwriting Agreement, all applications to purchase, or subscribe for, Offer Shares will be disregarded, any allocations made will be deemed not to have been made and any payments made by investors will be returned without interest or other compensation and transactions in the Offer Shares on Euronext Amsterdam may be annulled.

In consideration of the agreement by the Underwriters to procure purchasers for and, failing payment by such purchasers for the Offer Shares subscribed for, to purchase itself, the Offer Shares at the Offer Price and subject to the Offer Shares being sold as provided for in the Underwriting Agreement, the Selling Shareholders have agreed to pay the Underwriters an aggregate commission of 2.425% of the gross proceeds of the Offering (including, if applicable, any gross proceeds from the exercise of the Over-Allotment Option). The Underwriting Agreement furthermore provides that the Selling Shareholders may pay a discretionary fee with a maximum of 1.25% of the gross proceeds of the Offering (including, if applicable, any gross proceeds from the exercise of the Over-Allotment Option) to the Joint Global Coordinators, the payment of which is at the sole discretion of the Selling Shareholders. Certain expenses incurred by the Underwriters in connection with the Offering will also be borne by the Selling Shareholders.

The Offer Shares have not been and will not be registered under the U.S. Securities Act and, subject to exceptions, may not be offered or sold within the United States. The Offer Shares are being offered and sold outside the United States in reliance on Regulation S.

Potential Conflicts of Interest

The Underwriters are acting exclusively for Selling Shareholders and the Company and for no one else and will not regard any other person (whether or not a recipient of this Prospectus) as their respective clients in relation to the Offering and will not be responsible to anyone other than the Company for providing the protections afforded to clients, giving advice in relation to the Offering and for the listing and trading of the Ordinary Shares and/or any other transaction or arrangement referred to in this Prospectus.

Certain of the Underwriters and/or their respective affiliates have from time to time been engaged, and may in the future engage, in commercial banking, investment banking and financial advisory and ancillary activities in the ordinary course of their business with the Company (or any parties related to the Company) for which they have received or may in the future receive customary compensation, fees and/or commission. In particular, Rabobank, KBC and ABN AMRO are lenders under the Senior Facilities Agreement, while Rabobank is also acting as an agent and security agent thereunder. Nevertheless, all services provided by the Underwriters, including in connection with the Offering, have been provided as an independent contractor and not as a fiduciary to the Company.

Additionally, the Underwriters and/or their affiliates, including their respective parent companies, may, in the ordinary course of their business, hold the Company's securities for investment purposes. As a result, these parties may have interests that may not be aligned, or could possibly conflict with the interests of investors or of the Company. In respect hereof, the sharing of information is generally restricted for reasons of confidentiality, by internal procedures and by rules and regulations.

In connection with the Offering, each of the Underwriters and any of their respective affiliates may take up Offer Shares in the Offering as a principal position and in that capacity may retain, subscribe for or purchase or sell for its own account such securities and any Offer Shares or related investments and may offer or sell such Offer Shares or other investments otherwise than in connection with the Offering. Accordingly, references in this Prospectus to Offer Shares being offered or placed should be read as including any offering or placement of Offer Shares to any of the Underwriters or any of their respective affiliates acting in such capacity. In addition, certain

of the Underwriters or their affiliates may enter into financing arrangements (including swaps or contracts for difference) with investors in connection with which such Underwriters (or their affiliates) may from time to time acquire, hold or dispose of Ordinary Shares. None of the Underwriters intends to disclose the extent of any such investment or transactions otherwise than pursuant to any legal or regulatory obligation to do so.

As a result of these transactions, these parties may have interests that may not be aligned, or could potentially conflict, with the interests of (potential) holders of the Offer Shares, or the Company's interests.

Lock-up Arrangements

The Joint Global Coordinators (acting on behalf of the Underwriters) may, in their sole discretion and at any time without prior public notice, waive in writing the restrictions, including those on sales, issues or transfers of Ordinary Shares, described below. If the consent of the Joint Global Coordinators (acting on behalf of the Underwriters) in respect of a lock-up arrangement is requested as described below, full discretion can be exercised by the Joint Global Coordinators as to whether or not such consent will be granted.

Company and Selling Shareholders lock-up

Pursuant to the Underwriting Agreement, the Company, Powerco B.V. and Scholt Investment Group B.V. have agreed with the Underwriters that, for a period from the date of the Underwriting Agreement until 180 days from the Settlement Date, they will not, except as set forth below, without the prior written consent of the Joint Global Coordinators (acting on behalf of the Underwriters), (i) directly or indirectly, issue, offer, pledge, sell, contract to sell, sell or grant any option, right, warrant or contract to purchase, exercise any option to sell, purchase any option or contract to sell, or lend or otherwise transfer or dispose of any Ordinary Shares or any securities convertible into or exercisable or exchangeable for Ordinary Shares; (ii) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of any Ordinary Shares, whether any such transaction is to be settled by delivery of Ordinary Shares or such other securities, in cash or otherwise; (iii) publicly announce an intention to effect any of the transaction described in (i) and (ii).

Pursuant to the Underwriting Agreement, Antonius 8001 Holding B.V. and Stichting Administratiekantoor SEC Topholding have agreed with the Underwriters that they will not, except as set forth below, effect a transaction that (i) would involve any Ordinary Shares held by it prior to 360 calendar days from the Settlement Date; (ii) would involve more than 60% of the Ordinary Shares held by it prior to 720 calendar days from the Settlement Date; and (iii) would involve more than 80% of the Ordinary Shares held by it prior to 1,080 calendar days from the Settlement Date, in each case without the prior written consent of the Joint Global Coordinators (acting on behalf of the Underwriters), such consent not to be unreasonably withheld or delayed.

The foregoing restrictions shall not apply to: (i) the offer or sale of Offer Shares (and Over-Allotment Shares) in the Offering; (ii) the lending of Ordinary Shares to the Joint Global Coordinators (acting on behalf of the Underwriters) pursuant to the Share Lending Agreement; (iii) the transfer of Ordinary Shares by Stichting Administratiekantoor SEC Topholding to a current holder of depositary receipts of such Ordinary Shares; (v) accepting a general offer made to all the holders of Ordinary Shares in accordance with the Dutch Financial Supervision Act on terms that treat all such holders alike and that has become or been declared unconditional in all respects or been recommended for acceptance by the Management Board and the Supervisory Board, or the provision of an irrevocable undertaking to accept such an offer, provided that the Joint Global Coordinators (on behalf of the Underwriters) shall be notified in writing no later than ten Business Days prior to such acceptance or undertaking, to the extent practicable and permitted under applicable law; (vi) the granting of awards in options or the issuance of (rights to) Ordinary Shares by the Company or the issuance of Ordinary Shares upon exercise of options granted by the Company pursuant to employee remuneration or incentive schemes as disclosed in this Prospectus, any amendment or supplement to this Prospectus published by the Company at or prior to the time of publication of the Pricing Statement, and the Pricing Statement; or (vii) the sale or transfer of Ordinary Shares pursuant to a binding court order or in connection with a Company insolvency proceeding, in each case for which no further appeals are possible, provided that prior to such sale or transfer the Company or the Selling

Shareholders, as appropriate, shall use its reasonable endeavours to procure that the transferee agrees in writing, provided that prior to any such transfer the transferee shall have agreed to be bound by the foregoing restrictions for the remainder of the seller's or transferor's lock-up period.

Management Board lock-up

In connection with the Offering, each member of the Management Board has agreed to a lock-up with the Underwriters in respect of any Ordinary Shares held by members of the Management Board for a period until 36 months from the Settlement Date. The individual members of the Management Board have agreed not to effect a transaction that (i) would involve any Ordinary Shares held by him or her prior to 360 calendar days from the Settlement Date; (ii) would involve more than 60% of the Ordinary Shares held by him or her prior to 720 calendar days from the Settlement Date; and (iii) would involve more than 80% of the Ordinary Shares held by him or her prior to 1,080 calendar days from the Settlement Date, in each case without the prior written consent of the Joint Global Coordinators (acting on behalf of the Underwriters), such consent not to be unreasonably withheld or delayed.

The foregoing restriction shall not apply to accepting a general offer made to all the holders of Ordinary Shares in accordance with the Dutch Financial Supervision Act on terms that treat all such holders alike and that has become or been declared unconditional in all respects or been recommended for acceptance by the Management Board and the Supervisory Board, or the provision of an irrevocable undertaking to accept such an offer, provided that the Joint Global Coordinators (on behalf of the Underwriters) shall be notified in writing no later than ten Business Days prior to such acceptance or undertaking, to the extent practicable and permitted under applicable law.

Over-allotment and Stabilisation

In connection with the Offering, the Stabilisation Manager (or any of its agents), on behalf of the Underwriters, may (but will be under no obligation to), to the extent permitted by applicable law, over-allot Ordinary Shares or effect other transactions with the view to supporting the market price of the Ordinary Shares at a level higher than that which might otherwise prevail in the open market. The Stabilisation Manager will not be required to enter into such transactions and such transactions may be effected on any securities market, over-the-counter market, stock exchange (including Euronext Amsterdam N.V.) or otherwise and may be undertaken at any time during the period commencing on the First Trading Date and ending no later than 30 calendar days thereafter. The Stabilisation Manager or any of its agents will not be obligated to effect stabilising transactions, and there will be no assurance that stabilising transactions will be undertaken. Such stabilising transactions, if commenced, may be discontinued at any time without prior notice. Save as required by law or regulation, neither the Stabilisation Manager nor any of its agents intends to disclose the extent of any over-allotments made and/or stabilisation transactions under the Offering. The Underwriting Agreement provides that the Stabilisation Manager may, for purposes of stabilising transactions, over-allot Ordinary Shares up to a maximum of 15% of the total number of Offer Shares sold in the Offering, or up to 900,000 Over-Allotment Shares assuming the maximum number of Offer Shares is offered and sold in the Offering.

None of the Selling Shareholders or any of the Underwriters makes any representation or prediction as to the direction or the magnitude of any effect that the transactions described above may have on the price of the Ordinary Shares or any other securities of the Company. In addition, none of the Selling Shareholders or any of the Underwriters makes any representation that the Stabilisation Manager will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

SELLING AND TRANSFER RESTRICTIONS

No action has or will be taken by the Company or the Underwriters that would permit, other than pursuant to the Offering, an offer of the Offer Shares or possession or distribution of this Prospectus or any other offering material in any jurisdiction where action for that purpose is required. The distribution of this Prospectus and the offer of the Offer Shares in certain jurisdictions may be restricted by law. Accordingly, the Offer Shares may not be offered or sold, directly or indirectly, and neither this document nor any other offering material or advertisement in connection with the Offer Shares may be distributed or published in or from any jurisdiction except in circumstances that will result in compliance with any and all applicable rules and regulations of any such jurisdiction. Persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions, including those in the paragraphs that follow. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions. This document does not constitute an offer to subscribe for or purchase any of the Offer Shares to any person in any jurisdiction to whom it is unlawful to make such offer of solicitation in such jurisdiction.

United States

The Offer Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and, subject to exceptions, may not be offered or sold, directly or indirectly, or otherwise transferred within the United States. In the United States, the Offer Shares will be sold only to persons reasonably believed to be QIBs in reliance on Rule 144A under the US Securities Act or under another exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. All offers and sales of the Offer Shares outside the United States will be made to institutional investors in "offshore transactions" in compliance with Regulation S under the US Securities Act. In addition, until the end of the 40th calendar day after commencement of the offering, an offering or sale of Offer Shares within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the US Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A. The Offering of the Offer Shares is being made in the United States through U.S. broker-dealer affiliates of the Managers.

Rule 144A

Each purchaser of the Offer Shares within the United States pursuant to Rule 144A, by accepting delivery of this Prospectus, will be deemed to have represented, agreed and acknowledged that:

- (a) It is authorised to consummate the purchase of the Offer Shares in compliance with all applicable laws and regulations;
- (b) It is not an "affiliate" (as defined in Rule 144A under the US Securities Act) of the Selling Shareholders and it is: (a) a QIB within the meaning of Rule 144A; (b) acquiring such Offer Shares for its own account or for the account of one or more QIBs; (c) acquiring Offer Shares for investment purposes, and not with a view to further distribution of such Offer Shares; and (d) aware, and each beneficial owner of such Offer Shares has been advised, that the sale of such Offer Shares to it is being made in reliance on Rule 144A or in reliance on another exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.
- (c) It understands that such Offer Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, pledged or otherwise transferred except: (a) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or for the account of a QIB; (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S; (c) pursuant to an exemption from registration under the US Securities Act provided by Rule 144 thereunder (if available)); or (d) pursuant to an effective registration statement under the US Securities Act, in each case in accordance with any applicable securities laws of any State of the United

States. The purchaser will, and each subsequent holder is required to, notify any subsequent purchaser from it of those Offer Shares of the resale restrictions in (a), (b), (c) and (d) above. No representation can be made as to the availability of the exemption provided by rule 144 for resale of the Offer Shares.

- (d) It is aware that the Offer Shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the US Securities Act;
- (e) The Offer Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the US Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resale of any Offer Shares.
- (f) The Offer Shares may not be deposited into any unrestricted depository receipt facility in respect of the Offer Shares established or maintained by a depository bank.
- (g) The Company may not recognise any offer, sale, resale, pledge or other transfer of the Offer Shares made than in compliance with the above-mentioned restrictions.
- (h) It is not subscribing to, or purchasing, the Offer Shares with a view to, or for the offer or sale in connection with, any distribution thereof (within the meaning of the US Securities Act) that would be in violation of the securities laws of the United States or any state thereof;
- (i) It agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the US Securities Act in the United States with respect to the Offer Shares or any "general solicitation" or "general advertising" (as defined in Regulation D under the US Securities Act) in the United States in connection with any offer or sale of the Offer Shares;
- (j) It understands that such Offer Shares (to the extent they are in certificated form), unless otherwise determined by the Company in accordance with applicable law, will bear a legend substantially to the following effect:

THIS OFFER SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE **US SECURITIES ACT**) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT: (1) IN ACCORDANCE WITH RULE 144A UNDER THE US SECURITIES ACT (**RULE 144A**) TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER; (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE US SECURITIES ACT; (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE US SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE); OR (4) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE US SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE US SECURITIES ACT FOR REALES OF THE OFFER SHARES. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE ORDINARY SHARES REPRESENTED HEREBY MAY NOT BE DEPOSITED INTO ANY UNRESTRICTED DEPOSITORY RECEIPT FACILITY IN RESPECT OF THE OFFER SHARES ESTABLISHED OR MAINTAINED BY A DEPOSITORY BANK. EACH HOLDER, BY ITS ACCEPTANCE OF OFFER SHARES, REPRESENTS THAT IT UNDERSTAND AND AGREES TO THE FOREGOING RESTRICTIONS.

- (k) The purchaser is knowledgeable, sophisticated and experienced in business and financial matters, fully understands the limitations on ownership and transfer and the restrictions on sales of the Offer Shares and is aware that there are substantial risks incidental to the purchase of the Offer Shares and is able to bear the economic risk of such purchase;
- (l) The purchaser will not deposit or cause to be deposited such Offer Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A-restricted depositary receipt facility, so long as such Offer Shares are "restricted securities" within the meaning of Rule 144(a)(3).
- (m) The Company shall not recognise any offer, sale, pledge or other transfer of the Offer Shares made other than in compliance with the above-stated restrictions. Prospective purchasers are hereby notified that sellers of the Offer Shares may be relying on the exemption from the provisions of Section 5 of the US Securities Act provided by Rule 144A.
- (n) The Company, the Underwriters and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If it is acquiring any Offer Shares for the account of one or more QIBs, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

Regulation S

Each purchaser of the Offer Shares outside of the United States pursuant to Regulation S, by its acceptance of delivery of this Prospectus, will be deemed to have represented, agreed and acknowledged as follows:

- (a) The purchaser is authorised to consummate the purchase of the Offer Shares in compliance with all applicable laws and regulations.
- (b) The purchaser is, or at the time the Offer Shares are purchased will be, the beneficial owner of such Offer Shares and: (i) is, and the person, if any, for whose account it is acquiring the Offer Shares is, outside the United States; (ii) is not an affiliate of the Company or a person acting on behalf of such an affiliate; and (iii) is not in the business of buying or selling securities or, if it is in such business, it did not acquire such Offer Shares from the Company or an affiliate thereof in the initial distribution of such Offer Shares.
- (c) The purchaser is aware that such Offer Shares: (i) have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction within the United States; (ii) are being sold in accordance with Rule 903 or 904 of Regulation S and is purchasing such Offer Shares in an "offshore transaction" in reliance on Regulation S; and (iii) subject to certain exceptions, may not be offered or sold within the United States.
- (d) The Offer Shares have not been offered to it by means of any "direct selling efforts as defined in Regulation S.
- (e) The purchaser acknowledges that the Selling Shareholders, the Underwriters and their respective affiliates will rely upon the truth and accuracy of the acknowledgements, representations and agreements in the foregoing paragraphs.
- (f) The purchaser is aware of the restrictions on the offer and sale of the Offer Shares pursuant to Regulation S described in this Prospectus.
- (g) The Company shall not recognise any offer, sale, pledge or other transfer of the Offer Shares made other than in compliance with the above-stated restrictions.

- (h) The Company, the Underwriters and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

European Economic Area

In relation to each state other than the Netherlands which is a party to the agreement relating to the European Economic Area (a **Relevant Member State**), with effect from and including the date on which the Prospectus Regulation enters into effect in that Relevant Member State, an offer to the public of any Offer Shares which are the subject of the Offering contemplated by this Prospectus may not be made in that Relevant Member State, except that an offer to the public in that Relevant Member State of any Offer Shares may be made at any time under the following exemptions under the Prospectus Regulation:

- to any legal entity which is a qualified investor as defined in the Prospectus Regulation; or to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) per Relevant Member State, subject to obtaining the prior consent of the Joint Global Coordinators; or
- in any other circumstances falling under the scope of Article 1(4) of the Prospectus Regulation; provided that no such offer of Offer Shares shall require the Company or any Underwriters to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression "an offer to the public" in relation to any Offer Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Offering and any Offer Shares to be offered so as to enable an investor to decide to purchase any Offer Shares, and the expression **Prospectus Regulation** means Regulation (EU) 2017/1129 and includes any relevant delegated regulations.

United Kingdom

In the United Kingdom, an offer to the public of any Offer Shares which are the subject of the Offering contemplated by this Prospectus may not be made, except that an offer to the public in the United Kingdom of any Offer Shares may be made at any time under the following exemptions under the UK Prospectus Regulation:

- (a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Joint Global Coordinators for any such offer; or
- (c) in any other circumstances falling under the scope of Section 86 of the Financial Services and Markets Act 2000 (the **FSMA**),

provided that no such offer of Offer Shares shall require the Company or the Underwriters to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression **offer to the public** in relation to any Offer Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Offer Shares to be offered so as to enable an investor to decide to purchase, or subscribe for, any Offer Shares, and the expression **UK Prospectus Regulation** means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

This Prospectus is being distributed only to, and is directed only at, persons who are outside the United Kingdom, or if in the United Kingdom, who: (i) have professional experience in matters relating to investments falling within the definition of "investment professionals" in Article 19(5) of The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the **Order**); (ii) are high net worth bodies corporate, unincorporated associations and partnerships and the trustees of high value trusts, as described in Article 49(2) of the Order; (iii) the Company believes on reasonable grounds to be persons to whom Article 43(2) of the Order applies for these purposes; or (iv) other persons to whom it may lawfully be communicated (all such persons referred to in (i), (ii), (iii) and (iv) are defined as **Relevant Persons**). In the United Kingdom, any investment or investment activity to which this Prospectus relates is only available to and will only be engaged in with Relevant Persons. Any other persons who receive this Prospectus should not rely on or act upon it.

Australia

This Prospectus (i) does not constitute a prospectus or a product disclosure statement under the Corporations Act 2001 of the Commonwealth of Australia (the **Corporations Act**); (ii) does not purport to include the information required of a prospectus under Part 6D.2 of the Corporations Act or a product disclosure statement under Part 7.9 of the Corporations Act; has not been, nor will it be, lodged as a disclosure document with the Australian Securities and Investments Commission (the **ASIC**), the Australian Securities Exchange operated by ASX Limited or any other regulatory body or agency in Australia; and (iii) may not be provided in Australia other than to select investors (**Exempt Investors**) who are able to demonstrate that they (a) fall within one or more of the categories of investors under section 708 of the Corporations Act to whom an offer may be made without disclosure under Part 6D.2 of the Corporations Act; and (b) are "wholesale clients" for the purpose of section 761G of the Corporations Act.

The Offer Shares may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for, or buy, the Offer Shares may be issued, and no draft or definitive Prospectus, advertisement or other offering material relating to any Offer Shares may be distributed, received or published in Australia, except where disclosure to investors is not required under Chapters 6D and 7 of the Corporations Act or is otherwise in compliance with all applicable Australian laws and regulations. By submitting an application for the Offer Shares, each purchaser or subscriber of Offer Shares represents and warrants to the Company, the Selling Shareholders, the Banks and their affiliates that such purchaser or subscriber is an Exempt Investor.

As any offer of Offer Shares under this document, any supplement or the accompanying prospectus or other document will be made without disclosure in Australia under Parts 6D.2 and 7.9 of the Corporations Act, the offer of those Offer Shares for resale in Australia within 12 months may, under the Corporations Act, require disclosure to investors if none of the exemptions in the Corporations Act applies to that resale. By applying for the Offer Shares each purchaser or subscriber of Offer Shares undertakes to the Company, the Selling Shareholders, the Banks and their affiliates that such purchaser or subscriber will not, for a period of 12 months from the date of issue or purchase of the Offer Shares, offer, transfer, assign or otherwise alienate those Offer Shares to investors in Australia except in circumstances where disclosure to investors is not required under the Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

TAXATION

Taxation in the Netherlands

The following summary outlines the principal Dutch tax consequences of the acquisition, holding, redemption and disposal of Ordinary Shares, but does not purport to be a comprehensive description of all Dutch tax considerations that may be relevant. For purposes of Dutch tax law, a holder of Ordinary Shares may include an individual or entity who does not have the legal title of these Ordinary Shares, but to whom nevertheless the Ordinary Shares or the income therefrom are attributed based on specific statutory provisions or on the basis of such individual or entity having an interest in the Ordinary Shares or the income therefrom. This summary is intended as general information only and each prospective investor should consult a professional tax adviser with respect to the tax consequences of the acquisition, holding, redemption and disposal of Ordinary Shares.

This summary is based on tax legislation, published case law, treaties, regulations and published policy, in each case as in force as of the date of this Prospectus, and it does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect.

This summary does not address the Dutch corporate and individual income tax consequences for:

- investment institutions (*fiscale beleggingsinstellingen*);
- pension funds, exempt investment institutions (*vrijgestelde beleggingsinstellingen*) or other Dutch tax resident entities that are not subject to or exempt from Dutch corporate income tax;
- corporate holders of Ordinary Shares that qualify for the participation exemption (*deelnemingsvrijstelling*) or would qualify for the participation exemption had the corporate holders of Ordinary Shares been residents in the Netherlands or which qualify for participation credit (*deelnemingsverrekening*). Generally speaking, a shareholding is considered to qualify as a participation for the participation exemption or participation credit if it represents an interest of 5% or more of the nominal paid-up share capital;
- holders of Ordinary Shares holding a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in the Company and holders of Ordinary Shares of whom a certain related person holds a substantial interest in the Company. Generally speaking, a substantial interest in the Company arises if a person, alone or, where such person is an individual, together with his or her partner (statutory defined term), directly or indirectly, holds or is deemed to hold: (i) an interest of 5% or more of the total issued capital of the Company or 5% or more of the issued capital of a certain class of shares of the Company; (ii) rights to acquire, directly or indirectly, such interest; or (iii) certain profit-sharing rights in the Company;
- persons to whom the Ordinary Shares and the income from the Ordinary Shares are attributed based on the separated private assets (*afgezonderd particulier vermogen*) provisions of the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*) or the Dutch Gift and Inheritance Tax Act 1956 (*Successiewet 1956*);
- entities that are resident in Aruba, Curaçao or Sint Maarten, which have an enterprise that is carried on through a permanent establishment or a permanent representative on Bonaire, Sint Eustatius or Saba and the Ordinary Shares are attributable to such permanent establishment or permanent representative;
- holders of Ordinary Shares who are not considered the beneficial owner (*uiteindelijk gerechtigde*) of those Ordinary Shares or the benefits derived from or realised in respect of those Ordinary Shares; and
- individuals to whom Ordinary Shares or the income therefrom are attributable to employment activities that are taxed as employment income in the Netherlands.

Where this summary refers to the Netherlands, such reference is restricted to the part of the Kingdom of the Netherlands that is situated in Europe and the legislation applicable in that part of the Kingdom.

Dividend Withholding Tax

Withholding Requirement

The Company is required to withhold 15% Dutch dividend withholding tax in respect of dividends paid on the Ordinary Shares. Generally, the Dutch dividend withholding tax will not be borne by the Company, but will be withheld from the gross dividends paid on the Ordinary Shares. In the Dutch Dividend Withholding Tax Act 1965 (*Wet op de dividendbelasting 1965*), dividends are defined as the proceeds from Ordinary Shares, which include:

- direct or indirect distributions of profit, regardless of their name or form;
- liquidation proceeds, proceeds on redemption of the Ordinary Shares and, as a rule, the consideration for the repurchase of the Ordinary Shares by the Company in excess of its average paid up capital recognised for Dutch dividend withholding tax purposes, unless a particular statutory exemption applies;
- the nominal value of Ordinary Shares issued to a holder of the Ordinary Shares or an increase of the nominal value of the Ordinary Shares, insofar as the (increase in the) nominal value of the Ordinary Shares is not funded out of the Company's paid-up capital as recognised for Dutch dividend withholding tax purposes; and
- partial repayments of paid-up capital recognised for Dutch dividend withholding tax purposes, if and to the extent that there are qualifying profits (*zuivere winst*), unless the General Meeting has resolved in advance to make such repayment and provided that the nominal value of the Ordinary Shares concerned has been reduced by an equal amount by way of an amendment of the articles of association and the paid-up capital is recognised as capital for Dutch dividend withholding tax purposes. The term "qualifying profits" includes anticipated profits that have yet to be realised.

Residents of the Netherlands

If a holder of Ordinary Shares is a resident or deemed to be a resident of the Netherlands for Dutch corporate or individual income tax purposes, Dutch dividend withholding tax which is withheld with respect to proceeds from the Ordinary Shares will generally be creditable for Dutch corporate income tax or Dutch income tax purposes. If the amount of Dutch dividend withholding tax due exceeds such residents' Dutch corporate or individual income tax liability, such holder may qualify for a refund in whole or in part of the Dutch dividend withholding tax.

Non-residents of the Netherlands

If a holder of Ordinary Shares is a resident of a country other than the Netherlands and if a treaty for the avoidance of double taxation with respect to taxes on income is in effect between the Netherlands and that country, and such holder is a resident for the purposes of such treaty, such holder may, depending on the terms of that particular treaty, qualify for full or partial relief at source or for a refund in whole or in part of the Dutch dividend withholding tax.

A refund of the Dutch dividend withholding tax is available to entities resident in another EU member state, Norway, Iceland or Liechtenstein provided that: (i) these entities are not subject to corporate income tax there; (ii) these entities would not be subject to Dutch corporate income tax if these entities were tax resident in the Netherlands for corporate income tax purposes; and (iii) these entities are not comparable to investment institutions (*fiscale beleggingsinstellingen*) or exempt investment institutions (*vrijgestelde beleggingsinstellingen*). Furthermore, a similar refund of Dutch dividend withholding tax may be available to entities resident in other countries, under the additional condition that: (i) the Ordinary Shares are considered portfolio investments for purposes of Section 63 (taking into account Section 64) of the Treaty on the functioning

of the European Union; and (ii) the Netherlands can exchange information with this other country in line with the international standards for the exchange of information.

A (partial) refund of Dutch dividend withholding tax is available to a holder of Ordinary Shares resident in another EU member state, Norway, Iceland or Liechtenstein if: (i) this holder of Ordinary Shares is not subject to Dutch individual income tax or Dutch corporate income tax with respect to the income from the Ordinary Shares; (ii) such Dutch dividend withholding tax is higher than the Dutch individual income tax or Dutch corporate income tax would have been had this holder of Ordinary Shares been tax resident in the Netherlands, after taking into account a possible refund based on the Dutch Dividend Withholding Tax Act 1965 (*Wet op de dividendbelasting 1965*) or a refund based on a treaty for the avoidance of double taxation with respect to taxes on income; (iii) no credit based on a treaty for the avoidance of double taxation with respect to taxes on income is granted in the state in which the holder of Ordinary Shares is tax resident, for the full amount of Dutch dividend withholding tax withheld; and (iv) this holder of Ordinary Shares does not have a similar function as an investment institution (*fiscale beleggingsinstelling*) or exempt investment institution (*vrijgestelde beleggingsinstelling*).

Furthermore, a similar refund of Dutch dividend withholding tax may be available to a holder of Ordinary Shares resident in another country, under the additional conditions that: (A) the Ordinary Shares are considered portfolio investments for purposes of Section 63 (taking into account Section 64) of the Treaty on the functioning of the European Union; and (B) the Netherlands can exchange information with this other country in line with the international standards for the exchange of information.

Beneficial Owner

A recipient of proceeds from the Ordinary Shares will not be entitled to any exemption, reduction, refund or credit of Dutch dividend withholding tax if such recipient is not considered the beneficial owner of such proceeds. The recipient will not be considered the beneficial owner of these proceeds, if, in connection with such proceeds, the recipient has paid a consideration as part of a series of transactions in respect of which it is likely:

- that the proceeds have in whole or in part accumulated, directly or indirectly, to a person or legal entity that would:
 - as opposed to the recipient paying the consideration, not be entitled to an exemption from dividend withholding tax; or
 - in comparison to the recipient paying the consideration, to a lesser extent be entitled to a reduction or refund of dividend withholding tax; and
- that such person or legal entity has, directly or indirectly, retained or acquired an interest in Ordinary Shares, profit-sharing certificates or loans, comparable to the interest it had in similar instruments prior to the series of transactions being initiated.

Dutch Dividend Withholding Tax upon Redistribution of Foreign Dividends

The Company must pay to the Dutch tax authorities all Dutch dividend withholding tax it withholds on dividends it distributed with respect to the Ordinary Shares. However, provided certain conditions are met, the Company may apply a reduction with respect to the dividend withholding tax that it has to pay to the Dutch tax authorities. This reduction can be applied if the Company distributes dividends that stem from dividends the Company itself has received from certain qualifying non-Dutch subsidiaries, provided that these dividends the Company has received are exempt from Dutch corporate income tax and were subject to a withholding tax of at least 5% upon distribution to the Company. The reduction is applied to the Dutch dividend withholding tax that the Company

must pay to the Dutch tax authorities and not to the amount of the Dutch dividend withholding tax that the Company must withhold. The reduction is equal to the lesser of:

- 3% of the amount of the dividends distributed by the Company that are subject to Dutch dividend tax; and
- 3% of the gross amount of the dividends received during a certain period from the qualifying non-Dutch subsidiaries.

Exempt entities

A holder of Ordinary Shares who is a resident of the United States and is entitled to the benefits of the 1992 double tax treaty entered into by the United States and the Netherlands, as amended most recently by the Protocol signed on 8 March 2004 (**US-NL Treaty**), will under certain conditions be entitled to a refund of the Dutch dividend withholding tax by way of an exemption or refund if the holder of Ordinary Shares is an exempt pension trust as described in Section 35 of the US-NL Treaty, or an exempt organisation as described in Section 36 of the US-NL Treaty.

Corporate and Individual Income Tax

Residents of the Netherlands

If a holder of Ordinary Shares is a resident of the Netherlands or deemed to be a resident of the Netherlands for Dutch corporate income tax purposes and is fully subject to Dutch corporate income tax or is only subject to Dutch corporate income tax in respect of an enterprise to which the Ordinary Shares are attributable, income derived or deemed to be derived from the Ordinary Shares and gains realised or deemed to be realised upon the redemption or disposal of the Ordinary Shares are generally taxable in the Netherlands (at up to a maximum rate of 25%).

If an individual is a resident of the Netherlands or deemed to be a resident of the Netherlands for Dutch individual income tax purposes, income derived or deemed to be derived from the Ordinary Shares and gains realised or deemed to be realised upon the redemption or disposal of the Ordinary Shares are taxable at the progressive rates (at up to a maximum rate of 49.50%) under the Dutch Income Tax Act 2001, if:

- the individual is an entrepreneur (*ondernemer*) and has an enterprise to which the Ordinary Shares are attributable or the individual has, other than as a shareholder, a co-entitlement to the net worth of an enterprise (*medegerechtigde*), to which enterprise the Ordinary Shares are attributable; or
- such income or gains qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*), which include activities with respect to the Ordinary Shares that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*).

If neither the first condition nor the second condition above applies to the holder of the Ordinary Shares, taxable income with regard to the Ordinary Shares must be determined on the basis of a deemed return on income from savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realised. This deemed return on income from savings and investments is fixed at a percentage of the individual's yield basis (*rendementsgrondslag*) at the beginning of the calendar year (1 January), insofar as the individual's yield basis exceeds a certain threshold (*heffingvrij vermogen*). The individual's yield basis is determined as the fair market value of certain qualifying assets held by the individual less the fair market value of certain qualifying liabilities on 1 January. The fair market value of the Ordinary Shares will be included as an asset in the individual's yield basis. The deemed return percentage to be applied to the yield basis increases progressively depending on the amount of the yield basis. The deemed return on income from savings and investments is taxed at a rate of 31%.

Non-residents of the Netherlands

If a person is neither a resident of the Netherlands nor is deemed to be a resident of the Netherlands for Dutch corporate or individual income tax purposes, such person is not liable to Dutch income tax in respect of income derived from the Ordinary Shares and gains realised or deemed to be realised upon the redemption or disposal of the Ordinary Shares, unless:

- the person is not an individual and such person: (i) has an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or a permanent representative the Ordinary Shares are attributable; or (ii) is, other than by way of securities, entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, which is effectively managed in the Netherlands and to which enterprise the Ordinary Shares are attributable.

This income is subject to Dutch corporate income tax at up to a maximum rate of 25%; or

- the person is an individual and such individual: (i) has an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the Ordinary Shares are attributable; (ii) realises income or gains with respect to the Ordinary Shares that qualify as income from miscellaneous activities in the Netherlands which include activities with respect to the Ordinary Shares that exceed regular, active portfolio management; or (iii) is, other than by way of securities, entitled to a share in the profits of an enterprise that is effectively managed in the Netherlands and to which enterprise the Ordinary Shares are attributable.

Income derived from the Ordinary Shares as specified under (i) and (ii) above by an individual is subject to individual income tax at progressive rates up to a maximum rate of 49.50%. Income derived from a share in the profits of an enterprise as specified under (iii) that is not already included under the first bullet and second bullet above will be taxed on the basis of a deemed return on income from savings and investments (as described above under section "*—Dividend Withholding Tax—Residents of the Netherlands*")

Gift and Inheritance tax

Dutch gift or inheritance taxes will not be levied on the occasion of the transfer of the Ordinary Shares by way of gift by, or on the death of, a holder of the Ordinary Shares, unless:

- the holder of the Ordinary Shares is, or is deemed to be, resident in the Netherlands for the purpose of the relevant provisions at the time of the gift or his or her death;
- the transfer is construed as an inheritance or gift made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands for the purpose of the relevant provisions;
- the holder of Ordinary Shares dies while being a resident or deemed resident of the Netherlands within 180 days after the date of a gift of the Ordinary Shares; or
- the gift is made under a condition precedent and the holder of Ordinary Shares is or is deemed to be resident in the Netherlands at the time the condition is fulfilled.

Value Added Tax

In general, no value added tax will arise in respect of payments in consideration for the issue of the Ordinary Shares or in respect of a cash payment made under the Ordinary Shares, or in respect of a transfer of Ordinary Shares.

Other Taxes and Duties

No registration tax, customs duty, transfer tax, stamp duty, capital tax or any other similar documentary tax or duty will be payable in the Netherlands by a holder in respect of or in connection with the subscription, issue, placement, allotment, delivery or transfer of the Ordinary Shares.

Residence

A holder of Ordinary Shares will not become or be deemed to become a resident of the Netherlands solely by reason of the subscription, issue, placement, allotment, delivery or transfer of the Ordinary Shares or by reason of holding these Ordinary Shares.

Certain United States Federal Income Tax Consequences

This disclosure is limited to the United States federal income tax issues addressed in this Prospectus. Additional issues may exist that are not addressed in this disclosure and that could affect the United States federal tax treatment of the Ordinary Shares or the Selling Shareholders Ordinary Shares. Prospective investors should seek their own advice based on their particular circumstances from independent tax advisers.

The following describes certain United States federal income tax consequences of the ownership and disposal of the Ordinary Shares acquired in the Offering to United States Holders and Non-United States Holders (each as defined below). With respect to the ownership and disposal of the Ordinary Shares, this discussion deals only with United States Holders that will hold the Ordinary Shares as capital assets. As used in this Prospectus, the term **United States Holder** means a beneficial owner of Ordinary Shares that is for United States federal income tax purposes:

- an individual citizen or resident of the United States;
- a corporation created or organised in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate, the income of which is subject to United States federal income taxation regardless of its source; or
- a trust if it: (i) is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all substantial decisions of the trust; or (ii) has a valid election in effect under applicable United States Treasury regulations to be treated as a United States person.

A **Non-United States Holder** is a beneficial owner of Ordinary Shares that is neither a partnership nor a United States Holder.

This discussion does not represent a detailed description of the United States federal income tax consequences applicable to United States Holders that are subject to special treatment under the United States federal income tax laws, including if a prospective investor is:

- a trader or dealer in stocks, securities or currencies or notional principal contracts;
- a financial institution;
- a regulated investment company;
- a real estate investment trust;

- an insurance company;
- an individual retirement account or other tax-deferred account;
- a tax-exempt organisation;
- an entity or arrangement that is treated as a partnership or pass-through entity for United States federal income tax purposes, or a person that holds Ordinary Shares through such entity or arrangement;
- a person holding the Ordinary Shares as part of a hedging, integrated or conversion transaction, a constructive sale or a straddle;
- a trader in securities that has elected the mark-to-market method of accounting;
- an S corporation;
- a person who owns or is deemed to own (directly, indirectly or by attribution) 10% or more of the Company's or the Selling Shareholders' stock by vote or value;
- a person that has ceased to be a U.S. citizen or a lawful permanent resident of the United States;
- a U.S. citizen or a lawful permanent resident living abroad;
- certain taxpayers that file applicable financial statements and are required to recognize income when the associated revenue is reflected on such financial statements; or
- a United States Holder whose "functional currency" is not the U.S. dollar.

The discussion below is based upon the provisions of the U.S. Internal Revenue Code of 1986, as amended (the Code), its legislative history, and final, temporary, and proposed regulations, published rulings and judicial decisions thereunder as at the date hereof as well as on the US-NL Treaty, and such authorities may be replaced, revoked or modified, possibly with retroactive effect, so as to result in United States federal income tax consequences different from those discussed below.

If an entity or arrangement treated as a partnership for United States federal income tax purposes holds the Ordinary Shares, the tax treatment of a partner in the entity or arrangement treated as a partnership for United States federal income tax purposes will generally depend upon the status of the partner and the activities of the partnership. Partners of a partnership holding the Ordinary Shares should consult their tax advisers.

This discussion does not contain a detailed description of all the United States federal income tax consequences to investors in light of their particular circumstances and does not address the alternative minimum tax or Medicare tax on net investment income, the effects of any state, local or non-United States tax laws, or the possible application of United States estate or gift taxes. Investors should consult their own tax advisers concerning the United States federal income tax consequences of the ownership and disposal of the Ordinary Shares in light of their particular situation as well as any consequences arising under the laws of any other taxing jurisdiction.

Ownership and Disposal of the Ordinary Shares

Taxation of Dividends

Subject to the passive foreign investment company (PFIC) rules discussed below, the gross amount of distributions on the Ordinary Shares (including any amounts withheld to reflect Dutch withholding taxes) will be taxable as dividends to the extent paid out of the Company's current or accumulated earnings and profits, as determined under United States federal income tax principles. Such dividends (including any withheld taxes)

generally will be includable in gross income as ordinary income on the day actually or constructively received and will not be eligible for the dividends received deduction allowed to corporations under the Code. Distributions in excess of current and accumulated earnings and profits will be treated as a non-taxable return of capital to the extent of the United States Holder's basis in the Ordinary Shares and thereafter as either long-term or short-term capital gain depending upon whether the United States Holder held the Ordinary Shares for more than one year.

However, the Company does not expect to determine earnings and profits in accordance with United States federal income tax principles. Therefore, United States Holders should expect that any distribution by the Company will generally be treated as a dividend (as discussed above).

Dividends received by individuals and certain other non-corporate United States Holders should be taxed at the preferential rate applicable to long-term capital gains if (i) the Company is a "*qualified foreign corporation*" (as defined below), (ii) such dividend is paid on Ordinary Shares that have been held by such United States Holder for at least 61 days during the 121-day period beginning 60 days before the ex-dividend date, and (iii) certain other holding period requirements are met. The Company generally will be a "*qualified foreign corporation*" if it (i) is eligible for the benefits of the US-NL Treaty and (ii) is not a PFIC in the taxable year of the distribution and in the preceding year. The Company expects to be eligible for the benefits of the US-NL Treaty provided the Ordinary Shares are "*regularly traded*" on a recognised stock exchange. Euronext Amsterdam is a recognised stock exchange for these purposes. The Ordinary Shares will generally be "*regularly traded*" in a taxable year if the aggregate number of Ordinary Shares traded on one or more recognised stock exchanges during the 12 months ending on the day before the beginning of the taxable year is at least 6% of the average number of Ordinary Shares outstanding during that 12-month period. As discussed below, the Company does not believe that it was a PFIC for the previous taxable year and does not expect to be a PFIC for the current taxable year or in the foreseeable future. United States Holders should consult their own tax adviser about the qualification for the preferential rate applicable to qualified dividend income.

The amount of any dividend paid in a non-United States currency will equal the U.S. dollar value of the non-United States currency amount received, calculated by reference to the exchange rate in effect on the date the dividend is received, regardless of whether the non-United States currency amount is converted into U.S. dollars. If the non-United States currency amount received as a dividend is converted into U.S. dollars on the date it is received, a United States Holder generally will not be required to recognise foreign currency gain or loss in respect of the dividend income. If the non-United States currency amount received as a dividend is not converted into U.S. dollars on the date of receipt, a United States Holder will have a basis in the non-United States currency amount equal to their U.S. dollar value on the date of receipt. Any gain or loss realised on a subsequent conversion or other disposition of the non-United States amount will be treated as United States source ordinary income or loss.

Subject to certain conditions and limitations, Dutch withholding taxes on dividends may be treated as foreign taxes eligible for credit against, or deduction in computing, United States federal income tax liability. For purposes of calculating the foreign tax credit, dividends paid on the Ordinary Shares will be treated as income from sources outside the United States and will generally constitute passive category income. United States Holders who do not elect to claim a credit for any foreign income taxes paid during the taxable year may instead claim a deduction in respect of such Dutch withholding taxes, provided that the United States Holder elects to deduct (rather than credit) all foreign taxes paid or accrued for the taxable year. The rules governing foreign tax credits are complex. Investors are urged to consult their tax advisers regarding the availability of the foreign tax credit under their particular circumstances.

Taxation of Capital Gains

Subject to the PFIC rules discussed below, for United States federal income tax purposes, United States Holders generally will recognise taxable gain or loss on any sale or other taxable disposition of the Ordinary Shares in an amount equal to the difference between the amounts realised on the sale or other taxable disposition of the Ordinary Shares and their tax basis in the Ordinary Shares. Such gain or loss will generally be capital gain or loss. Capital gains of certain non-corporate United States Holders (including individuals) derived with respect to capital

assets held for more than one year are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

A United States Holder that receives non-United States currency from a sale or other taxable disposition of Ordinary Shares generally will realise an amount equal to the U.S. dollar value of the non-United States currency on the date of sale or other disposition or, if such United States Holder is a cash basis taxpayer, or an electing accrual basis taxpayer and the Ordinary Shares are treated as being traded on an "*established securities market*" for this purpose, the settlement date. For a United States Holder that is an accrual basis taxpayer that does not elect, such United States Holder generally will recognise U.S. source foreign currency gain or loss (taxable as ordinary income or loss) equal to the difference (if any) between the U.S. dollar value of the amount received based on the exchange rates in effect on the date of sale or other disposition and the settlement date.

If the non-United States currency received is converted into U.S. dollars on the settlement date, a cash basis or electing accrual basis United States Holder will not recognise foreign currency gain or loss on the conversion. If the non-United States currency received is not converted into U.S. dollars on the settlement date, the United States Holder will have a basis in the non-United States currency equal to the U.S. dollar value on the settlement date. Any gain or loss on a subsequent conversion or other disposition of the non-United States currency generally will be treated as ordinary income or loss to such United States Holder and generally will be income or loss from sources within the United States for foreign tax credit limitation purposes. Investors should consult their own tax advisers concerning any potential foreign currency gain or loss in connection with the sale or other disposition of the Ordinary Shares for a cash amount paid in a non-United States currency.

PFIC Status of the Company

Generally, a corporation organised or incorporated outside the United States is a PFIC in any taxable year in which, after taking into account the income and assets of the corporation and certain subsidiaries pursuant to applicable "*look-through rules*", either: (i) at least 75% of its gross income is classified as "*passive income*" or (ii) at least 50% of the average value of its assets (generally determined on a quarterly basis) is attributable to assets that produce or are held for the production of passive income.

Based on the present nature of its activities, including the Offering, and the present composition of its assets and sources of income, the Company does not believe that it was a PFIC for the previous taxable year and does not expect to be a PFIC for the current taxable year or in the foreseeable future. There can be no assurances, however, that the Company will not be a PFIC for any particular year because PFIC status is factual in nature, is determined annually, and generally cannot be determined until the close of the taxable year in question. If the Company is classified as a PFIC in any year that a United States Holder is a shareholder, the Company generally will continue to be treated as a PFIC for that United States Holder in all succeeding years, regardless of whether the Company continues to meet the income or asset test described above. If the Company were a PFIC in any taxable year during a United States Holder's holding period, the United States Holders may be subject to adverse United States federal income tax consequences compared to an investment in a company that is not a PFIC, including being subject to greater amounts of United States tax and being subject to additional United States tax form filing requirements as described further below.

If the Company is a PFIC for any taxable year during which a United States Holder holds Ordinary Shares and any of the Company's non-U.S. subsidiaries is also a PFIC, the United States Holder will be treated as owning a proportionate amount (by value) of the shares of the lower-tier PFIC for purposes of the application of the PFIC rules. United States Holders should consult their own tax adviser about the application of the PFIC rules.

If a United States Holder does not make a valid election as discussed below, and the Company is a PFIC for any taxable year during which an investor is a United States Holder, the investor will be subject to special tax rules with respect to any "excess distribution" received and any gain realised from a sale, exchange or other disposition (including, in certain circumstances, a pledge) of Ordinary Shares. Distributions received in a taxable year that are greater than 125% of the average annual distributions received during the shorter of the three preceding taxable years or the United States Holder's holding period for the Ordinary Shares will be treated as excess distributions.

Under these special tax rules, (i) the excess distribution or gain will be allocated rateably over the United States Holder's holding period for the Ordinary Shares; (ii) the amount allocated to the current taxable year and other years before the Company was a PFIC will be treated as ordinary income; and (iii) the amount allocated to each other year will be subject to tax at the highest tax rate in effect for that year and an interest charge (at the rate generally applicable to underpayments of tax for the period from such year to the current year) will be imposed on the resulting tax attributable to each such year. A United States Holder will generally be subject to similar rules with respect to distributions to the Company by, and dispositions by the Company of the stock of, any direct or indirect subsidiaries of the Company that are also PFICs.

A United States Holder subject to the PFIC rules is required to file U.S. Internal Revenue Service Form 8621 with respect to its investment in the Ordinary Shares in the year such United States Holder receives any distribution upon, or makes any disposition of, such shares.

Mark-to-Market Election

A United States Holder of Ordinary Shares may make an election to include gain or loss on the Ordinary Shares as ordinary income or loss under a mark-to-market method, provided that the Ordinary Shares are regularly traded on a qualified exchange. If a United States Holder of Ordinary Shares makes an effective mark-to-market election, the United States Holder will include in each year as ordinary income the excess of the fair market value of its Ordinary Shares at the end of the year over its adjusted tax basis in the Ordinary Shares. The United States Holder will be entitled to deduct as an ordinary loss each year the excess of its adjusted tax basis in the Ordinary Shares over their fair market value at the end of the year, but only to the extent of the net amount previously included in income as a result of the mark-to-market election. A United States Holder's adjusted tax basis in the Ordinary Shares will be increased by the amount of any income inclusion and decreased by the amount of any deductions under the mark-to-market rules. In addition, gains from an actual sale or other disposition of Ordinary Shares will be treated as ordinary income, and any losses will be treated as ordinary losses to the extent of any mark-to-market gains for prior years. Because a mark-to-market election generally will not be available for equity interests in any lower-tier PFICs, a United States Holder of Ordinary Shares generally will continue to be subject to the PFIC rules with respect to its indirect interest in such lower-tier PFICs.

If a United States Holder of Ordinary Shares makes a mark-to-market election, it will be effective for the taxable year for which the election is made and all subsequent taxable years unless the Ordinary Shares are no longer regularly traded on a qualified exchange or the U.S. Internal Revenue Service consents to the revocation of the election.

Qualified Electing Fund Election

A United States Holder of Ordinary Shares may make an election to treat the Company as a qualified electing fund (**QEF**) for United States federal income tax purposes. To make a QEF election, the Company must provide United States Holders of Ordinary Shares with information compiled according to United States federal income tax principles. The Company currently does not intend to compile such information for United States Holders, and therefore it is expected that this election will be unavailable.

Non-United States Holders

Subject to the backup withholding rules described below, a Non-United States Holder generally should not be subject to United States federal income or withholding tax on any payments on the Ordinary Shares or gain from the sale or other taxable disposition of the Ordinary Shares unless: (i) that payment and/or gain is effectively connected with the conduct by that Non-United States Holder of a trade or business in the United States, and if required by an applicable income tax treaty, that payment and/or gain is attributable to a permanent establishment or fixed base that such Non-United States Holder maintains in the United States; or (ii) in the case of any gain realised on the sale or other disposition of an Ordinary Share by an individual Non-United States Holder, that Non-United States Holder is present in the United States for 183 days or more in the taxable year of the sale or other disposition and certain other conditions are met.

Backup Withholding and Information Reporting

In general, information reporting will apply to dividends in respect of the Ordinary Shares and the proceeds from the sale or other disposition of the Ordinary Shares that are paid to holders within the United States (and in certain cases, outside the United States), unless a holder establishes, if required to do so, that it is an exempt recipient. Backup withholding may apply to such payments if a holder fails to provide a taxpayer identification number or certification of other exempt status or fails to otherwise comply with the backup withholding requirements. Non-United States Holders may be required to comply with applicable certification procedures to establish that they are not United States Holders in order to avoid the application of such information reporting requirements and backup withholding.

Any amounts withheld under the backup withholding rules will be allowed as a credit against a holder's United States federal income tax liability or as a refund provided the required information is timely furnished to the United States Internal Revenue Service. Certain United States Holders that own "*specified foreign financial assets*" that meet certain U.S. dollar value thresholds generally are required to file an information report with respect to such assets with their tax returns. The Ordinary Shares generally will constitute specified foreign financial assets subject to these reporting requirements unless the Ordinary Shares are held in an account at certain financial institutions. United States Holders are urged to consult their tax advisers regarding the application of these disclosure requirements to their ownership of the Ordinary Shares.

GENERAL INFORMATION

Domicile, Legal Form and Incorporation

The legal and commercial name of the Company is Scholt Energy B.V., to be renamed Scholt Energy N.V. immediately prior to Settlement.

On 9 September 2016, the Company was incorporated as a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) under the laws of the Netherlands as Scholt Energy B.V.

Immediately prior to Settlement, the Company will be converted into a public limited company (*naamloze vennootschap*) incorporated under Dutch law and its name will be changed to Scholt Energy N.V. The Company operates under the laws of the Netherlands.

The Company is domiciled in the Netherlands. The Company's statutory seat (*statutaire zetel*) is in Valkenswaard, the Netherlands, and its registered office is at Parallelweg Oost 35, 5555 XA Valkenswaard, the Netherlands. The Company is registered with the Netherlands Chamber of Commerce (*Kamer van Koophandel*) under number 66811899, and its telephone number is +31 (0)40 368 12 23. The Company's LEI is 724500LLRNCTWAWOLJ68. The Company's website is www.scholt.nl.

Corporate Authorisations

Prior to Settlement, it is expected that the Management Board will, pursuant to a resolution of the General Meeting to be adopted prior to the Settlement Date, be authorised for a period of 18 months following the Settlement Date, subject to the approval of the Supervisory Board, to resolve to issue Ordinary Shares (either in the form of stock dividend or otherwise) and/or grant rights to acquire Ordinary Shares up to a maximum of 10% of the number of Ordinary Shares issued immediately following the Settlement Date, and to exclude pre-emptive rights in relation thereto. In addition, it is expected that the Management Board will, pursuant to a resolution of the General Meeting to be adopted prior to Settlement, be authorised for a period of 18 months following Settlement, to acquire Ordinary Shares, subject to the approval of the Supervisory Board, its own Ordinary Shares (including Ordinary Shares issued as stock dividend), up to a maximum of 10% of the issued capital at the date of acquisition, provided that Company will hold no more Ordinary Shares in stock than a maximum of 50% of the issued capital, either through purchase on a stock exchange or otherwise, at a price, excluding expenses, not lower than the nominal value of the Ordinary Shares and not higher than the opening price on Euronext Amsterdam on the day of the repurchase plus 10%.

Independent Auditors

The financial statements of SEC Holding B.V. as at and for each of the years ended 31 December 2020, 2019 and 2018, included in this Prospectus, have been audited by KPMG Accountants N.V. (**KPMG**), independent auditors, as stated in their report appearing herein.

The Interim Financial Statements include the financial statements of the Company as at 30 June 2021 and for the six months ended 30 June 2021 and 30 June 2020, which are unaudited but reviewed. With respect to the unaudited interim financial information as at 30 June 2021 and for the six-month period ended 30 June 2021 and 30 June 2020, included herein, the independent auditors have reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included herein, states that they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied.

KPMG is an independent registered accounting firm with its principal place of business at Laan van Langerhuize 1, 1186 DS Amstelveen, the Netherlands. The auditor signing the auditor's report on behalf of KPMG is a member of the Netherlands Institute of Chartered Accountants (*Nederlandse Beroepsorganisatie van Accountants*).

No Significant Change

As at the date of this Prospectus, there has been no significant change in the financial performance and the financial position of the Group since 30 June 2021.

Options or Preferential Rights in respect of Ordinary Shares

Save as disclosed under "*Management and Corporate Governance—Remuneration Information for the Management Board*" and "*Management and Corporate Governance—Employee Equity Holdings*", the Company is not party to any contract or arrangement (or proposed contract or arrangement), whereby an option of preferential right of any kind is (or is proposed to be) given to any person to subscribe for any securities in the Company.

Expenses of the Offering

Based on the Offer Price and assuming the sale of 6,000,000 Offer Shares and no exercise of the Over-Allotment Option, the expenses related to the Offering are estimated at €5.7 million and include, among other items, the fees due to the AFM, Euronext Amsterdam N.V., the commission and expenses payable to the Underwriters and legal and administrative expenses, as well as publication costs and applicable taxes, if any. These expenses will be borne by the Selling Shareholders. See also section "*Reasons for the Offering and Use of Proceeds*" and "*Plan of Distribution*".

Available Documents

Subject to any applicable securities laws, copies of the following documents will be available and can be obtained free of charge from the date of publication of this Prospectus from the Company's website (www.scholt.com/investors) from the date of this Prospectus (save for the Pricing Statement, which will be available after pricing of the Offering) until at least 12 months thereafter:

- this Prospectus;
- the Pricing Statement;
- the Articles of Association (in Dutch, and an unofficial English translation);
- the Management Board Rules;
- the Supervisory Board Rules; and
- the rules of the Audit Committee.

In addition, copies of these documents will be available free of charge at the Company's offices during normal business hours from the date of this Prospectus until at least the Settlement Date.

Incorporation by Reference

The Articles of Association (the official Dutch version and an English translation thereof) are incorporated in this Prospectus by reference and, as such, form part of this Prospectus. The Articles of Association are available in electronic form on the Company's website (Dutch version: <https://www.scholt.nl/media/m1rdjrie/statuten-scholt-energy-nv-nl.pdf> / English translation: <https://www.scholt.nl/media/fc3ln5dw/articles-of-association-scholt-energy-nv-en.pdf>).

No Incorporation of Website

Prospective investors should only rely on the information that is provided in this Prospectus or incorporated by reference into this Prospectus. No other documents or information, including the contents of the Company's website (www.scholt.nl), or of websites accessible from hyperlinks on that website, form part of, or are incorporated by reference into, this Prospectus. Other than this Prospectus, the Prospectus summary and the Articles of Association, the contents of the Company's website (www.scholt.nl), websites accessible from hyperlinks on that website, or hyperlinks in this Prospectus that refer to websites (not being hyperlinks to a document incorporated by reference into this Prospectus), have not been scrutinised or approved by the AFM.

Provision of information

The Company has agreed that, for so long as any of the Offer Shares are outstanding and are 'restricted securities' within the meaning of Rule 144(a)(3) under the US Securities Act, it will, during any period in which the Company is neither subject to Section 13 or 15(d) of the US Exchange Act nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of such restricted Offer Shares or to any prospective purchaser of such restricted Offer Shares designated by such holder or beneficial owner, upon the request of such holder, beneficial owner or prospective purchaser, the information required to be provided by Rule 144A(d)(4) under the US Securities Act.

As at the date of this Prospectus, the Company is not subject to the periodic reporting and other informational requirements of the US Exchange Act.

DEFINED TERMS

The following list of defined terms is not intended to be an exhaustive list of definitions, but provides a list of certain of the defined terms used in this Prospectus.

ABN AMRO	ABN AMRO Bank N.V.
Admission	the admission of the Offer Shares to listing and trading of all the Ordinary Shares on Euronext Amsterdam
AFM	the Netherlands Authority for the Financial Markets (<i>Stichting Autoriteit Financiële Markten</i>)
APMs	alternative performance measures
Articles of Association	the articles of association (<i>statuten</i>) of the Company as they shall read as of the Settlement Date
Audit Committee	the audit committee of the Supervisory Board
Company	Scholt Energy N.V.
Dutch Civil Code	the Dutch Civil Code (<i>Burgerlijk Wetboek</i>)
Dutch Corporate Governance Code	the Dutch corporate governance code dated 8 December 2016 as established under Section 2:391, sub-section 5 of the Dutch Civil Code
Dutch FMSA	the Dutch Financial Supervision Act (<i>Wet op het financieel toezicht</i>)
Dutch Retail Investor	(i) a natural person resident in the Netherlands; or (ii) a special investment vehicle having its seat in the Netherlands which is a legal entity established for the express and sole purpose of providing asset management and/or retirement planning services for a natural person
Dutch Securities Transactions Act	the Dutch Act on Securities Transactions by Giro (<i>Wet giraal effectenverkeer</i>)
Dutch SRD Act	the Dutch act on the promotion of the long-term involvement of shareholders (<i>bevordering van de langetermijnbetrokkenheid van aandeelhouders</i>)
Energy Transition Services	represents one of the two business lines of Scholt Energy consisting of the broad range services offered to customers related to the energy transition. These consists of four product groups: solar, flexibility, services related to electric vehicles (EV) and energy savings
Enterprise Chamber	the enterprise chamber of the court of appeal in Amsterdam (<i>Ondernemingskamer van het Gerechtshof te Amsterdam</i>), the Netherlands

EURIBOR	Euro Interbank Offer Rate
euro or €	the single currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty on the functioning of the European Community, as amended from time to time
Euroclear Nederland	the Netherlands Central Institute for Giro Securities Transactions (<i>Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.</i>) trading as Euroclear Nederland
Euronext Amsterdam	Euronext Amsterdam, a regulated market operated by Euronext Amsterdam N.V.
Financial Statements	the audited consolidated financial statements of the Company as at and for the years ended 31 December 2020, 31 December 2019 and 31 December 2018 and the notes thereto as included in this Prospectus
Financial Year	a financial year of the Company ended 31 December
First Trading Date	the date on which trading in the Ordinary Shares on an "as-if-and-when-issued" basis on Euronext Amsterdam commences, which is expected to be on or around 17 September 2021
FRSA	the Dutch Financial Reporting Supervision Act (<i>Wet toezicht financiële verslaggeving</i>)
GDPR	Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data
General Meeting	the general meeting (<i>algemene vergadering</i>) of the Company, being the corporate body, or, where the context so requires, the physical meeting of shareholders of the Company
Group	the Company as well as its businesses that are held as consolidated subsidiaries and equity-method non-consolidated subsidiaries, associated companies and joint ventures, as the context requires
IFRS	International Financial Reporting Standards
IFRS-EU	IFRS as adopted by the European Union
Joint Bookrunners	KBC Securities NV, together with the Joint Global Coordinators
Joint Global Coordinators	ABN AMRO Bank N.V. and Coöperatieve Rabobank U.A.
KBC	KBC Securities NV
Listing and Paying Agent	ABN AMRO Bank N.V.

Management Board	the management board (<i>bestuur</i>) of the Company
Managing Director	a member of the Management Board
Market Abuse Regulation	Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, which entered into force on 3 July 2016
Market Access and Energy Supply	represents one of the two business lines of Scholt Energy, through which Scholt Energy provides its customers with access to the wholesale energy (electricity and gas) markets, forward as well as spot markets; besides energy supply, Scholt Energy also provides its customers with tailor-made (renewable certificates) procurement and cost saving advice and the ability to choose from multiple sources of renewable energy
Offer Period	the period during which prospective investors may subscribe for the Offer Shares currently expected to commence at 09:00 CET on 8 September 2021 and end at 17:30 CET on 15 September 2021 for Dutch Retail Investors and to commence at 09:00 CET on 8 September 2021 and end at 14:00 CET on 16 September 2021 for prospective institutional investors, subject to acceleration or extension of the timetable for the Offering
Offer Price	the price of the Offer Share to be determined after the Offer Period has ended
Offer Price Range	the indicative price range for the Offer Shares between €16.00 to €19.00 (inclusive) per Offer Share as at the date of this Prospectus
Offer Shares	the up to 6,900,000 existing Ordinary Shares offered by the Selling Shareholders in the Offering
Offering	the offering of Offer Shares as described in this Prospectus
Ordinary Shares	the ordinary shares in the capital of the Company with a nominal value of €0.01 each
Over-Allotment Shares	the up to 900,000 additional existing Ordinary Shares, equalling up to 15% of the total number of Offer Shares, which the Selling Shareholders may be required to sell pursuant to the Over-Allotment Option
Over-Allotment Option	an option, exercisable within 30 calendar days after the First Trading Date, pursuant to which the Stabilisation Manager may require Waterland and Scholt Investment Group B.V. to sell at the Offer Price up to 900,000 Over-Allotment Shares, equalling up to 15% of the total number of Offer Shares, to cover short positions resulting from any over-allotments made in connection with the Offering or to facilitate stabilisation transactions
Preferential Retail Allocation	a preferential allocation of Offer Shares to Dutch Retail Investors

Pricing Statement	the pricing statement in which the Offer Price and the exact number of Offer Shares will be set out
Prospectus	this prospectus dated 8 September 2021
Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of the European Union of 14 June 2017 including any relevant delegated regulations
QIBs	qualified institutional buyers, as defined in Rule 144A
Rabobank	Coöperatieve Rabobank U.A.
Regulation S	Regulation S under the US Securities Act
Retail Coordinator	ABN AMRO Bank N.V.
Rule 144A	Rule 144A under the US Securities Act
Scholt Energy	the Company as well as its businesses that are held as consolidated subsidiaries and equity-method non-consolidated subsidiaries, associated companies and joint ventures, as the context requires
SEC	US Securities and Exchange Commission
Selling Shareholders	Waterland, Scholt Investment Group B.V., Antonius 8001 Holding B.V. and Stichting Administratiekantoor SEC Topholding
Senior Facilities Agreement	the credit facility agreement defined in " <i>Business—Material Agreements—Senior Revolving Facility Agreement</i> "
Settlement	payment (in euro) for, and delivery of, the Offer Shares
Settlement Date	the date on which Settlement occurs, which is expected to be on or around 21 September 2021
Shareholder	any holder of the Ordinary Shares at any time
Stabilisation Manager	ABN AMRO Bank N.V.
Supervisory Board	the supervisory board (<i>raad van commissarissen</i>) of the Company
Supervisory Director	a member of the Supervisory Board
Underwriters	the Joint Bookrunner and the Joint Global Coordinators
Underwriting Agreement	the underwriting agreement with respect to the Offering among the Company, the Selling Shareholders and the Underwriters dated 8 September 2021
United States or US	the United States of America
US Exchange Act	the US Securities Exchange Act of 1934, as amended

US Securities Act	the US Securities Act of 1933, as amended
US-NL Treaty	the 1992 double tax treaty entered into by the United States and the Netherlands, as amended most recently by the Protocol signed on 8 March 2004
USD or \$	US Dollars, the lawful currency of the United States
Waterland	Powerco B.V.

GLOSSARY OF TECHNICAL TERMS

The following list of technical terms is not intended to be an exhaustive list of technical terms, but provides a list of certain of the technical terms used in this Prospectus.

B2B	Business-to-business (B2B) is a form of transaction between businesses
bcm	Billion cubic meter (bcm) is a measure of natural gas production and trade
BRP	A Balancing Responsible Party (BRP) is an entity that is authorised and obliged to send a daily forecast to the TSO of the production and consumption of its portfolio on a quarter-hour basis
BSP	A Balancing Service Provider (BSP) is an entity that provides balancing services to the TSO. A BSP balances out unforeseen fluctuations in the electricity grid by rapidly increasing or reducing their power output
churn	Churn is the measure of how many customers stop using a product or stop doing business with an entity. The churn rate is calculated by volume of lost contracted connections with end-users of energy for that year (due to competition, bankruptcy, demolition and contract breach) divided by volume of all contracted connections with end-users of energy for that year
customer effort score	The customer effort score as described in " <i>Important Information—Other Information</i> "
day-ahead market	A day-ahead market lets market participants commit to buy or sell wholesale electricity one day before the operating day, to help avoid price volatility
eNPS	eNPS as described in " <i>Important Information—Other Information</i> "
EPEX	An electric power exchange operating in Central Western Europe, the United Kingdom and the Nordic countries. It provides a market place where exchange members can send their orders to buy or sell electricity in determined delivery areas
EV	Electric vehicles
FCR	The Frequency Containment Reserves (FCR) is the active power reserves available to contain system frequency after the occurrence of an imbalance
forward market	An over-the-counter market place that sets the price of a financial instrument or asset – such as electricity or gas – for future delivery

grid	An interconnected network for energy delivery from producers to consumers
grid operator	An entity that installs, manages and maintains ("operates") the grid
HBE	In Dutch: <i>Hernieuwbare Brandstofeenheden (HBE)</i> , which are renewable energy units
ICE Endex	An energy exchange operating in continental Europe. It is a spot market for trading natural gas and a derivatives market for trading power and gas products
imbalance	An energy volume calculated for a BRP and representing the difference between the allocated volume attributed to that BRP, and the final position of that BRP and any imbalance adjustment applied to that BRP, within a given imbalance settlement period
imbalance market	A market of last resort, where energy is sourced on the day in the event of shortage often at a higher price than would otherwise be found through the forward, day-ahead or intraday markets
intraday market	An intraday market lets market participants trade electricity continuously, 24 hours a day, with delivery on the same day
kW / kWh	Kilowatt or kilowatt-hour is a unit of capacity (MW), or energy (MWh, equal to 10^3 Watt), which is commonly used as a billing unit for energy delivered to consumers by electric utilities
Guarantee of Origin	A tracking instrument defined in article 15 of the European Directive 2009/28/EC, which labels electricity from renewable sources to provide information to electricity customers on the source of their energy. Guarantees of Origin are the only exact defined instruments evidencing the origin of electricity generated from renewable energy sources
GW / GWh	Gigawatt or gigawatt-hour is a unit of capacity (MW), or energy (MWh, equal to 10^9 Watt), which is commonly used for metering larger amounts of electrical energy to industrial customers and in power generation
mark-to-market	A method for measuring the fair value of accounts that can fluctuate over time, such as assets and liabilities. Mark-to-market aims to provide a realistic appraisal of an entity's current financial situation based on current market conditions
Mtoe	Million tonnes of oil equivalent is a unit of energy defined as the amount of energy released by burning one million tonne of crude oil
MW / MWh	Megawatt or megawatt-hour is a unit of capacity (MW), or energy (MWh, equal to 10^6 Watt), which is commonly used for

	metering larger amounts of electrical energy to industrial customers and in power generation
NPS	NPS as described in " <i>Important Information—Other Information</i> "
PV	Photovoltaics (PV) is the conversion of light into electricity using semiconducting materials that exhibit the photovoltaic effect
REMIT	A sector-specific legal framework for the monitoring of wholesale energy markets and applies to parties trading thereon or entering into transport contracts (Regulation (EU) 1227/2011 on wholesale energy market integrity and transparency)
shipper	The role of an entity that is authorised to coordinate the supply of gas or supply gas from the grid operator to customers. A shipper is obliged to send a daily forecast to the grid operator specified on an hourly basis
SMEs	Small and medium-sized enterprises
spot market	A market where financial instruments, such as energy, currencies and securities, are traded for immediate delivery. Delivery is the exchange of cash for the financial instrument
TSO	An entity entrusted with transporting energy in the form of natural gas or electrical power on a national or regional level, using fixed infrastructure
TW / TWh	Terawatt or terawatt-hour is a unit of capacity (TW), or energy (TWh, equal to 10^{12} Watt), which is commonly used for metering larger amounts of electrical energy to industrial customers and in power generation. It is large enough to conveniently express the annual electricity generation or consumption for whole countries

INDEX TO FINANCIAL STATEMENTS

INTERIM FINANCIAL STATEMENTS	
Independent Auditor's Review Report	F-2
Unaudited Condensed Consolidated Statement of Financial Position	F-8
Unaudited Condensed Consolidated Statement of Profit or Loss and Comprehensive Income	F-10
Unaudited Condensed Consolidated Statement of Changes in Equity	F-11
Unaudited Condensed Consolidated Statement of Cash Flows	F-12
Notes to the Condensed Consolidated Interim Financial Statements	F-14
FINANCIAL STATEMENTS	
Independent Auditor's Report	F-32
Consolidated Statement of Financial Position	F-38
Consolidated Statement of Profit or Loss and Comprehensive Income	F-40
Consolidated Statements of Changes in Equity	F-41
Consolidated Statement of Cash Flows	F-43
Notes to the Financial Statements	F-45

Independent auditor's review report

To: the Board of Directors of Scholt Energy B.V.

Our conclusion

We have reviewed the accompanying special purpose condensed consolidated interim financial statements of Scholt Energy B.V. (or hereafter: 'the Company') based in Valkenswaard. Based on our review, nothing has come to our attention that causes us to believe that the special purpose condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union.

The special purpose condensed consolidated interim financial statements comprise:

- 1 the condensed consolidated statement of financial position as at 30 June 2021;
- 2 the following statements for the six-month periods ended 30 June 2021 and 30 June 2020: the condensed consolidated statement of profit or loss and comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows; and
- 3 the notes comprising of a summary of the accounting policies and other explanatory information.

Basis for our conclusion

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

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

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

Emphasis of the basis of accounting and restriction on use

We draw attention to note 2 (Basis of preparation), which describes the special purpose of the condensed consolidated interim financial statements and the notes, including the basis of accounting. The special purpose condensed consolidated interim financial statements are prepared for the purpose of the inclusion in a prospectus in connection with the initial public offering and admission to listing and trading on Euronext Amsterdam. As a result, the special purpose condensed consolidated interim financial statements may not be suitable for another purpose. Our opinion is not modified for this matter.

Responsibilities of the Board of Directors for the special purpose condensed consolidated interim financial statements

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

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

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

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

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

Our review included among others:

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

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

Breda, 7 September 2021

KPMG Accountants N.V.

A handwritten signature in black ink, appearing to read 'R.C.W. Keijzers', with a long, sweeping horizontal line extending to the right.

R.C.W. Keijzers RA

Scholt Energy B.V.

Formerly known as SEC Holding B.V., after merger of SEC Topholding B.V. into SEC Holding B.V., known as Scholt Energy B.V.

-unaudited-

**special purpose condensed consolidated interim financial statements for the
six months ended 30 June 2021**

Contents

- Special purpose condensed consolidated interim financial statements for the six months ended 30 June 2021
 - Condensed consolidated statement of financial position
 - Condensed consolidated statement of profit or loss and comprehensive income
 - Condensed consolidated statement of changes in equity
 - Condensed consolidated statement of cash flows
 - Notes to the special purpose condensed consolidated interim financial statements

**Special purpose condensed consolidated interim financial statements for
the six months ended 30 June 2021**

**Condensed consolidated statement of financial position as at 30 June 2021 and
31 December 2020**

		30 June 2021 EUR 1.000	31 December 2020 EUR 1.000
Assets			
Property, plant and equipment		5.786	5.441
Intangible assets and goodwill		68.646	70.956
Equity-accounted investees		389	366
Loans to joint ventures		131	256
Deferred tax assets		814	698
Non-current assets		<u>75.766</u>	<u>77.717</u>
Trade and other receivables	6	106.181	66.541
Cash and cash equivalents		18.521	5.279
Current assets		<u>124.702</u>	<u>71.820</u>
Total assets		<u>200.468</u>	<u>149.537</u>

The notes on pages 15 to 32 are an integral part of these Condensed consolidated interim financial statements.

		30 June 2021 EUR 1.000	31 December 2020 EUR 1.000
Equity			
Share capital		-	-
Share premium		46.440	46.440
Retained earnings		-2.620	-6.216
Total equity		<u>43.820</u>	<u>40.224</u>
Liabilities			
Loans and borrowings	7	3.866	3.598
Trade and other payables		1.389	1.126
Provisions		66	57
Deferred tax liabilities		6.790	6.717
Non-current liabilities		<u>12.111</u>	<u>11.498</u>
Loans and borrowings	7	893	700
Trade and other payables		141.112	94.204
Current tax liabilities		2.361	2.225
Contract liabilities		-	558
Deferred income		171	128
Current liabilities		<u>144.537</u>	<u>97.815</u>
Total liabilities		<u>156.648</u>	<u>109.313</u>
Total equity and liabilities		<u>200.468</u>	<u>149.537</u>

The notes on pages 15 to 32 are an integral part of these Condensed consolidated interim financial statements.

Condensed consolidated statement of profit or loss and comprehensive income for the six months ended 30 June 2021 and 30 June 2020

		2021 EUR 1.000	2020 EUR 1.000
Revenue	4	347.270	214.045
Total operating income		347.270	214.045
Cost of energy purchases		-330.711	-199.674
Wages and salaries		-4.472	-3.714
Social security and pension charges		-874	-743
Amortization and depreciation on intangible and tangible fixed assets		-3.766	-3.694
Impairment loss on trade receivables and contract assets		-13	-26
Other operating expenses		-2.197	-1.886
Total operating expenses		-342.033	-209.737
Operating result		5.237	4.308
Finance income		101	-
Finance costs		-483	-692
Net finance costs		-382	-692
Share of profit of equity-accounted investees, net of tax		20	-20
Profit before tax		4.875	3.596
Income tax expense	5	1.279	1.307
Profit for the period		3.596	2.289
Other comprehensive income		-	-
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income for the period, net of tax, all attributable to owners of the Company		3.596	2.289
Earnings per share			
Basic earnings per share (EUR)		360	229
Diluted earnings per share (EUR)		360	229

The notes on pages 15 to 32 are an integral part of these Condensed consolidated interim financial statements.



Condensed consolidated statement of changes in equity for the six months ended 30 June 2021 and 30 June 2020

	Share capital	Share premium	Retained earnings	Total equity
	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000
Balance at 31 December 2020	-	46.440	-6.216	40.224
Total comprehensive income				
Profit	-	-	3.596	3.596
Other comprehensive income	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income	-	-	3.596	3.596
Transactions with owners of the Company	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total transactions with owners of the company	-	-	-	-
Balance at 30 June 2021	-	46.440	-2.620	43.820
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 December 2019	-	46.440	-10.452	35.988
Total comprehensive income				
Profit	-	-	2.289	2.289
Other comprehensive income	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income	-	-	2.289	2.289
Transactions with owners of the Company	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total transactions with owners of the company	-	-	-	-
Balance at 30 June 2020	-	46.440	-8.163	38.277
	<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 15 to 32 are an integral part of these Condensed consolidated interim financial statements.

Condensed consolidated statement of cash flows for the six months ended 30 June 2021 and 30 June 2020

	2021 EUR 1.000	2020 EUR 1.000
Cash flows from operating activities		
Profit for the period	3.596	2.289
Adjustments for:		
— Depreciation	611	572
— Amortization	3.155	3.123
— Deferred Income	-613	-634
— Net finance costs	382	692
— Share of profit of equity-accounted investees, net of tax	-20	20
— Tax expense	1.279	1.307
	<hr/>	<hr/>
Changes in:		
— Contract assets	-27.221	-501
— Trade and other receivables	8.227	-1.218
— Contract liabilities	-558	537
— Trade and other payables	47.124	-5.787
— Government grants	655	614
— Provisions and employee benefits	9	16
	<hr/>	<hr/>
Cash generated from operating activities	36.626	1.030
Interest paid	-471	-590
Income taxes paid	-1.187	-372
	<hr/>	<hr/>
Net cash from operating activities	34.968	68
Cash flows from investing activities		
Interest received	101	-
Proceeds from sale of property, plant and equipment	44	35
Acquisition of property, plant and equipment	-124	-8
Acquisition of Intangible fixed assets	-802	-641
Repayment of loans to joint ventures	125	-
	<hr/>	<hr/>
Net cash from (used in) investing activities	-656	-614
Cash flows from financing activities		
Proceeds from loans and new borrowings	-	1.938
Payment of lease liabilities	-424	-359
Loan to parent	-20.646	-
	<hr/>	<hr/>
Net cash from (used in) financing activities	-21.070	1.579
	<hr/>	<hr/>



	2021 EUR 1.000	2020 EUR 1.000
Net increase/(decrease) in cash and cash equivalents	13.242	1.033
Cash and cash equivalents at 1 January*	5.279	4.112
Cash and cash equivalents at 30 June*	<u>18.521</u>	<u>5.145</u>

* Cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

The notes on pages 15 to 32 are an integral part of these Condensed consolidated interim financial statements.

Notes to the special purpose condensed consolidated interim financial statements

1 General information

Scholt Energy B.V. (the 'Company') is a private limited liability company domiciled in the Netherlands. The Company was incorporated on 9 September 2016. The Company is a holding and finance company and does not have any operations.

The Company holds 100% of the shares of the operating company Scholt Energy Holding N.V., which is primarily involved in the purchase and sales of Energy (gas and electricity) and Energy Transition Services. Scholt Energy Holding N.V. on its turn holds all shares in Scholt Energy Control B.V. (active as an energy supplier to the Dutch business market since 2005), Scholt Energy Control N.V. (active as an energy supplier to the Belgian business market since 2009), Scholt Energy Control GmbH (active as an energy supplier to the German business market since 2014), Scholt Energy Control GmbH (active as an energy supplier to the Austrian business market since 2020), Scholt Energy Trading B.V. (responsible for sourcing of gas and electricity on Dutch, Belgian, German and Austrian markets) and Scholt Energy Assets B.V. (newly incorporated in May 2021 and will directly or indirectly hold assets contributing to the energy transition from fossil fuels to net zero carbon), all collectively referred as "Group", "the Group" or "Scholt". After signing a share purchase agreement with Scholt Energy Holding N.V.'s former shareholders on 14 September 2016, the Scholt Energy Holding N.V. shares were legally transferred to the Company on 7 October 2016.

The Company is the head of the group. The group's main geographic focus is the Netherlands, followed by Belgium, Germany and Austria.

The Company has its registered office at Parallelweg Oost 35, 5555 XA Valkenswaard, The Netherlands. The shares of the Company are held by SEC Topholding B.V. The ultimate parent company of the Company and its subsidiary is Waterland Private Equity Fund VI C.V., Bussum.

The Group supplies electricity and gas and provides energy transition services to customers operating in the business to business market. The Group does not own assets to generate electricity or gas, but has access to both commodities through bilateral agreements with European utility-companies as well through exchange-memberships with ICE-index and NordPool exchange. The Group's customers are provided the option to purchase energy at fixed rates, at variable rates, or a combination of both. The Group enters into forward energy supply contracts to hedge contractual agreed volumes against changes in market prices back to back. The Group does not engage in any speculative activities nor trading of these forward agreements nor does it apply hedge accounting. Energy Transition Services consists of innovative solutions focused on generation of energy with photovoltaic installations, energy consumption savings, e-mobility and monetizing flexibility in its customers production process and/or storage assets.

These special purpose condensed consolidated interim financial statements ('Condensed consolidated interim financial statements') were authorized for issue by Company's Board of Directors on 7 September 2021.



KPMG Audit
Document to which our report

2086587-21X00178683BRD dated

7 September 2021

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KPMG Accountants N.V.

2 Basis of preparation

(a) Basis of accounting

These unaudited special purpose condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting, and should be read in conjunction with the Group's last special purpose consolidated financial statements as at and for the year ended 31 December 2020 that have been prepared for inclusion in an offering document (prospectus) in connection with the intended initial public offering and admission to listing and trading at Euronext N.V., Amsterdam, The Netherlands. These Condensed consolidated interim financial statements have been prepared for inclusion in this offering document.

They do not include all of the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

(b) Basis of measurement

The accounting policies adopted are consistent with those applied in the IFRS special purpose consolidated financial statements as at and for the year ended 31 December 2020.

(c) Functional and presentation currency

These condensed consolidated interim financial statements are presented in euro, which is the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

(d) Use of judgements and estimates

In preparing these condensed consolidated interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements. In addition, insofar actual energy consumption was not yet transmitted to the Company while preparing its interim condensed consolidated financial statements, management has recognized its revenue for June 2021 based on the estimated usage of energy. The significant judgements and estimates relevant to the Condensed consolidated interim financial statements are the following:

Judgements

- the determination of operating segments;
- the determination of cash generating unit for the purpose of the annual impairment testing that was carried out in the second half year of 2020;

- the application of own-use exemption for forward energy supply contracts: whether energy supply contracts are considered to be trading activities and meet the definition of a derivative contract or are to be considered executory contracts;
- revenue: whether the Group acts as a principal or an agent;
- leases: whether an arrangement contains a lease;
- lease term: whether the Group is reasonably certain to exercise extension options.

Assumptions and estimation uncertainties

- revenue: the estimation of energy usage (volume) for June 2021;
- the annual impairment test of intangible assets and goodwill that was carried out in the second half year of 2020: key assumptions underlying recoverable amounts;
- the estimation of the fair market value of Green certificates obligation;
- measurement of Expected Credit Loss ('ECL') allowance for trade receivables and contract assets: key assumptions in determining the weighted-average loss rate; and
- allocation of costs to obtain a contract to respective years after obtaining.

Measurement of fair values

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The significant unobservable inputs and valuation adjustments are regularly reviewed. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of IFRS standards are assessed by the Group's finance-department, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to and discussed by the Management.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at

fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(e) Changes in accounting policies and disclosures

A number of new standards are effective from 1 January 2022 but are not expected to have a material effect on the Group's financial statements.

3 Operating segments

The Group has the following operating segments, which are also the reportable segments.

Reportable segments	Operations
Supply of energy (gas and electricity)	Supplying of gas and electricity to corporate customers in the Netherlands, Germany, Belgium and Austria. Enabling these customers to reduce their energy costs and reduce their purchasing risk by combining fixed and variable prices.
Energy service activities	Activities aimed to support customers with all their energy matters, from energy savings to solar panels and monetizing flexibility in customer's production processes and energy storage assets by automated control of energy flows.

Management reviews the internal management report on a monthly basis. Management does not manage electricity and gas separately and therefore the supply of energy is considered as an operating segment. Information related to each reportable segment is set out below.

The Group's energy supply business model provides for transparent mark-up on wholesale prices in euro per unit of energy supplied rather than in a percentual mark-up. Whereas wholesale-prices for electricity and gas (not within the scope of the Group's influence) do directly impact the Group's revenues on energy supply, the Group's gross margin does not directly relate to wholesale prices, but to the amount of energy supplied. Accordingly, the segment gross margin is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries. The customers of the Group are widespread across the different segments

	Energy supply		Energy Transition Services		Total	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000
External revenues	346.099	213.293	1.171	752	347.270	214.045
Segment revenue	346.099	213.293	1.171	752	347.270	214.045
Segment gross margin*	16.151	13.937	408	434	16.559	14.371
Segment profit (loss) before tax	4.798	3.469	77	127	4.875	3.596
Interest income	101	-	-	-	101	-
Interest expense	-483	-692	-	-	-483	-692
Depreciation and amortization	-3.766	-3.694	-	-	-3.766	-3.694
Share of result of equity-accounted investees	-	-	20	-20	20	-20
<i>Other material non-cash items:</i>						
▪ Impairment losses on trade receivables and contract assets	-20	-42	-	-	-20	-42

*Determined as External revenue less Cost of energy purchases

	Energy supply		Energy Transition Services		Total	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020
	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000
Segment assets	199.708	148.615	760	922	200.468	149.537
Equity-accounted investees	-	-	389	366	389	366
Capital expenditure	1.867	1.879	-	-	1.867	1.879
Segment liabilities	-155.811	-107.122	-837	-2.191	-156.648	-109.313



KPMG Audit
Document to which our report

2086587-21X00178683BRD dated
7 September 2021

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KPMG Accountants N.V.

Geographical information

The Group is active in the Netherlands, Belgium, Germany and Austria. The services are provided from the Netherlands under a limited risk distribution contract with Belgium and Germany, and the relevant (cross-border) strategic and commercial decisions are made in the Netherlands (not on an independent basis or on a country basis). After obtaining all relevant permits and sourcing contracts to enter the Austrian market in 2020, the Group has installed an Austrian sales-team in 2021 and expects its first Austrian revenue in 2022.

The geographic information below analyses the Group's revenue and non-current assets by the Company's country of domicile and other countries. In presenting the following information, segment revenue has been based on the geographical location of customers and segment assets were based on the geographical location of the assets.

Non-current assets exclude financial investments (other than equity-accounted investees and deferred tax assets).

	Revenue		Non-current assets	
	6 months ended 30 June 2021 EUR 1.000	6 months ended 30 June 2020 EUR 1.000	30 June 2021 EUR 1.000	31 December 2020 EUR 1.000
The Netherlands	173.159	103.133	73.992	76.531
Germany	122.458	79.808	783	408
Belgium	51.653	31.104	991	778
Consolidated totals	347.270	214.045	75.766	77.717

4

Revenue

A. Revenue streams

The Group generates revenue from the delivery of energy and services provided. The revenues can be specified as follows.

	30 June 2021 EUR 1.000	30 June 2020 EUR 1.000
Revenue from Energy supply contracts	346.099	213.293
Energy Transition Services revenue	1.171	752
Total revenue	347.270	214.045

B. Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments.



	Reportable segments				Total	
	Energy supply		Energy Transition Services			
	30 June 2021 EUR 1.000	30 June 2020 EUR 1.000	30 June 2021 EUR 1.000	30 June 2020 EUR 1.000	30 June 2021 EUR 1.000	30 June 2020 EUR 1.000
Primary geographical markets						
The Netherlands	171.988	102.381	1.171	752	173.159	103.133
Germany	122.458	79.808	-	-	122.458	79.808
Belgium	51.653	31.104	-	-	51.653	31.104
	<u>346.099</u>	<u>213.293</u>	<u>1.171</u>	<u>752</u>	<u>347.270</u>	<u>214.045</u>
Major service lines						
Electricity	275.687	175.011	-	-	275.687	175.011
Gas	70.412	38.282	-	-	70.412	38.282
Services	-	-	1.171	752	1.171	752
	<u>346.099</u>	<u>213.293</u>	<u>1.171</u>	<u>752</u>	<u>347.270</u>	<u>214.045</u>
Timing of revenue recognition						
Services transferred over time	346.099	213.293	1.171	752	347.270	214.045
	<u>346.099</u>	<u>213.293</u>	<u>1.171</u>	<u>752</u>	<u>347.270</u>	<u>214.045</u>

C. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

	30 June 2021 EUR 1.000	31 December 2020 EUR 1.000
Receivables	14.170	11.458
Contract assets	67.976	40.755
Contract liabilities	-	558

The contract assets relate to the Group's unbilled revenue at the reporting date for energy delivered (see note 6) amounting to EUR 67.061 thousand at 30 June 2021 (31 December 2020: EUR 39.938 thousand) and incurred incremental costs to obtain contracts amounting to EUR 915 thousand at 30 June 2021 (31 December 2020: EUR 817 thousand). The contract assets are transferred to receivables when the rights become unconditional. This occurs when the Group issues an invoice to the customer.

Seasonality of operations

The Group provides its services to customers operating in the business to business market. In general, the Group's gas segment is subject to fluctuations as a result of weather conditions with typically some higher sales impact in the first six months. The Group's energy supply business model provides for transparent mark-up on wholesale prices in euro per unit of energy supplied. Accordingly, the Group's gross margin is limited impacted by the weather conditions.



KPMG Audit
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2086587-21X00178683BRD dated

7 September 2021

also refers.

KPMG Accountants N.V.

5

Income taxes

Income tax expense is recognised at an amount determined by multiplying the profit (loss) before tax for the interim reporting period by management's best estimate of the weighted-average annual income tax rate expected for the full financial year, adjusted for the tax effect of certain items recognised in full in the interim period. As such, the effective tax rate in the interim financial statements may differ from management's estimate of the effective tax rate for the annual financial statements.

The Group's consolidated effective tax rate for the six months ended 30 June 2021 was 26% (six months ended 30 June 2020: 36%).

	30 June 2021		30 June 2020	
	%	EUR 1.000	%	EUR 1.000
Profit before tax from operations		4.875		3.596
Tax using the Company's domestic tax rate	25%	1.219	25%	899
Tax effect of:				
— Non-deductible expenses	-	-	-	2
— Effect of share of profits of equity-accounted investees	-	-	-	-5
— Change in statutory tax rates	-	-	6%	228
— Tax-exempt income	-	34	2%	75
— Adjustments for prior periods	-	-	3%	116
— Other	-	26	-	-8
	26%	1.279	36%	1.307

6 Trade and other receivables

	30 June 2021	31 December 2020
	EUR 1.000	EUR 1.000
Trade receivables	14.170	11.458
Unbilled revenue	67.061	39.938
Green certificates	2.463	12.332
Other receivables	22.487	2.813
	<u>106.181</u>	<u>66.541</u>

Other receivables include EUR 20.646 receivables from shareholders (31 December 2020: nil) and incurred incremental costs to obtain contracts amounting to EUR 915 thousand (31 December 2020: EUR 817 thousand).

7 Loans and borrowings

	Carrying amount EUR 1.000
Balance at 31 December 2020:	
Lease liabilities	4.298
New issues	
New leases	819
Repayments	
Payment of lease liabilities	-424
Other movements	
Indexations lease arrangements	66
Balance at 30 June 2021	<u>4.759</u>

The Group leases a number of offices facilities and cars. The car leases typically run for a period of 4 – 5 years, whereas the office facilities run for a period 5 – 10 period. Only the office facilities leases have an option to renew the lease after that date. Lease payments for the office facilities are renegotiated every five years to reflect market rentals.

8 Financial instruments – fair values and risk management

Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.



KPMG Audit
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2086587-21X00178683BRD dated

7 September 2021

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KPMG Accountants N.V.

30 June 2021

	Mandatorily at FVTPL	Carrying amount Financial assets at amortised cost	Other financial liabilities	Total	Level 1	Fair value Level 2	Level 3	Total
	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000
Financial assets measured at fair value	-	-	-	-	-	-	-	-
Financial assets not measured at fair value								
Loans with joint ventures	-	131	-	131	-	-	131	131
Trade and other receivables	-	106.181	-	106.181	-	-	106.181	106.181
Cash and cash equivalents	-	18.521	-	18.521	18.521	-	-	18.521
	-	124.833	-	124.833	18.521	-	106.312	124.833
Financial liabilities measured at fair value	-	-	-	-	-	-	-	-
Financial liabilities not measured at fair value								
Trade and other payables	-	-	142.501	142.501	-	-	142.501]	142.501
	-	-	142.501	142.501	-	-	142.501	142.501



KPMG Audit
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7 September 2021

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KPMG Accountants N.V.

31 December 2020

	Mandatorily at FVTPL	Carrying amount Financial assets at amortised cost	Other financial liabilities	Total	Level 1	Fair value Level 2	Level 3	Total
	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000
Financial assets measured at fair value	-	-	-	-	-	-	-	-
Financial assets not measured at fair value								
Loans with joint ventures	-	256	-	256	-	-	256	256
Trade and other receivables	-	66.541	-	66.541	-	-	66.541	66.541
Cash and cash equivalents	-	5.279	-	5.279	5.279	-	-	5.279
	-	72.076	-	72.076	5.279	-	66.797	72.076
Financial liabilities measured at fair value	-	-	-	-	-	-	-	-
Financial liabilities not measured at fair value								
Trade and other payables	-	-	95.330	95.330	-	-	95.330	95.330
	-	-	95.330	95.330	-	-	95.330	95.330



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KPMG Accountants N.V.

Measurement of fair values

Valuation techniques and significant unobservable inputs

The following paragraphs explain valuation techniques used in measuring Level 3 fair values, for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

The financial instruments measured at fair value relate to loans with third parties. The valuation model for evaluating the estimated fair value are for both types based on the discounted cash flows. The valuation model considers the present value of the expected future payments, discounted using a risk-adjusted discount rate.

For the loan with third parties, the expected payment is determined by considering the possible scenarios of forecast cash flows associated with the loans over the service period of the loan agreement, the amount to be paid under each scenario and the probability of each scenario. The estimated fair value is considered nihil based on the expected cash flows.

Financial instruments not measured at fair value

The financial instruments not measured at fair value relates to the other financial assets, including the loans to joint ventures, and the other financial liabilities, including the secured bank loans, term loans, vendor loans and finance liabilities. The valuation technique applied to estimate the fair value is based on the present value of the expected payments, discounted using a risk-adjusted discount rate.

Level 3 fair values

For the financial liabilities and assets the valuation technique applied to estimate the fair value is based on the present value of the expected payments, discounted using a risk-adjusted discount rate.

Sensitivity analysis

For the fair values of the financial instruments, reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have no effects on the assets, liabilities and Profit or Loss.

Financial risk management

Risk management

Management has the overall responsibility for the establishment and oversight of the Group's risk management. It considers trading risk, customer default (credit) risk and liquidity risk as the Group's most substantial risks. Volume risk and interest rate risk are also elaborated on further, but are considered less significant by Group's management. The Group's customers are provided the option to purchase energy at fixed rates, at variable rates, or a combination of both. The Group enters into forward energy supply contracts to hedge contractual agreed volumes against changes in market prices back to back. The Group does not engage in any speculative activities nor trading of these forward agreements nor does it apply hedge accounting.

Trading risk

Trading risk results from offering customers the opportunity to purchase gas and electricity for a period up to 5 year as per the amendment of the senior financing facilities in 2019 based on forward prices. This risk is mitigated by entering into forward purchasing contracts (back-to-back) on exchanges as well as with the energy suppliers and maintaining strict Value-at-Risk-limits by total portfolio. Also, following the Group's bank facility there is a hedge requirement of at least 95% of its future exposed positions. The Company complied with this covenant in 2021 and 2020.

The Group does not engage in any speculative activities nor trading of these forward contracts, and only enters into these forward contracts to match against contractual demand from customers. The Group does not apply hedge accounting. Forwards contracts will be treated as an executory contract, and recorded upon settlement and makes therefore use of the own use exemption.

Customer default risk

Customer default risk is the risk of financial loss to the Group if a customer or counterparty a financial instrument fails to meet its contractual obligations. This risk is associated with the Group's trade receivables including revenues to be invoiced (settlement- and close-out risk), and arises partly from the Group's dependency of third party grid operators to end delivery, which may take weeks after the Group's first request (close-out risk). However, the Group consider that the customer default risk mainly arises from the risk on negative Mark-to-market value on forward positions in case of a defaulting customer (Mtm-risk).

Mtm-risk

Although the Group's credit insurance policy does not cover for losses on negative Mark-to-market value on forward positions in case of a defaulting customer, assessment by the Group's credit insurer indirectly also limits Mtm-risk, as denial for coverage (among other triggers) leads to exclusion of the possibility to purchase any (further) forward positions other than explicitly approved by the Group's credit control specialist. Mtm-risk is further mitigated by the Group's general conditions which enables the Group to request customers that are exposed to substantial Mtm-risk for cash collaterals.

The Group monitors market developments and individual mark-to-market positions of customers on a weekly basis. In addition, purchasing clusters are created for customers with collective responsibility for purchase obligations to reduce the Mtm-risk. Defaulting clusters with negative mark-to-market positions could impact the Group's result and financial position. If the ten largest clusters in terms of negative mark-to-market position would all default (and all individual members of the clusters in which they participate would default, thus not being able to replace the defaulting individual customer), the impact on the Group's result does not exceed EUR 4,6 million in the first 6 months of 2021 (31 December 2020: EUR 3,1 million).

Settlement- and close-out risk

Settlement- and close-out risks are mitigated by means of a credit insurance policy covering 95% of incurred losses. Individual customers that are exposed to an aggregated settlement- and close-out risk of at least EUR 50 thousand are assessed to be included in the credit insurance policy on an individual basis. Customers that are bearing less individual risk are covered under the credit insurance policy by means of self-acceptance. This implies that either sales limits are established based on an external rating agency, or successful collection of receivables from that customer over time, leads to insurance. For these customers, credit insurance is included as a condition precedent in the contract. Finally, for the customers not covered by these insurance policies, the Group obtains alternative coverage for any risk of default. This may be for example collateral, a bank guarantee or alternative coverages.

The movement in the allowance for impairment in respect of trade receivables and contract assets during the reporting period was as follows.

	EUR 1.000
Balance as at 31 December 2020	18
Amounts written off	-31
Net measurement of loss allowance	13
	<hr/>
Balance as at 30 June 2021	-
	<hr/>

The Group consider that the customer default risk mainly arises from the risk on negative Mark-to-market value on forward positions in case of a defaulting customer (Mtm-risk). Defaulting clusters with negative mark-to-market positions could impact the company's result and financial position. If the ten largest clusters in terms of negative mark-to-market position would all default (and all individual members of the clusters in which they participate would default, thus not being able to replace the defaulting individual customer), the impact on the Company's result does not exceed EUR 4,6 million (31 December 2020: EUR 3,1 million).

Liquidity risk

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

The Group has netting arrangements in place with certain of its energy suppliers to settle amounts in cash associated with energy purchase respectively delivery. The balances with these customers and energy suppliers are presented gross on the balance sheet. The amounts to be settled with the purchase amount to EUR 1.273 thousand as at 30 June 2021 (31 December 2020: EUR 1.744 thousand).

In addressing the liquidity risk, the Group has financing facilities in place and a bank guarantee facility which have been agreed upon simultaneously. The bank guarantee facility is used for providing collateral to suppliers. Some suppliers request collateral independent of the movement in forward prices, while other suppliers agreed upon collateral obligations that increase following a decline in forward prices (outstanding mark-to-market risk). On a monthly basis, the Company runs statistical analyses to evaluate the sufficiency of its guarantee facility.

As of 30 June 2021, the outstanding Mtm-obligation of the Group's purchasing positions was EUR 165.018 thousand negative (31 December 2020: 15.727 thousand negative) following increasing forward prices for electricity and gas, of which EUR 122.409 thousand negative (31 December 2020: EUR 16.130 thousand negative) relates to suppliers to which the Company's collateral obligation depends on the Mtm-value and for these suppliers is evaluated on a daily basis. A decrease in supplier market prices result in negative Mtm-positions, and an increase in supplier market prices results in positive Mtm-positions. In case of positive positions, the Company has on average the right to acquire energy for a better price than quoted as per balance date. This reduces the risk for suppliers on a default of the Company.

9 Related parties

A number of key management personnel, or their related parties, hold positions in other companies that result in them having control or significant influence over these companies.

A number of these companies transacted with the Group during the year. The terms and conditions of these transactions were no more favourable than those available, or which might reasonably be expected to be available, in similar transactions with non-key management personnel related companies on an arm's length basis.

	Transaction values for the 6 months ended 30 June		Balance outstanding as at	
	2021	2020	30 June 2021	31 December 2020
	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000
Sale of Energy				
Related parties	9.509	2.726	232	291
Purchase of services				
Parent Company	13	13	-	-
Related parties	172	177	-	-

In addition, in 2021 the Company provided a loan to its direct parent company for an amount of EUR 20,0 million to facilitate a dividend distribution. This loan is interest bearing at a rate of 2,0% and will be settled through the merger that will be effected in August 2021 (see note 10 subsequent events).

All outstanding balances with these related parties are priced on an arm's length basis and are to be settled in cash within two months of the end of the reporting period for the sale of energy balances, and the purchase of services.

The balances are secured through the Group's credit insurance policy. No expense has been recognized in the current year or prior year for bad or doubtful debts in respect of amounts owed by related parties. No guarantees have been given or received.

10 Subsequent events

The Company has committed an intention to list part of its shares at Euronext N.V., Amsterdam, The Netherlands, in 2021 and has engaged third party professional and legal advisors and underwriters to support the listing. The related third party expenditures are settled by the Company's direct shareholders.

In July 2021 the Group announced that it reached agreement to acquire an interest of 33% in Hysolar B.V. for an amount of EUR 250 thousand to further exploit its energy and balancing services that should become operational in 2022 related to an electrolyzer of public hydrogen filling station.

Furthermore, the shareholders of the Company have decided in July 2021 to merge the Company with its direct parent company SEC Topholding B.V. in August 2021. The Company will be the acquirer in this merger.

Prior to IPO, certain key employees, including Managing Directors and members of the Senior Management shall have been granted Options under the Option Plan as approved by the General Meeting subject to, amongst others, the occurrence of a First Trading Date and continued employment or engagement until the relevant vesting dates (subject to arrangements for exceptional circumstances, such as death, injury, ill-health or disability). The Option Plan encourages the Managing Directors and selected eligible employees to focus on the Company's long-term success by providing such individuals an economic interest in any growth of the equity value of the Company.

Under the Option Plan, participants may receive Options, meaning a right to acquire Ordinary Shares subject to the terms of the Option Plan against payment of an exercise price. The number of Ordinary Shares that may be allocated under the Option Plan on any day cannot, when added to the aggregate of the number of Ordinary Shares already allocated under the Option Plan, exceed the number of 700,000 Ordinary Shares. Prior to IPO, the Managing Directors will each have been granted 100,000 Options, Mr R. Dekkers (the COO) will have been granted 42,120 Options and Mr S.J. Scholt (the CCO) will have been granted 30,000 Options. After IPO, other participants will be granted a total of 427,880 Options. It is currently expected that approximately 50 employees (including Senior Management) will be entitled to receive Options under the Option Plan.

Under the Option Plan, 50% of the Options awarded to a participant vests on the second anniversary of the date of grant and the remaining 50% of the Options awarded to such participant vests on the third anniversary of the date of grant, subject to continued employment or engagement with the Company (subject to arrangements for exceptional circumstances, such as death, injury, ill-health or disability). Vested Options may be exercised after vesting, provided that for members of the Management Board, vested Options can only be exercised on or after the third anniversary of the date of grant of the Options. In the event of a change of control over the Company, the Management Board and Supervisory Board may determine that any Options shall be deemed to be vested immediately prior to (and conditional upon) such change of control, subject to certain possible adjustments.

On the First Trading Date, the Company will grant to all eligible employees, excluding the Managing Directors, rights to acquire existing Ordinary Shares for no consideration under a one-off share incentive. It is currently expected that eligible employees will be granted rights to a cumulative total of 33,930 Ordinary Shares. Eligible employees are all employees of Scholt Energy, other than the Managing Directors, who are employed at the First Trading Date and who have not given or been given notice of termination of their employment agreements. Each eligible employee will be entitled to six Ordinary Shares for each full month he or she has been in service with Scholt Energy on the First Trading Date, with a minimum of 72 Ordinary Shares and a maximum of 360 Ordinary Shares.

The conditional rights to acquire existing Ordinary Shares granted to these employees of Scholt Energy will vest on the date which is one calendar year following the grant date, if this is a trading day or the first trading day thereafter, on the condition that the relevant employee of the Company continues to be employed by the Company or any of its subsidiaries on this date (subject to arrangements for exceptional circumstances, such as death of permanent disability). The Company entered into an agreement with the Selling Shareholders (excluding Stichting Administratiekantoor SEC Topholding) pursuant to which (i) the Company has the right to acquire from the Selling Shareholders (excluding Stichting Administratiekantoor SEC Topholding) for no consideration a number of Ordinary Shares equal to the number of conditional rights exercised by eligible employees and (ii) the Selling Shareholders (excluding Stichting Administratiekantoor SEC Topholding) shall pay to the Company an amount equal to any costs incurred in relation to taxes and social security contributions due in respect of the one-off share incentive

Independent auditor's report

To: the Board of Directors of Scholt Energy B.V.

Report on the audit of the accompanying consolidated special purpose financial statements

Our opinion

We have audited the consolidated special purpose financial statements as at 31 December 2020, 31 December 2019 and 31 December 2018 of Scholt Energy B.V. (or hereafter: 'the Company') based in Valkenswaard.

In our opinion the accompanying consolidated special purpose financial statements give a true and fair view of the financial position of Scholt Energy B.V. as at 31 December 2020, 31 December 2019 and 31 December 2018, and of its result and its cash flows for the years then ended in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS).

The consolidated special purpose financial statements comprise:

- 1 the consolidated statement of financial position as at 31 December 2020, 31 December 2019 and 31 December 2018;
- 2 the following statements for the years ended 31 December 2020, 31 December 2019 and 31 December 2018: the consolidated statement of profit or loss and comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows; and
- 3 the notes comprising a summary of the significant 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 consolidated special purpose financial statements' section of our report.

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

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

Emphasis of the basis of accounting and restriction on use

We draw attention to note 1 (General information), which describes the special purpose of the consolidated special purpose financial statements and the notes, including the basis of accounting. The consolidated special purpose financial statements are prepared for the purpose of the inclusion in a prospectus in connection with the initial public offering and admission to listing and trading on Euronext Amsterdam.

As a result, the consolidated special purpose financial statements may not be suitable for another purpose. This independent auditor's report is required by the Commission Delegated Regulation (EU) 2019/980 and is given for the purpose of complying with that Regulation and for no other purpose. Our opinion is not modified for this matter.

Description of the responsibilities for the consolidated special purpose financial statements

Responsibilities of the Board of Directors for the consolidated special purpose financial statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated special purpose financial statements in accordance with EU-IFRS. Furthermore, the Board of Directors is responsible for such internal control as the Board of Directors determines is necessary to enable the preparation of the consolidated special purpose financial statements that are free from material misstatement, whether due to errors or fraud.

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

Our responsibilities for the audit of the consolidated special purpose financial statements

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

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

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

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

- identifying and assessing the risks of material misstatement of the consolidated special purpose financial statements, whether due to errors or fraud, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from errors, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
- concluding on the appropriateness of management's use of the going-concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going-concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated special purpose financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company ceasing to continue as a going-concern;
- evaluating the overall presentation, structure and content of the consolidated special purpose financial statements, including the disclosures; and
- evaluating whether the consolidated special purpose 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. 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 management 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.

Breda, 7 September 2021

KPMG Accountants N.V.

R.C.W. Keijzers RA

Scholt Energy B.V.

formerly known as SEC Holding B.V., after merger of SEC Topholding B.V. into SEC Holding B.V., known as Scholt Energy B.V.

Special Purpose Consolidated Financial Statements for the years ended 31 December 2020, 2019 and 2018

Contents

- Special purpose consolidated financial statements
 - Consolidated statement of financial position
 - Consolidated statement of profit or loss and comprehensive income
 - Consolidated statement of changes in equity
 - Consolidated statement of cash flows
 - Notes to the special purpose consolidated financial statements

Special purpose consolidated financial statements

Consolidated statement of financial position as at 31 December 2020, 2019, 2018 and 1 January 2018

		31 December 2020 EUR 1.000	31 December 2019 EUR 1.000	31 December 2018 EUR 1.000	1 January 2018 EUR 1.000
Assets					
Property, plant and equipment	7	5.441	5.907	6.469	7.180
Intangible assets and goodwill	8	70.956	76.177	81.906	87.822
Equity-accounted investees	9	366	328	348	417
Loans to joint ventures	10	256	256	373	794
Deferred tax assets	25	698	790	892	799
Non-current assets		77.717	83.458	89.988	97.012
Trade and other receivables	11	66.541	52.532	63.024	36.282
Cash and cash equivalents	12	5.279	4.112	5.216	15.440
Current assets		71.820	56.644	68.240	51.722
Total assets		149.537	140.102	158.228	148.734

The notes on pages 11 to 81 are an integral part of these consolidated financial statements.

		31 December 2020 EUR 1.000	31 December 2019 EUR 1.000	31 December 2018 EUR 1.000	1 January 2018 EUR 1.000
Equity					
Share capital	13	-	-	-	-
Share premium	13	46.440	46.440	46.440	46.440
Retained earnings		-6.216	-10.452	-3.896	-6.143
Total equity		40.224	35.988	42.544	40.297
Liabilities					
Loans and borrowings	15	3.598	3.825	4.849	33.277
Trade and other payables	16	1.126	712	886	886
Provisions	17	57	50	42	32
Deferred tax liabilities	25	6.717	7.917	9.094	12.237
Non-current liabilities		11.498	12.504	14.871	46.432
Loans and borrowings	15	700	2.917	16.430	6.647
Trade and other payables	16	94.204	85.857	81.517	54.711
Current tax liabilities	25	2.225	1.473	-	571
Contract liabilities	19	558	1.047	-	-
Deferred income		128	316	331	76
Provisions	17	-	-	2.535	-
Current liabilities		97.815	91.610	100.813	62.005
Total liabilities		109.313	104.114	115.684	108.437
Total equity and liabilities		149.537	140.102	158.228	148.734

The notes on pages 11 to 81 are an integral part of these consolidated financial statements.

Consolidated statement of profit or loss and other comprehensive income for the years ended 31 December 2020, 2019 and 2018

		2020 EUR 1.000	2019 EUR 1.000	2018 EUR 1.000
Revenue	19	456.928	418.323	375.496
Total operating income		456.928	418.323	375.496
Cost of energy purchases	20	-429.019	-392.967	-357.226
Wages and salaries	21	-7.457	-6.318	-5.398
Social security and pension charges	21	-1.563	-1.214	-946
Amortization and depreciation on intangible and tangible fixed assets	22	-7.469	-7.378	-7.237
Impairment loss on trade receivables and contract assets	18	-40	-83	-182
Other operating expenses	23	-3.841	-3.489	-2.900
Total operating expenses		-449.389	-411.449	-373.889
Operating result		7.539	6.874	1.607
Finance income	24	13	23	20
Finance costs	24	-1.335	-1.352	-1.859
Net finance costs		-1.322	-1.329	-1.839
Share of profit of equity-accounted investees, net of tax	9	41	-19	-4
Profit before tax		6.258	5.526	-236
Income tax expense	25	2.022	2.082	-2.483
Profit for the period		4.236	3.444	2.247
Other comprehensive income				
Other comprehensive income for the period, net of tax		-	-	-
Total comprehensive income for the period, net of tax, all attributable to owners of the Company		4.236	3.444	2.247
Earnings per share				
Basic earnings per share (EUR)		424	344	225
Diluted earnings per share (EUR)		424	344	225

The notes on pages 11 to 81 are an integral part of these consolidated financial statements.



Consolidated statement of changes in equity for the years ended 31 December 2020, 2019, 2018 and 1 January 2018

		Share capital	Share premium	Retained earnings	Total equity
		EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000
Balance at 1 January 2018		-	46.440	-6.143	40.297
Total comprehensive income					
Profit		-	-	2.247	2.247
Other comprehensive income		-	-	-	-
Total comprehensive income		-	-	2.247	2.247
Transactions with owners of the Company					
Distributions:					
— Dividends	13	-	-	-	-
Total transactions with owners of the Company:		-	-	-	-
Balance at 31 December 2018			46.440	-3.896	42.544
Balance at 1 January 2019		-	46.440	-3.896	42.544
Total comprehensive income					
Profit		-	-	3.444	3.444
Other comprehensive income		-	-	-	-
Total comprehensive income		-	-	3.444	3.444
Transactions with owners of the Company					
Distributions:					
— Dividends	13	-	-	-10,000	-10.000
Total transactions with owners of the Company:		-	-	-10.000	-10.000
Balance at 31 December 2019		-	46.440	-10.452	35.988

The notes on pages 11 to 81 are an integral part of these consolidated financial statements.

	Share capital	Share premium	Retained earnings	Total equity
	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000
Balance at 1 January 2020	-	46.440	-10.452	35.988
Total comprehensive income				
Profit	-	-	4.236	4.236
Other comprehensive income	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	-	4.236	4.236
Transactions with owners of the Company				
Distributions:				
— Dividends	13	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total transactions with owners of the Company:	-	-	-	-
Balance at 31 December 2020	-	46.440	-6.216	40.224
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The notes on pages 11 to 81 are an integral part of these consolidated financial statements.

Consolidated statement of cash flows for the year ended 31 December 2020, 2019 and 2018

		2020 EUR 1.000	2019 EUR 1.000	2018 EUR 1.000
Cash flows from operating activities				
Profit for the period		4.236	3.444	2.247
Adjustments for:				
— Depreciation	22	1.169	1.081	935
— Amortization	22	6.300	6.297	6.302
— Deferred Income		-810	-1.337	-938
— Net finance costs	24	1.322	1.329	1.840
— Share of profit of equity-accounted investees, net of tax	9	-41	19	4
— Tax expense/ (income)	25	2.022	2.082	-2.483
Changes in:				
— Contract assets	19	-8.790	8.664	-12.124
— Trade and other receivables	11	-5.219	1.106	-14.616
— Contract liabilities	19	-490	1.047	-
— Trade and other payables	16	8.725	4.088	26.945
— Government grants		624	1.323	1.191
— Provisions and employee benefits	17	7	-2.527	2.545
Cash generated from operating activities		9.055	26.616	11.848
Interest paid	15	-1.242	-1.212	-1.637
Income taxes paid		-2.378	-963	-1.391
Net cash from operating activities		5.435	24.441	8.820
Cash flows from investing activities				
Interest received		13	23	20
Proceeds from sale of property, plant and equipment		99	135	30
Acquisition of property, plant and equipment	7	-137	-165	-326
Acquisition of Intangible fixed assets	8	-1.064	-537	-393
Disposal of financial fixed assets		-	-	66
Repayment of loans to joint ventures		-	118	421
Net cash from (used in) investing activities		-1.089	-426	-182
Cash flows from financing activities				
Repayment of borrowings	15	-2.451	-14.507	-18.355
Payment of lease liabilities	15	-728	-612	-507
Dividends paid	13	-	-10.000	-
Net cash from (used in) financing activities		-3.179	-25.119	-18.862

		2020 EUR 1.000	2019 EUR 1.000	2018 EUR 1.000
Net increase/(decrease) in cash and cash equivalents		1.167	-1.104	-10.224
Cash and cash equivalents at 1 January*	12	4.112	5.216	15.440
Cash and cash equivalents at 31 December*	12	5.279	4.112	5.216

*Cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

The notes on pages 11 to 81 are an integral part of these consolidated financial statements.

Notes to the special purpose consolidated financial statements

1 General information

Scholt Energy B.V. (the 'Company'), formerly known as SEC Holding B.V., after merger of SEC Topholding B.V. into SEC Holding B.V., known as Scholt Energy B.V., is a private limited liability company domiciled and incorporated in the Netherlands. The Company was incorporated on 9 September 2016. The Company is a holding and finance company and does not have any operations.

The Company holds 100% of the shares of the operating company Scholt Energy Holding N.V., which is primarily involved in the purchase and sales of Energy (gas and electricity) and Energy Transition Services. Scholt Energy Holding N.V. on its turn holds all shares in Scholt Energy Control B.V. (active as an energy supplier to the Dutch business market since 2005), Scholt Energy Control N.V. (active as an energy supplier to the Belgian business market since 2009), Scholt Energy Control GmbH (active as an energy supplier to the German business market since 2014), Scholt Energy Control GmbH (active as an energy supplier to the Austrian business market since 2020) and Scholt Energy Trading B.V. (responsible for sourcing of gas and electricity on Dutch, Belgian, German and Austrian markets), all collectively referred as "Group", "the Group" or "Scholt". After signing a share purchase agreement with Scholt Energy Holding N.V.'s former shareholders on 14 September 2016, the Scholt Energy Holding N.V. shares were legally transferred to the Company on 7 October 2016.

The Company is the head of the group. The group's main geographic focus is the Netherlands, followed by Belgium, Germany and Austria.

The companies included in the special purpose consolidated financial statements are the following:

- Scholt Energy Holding N.V., Valkenswaard (100%);
- Scholt Energy Control B.V., Valkenswaard (100%);
- Scholt Energy Trading B.V., Valkenswaard (100%);
- Scholt Energy Control NV, Waregem, Belgium (100%);
- Scholt Energy Control GmbH, Ratingen, Germany (100%);
- Scholt Energy Control GmbH, Salzburg, Austria (100%).

As from 2016, Scholt Energy Holding N.V. participates in joint ventures C-Wind B.V. (50%) and V-Storage B.V. (50%) which are classified as joint ventures. C-Wind B.V. is active in the field of storage of wind-energy, whereas V-Storage B.V. supplies power storage solutions for grid-balancing.

The Group supplies electricity and gas and provides energy transition services to customers operating in the business to business market. The Group does not own assets to generate electricity or gas, but has access to both commodities through bilateral agreements with European utility-companies as well through exchange-memberships with ICE-index and NordPool exchange. The Group's customers are provided the option to purchase energy at fixed rates, at variable rates, or a combination of both. The Group enters into forward energy supply contracts to hedge contractual agreed volumes against changes in market prices back to back. The Group does not engage in any speculative activities nor trading of these forward agreements nor does it apply hedge accounting. Energy Transition Services consists of innovative solutions focused on generation of energy with photovoltaic installations, energy consumption savings, e-mobility and monetizing flexibility in its customers production process and/or storage assets.



KPMG Audit
Document to which our report

2086587-21X00178682BRD dated
7 September 2021

also refers.
KPMG Accountants N.V.

The Company has its registered office at Parallelweg Oost 35, 5555 XA Valkenswaard, The Netherlands and is registered at the Dutch Chamber of Commerce under 66811899. The ultimate parent company of the Company and its subsidiary is Waterland Private Equity Fund VI C.V., Bussum.

The Group's financial year covers the period from 1 January to 31 December.

These special purpose consolidated financial statements 2018-2020 have been prepared for inclusion in an offering document (prospectus) in connection with the intended initial public offering and admission to listing and trading at Euronext N.V., Amsterdam, The Netherlands, and have been prepared on the basis of the going concern assumption.

These special purpose financial statements were authorized for issuance by Company's Board of Directors on 7 September 2021.

2 Basis of preparation

(a) Statement of compliance

The special purpose consolidated financial statements 2018-2020 of the Company have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRSs) as applicable for financial years commencing on 1 January 2018. The Company has consistently applied the IFRS standards for all reporting periods that are effective for annual periods beginning after 1 January 2020. The Company has not early adopted the new or amended standards in preparing in these special purpose consolidated financial statements as included in note 4 *Standards issued but not yet effective*.

These are the first consolidated financial statements that the Company has prepared in accordance with IFRS. These special purpose financial statements are not the Company's financial statements as referred to in Part 9, Book 2, of the Dutch Civil Code. The Company has not prepared and published consolidated financial statements for these reporting periods. The Company's financial figures for these reporting periods were included in the consolidated financial statements of the Company's direct parent SEC Topholding B.V. that prepared and published consolidated financial statements in accordance with Title 9 Book 2 of the Dutch Civil Code. These figures were used as the basis for the transition to IFRS. The Company has applied IFRS 1 'First-time Adoption of International Financial Reporting Standards' (IFRS 1). The IFRS standards as included in this note and note 3 apply for all the years presented in these special purpose consolidated financial statements.

The preparation of the special purpose consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2(d).

IFRS 1 provides certain exemptions in preparing the first financial statements under IFRS.

IFRS exceptions applied

The IFRS exceptions applied by the Company on 1 January 2018 relate to the accounting for business combinations, leases and borrowing costs.

Business combinations

The Company elected not to apply EU-IFRS retrospectively to its business combination that occurred before 1 January 2018. As a condition under IFRS 1 for applying this exemption, goodwill relating to its acquisition of Scholt Energy Holding N.V. in 2016 was tested for impairment



KPMG Audit
Document to which our report

2086587-21X00178682BRD dated

7 September 2021

also refers.

KPMG Accountants N.V.

though no impairment indicators were identified. No impairment existed at 1 January 2018 (see note 8).

Leases

The Company applied the practical expedient from IFRS 1 with regards to IFRS 16 leases. The lease liability is measured at 1 January 2018 and the right-of-use asset is set an amount equal to the lease liability adjusted for any prepayments or accruals before 2018.

The Company applied the practical expedient to apply a single discount rate for a portfolio of leases with similar characteristics and the exemption to exclude initial direct costs from the measurement of the right of use asset at 1 January 2018. This is in line with the transition method where the right of use asset is set equal to the lease liability (adjusted for any prepayments or accruals). For lease contracts entered into after the date of initial application, initial direct costs will be included in the measurement of any new leases.

Upon transition, the Company applied the short remaining lease term exemption on all lease contracts with a remaining term of less than 12 months. Post transition, the Company applies the short-term lease exemption when short term leases exist (after taking into account any reasonably certain extension options). Furthermore, the Company applied the practical expedient to use hindsight when determining the lease term at 1 January 2018 and applies the practical expedient on all leases with a low-value asset both at 1 January 2018 and in subsequent periods. Finally, it applied the practical expedient to not separate non-lease components from lease components and account for it as a single lease component for all asset classes.

Borrowing costs

The Group expensed borrowing costs as incurred. The Company elected to capitalize borrowing costs only in respect of qualifying assets for which the commencement date for capitalization was on or after 1 January 2018 as indicated in IAS 23.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis on each reporting date:

- non-derivative financial instruments at FVTPL are measured at fair value;
- contingent consideration assumed in a business combination are measured at fair value;

(c) Functional and presentation currency

These consolidated financial statements are presented in euro (EUR), which is the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

(d) Use of judgements and estimates

In preparing these consolidated financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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



KPMG Audit
Document to which our report

2086587-21X00178682BRD dated

7 September 2021

also refers.

KPMG Accountants N.V.

Judgements

Information about judgements made in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in the following notes:

- Note 5 – the determination of operating segments;
- Note 8 – the determination of cash generating unit for the purpose of impairment testing;
- Note 18 – application of own-use exemption for forward energy supply contracts: whether energy supply contracts are considered to be trading activities and meet the definition of a derivative contract or are to be considered executory contracts;
- Note 19 – revenue: whether the Group acts as a principal or an agent;
- Note 27 – leases: whether an arrangement contains a lease;
- Note 27 – lease term: whether the Group is reasonably certain to exercise extension options.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities is included in the following notes:

- Note 8 – impairment test of intangible assets and goodwill: key assumptions underlying recoverable amounts;
- Note 16 – fair market value of Green certificates obligation;
- Note 18 – measurement of Expected Credit Loss ('ECL') allowance for trade receivables and contract assets: key assumptions in determining the weighted-average loss rate; and
- Note 19 – allocation of costs to obtain a contract to respective years after obtaining.

Measurement of fair values

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The significant unobservable inputs and valuation adjustments are regularly reviewed. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of IFRS standards are assessed by the Group's finance-department, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to and discussed by the Management.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.



KPMG Audit
Document to which our report

2086587-21X00178682BRD dated
7 September 2021

also refers.
KPMG Accountants N.V.

- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 18 – financial instruments.

3 Significant accounting policies

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements.

(a) Basis of consolidation

(i) Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issuance of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognized in profit or loss.

Any contingent consideration payable is measured at fair value at the acquisition date. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards) and relate to past services, then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based value of the replacement awards compared with the market-based value of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(iii) Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in joint ventures.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint ventures are accounted for using the equity method. They are recognized initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence or joint control ceases.

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Foreign currency differences are generally recognized in profit or loss and presented within finance costs.

(c) Financial instruments

(i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost, FVOCI – debt investment, FVOCI – equity investment, or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

(iii) Derecognition

Financial assets

The Group derecognizes a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
 - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
 - in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

Derivative financial instruments

Customers are provided the option to purchase energy at fixed rates, at variable rates or a combination of both. The Group enters into forward energy supply contracts to hedge contractual agreed volumes against changes in market prices. The Group does not engage in any speculative activities nor trading of these forward contracts, and only enters into these forward contracts to match against contractual demand from customers. Forwards contracts will be treated as an executory contract, and recorded upon settlement and makes therefore use of the own use exemption.

Contracts entered by the Group that will be fulfilled by receipt or delivery of non-financial assets in accordance with the Group's expected purchase, sale or usage requirements (own-use contracts) are not accounted as derivative financial instruments, but rather as executory contracts.

(d) Share capital

Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognized as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with IAS 12.

(e) Impairment

(i) Non-derivative financial assets

Financial instruments and contract assets

The Group recognizes loss allowances for ECLs on:

- financial assets measured at amortised cost;
- contract assets.

Loss allowances for trade receivables (including lease receivables) and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.



KPMG Audit
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2086587-21X00178682BRD dated

7 September 2021

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KPMG Accountants N.V.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount when the financial asset is not being recovered by the Group's insurance policy or when its 1 year past due. For large customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, 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 amortization, if no impairment loss had been recognized.

(f) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group.

(iii) Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognized in profit or loss.

The estimated depreciation rate of property, plant and equipment for current and comparative periods are as follows:

— Leasehold improvements:	10% - 20%
— Machines & equipment:	20%
— Transport equipment:	20%
— Computers:	20% / 33%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(g) Intangible assets and goodwill

(i) Recognition and measurement

Goodwill

Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

Other intangible assets

Other intangible assets, customer relationships and trade name, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

(iii) Amortization

Amortization is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognized in profit or loss. Goodwill is not amortised.

The estimated amortization rates for current and comparative periods are as follows:

— Trade name:	6,67%
— Customer relationships:	12,20%.
— Software:	20%

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(h) Contract assets

Contract assets relate to the Group's right to consideration in exchange for energy or services that the Group has transferred to a customer other than the passage of time. The Group's contract assets relate to revenue not invoiced at the reporting date for energy or services delivered and incurred incremental costs to obtain new contracts. In case incremental costs to obtain new contracts are incurred, these are capitalised when it can be anticipated that they will be recovered in the future. Capitalised costs are subject to amortization over the agreed term of the contract and recognized as other receivables.

(i) Other assets

The purchased green certificates are recognized as other assets, as part of trade and other receivables, and measured at cost. No depreciation takes place. For the obligation to submit

green certificates to the competent authorities, a current liability is presented at a fair market value of the green energy certificate per balance sheet date.

(j) Employee benefits

(i) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Share-based payment transactions

The grant-date fair value of equity-settled share-based payment awards granted to employees is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

(iii) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

(v) Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognized in profit or loss in the period in which they arise.

(k) Provisions

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

(i) Onerous contracts

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on incremental costs necessary to fulfil the obligation under the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.

(l) Revenue

Information about the Group's accounting policies and identified performance obligations relating to contracts with customers is provided in note 19.

(m) Operating profits

Operating profit is the result generated from the continuing principal revenue producing activities of the Group as well as other income and expenses related to operating activities. Operating profit excludes net finance costs, share of profit of equity accounted investees and income taxes.

(n) Government grants

Government grants are initially recognized if there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. Government grants related to assets are deducted from the carrying amount of the asset to which the grant relates and are then recognized in profit or loss over the life of a depreciable asset as a reduced depreciation expense.

Grants that compensate the Group for expenses incurred are recognized in profit or loss as other income on a systematic basis in the periods in which the expenses are recognized, unless the condition for receiving the grant are met after the related expenses have been recognized. In this case, the grant is recognized when it becomes receivable.

(o) Finance income and finance costs

The Group's finance income and finance costs include:

- interest income;
- interest expense;
- the net gain or loss on financial assets at FVTPL;
- the fair value gain or loss on contingent consideration classified as a financial liability;

Interest income or expense is recognized using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(p) Income tax

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.



KPMG Audit
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7 September 2021

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KPMG Accountants N.V.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

(i) *Current tax*

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

(ii) *Deferred tax*

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date and reflects uncertainty related to income taxes, if any.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

(q) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

4 Standards issued but not yet effective

A number of new standards are effective for annual periods beginning after 1 January 2020 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these consolidated financial statements.

A. Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)

The amendments address issues that might affect financial reporting as a result of the reform of an interest rate benchmark, including the effects of changes to contractual cash flows or hedging relationships arising from the replacement of an interest rate benchmark with an alternative benchmark rate. The amendments provide practical relief from certain requirements in IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 relating to:

- changes in the basis for determining contractual cash flows of financial assets, financial liabilities and lease liabilities; and
- hedge accounting.

(i) Change in the basis for determining cash flows

The amendments will require an entity to account for a change in the basis for determining the contractual cash flows of a financial asset or financial liability that is required by interest rate benchmark reform by updating the effective interest rate of the financial asset or financial liability.

(ii) Disclosure

The amendments will require the Group to disclose additional information about the entity's exposure to risks arising from interest rate benchmark reform and related risk management activities.

(iii) Transition

The Group plans to apply the amendments from 1 January 2021. Application will not impact amounts reported for 2020 or prior periods.

B. Onerous contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)

The amendments specify which costs an entity includes in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous. The amendments apply for annual reporting periods beginning on or after 1 January 2022 to contracts existing at the date when the amendments are first applied. At the date of initial application, the cumulative effect of applying the amendments is recognized as an opening balance adjustment to retained earnings or other components of equity, as appropriate. The comparatives are not restated.

C. Other standards

The following new and amended standards are not expected to have a significant impact on the Group's consolidated financial statements:

- COVID-19-Related Rent Concessions (Amendment to IFRS 16).
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16).
- Reference to Conceptual Framework (Amendments to IFRS 3).
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1).
- IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts.

5 Operating segments

The Group has the following operating segments, which are also the reportable segments.

Reportable segments	Operations
Supply of energy (gas and electricity)	Supplying of gas and electricity to corporate customers in the Netherlands, Germany, Belgium and Austria. Enabling these customers to reduce their energy costs and reduce their purchasing risk by combining fixed and variable prices.
Energy service activities	Activities aimed to support customers with all their energy matters, from energy savings to solar panels and monetizing flexibility in customer's production processes and energy storage assets by automated control of energy flows.

Management reviews the internal management report on a monthly basis. Management does not manage electricity and gas separately and therefore the supply of energy is considered as an operating segment. Information related to each reportable segment is set out below.

The Group's energy supply business model provides for transparent mark-up on wholesale prices in euro per unit of energy supplied rather than in a percentual mark-up. Whereas wholesale-prices for electricity and gas (not within the scope of the Group's influence) do directly impact the Group's revenues on energy supply, the Group's gross margin does not directly relate to wholesale prices, but to the amount of energy supplied. Accordingly, the segment gross margin is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries. The customers of the Group are widespread across the different segments.

Information about reportable segments

	Energy supply			Energy Transition Services			Total		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000
External revenues	454.580	416.655	374.433	2.348	1.668	1.063	456.928	418.323	375.496
Segment revenue	454.580	416.655	374.433	2.348	1.668	1.063	456.928	418.323	375.496
Segment gross margin*	26.797	24.594	17.749	1.112	763	523	27.909	25.357	18.272
Segment profit (loss) before tax	5.778	5.473	160	480	53	-394	6.258	5.526	-236
Interest income	-	16	10	13	7	10	13	23	20
Interest expense	-1.335	-1.311	-1.821	-	-41	-39	-1.335	-1.352	-1.859
Depreciation and amortization	-7.355	-7.286	-7.185	-114	-92	-54	-7.469	-7.378	-7.237
Share of result of equity-accounted investees	-	-	-	41	-19	-4	41	-19	-4
<i>Other material non-cash items:</i>									
▪ Impairment losses on trade receivables and contract assets	-40	-83	-182	-	-	-	-40	-83	-182
Segment assets	148.615	138.977	156.765	922	1.125	1.463	149.537	140.102	158.228
Equity-accounted investees	-	-	-	366	328	348	366	328	348
Capital expenditure	1.879	1.221	641	-	-	-	1.879	1.221	641
Segment liabilities	-107.122	-101.735	-113.341	-2.191	-2.379	-2.343	-109.313	-104.114	-115.684

*Determined as External revenue less Cost of energy purchases



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Geographical information

The Group is active in the Netherlands, Belgium, Germany and Austria. The services are provided from the Netherlands under a limited risk distribution contract with Belgium and Germany, and the relevant (cross-border) strategic and commercial decisions are made in the Netherlands (not on an independent basis or on a country basis). After obtaining all relevant permits and sourcing contracts to enter the Austrian market in 2020, the Group has installed an Austrian sales-team in 2021 and expects to generate it's first Austrian revenue in 2022.

The geographic information below analyses the Group's revenue and non-current assets by the Company's country of domicile and other countries. In presenting the following information, segment revenue has been based on the geographical location of customers and segment assets were based on the geographical location of the assets.

	Revenue			Non-current assets			
				31 Dec	31 Dec	31 Dec	1 Jan
	2020	2019	2018	2020	2019	2018	2018
	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000
The Netherlands	223.969	232.493	246.005	76.531	82.027	88.595	95.610
Germany	167.105	120.496	68.904	408	582	541	598
Belgium	65.854	65.334	60.587	778	849	852	804
Consolidated totals	456.928	418.323	375.496	77.717	83.458	89.988	97.012

6 List of subsidiaries

Set out below is a list of subsidiaries that are part of the Group.

- Scholt Energy Holding N.V., Valkenswaard (100%);
- Scholt Energy Control B.V., Valkenswaard (100%);
- Scholt Energy Trading B.V., Valkenswaard (100%);
- Scholt Energy Control NV, Waregem, Belgium (100%);
- Scholt Energy Control GmbH, Ratingen, Germany (100%);
- Scholt Energy Control GmbH, Salzburg, Austria (100%).

7 Property, plant and equipment

Reconciliation of the carrying amount

	Office buildings	Computers	Machines and equipment	Leasehold improvements	Transport equipment	Under construction	Total
	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000
Cost							
Balance at 1 January 2018	4.217	1.319	663	1.442	1.296	317	9.254
Additions	-	62	58	-	-	134	254
Disposals	-	-30	-	-	-	-	-30
Transfers	-	-	317	-	-	-317	-
Balance at 31 December 2018	4.217	1.351	1.038	1.442	1.296	134	9.478
Balance at 1 January 2019	4.217	1.351	1.038	1.442	1.296	134	9.478
Additions	137	79	-	5	401	31	653
Disposals	-	-103	-178	-	-299	-	-580
Transfers	-	-	165	-	-	-165	-
Balance at 31 December 2019	4.354	1.327	1.025	1.447	1.398	-	9.551
Balance at 1 January 2020	4.354	1.327	1.025	1.447	1.398	-	9.551
Additions	195	150	14	-	441	-	800
Disposals	-	-122	42	-	-141	-	-221
Transfers	-	-	-	-	-	-	-
Balance at 31 December 2020	4.549	1.355	1.081	1.447	1.698	-	10.130

	Office buildings	Computers	Machines and equipment	Leasehold improvements	Transport equipment	Under construction	Total
	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000
Accumulated depreciation							
Balance at 1 January 2018	-	717	444	733	180	-	2.074
Depreciation	356	203	90	104	182	-	935
Disposals	-	-	-	-	-	-	-
Balance at 31 December 2018	356	920	534	837	362	-	3.009
Balance at 1 January 2019	356	920	534	837	362	-	3.009
Depreciation	359	203	134	104	281	-	1.081
Disposals	-	-103	-178		-165		-446
Balance at 31 December 2019	715	1.020	490	941	478	-	3.644
Balance at 1 January 2020	715	1.020	490	941	478	-	3.644
Depreciation	386	145	145	105	388	-	1.169
Disposals	-	-76	41		-89	-	-123
Balance at 31 December 2020	1.101	1.089	676	1.046	777	-	4.689
Carrying amounts:							
At 31 December 2018	3.861	431	504	605	934	134	6.469
At 31 December 2019	3.639	307	535	506	920	-	5.907
At 31 December 2020	3.448	266	405	401	921	-	5.441

Property, plant and equipment includes right-of-use assets related to offices and transport equipment with the carrying amounts indicated in the above table 31 December 2020: EUR 4.301 thousand (31 December 2019: EUR 4.401 thousand, 31 December 2018: EUR 4.515 thousand).

The Group manages the energy flows of machines and equipment owned by customers. Machines and equipment is therefore limited to energy storage equipment (one battery storage unit) purchased by the Group to demonstrate its ability to monetize on flexibility of energy supply and demand.

During the periods no impairments were recorded.

Property, plant and equipment under construction

The Group has started various different technical projects incurred up to 31 December 2019, of which has been capitalised EUR 134 thousand at 31 December 2018. These primarily relate to a battery storage unit, which was taken into use in 2018. There are no capitalised borrowing costs included in this amount.

Idle assets

Computers with a purchase price of EUR 103 thousand and machines and equipment with a purchase price of EUR 177 thousand were considered idle in 2019 as they were no longer operational. These assets had a carrying amount of nil.

8 Intangible assets and goodwill

Reconciliation of carrying amount

	Goodwill	Customer relationships	Trade name	Software	Software under development	Total
	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000
Cost						
Balance at 1 January 2018	43.774	45.000	4.900	4.190	301	98.165
Acquisition - internally developed	-	-	-	62	325	387
Transfers	-	-	-	189	-189	-
Balance at 31 December 2018	43.774	45.000	4.900	4.441	437	98.552
Balance at 1 January 2019	43.774	45.000	4.900	4.441	437	98.552
Acquisition - internally developed	-	-	-	241	327	568
Transfers	-	-	-	348	-348	-
Disposals	-	-	-	-393	-	-393
Balance at 31 December 2019	43.774	45.000	4.900	4.637	416	98.727

	Goodwill	Customer relationships	Trade name	Software	Software under development	Total
	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000
Balance at 1 January 2020	43.774	45.000	4.900	4.637	416	98.727
Acquisition - internally developed	-	-	-	539	540	1.079
Transfers	-	-	-	443	-443	-
Disposals	-	-	-	-7	-	-7
Balance at 31 December 2020	43.774	45.000	4.900	5.612	513	99.799
Accumulated amortization						
Balance at 1 January 2018	-	6.888	408	3.048	-	10.344
Amortization	-	5.510	327	465	-	6.302
Balance at 31 December 2018	-	12.398	735	3.513	-	16.646
Balance at 1 January 2019	-	12.398	735	3.513	-	16.646
Amortization	-	5.510	327	460	-	6.297
Disposals	-	-	-	-393	-	-393
Balance at 31 December 2019	-	17.908	1.062	3.580	-	22.550
Balance at 1 January 2020	-	17.908	1.062	3.580	-	22.550
Amortization	-	5.510	327	463	-	6.300
Disposals	-	-	-	-7	-	-7
Balance at 31 December 2020	-	23.418	1.389	4.036	-	28.843
Carrying amounts						
At 31 December 2018	43.774	32.602	4.165	928	437	81.906
At 31 December 2019	43.774	27.092	3.838	1.057	416	76.177
At 31 December 2020	43.774	21.582	3.511	1.576	513	70.956

Goodwill was recognized upon the acquisition of Scholt Energy Holding N.V. in 2016. As part of this acquisition the customer relationships and trade name were also recognized. At year-end for all periods there was no trigger for impairment.

The remaining amortization period for Customer relationships as at 31 December 2020 is 3.9 years (31 December 2019: 4.9 years, 31 December 2018: 5.9 years), for Trade name as at 31 December 2020 is 10.7 years (31 December 2019: 11.7 years, 31 December 2018: 12.7 years).

Impairment test

The Group determined one CGU at the moment of the acquisition of Scholt Energy Holding N.V., being the supply of Energy. For the purpose of impairment testing, goodwill has been allocated to the supply of energy (gas and electricity) CGU completely. This has been assessed based on the interdependency of the energy supply services to customers and generation of revenue across countries through the Group's core operating assets that are centrally organized.

The recoverable amount of this CGU was based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGU.

The key assumptions used in the estimation of value in use were as follows:

	31 December 2020 percent	31 December 2019 percent	31 December 2018 percent	1 January 2018 percent
Discount rate	9,5%	9,5%	10,0%	10.5%
Long-term Growth ('LTG')	0%	0%	0%	0%
Long-term EBITDA (% of GM)	59,4%	59,8%	60,4%	61,7%
Long-term NWC (% of GM)	-100%	-100%	-85%	-92%

The discount rate was a pre-tax measure based on the rate of 10-year average yields on German government bonds and EUR BBB composite bonds, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systemic risk of the specific CGU. The risk premium for 2020 reflects the macro-economical risk related to COVID-19.

The cash flow projections are based on the Company's Business plan EBITDA (3-5 years in accordance with the group's forecast period) and a growth rate for the years thereafter of 0% ('LTG'). Long-term EBITDA % has been included in accordance with the last business plan year, while Long-term Net Working Capital % ('NWC') was based on the balance sheet per validation date but capped at 100%. Budgeted EBITDA was estimated taking into account past experiences.

The estimated recoverable amount of the CGU exceeded its carrying amount for both 2020 and years before.

The discount rate and the long-term growth rate % are the most sensitive factors:

- Discount rate: in case of a rise by 100 basis point, the calculated value in use for the total of the CGU decreases by approximately EUR 19,0 million (2019: EUR 18,0 million, 2018: EUR 13,0 million)
- Long term growth rate: in case the long-term growth rate is negative 2,0%, the calculated value in use for the CGU decreases by approximately EUR 38,0 million (2019: EUR 34,0 million, 2018: EUR 25,0 million).

Whereby in both cases there would not yet be an impairment.



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7 September 2021

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Software under development

Software under development relates to various software projects. No borrowing costs have been capitalised during the years.

Idle assets

Software with a purchase price of EUR 393 thousand were considered idle in 2019 as they were no longer operational. These assets had a carrying amount of nil.

9 Equity-accounted investees

The equity-accounted investees relates to the Group's participation in two joint arrangements, V-Storage B.V., Eindhoven the Netherlands and C-Wind B.V., Hoornaar, Giessenlanden, the Netherlands, that are active in the field of energy storage. V-Storage and C-Wind are not publicly listed. Both are structured as a separate vehicle and the Group has a residual interest in the net assets. Accordingly, the Group has classified these participating interests as a joint venture.

10 Loans to joint ventures

The loans to joint ventures relate to a loan provided to V-Storage B.V. which was issued in 2016 with a principal amount of EUR 525 thousand and a term of 8 years, and a loan provided to C-Wind B.V. which was issued in 2016 with a principal amount of EUR 212 thousand and a term of 5 years.

The loan with C-Wind B.V. was fully repaid in 2018. The loan with V-Storage B.V. bears an interest percentage of 2%. In 2018 an amount of EUR 200 thousand was repaid, in 2019 an amount of EUR 75 thousand was repaid. No securities have been provided to the Group.

No impairment losses were recorded for these loans.

11 Trade and other receivables

	31 December 2020 EUR 1.000	31 December 2019 EUR 1.000	31 December 2018 EUR 1.000
Trade receivables	11.458	5.857	6.848
Unbilled revenue	39.938	31.545	40.461
Green certificates	12.332	11.299	10.422
Other receivables	2.813	3.831	5.293
	66.541	52.532	63.024

All trade and other receivables are current for all periods involved.

Credit and market risks, and impairment losses

Information about the Group's exposure to credit and market risks, and impairment losses for trade and other receivables and unbilled revenue is included in note 18.

Trade receivables

As per 31 December 2020 Trade receivables increased relatively compared to the Group's increase in revenue, mainly because the Dutch government, as part of the COVID-19 measures, provided energy-companies including the Group to postpone charging energy tax to its customers during 2020 and subsequently these amounts were invoiced towards year-end.

Unbilled revenue

Unbilled revenue relates to electricity and gas to be invoiced. The Group typically invoices its customers on the first calendar day after the month of supply based on estimated usage. After receiving actual usage data, this usage is settled with the estimated usage typically on the first calendar day of the month being two months after the month of supply.

Green certificates

Scholt Energy Control NV has a legal obligation to deliver green certificates based on energy balance delivered to its clients to the Belgian authorities per region by the end of March (see note 16). During the year the Group purchases these certificates to be able to settle these in March in the year subsequent to the financial reporting period.

Other receivables

Other receivables include deposits related to prepayments and cash collateral to its derivative counterparties (either directly or through the Group's clearing bank) with Market to Market-exposure which amount to EUR 525 thousand at 31 December 2020 (31 December 2019: EUR 2.945 thousand, 31 December 2018: 4.762 thousand).

Furthermore, an amount of EUR 817 thousand (31 December 2019: EUR 419 thousand, 31 December 2018: EUR 167 thousand) is included related to incremental costs to obtain new contracts. The depreciation charge in 2020 amounted to EUR 115 thousand (2019: EUR 42 thousand, 2018: EUR -), which has been included in wages and salaries in profit and loss.

12 Cash and cash equivalents

The cash and cash equivalents include an amount of EUR 3.483 thousand (31 December 2019: EUR 1.411 thousand, 31 December 2018: EUR 3.048 thousand) that is considered restricted cash. This relates to the bank accounts that are held as collateral for the Company's purchasing obligations at the respective balance sheet dates.

13 Capital and reserves

Share capital and share premium

	Ordinary shares		
	2020	2019	2018
In issue at 1 January	10.000	10.000	10.000
	-	-	-
In issue at 31 December – fully paid	10.000	10.000	10.000
Authorised – par value EUR 0,01 (EUR 1 ct)	100	100	100

All ordinary shares rank equally with regard to the Company's residual assets. As a result of the financing arrangements as disclosed in note 15, all the Company's shares have been pledged.

The share premium amounts to EUR 46.440 thousand for all years and concerns the income from the issuing of shares in so far as this exceeds the nominal value of the shares (above par income), and can be considered as freely distributable share premium.

Ordinary shares

Holders of these shares are entitled to dividends as declared from time to time, and are entitled to one vote per share at general meetings of the Company. All rights attached to the Company's shares held by the Group are suspended until those shares are reissued.

Dividends

The following dividends were declared and paid by the Company in the following year:

	2020 EUR 1.000	2019 EUR 1.000	2018 EUR 1.000
EUR 1 thousand per qualifying ordinary share in 2019 related to the financial year 2018	-	10.000	-
	-	10.000	-

On 1 March 2021 and 15 April 2021 interim dividends of EUR 9.662 thousand and EUR 10.338 thousand respectively, were paid by the Company.

14 Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the level of dividends to ordinary shareholders, while it steers on the sufficiency of the total of the

companies bank guarantee facility and headroom in cash, which is needed from time to time to supply security to creditors following declining forward market prices.

Furthermore, management monitors the Leverage of the Group in order to assess its capital base and to comply with its financing covenants (see note 15). Leverage is calculated as the ratio of Senior Net Debt defined as liabilities with credit institutions, vendor loans and lease obligations, excluding cash and cash equivalents, to EBITDA. EBITDA is calculated as net result of the Group, adding back Net Interest Costs, Tax, Depreciation and Amortization. Net Interest Costs is calculated as interest costs less interest income to the extent received in cash. Interest Costs is the aggregate amount of interest and any other finance charges (whether or not paid, payable or capitalised) accrued by the Group, including the interest element of leasing, and including commitment fees, commissions, arrangement fees, guarantee fees and agency fees. The Group's Leverage at 31 December was as follows:

	31 December 2020 EUR 1.000	31 December 2019 EUR 1.000	31 December 2018 EUR 1.000
Total liabilities with credit institutions, vendor loans and lease obligations	4.298	6.742	21.279
Less: cash and cash equivalents	-5.279	-4.112	-5.216
Senior Net debt	-981	2.630	16.063
EBITDA for the year ended	15.008	14.251	8.846
Leverage	-0,1	0,2	1,8

15 Loans and borrowings

Non-current liabilities

	31 December 2020 EUR 1.000	31 December 2019 EUR 1.000	31 December 2018 EUR 1.000
Secured bank loans:			
- Term loan A	-	-	-
- Term loan B	-	-	-
Vendor loan	-	-	861
Remaining portion arrangement fees	-	-	-
Lease liabilities	3.598	3.825	3.988
	3.598	3.825	4.849

Current liabilities

	31 December 2020	31 December 2019	31 December 2018
	EUR 1.000	EUR 1.000	EUR 1.000
Debt to credit institutions	-	1.488	-
Secured bank loans			
- Term Loan A	-	-	9.617
- Term Loan B	-	-	5.000
Vendor loan	-	861	1.726
Remaining portion arrangement fees	-	-	(450)
Current portion of lease liabilities	700	568	537
	700	2.917	16.430

The debt to credit institutions at 31 December 2019 relates to bank overdraft facilities. Information about the Group's exposure to interest rate and liquidity risk is included in note 18.

Financing facilities bank consortium

As part of the acquisition of Scholt Energy Holding N.V. on 7 October 2016, the Company entered into several financing arrangements with a total amount of EUR 84,0 million (including the Guarantee Facility elaborated on in note 18) provided by a consortium of banks. These facilities are at 31 December 2018:

- Term Loan A – for an amount of EUR 17,0 million with an annual interest rate equal to average 3 months Euribor rate, increased by 3,5% to 4,5% depending on Leverage (see note 14), for a 5-years period until 30 September 2021 (with a repayment of EUR 895 thousand every quarter). These have been fully repaid in 2019.
- Term Loan B – for an amount of EUR 17,0 million with an annual interest rate equal to average 3 months Euribor rate, increased by 4,0% to 5,0% depending on leverage, for a 6-years period until 30 September 2022. These have been fully repaid in 2019..
- Revolving facility – for an amount of EUR 10,0 million with an annual interest rate equal to average 3-months Euribor rate, increased by a premium between 3,5% and 4.5%, depending on leverage, for a 5-years period until 30 September 2021.

Following that repayment, the company's amended senior financing facilities consist of the following as at 31 December 2020 and 2019 of which has not been drawn at the end of both years:

- a permanent revolving facility – for an amount of EUR 20,0 million (31 December 2019: EUR 10,0 million) with an annual interest rate equal to average 1 month Euribor rate, increased by a premium of 2,0%, available until 31 December 2023 (31 December 2019: 30 September 2021);
- a seasonal revolving facility – for an amount of EUR 10,0 million with an annual interest rate equal to average 1 month Euribor rate, increased by a premium of 2,0%, available between the last business day of January, April, July and October until the 5th calendar day of the respective month or until the last business day before the 5th calendar day if that 5th calendar day is not a business day, until 31 December 2023 (31 December 2019: 30 September 2021);

As per 17 February 2020, the aforementioned permanent revolving facility was increased from EUR 10,0 million to EUR 20,0 million and the end date of the facility was amended from 30 September 2021 to 31 December 2023. Per 27 March 2020, the permanent revolving facility amounts to EUR 20 million until 23 September 2020 and the seasonal revolving facility was canceled. Subsequently, as from 24 September 2020 to 31 December 2023 the syndicated senior financing facility will then again consist of a permanent revolving facility of EUR 20 million and a seasonal revolving facility of EUR 10 million.

The following securities have been furnished with regard to these aforementioned facilities (including the guarantee facility as mentioned in note 18):

- a pledge on all bank rights, all hedging rights, all intercompany rights and all insurance rights;
- a pledge on all receivables;
- a pledge on all movable assets (tangible fixed assets);
- a pledge on all shares of the Company.

The Group has to comply with the following financial covenants:

As per 31 December 2020:

- Senior Net Debt per 31 December 2020 divided by EBITDA over 2020 is not more than 2,0 (Leverage see note 14);
- Capital Expenditure for each year is not more than EUR 1,5 million.
- EBITDA over the last twelve months exceeds EUR 13,5 million.

As per 31 December 2019:

- Debt Service Coverage Ratio over 2019 is not less than 1,1;
- Senior Net Debt per 31 December 2019 divided by EBITDA over 2019 is not more than 2,0 (Leverage see note 14); ;
- Capital Expenditure for each year is not more than EUR 1,5 million.

As per 31 December 2018:

- Debt Service Coverage Ratio over 2018 is not less than 1,1;
- Senior Net Debt per 31 December 2018 divided by EBITDA over 2018 is not more than 2,1 (Leverage see note 14);
- Capital Expenditure for each year is not more than EUR 1,5 million.

In 2018, 2019 and 2020, the Group complied with all aforementioned covenants.

At 31 December 2018, the Group had not fulfilled the requirement under the senior financing facility that contracts have a maximum tenor of 3 years, due to contracted future sales with a tenor of more than 3 years. This did not have an impact on the Group's repayment obligation or presentation. Furthermore, by means of the amendment of the senior financing facility in 2019, non-fulfilment of the Group with this contract requirement was waived retrospectively per 31 December 2018. Under the amended senior financing facility the requirement was extended to a maximum tenor of 5 years and insofar as contracts have a maximum term of more than 5 years, the aggregate amount of such contracts may never exceed EUR 250.000. The Group complied with this requirement. The Group has future contracts for green power certificates with a maximum term of more than 5 years at 31 December 2020, but these do not in aggregate exceed EUR 250.000.

Vendor loan

The Group also agreed a vendor loan associated with the acquisition of Scholt Energy Holding N.V. on 7 October 2016. The vendor loan is subordinated to the other financing commitments and was originally ultimately due in 2023 or earlier in case the other external financing arrangements have been repaid, but following an amendment in 2019 it became due ultimately 7 February 2020. In 2018 an amount of EUR 2,8 million was repaid. The amendment in 2019 resulted also in a reduction of the outstanding amount by EUR 1.726 thousand following the onerous contract measurement (see note 18). The loan bears an interest rate of 6,0%, and as from 1 January 2019 an interest equal to 1-months Euribor increased by 5,0% (with a minimum of 6,0%). The loan was fully repaid in 2020.

The fair values of the long-term liabilities at inception date are calculated at amortised costs with assistance of an external corporate finance firm. Arrangement fees are amortised over the service period of the financing period.

Terms and repayment schedule

The terms and conditions of outstanding loans (all in EUR) are as follows:

	Nominal interest rate *	Year of maturity **	Face value 31 December 2020	Carrying amount 31 December 2020	Face value 31 December 2019	Carrying amount 31 December 2019	Face value 31 December 2018	Carrying amount 31 December 2018
	%		EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000
Secured bank loans:								
- Term loan A	3,5	2019	-	-	-	-	9.617	9.617
- Term loan B	4,0	2019	-	-	-	-	5.000	5.000
Vendor loan	6,0	2020	-	-	861	861	2.587	2.587
Debt to credit institutions		2020	-	-	1.488	1.488	-	-
Lease liabilities			4.298	4.298	4.393	4.393	4.525	4.525
Total interest-bearing liabilities			4.298	4.298	6.742	6.742	21.729	21.729

*The nominal interest depends on the Leverage ratio (see note 14) and amounted during the first 3 months of 2018 3,75% for Term loan A and 4,25% for Term loan B. As from April 2018 the percentages decreased to 3,5% respectively 4,0%.

** The year of maturity for Term loan A and B is 2021 respectively 2022, as at 31 December 2018.

The secured bank loans are secured over the tangible fixed assets, trade receivables and all shares of the Company. The tangible fixed assets have a carrying amount of EUR 5.441 thousand as at 31 December 2020 (2019: EUR 5.907 thousand, 2018: EUR 6.469 thousand) (see note 7), the trade receivables have a carrying amount of EUR 66.541 thousand as at 31 December 2020 (2019: EUR 52.532 thousand, 2018: EUR 63.024 thousand) (see note 11).



KPMG Audit
Document to which our report

2086587-21X00178682BRD dated
7 September 2021

also refers.
KPMG Accountants N.V.

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Liabilities		Equity		Total
	Other loans and borrowings EUR 1.000	Lease liabilities EUR 1.000	Share capital/ premium EUR 1.000	Other reserves EUR 1.000	EUR 1.000
Balance at 1 January 2018	34.892	5.032	46.440	-6.143	80.221
Changes in financing cash flows:					
— Repayment of borrowings	-18.355	-	-	-	-18.355
— Payment of lease liabilities		-507	-	-	-507
Total changes from financing cash flows	-18.355	-507	-	-	-18.862
Liability related					
Interest expense	1.803	29	-	-	1.832
Interest paid	-1.586	-29	-	-	-1.615
Total liability-related other changes	217	-	-	-	217
Total equity-related other changes	-	-	-	2.247	2.247
Balance at 31 December 2018	16.754	4.525	46.440	-3.896	63.823



KPMG Audit
Document to which our report
2086587-21X00178682BRD dated
7 September 2021
also refers.
KPMG Accountants N.V.

	Liabilities		Equity		Total
	Other loans and borrowings EUR 1.000	Lease liabilities EUR 1.000	Share capital/ premium EUR 1.000	Other reserves EUR 1.000	EUR 1.000
Balance at 1 January 2019	16.754	4.525	46.440	-3.896	63.823
Changes in financing cash flows:					
— Repayment of borrowings	-14.507	-	-	-	-14.507
— Payment of lease liabilities	-	-612	-	-	-612
— Dividend paid	-	-	-	-10.000	-10.000
Total changes from financing cash flows	-14.507	-612	-	-10.000	-25.119
Liability related					
New leases	-	480	-	-	480
Interest expense	1.272	27	-	-	1.299
Interest paid	-1.170	-27	-	-	-1.197
Total liability-related other changes	102	480	-	-	582
Total equity-related other changes	-	-	-	3.444	3.444
Balance at 31 December 2019	2.349	4.393	46.440	-10.452	42.730



KPMG Audit
Document to which our report

2086587-21X00178682BRD dated
7 September 2021

also refers.
KPMG Accountants N.V.

	Liabilities		Equity		Total
	Other loans and borrowings EUR 1.000	Lease liabilities EUR 1.000	Share capital/ premium EUR 1.000	Other reserves EUR 1.000	EUR 1.000
Balance at 1 January 2020	2.349	4.393	46.440	-10.452	42.730
Changes in financing cash flows:					
— Repayment of borrowings	-2.451	-	-	-	-2.451
— Payment of lease liabilities	-	-728	-	-	-728
Total changes from financing cash flows	-2.451	-728		-	-3.179
Liability related					
Indexations lease arrangements	-	78	-	-	78
New leases	-	555	-	-	555
Interest expense	1.212	26	-	-	1.238
Interest paid	-1.110	-26	-	-	-1.136
Total liability-related other changes	102	633	-	-	735
Total equity-related other changes	-	-	-	4.236	4.236
Balance at 31 December 2020	-	4.298	46.440	-6.216	44.522



KPMG Audit
Document to which our report

2086587-21X00178682BRD dated
7 September 2021

also refers.
KPMG Accountants N.V.

16 Trade and other payables

	31 December 2020 EUR 1.000	31 December 2019 EUR 1.000	31 December 2018 EUR 1.000
Invoices to be received	24.085	21.869	13.915
Trade payables	11.824	19.246	18.146
Accrued expenses	873	678	542
Other trade payables	7.042	4.218	11.149
Trade payables	43.824	46.011	43.752
Green certificates obligation	15.526	13.671	12.667
Energy taxes	12.516	10.134	7.997
Other taxes and social security contributions	23.464	16.753	17.987
Other payables	51.506	40.558	38.651
Non-current	1.126	712	886
Current	94.204	85.857	81.517
	95.330	86.569	82.403

Information about the Group's exposure to currency and liquidity risk is included in note 18.

Invoices to be received

The invoices to be received relate to the purchasing of energy. The increase of the amounts in 2019 compared to 2018 is as a result of an increase of day-ahead positions sources under bilateral agreements rather than through exchange memberships.

Trade payables

Payment terms negotiated by the Group and payment terms for taxes and grid costs generally provide for due dates after due dates generally negotiated with customers for the corresponding trade receivables.

Other trade payables

Other trade payables includes an amount of EUR 9.076 thousand as at 31 December 2018 related to amounts received from its clearing bank following an increase in forward prices of electricity and gas.

Other trade payables furthermore includes payables for operating related services.

Green Certificates obligation

The Green Certificates obligation consists of the liability of Scholt Energy Control NV to deliver green certificates to the Belgian authorities per region by the end of March 2021, 2020, and 2019 respectively. This liability depends on the energy balance delivered to its clients in the respective region.

The liability is measured by multiplying the purchased green certificates with the price for which they have been acquired (see note 11) and by multiplying the green certificates to be purchased with their market price at reporting date.

The market prices for green certificates is based on bid and ask spreads as communicated by independent third party brokers and as 31 December 2020 amount to EUR 26,30 for bio-certificates in Flanders (31 December 2019: EUR 25,75, 31 December 2018: EUR 28,20), EUR 92,75 for green certificates in Flanders (31 December 2019: EUR 91,80, 31 December 2018: EUR 96,40), EUR 93,75 for green certificates in Brussels (31 December 2019: EUR 98,50, 31 December 2018: EUR 97,20) and EUR 66,20 for green certificates in Walloon (31 December 2019: EUR 70,60, 31 December 2018: EUR 68,80).

17 Provisions

	Onerous contracts	Jubilee	Total
	EUR 1.000	EUR 1.000	EUR 1.000
Balance at 1 January 2018	-	32	32
Provisions made during the year	2.535	10	2.545
Provisions used during the year	-	-	-
Balance at 31 December 2018	2.535	42	2.577
Non-current	-	42	42
Current	2.535	-	2.535
Balance at 31 December 2018	2.535	42	2.577
Balance at 1 January 2019	2.535	42	2.577
Provisions made during the year	-	8	8
Provisions used during the year	(2.535)	-	(2.535)
Balance at 31 December 2019	-	50	50
Non-current	-	50	50
Current	-	-	-
Balance at 31 December 2019	-	50	50
Balance at 1 January 2020	-	50	50
Provisions made during the year	-	7	7
Provisions used during the year	-	-	-



	Onerous contracts	Jubilee	Total
	EUR 1.000	EUR 1.000	EUR 1.000
Balance at 31 December 2020	-	57	57
Non-current	-	57	57
Current	-	-	-
Balance at 31 December 2020	-	57	57

The onerous contracts provision relates to the Company's obligation to deliver electricity to a large customer at predefined maximum prices in 2019. As no such obligation continues to exist after 2019 with regards to clients no onerous contracts provisions have been recorded in 2020.

18 Financial instruments – fair values and risk management

Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 December 2018

		Mandatorily at FVTPL	Carrying amount Financial assets at amortised cost	Other financial liabilities	Total	Level 1	Fair value Level 2	Level 3	Total
		EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000
Financial assets measured at fair value									
		-	-	-	-	-	-	-	-
Financial assets not measured at fair value									
Loans to joint ventures	10	-	373	-	373		-	373	373
Trade and other receivables	11	-	63.024	-	63.024		-	63.024	63.024
Cash and cash equivalents	12	-	5.216	-	5.216	5.216	-	-	5.216
		-	68.613	-	68.613	5.216	-	63.397	68.613
Financial liabilities measured at fair value									
		-	-	-	-	-	-	-	-
Financial liabilities not measured at fair value									
Secured bank loans:									
- Term loan A	15	-	-	9.617	9.617	-	-	9.617	9.617
- Term loan B	15	-	-	5.000	5.000		-	5.000	5.000
Vendor loan	15	-	-	2.587	2.587	-	-	2.587	2.587
Trade and other payables	16	-	-	82.403	82.403	-	-	82.403	82.403
		-	-	99.607	99.607	-	-	99.607	99.607



KPMG Audit
Document to which our report
2086587-21X00178682BRD dated
7 September 2021
also refers.
KPMG Accountants N.V.

31 December 2019

		Mandatorily at FVTPL	Carrying amount Financial assets at amortised cost	Other financial liabilities	Total	Level 1	Fair value Level 2	Level 3	Total
		EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000
Financial assets measured at fair value									
		-	-	-	-	-	-	-	-
Financial assets not measured at fair value									
Loans to joint ventures	10	-	256	-	256	-	-	256	256
Trade and other receivables	11	-	52.532	-	52.532	-	-	52.532	52.532
Cash and cash equivalents	12	-	4.112	-	4.112	4.112	-	-	4.112
		-	56.900	-	56.900	4.112	-	52.788	56.900
Financial liabilities measured at fair value									
		-	-	-	-	-	-	-	-
Financial liabilities not measured at fair value									
Secured bank loans									
- Term loan A	15	-	-	-	-	-	-	-	-
- Term loan B	15	-	-	-	-	-	-	-	-
Vendor loan	15	-	-	861	861	-	-	861	861
Debts to credit institutions	15	-	-	1.488	1.488	1.488	-	-	1.488
Trade and other payables	16	-	-	86.569	86.569	-	-	86.569	86.569
		-	-	88.918	88.918	1.488	-	87.430	88.918



KPMG Audit
Document to which our report

2086587-21X00178682BRD dated
7 September 2021

also refers.
KPMG Accountants N.V.

31 December 2020

		Mandatorily at FVTPL	Carrying amount Financial assets at amortised cost	Other financial liabilities	Total	Level 1	Fair value Level 2	Level 3	Total
		EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000
Financial assets measured at fair value									
		-	-	-	-	-	-	-	-
Financial assets not measured at fair value									
Loans with joint ventures	10	-	256	-	256	-	-	256	256
Trade and other receivables	11	-	66.541	-	66.541	-	-	66.541	66.541
Cash and cash equivalents	12	-	5.279	-	5.279	5.279	-	-	5.279
		-	72.076	-	72.076	5.279	-	66.797	72.076
Financial liabilities measured at fair value									
		-	-	-	-	-	-	-	-
Financial liabilities not measured at fair value									
Secured bank loans									
- Term loan A	15	-	-	-	-	-	-	-	-
- Term loan B	15	-	-	-	-	-	-	-	-
Vendor loan	15	-	-	-	-	-	-	-	-
Trade and other payables	16	-	-	95.330	95.330	-	-	95.330	95.330
		-	-	95.330	95.330	-	-	95.330	95.330



KPMG Audit
Document to which our report

2086587-21X00178682BRD dated
7 September 2021

also refers.
KPMG Accountants N.V.

Measurement of fair values

Valuation techniques and significant unobservable inputs

The following paragraphs explain valuation techniques used in measuring Level 2 and Level 3 fair values, for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used. Related valuation processes are described in note 2(d).

Financial instruments measured at fair value

The financial instruments measured at fair value relate to loans with third parties. The valuation model for evaluating the estimated fair value are for both types based on the discounted cash flows. The valuation model considers the present value of the expected future payments, discounted using a risk-adjusted discount rate.

The Company had a contingent consideration related to a maximum earn-out associated with the acquisition of Scholt Energy Holding N.V. in 2016 which was based on the gross profit of Scholt Energy Holding N.V. in 2018. This earn-out has not been recorded as liability in the years following the acquisition. At 31 December 2018 the consideration expired and no payments have been made with regards to this earn-out.

For the loan with third parties, the expected payment is determined by considering the possible scenarios of forecast cash flows associated with the loans over the service period of the loan agreement, the amount to be paid under each scenario and the probability of each scenario. The estimated fair value is considered nihil based on the expected cash flows.

Financial instruments not measured at fair value

The financial instruments not measured at fair value relates to the other financial assets, including the loans to joint ventures, and the other financial liabilities, including the secured bank loans, term loans, vendor loans and finance liabilities. The valuation technique applied to estimate the fair value is based on the present value of the expected payments, discounted using a risk-adjusted discount rate.

Level 3 fair values

For the financial liabilities and assets the valuation technique applied to estimate the fair value is based on the present value of the expected payments, discounted using a risk-adjusted discount rate.

Sensitivity analysis

For the fair values of the financial instruments, reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have no effects on the assets, liabilities and Profit or Loss.

Financial risk management

Risk management

Management has the overall responsibility for the establishment and oversight of the Group's risk management. It considers trading risk, customer default (credit) risk and liquidity risk as the Group's most substantial risks. Volume risk and interest rate risk are also elaborated on further, but are considered less significant by Group's management. The Group's customers are provided the option to purchase energy at fixed rates, at variable rates, or a combination of both. The Group enters into forward energy supply contracts to hedge contractual agreed volumes against changes in market prices back to back. The Group does not engage in any speculative activities nor trading of these forward agreements nor does it apply hedge accounting.

Trading risk

Trading risk results from offering customers the opportunity to purchase gas and electricity for a period up to 5 year as per the amendment of the senior financing facilities in 2019 (and 3 years for the years before) based on forward prices. This risk is mitigated by entering into forward purchasing contracts (back-to-back) on exchanges as well as with the energy suppliers and maintaining strict Value-at-Risk-limits by total portfolio. Also, following the Group's bank facility there is a hedge requirement of at least 95% of its future exposed positions. The Company complied with this covenant in 2018, 2019 and 2020.

The Group does not engage in any speculative activities nor trading of these forward contracts, and only enters into these forward contracts to match against contractual demand from customers. The Group does not apply hedge accounting Forwards contracts will be treated as an executory contract, and recorded upon settlement and makes therefore use of the own use exemption.

Customer default risk

Customer default risk is the risk of financial loss to the Group if a customer or counterparty a financial instrument fails to meet its contractual obligations. This risk is associated with the Group's trade receivables including revenues to be invoiced (settlement- and close-out risk), and arises partly from the Group's dependency of third party grid operators to end delivery, which may take weeks after the Group's first request (close-out risk). However, the Group consider that the customer default risk mainly arises from the risk on negative Mark-to-market value on forward positions in case of a defaulting customer (Mtm-risk).

Mtm-risk

Although the Group's credit insurance policy does not cover for losses on negative Mark-to-market value on forward positions in case of a defaulting customer, assessment by the Group's credit insurer indirectly also limits Mtm-risk, as denial for coverage (among other triggers) leads to exclusion of the possibility to purchase any (further) forward positions other than explicitly approved by the Group's credit control specialist. Mtm-risk is further mitigated by the Group's general conditions which enables the Group to request customers that are exposed to substantial Mtm-risk for cash collaterals.

Furthermore, the Group monitors market developments and individual mark-to-market positions of customers on a weekly basis. In addition, purchasing clusters are created for customers with collective responsibility for purchase obligations to reduce the Mtm-risk. Defaulting clusters with negative mark-to-market positions could impact the company's result and financial position. If the ten largest clusters in terms of negative mark-to-market position would all default (and all individual members of the clusters in which they participate would default, thus not being able to replace the defaulting individual customer), the impact on the Company's result does not exceed EUR 3,1 million in 2020 (2019: EUR 5,4 million, 2018: EUR 0,5 million).



KPMG Audit
Document to which our report

2086587-21X00178682BRD dated

7 September 2021

also refers.

KPMG Accountants N.V.

Settlement- and close-out risk

Settlement- and close-out risks are mitigated by means of a credit insurance policy covering 95% of incurred losses. Individual customers that are exposed to an aggregated settlement- and close-out risk of at least EUR 50 thousand are assessed to be included in the credit insurance policy on an individual basis. Customers that are bearing less individual risk are covered under the credit insurance policy by means of self-acceptance. This implies that either sales limits are established based on an external rating agency, or successful collection of receivables from that customer over time, leads to insurance. For these customers, credit insurance is included as a condition precedent in the contract. Finally, for the customers not covered by these insurance policies, the Group obtains alternative coverage for any risk of default. This may be for example collateral, a bank guarantee or alternative coverages.

Impairment losses on trade receivables including amounts to be invoiced recognized in profit or loss were as follows:

	2020 EUR 1.000	2019 EUR 1.000	2018 EUR 1.000
Impairment loss on trade receivables and contract assets arising from contracts with customers	40	83	182
	<u>40</u>	<u>83</u>	<u>182</u>

The exposure to credit risk for trade receivables including amounts to be invoiced by geographic region was as follows:

	31 December 2020 EUR 1.000	Carrying amount 31 December 2019 EUR 1.000	31 December 2018 EUR 1.000
The Netherlands	4	56	71
Belgium	-	-	-
Germany	14	7	105
	<u>18</u>	<u>63</u>	<u>176</u>

Expected credit loss assessment for customers

The Group uses an allowance matrix to measure the ECLs of trade receivables from individual customers, which comprise a very large number of small balances. Loss rates are calculated using a method based on the probability of a receivable based on the following common credit risk characteristics – type of contract with customer, loss experience based on an average of the preceding years and ageing of the outstanding debtors also in relation to the accrued revenue to be invoiced.

The following table provides information about the estimated exposure to credit risk and ECLs for trade receivables and contract assets from individuals as at 31 December 2020:

	gross carrying amount %	loss allowance EUR 1.000	Credit-impaired EUR 1.000
Current (not past due)	45	-	-
1–30 days past due	51	3	3
31–60 days past due	2	7	3
61–90 days past due	1	1	4
More than 90 days past due	1	7	30
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	100	18	40
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KPMG Audit
Document to which our report

2086587-21X00178682BRD dated
7 September 2021

also refers.
KPMG Accountants N.V.

The following table provides information about the estimated exposure to credit risk and ECLs for trade receivables and contract assets from individuals as at 31 December 2019:

	gross carrying amount %	loss allowance EUR 1.000	Credit-impaired EUR 1.000
Current (not past due)	5	-	-
1–30 days past due	73	1	2
31–60 days past due	16	6	3
61–90 days past due	1	2	-
More than 90 days past due	5	54	78
	<hr/>	<hr/>	<hr/>
	100	63	83
	<hr/>	<hr/>	<hr/>

The following table provides information about the estimated exposure to credit risk and ECLs for trade receivables and contract assets from individuals as at 31 December 2018:

	gross carrying amount %	loss allowance EUR 1.000	Credit-impaired EUR 1.000
Current (not past due)	1	-	-
1–30 days past due	92	63	9
31–60 days past due	3	31	17
61–90 days past due	1	-	10
More than 90 days past due	3	82	146
	<hr/>	<hr/>	<hr/>
	100	176	182
	<hr/>	<hr/>	<hr/>



KPMG Audit
Document to which our report

2086587-21X00178682BRD dated
7 September 2021

also refers.
KPMG Accountants N.V.

Movements in the allowance for impairment in respect of trade receivables and contract assets

The movement in the allowance for impairment in respect of trade receivables and contract assets during the year was as follows.

	2020 EUR 1.000	2019 EUR 1.000	2018 EUR 1.000
Balance at 1 January	63	176	183
Amounts written off	-40	-83	-182
Net remeasurement of loss allowance	-5	-30	175
	<hr/>	<hr/>	<hr/>
Balance at 31 December	18	63	176
	<hr/>	<hr/>	<hr/>

Liquidity risk


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

The Group has netting arrangements in place with certain of its energy suppliers to settle amounts in cash associated with energy purchase respectively delivery. The balances with these customers and energy suppliers are presented gross on the balance sheet. The amounts to be settled with the purchase amount to EUR 1.744 thousand as at 31 December 2020 (31 December 2019: EUR 2.483 thousand, 31 December 2018 EUR 5.173 thousand).

In addressing the liquidity risk, the Group has financing facilities in place and a bank guarantee facility which have been agreed upon simultaneously. The bank guarantee facility is used for providing collateral to suppliers. Some suppliers request collateral independent of the movement in forward prices, while other suppliers agreed upon collateral obligations that increase following a decline in forward prices (outstanding mark-to-market risk). On a monthly basis, the company runs statistical analyses to evaluate the sufficiency of its guarantee facility.

Financing facilities

In 2016, the Company concluded a syndicated senior financing facility, providing a revolving facility of EUR 10 million and a bank guarantee facility (see note 15 and below for the guarantee facilities). As from 18 April 2019, the financing facility was increased with a seasonal revolving facility of EUR 10 million. On 17 February 2020, the facility was increased with an additional revolving facility of EUR 10 million, whereas the

 **KPMG Audit**
Document to which our report
2086587-21X00178682BRD dated
7 September 2021
also refers.
KPMG Accountants N.V.

end date of the facilities was extended from 30 September 2021 to 31 December 2023. Per 27 March 2020, the facility was temporarily further increased to EUR 20 million revolving facility until 23 September 2020 (no seasonal facility). From 24 September 2020 to 31 December 2023 the syndicated senior financing facility again consisted of a revolving facility of EUR 20 million and a seasonal revolving facility of EUR 10 million.

Guarantee facilities

The Group aims to maintain a permanent EUR 10 million headroom in access to cash and bank guarantees that is sufficient to cover margin calls following the maximal decline in forward prices within an estimated 99% confidence interval. Accordingly, the Group monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables on a weekly basis and monitors the sufficiency of its bank guarantee facility at least on a monthly basis, but more frequent in case of declining forward prices to ensure that sufficient coverage is established.

The Company concluded as part of the financing facility, a bank guarantee facility of EUR 40 million provided to the Company and its subsidiaries in 2016. Following the Group's increase of forward contracts concluded and to allow for sufficient access to collateral while fully repaying term loans, this guarantee facility was increased with EUR 20 million as from 18 April 2019.

In 2020 the Group increased its spot market trading under bilateral agreements and decreased its spot market trading on exchanges. This in combination with declining forward prices as from end of 2019 resulted in the need for additional guarantees considering the Group's liquidity risk policy as mentioned before. The facility was further increased on 17 February 2020 with an additional EUR 15 million, whereas the end date of the facilities was extended from 30 September 2021 to 31 December 2023.

Following a further strong decline in forward prices upon announcement of the first European lockdowns in 2020, the facility was temporarily increased to EUR 107,5 million per 27 March 2020 until 24 September 2020. From 24 September 2020 to 31 December 2023 the financing facility again consisted of a bank guarantee facility of EUR 75 million. Per 28 January 2021, the bank guarantee facility is further increased to EUR 100 million allowing a third Lender to access the guarantee facilities and as such enhancing the Group's access to Lenders educated on and committed to the Group's business model.

As of 31 December 2020, the outstanding mark-to-market ("Mtm") obligation of the Group's purchasing positions was EUR 15.727 thousand negative following increasing forward prices for electricity and gas, of which EUR 16.130 thousand negative relates to suppliers to which the Company's collateral obligation depends on the Mtm-value and for these suppliers is evaluated on a daily basis (31 December 2019: EUR 35.010 thousand, of which EUR 25.014 thousand negative to suppliers depending on Mtm, 31 December 2018: EUR 37.651 thousand negative, of which EUR 31.351 thousand negative to suppliers depending on Mtm). A decrease in supplier market prices result in negative Mtm-positions, and an increase in supplier market prices results in positive Mtm-positions. In case of positive positions, the Company has on average the right to acquire energy for a better price than quoted as per balance date. This reduces the risk for suppliers on a default of the company.



KPMG Audit
Document to which our report

2086587-21X00178682BRD dated
7 September 2021

also refers.
KPMG Accountants N.V.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and excluding the impact of netting agreements.

31 December 2018	Carrying amount	Contractual cash flows					
		Total	6 months or less	6 -12 months	1 – 2 years	2 – 5 years	More than 5 years
	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000
Non-derivative financial liabilities:							
Contingent consideration	-	-	-	-	-	-	-
Secured bank loans:							
- Term loan A	9.617	9.617	1.790	1.790	3.579	2.458	-
- Term loan B	5.000	5.000	-	-	-	5.000	-
Vendor loan	2.587	2.587	1.726	-	-	861	-
Lease liabilities	4.525	4.525	282	282	564	1.222	2.175
Trade payables	82.403	82.403	81.517	-	886	-	-
	104.132	104.132	85.315	2.072	5.029	9.541	2.175



KPMG Audit
Document to which our report
2086587-21X00178682BRD dated
7 September 2021
also refers.
KPMG Accountants N.V.

31 December 2019

31 December 2019	Carrying amount	Contractual cash flows					
	Total	6 months or less	6 -12 months	1 – 2 years	2 – 5 years	More than 5 years	
	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000
Non-derivative financial liabilities:							
Debt to credit institutions	1.488	1.488	1.488	-	-	-	-
Vendor loan	861	861	861	-	-	-	-
Lease liabilities	4.393	4.393	332	332	597	1.200	1.932
Trade payables	86.569	86.569	85.857	-	712	-	-
	93.311	93.311	88.538	332	1.309	1.200	1.932

31 December 2020

31 December 2020	Carrying amount	Contractual cash flows					
		Total	6 months or less	6-12 months	1 – 2 years	2 – 5 years	More than 5 years
	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000
Non-derivative financial liabilities:							
Lease liabilities	4.298	4.298	389	363	660	1.215	1.671
Trade payables	95.330	95.330	94.204	-	1.126	-	-
	99.628	99.628	94.593	363	1.786	1.215	1.671



KPMG Audit
Document to which our report

2086587-21X00178682BRD dated
7 September 2021

also refers.
KPMG Accountants N.V.

As disclosed in note 15, the Group has secured bank loans that contain loan covenants for the years 2020, 2019 and 2018. Under the agreements, the covenants are reported on a quarterly basis to the Lenders and monthly reported to management to ensure compliance with the agreement.

The interest payments on variable interest rate loans in the table above reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change.

Volume risk

Volume risk entails the risk that the Group has to purchase electricity from Transmission System Operators against unfavourable “imbalance-prices” if estimated volumes do not match the actual volumes supplied to our customers. In case actual volumes delivered to customers differ from the estimated volumes these costs are generally charged on to the Group’s customers subject to the terms and conditions agreed with the client. Over the years the Group has invested in qualified staff and software to manage and reduce volume risk to avoid customer dissatisfaction. Quality of the predictions regarding consumption and production of energy improved and automated tools to adapt production to imbalance in market as well as to imbalance in the Group’s portfolio were implemented.

Interest rate risk

The Group distinguishes interest rate risk between the impact of declining interest rates leading to increasing costs on Group’s credit balances and the impact of increasing interest rates leading to increasing costs on the Group’s interest bearing financial instruments.

Exposure to declining interest rates

Interest risk follows from changes in the EURIBOR that apply to the Group’s credit balances when EURIBOR turns further negative. The Group does not hedge this risk with financial instruments. It’s the Group’s policy to reduce its exposure to interest risk through daily monitoring of credit positions, through using interest-free thresholds per bank account to the maximal extent by dividing its credit balances over bank accounts and through pre-paying suppliers and tax authorities.

Exposure to increasing interest rates

Interest risk follows from changes in the EURIBOR that apply to the Group’s debit balances when EURIBOR turns positive. The Group does not hedge its interest rate risk with financial instruments. It’s the Group’s policy to reduce its exposure to interest risk through the netting of debit and credit amounts where possible.



KPMG Audit
Document to which our report

2086587-21X00178682BRD dated

7 September 2021

also refers.

KPMG Accountants N.V.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as reported to management of the Group is as follows:

	31 December 2020	Carrying amount 31 December 2019	31 December 2018
	EUR 1.000	EUR 1.000	EUR 1.000
Fixed-rate instruments			
Financial assets	256	256	373
	<hr/>	<hr/>	<hr/>
	256	256	373
	<hr/>	<hr/>	<hr/>
Variable rate instruments			
Financial liabilities	-	-2.349	-16.754
	<hr/>	<hr/>	<hr/>
	256	-2.093	-16.381
	<hr/>	<hr/>	<hr/>



KPMG Audit
Document to which our report
2086587-21X00178682BRD dated
7 September 2021
also refers.
KPMG Accountants N.V.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or loss	
	50 basis points increase EUR 1.000	50 basis points decrease EUR 1.000
31 December 2020		
Variable-rate instruments	-	-
	<hr/>	<hr/>
Cash flow sensitivity (net)	-	-
	<hr/>	<hr/>
31 December 2019		
Variable rate instruments	-12	12
	<hr/>	<hr/>
Cash flow sensitivity (net)	-12	12
	<hr/>	<hr/>
31 December 2018		
Variable rate instruments	-86	86
	<hr/>	<hr/>
Cash flow sensitivity (net)	-86	86
	<hr/>	<hr/>



KPMG Audit
Document to which our report
2086587-21X00178682BRD dated
7 September 2021
also refers.
KPMG Accountants N.V.

Loans with joint ventures and third parties

The Group has loans with joint ventures and third parties of EUR 306 thousand at 31 December 2020 (31 December 2019: EUR 306 thousand, 31 December 2018: EUR 424 thousand), of which EUR 50 thousand fair value loss has been recorded for all financial periods involved.

The Group monitors the exposure to credit risk on these loans on an individual balance and recognizes impairment losses based on the 12-month expected credit losses, unless there is a significant increase in credit risk since initial recognition. There was no movement in the allowance for impairment in respect of the loans with joint ventures and third parties during the years.

Other receivables – deposits

Deposits related to prepayments to the Group's clearing bank and cash collateral to its derivative counterparties with Market to Market-exposure due to a decrease in energy prices (see note 11). These balances, measured at amortized cost, are subject to ECL. These deposits are short-term in nature, and held with trading houses and other energy companies with a credit rating of A/A-1 based on rating agency Standard & Poor.

Cash and cash equivalents

The Group held cash and cash equivalents of EUR 5.279 thousand at 31 December 2020 (31 December 2019: EUR 4.112 thousand, 31 December 2018: EUR 5.216 thousand). The cash and cash equivalents are held with bank and financial institution counterparties, which are rated at least AA respectively A+ based on rating agency Standard & Poor.

Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. No impairment allowances have been recognized for cash and cash equivalents for all periods.

Guarantees

At 31 December 2020, the Company has issued EUR 54.673 thousand guarantees to third parties (31 December 2019: EUR 50.979 thousand, 31 December 2018: EUR 18.249 thousand) to cover for the settlement-risk, close-out risk and mark-to market risk. The remaining guarantee facility available at 31 December 2020 amounts to EUR 20.827 thousand (31 December 2019: EUR 9.021 thousand, 31 December 2018: EUR 21.759 thousand). Furthermore, the Company issued a parent company liability guarantee to all of its subsidiaries.



KPMG Audit
Document to which our report

2086587-21X00178682BRD dated

7 September 2021

also refers.

KPMG Accountants N.V.

Revenue

A. Revenue streams

The Group generates revenue from the delivery of energy and services provided. The revenues can be specified as follows.

	2020 EUR 1.000	2019 EUR 1.000	2018 EUR 1.000
Revenue from Energy supply contracts	454.580	416.655	374.433
Energy Transition Services revenue	2.348	1.668	1.063
Total revenue	456.928	418.323	375.496

B. Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments.

	Reportable segments						Total		
	2020 EUR 1.000	2019 EUR 1.000	2018 EUR 1.000	2020 EUR 1.000	2019 EUR 1.000	2018 EUR 1.000	2020 EUR 1.000	2019 EUR 1.000	2018 EUR 1.000
Primary geographical markets									
The Netherlands	221.621	230.825	244.942	2.348	1.668	1.063	223.969	232.493	246.005
Germany	167.105	120.496	68.904	-	-	-	167.105	120.496	68.904
Belgium	65.854	65.334	60.587	-	-	-	65.854	65.334	60.587
	454.580	416.655	374.433	2.348	1.668	1.063	456.928	418.323	375.496
Major service lines									
Electricity	378.056	334.914	299.816	-	-	-	378.056	334.914	299.816
Gas	76.524	81.741	74.617	-	-	-	76.524	81.741	74.617
Services	-	-	-	2.348	1.668	1.063	2.348	1.668	1.063
	454.580	416.655	374.433	2.348	1.668	1.063	456.928	418.323	375.496
Timing of revenue recognition									
Services transferred over time	454.580	416.655	374.433	2.348	1.668	1.063	456.928	418.323	375.496
	454.580	416.655	374.433	2.348	1.668	1.063	456.928	418.323	375.496

After obtaining all relevant permits and sourcing contracts to enter the Austrian market in 2020, the Group has installed an Austrian sales-team in 2021 and expects to generate its first Austrian revenue in 2022.

C. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

	31 December 2020 EUR 1.000	31 December 2019 EUR 1.000	31 December 2018 EUR 1.000
Receivables	11.458	5.857	6.848
Contract assets	40.755	31.965	40.628
Contract liabilities	558	1.047	-

The contract assets relate to the Group's unbilled revenue (see note 11) at the reporting date for energy delivered amounting to EUR 39.938 thousand at 31 December 2020 (31 December 2019: EUR 31.545 thousand, 31 December 2018: EUR 40.461 thousand) and incurred incremental costs to obtain contracts amounting to EUR 817 thousand at 31 December 2020 (31 December 2019: EUR 419 thousand, 31 December 2018: EUR 167 thousand). The contract assets are transferred to receivables when the rights become unconditional. This occurs when the Group issues an invoice to the customer.

D. Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognizes its energy revenue based on the clients energy usage which is invoiced on a monthly basis. Payments are generally due with one week after invoicing.

The following paragraphs provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers and the related revenue recognition policies. For the accounting policy for onerous contracts, see note 3.

Electricity

Based on the criteria that the customer simultaneously receives and consumes the electricity delivered by Scholt, a single performance obligation has been identified that is (1) satisfied over time related to the contractual fixed stand-by fees irrespective of usage or (2) satisfied over time based on the criteria that the customer simultaneously receives and consumes electricity delivered by Scholt. The related cost are recognized in profit or loss when they are incurred.

The amount of revenue to recognize is dependent on a progress of measurement which is (1) the time elapsed for the contractual fixed fees in the contract, irrespective of usage (i.e. fixed part of the consideration which is charged even when no electricity is consumed) and (2) the actual consumption of electricity.

The transaction price for delivery of electricity is calculated based on transparent wholesale market prices, increased with a fixed surcharge per unit of electricity delivered, irrespective of whole sale market prices, for services provided. The transaction wholesales market price is determined to be fixed from hour to hour. Electricity deliveries are recorded either on a monthly or yearly basis (depending on the type of client) during the reporting period. The portion of not yet metered revenues "in the meter" is estimated on the closing date.

The transaction price includes additional elements such as the Stand-ready obligation and imbalance charges for all countries, green certificates and certificates of origin for Belgium and



KPMG Audit
Document to which our report

2086587-21X00178682BRD dated

7 September 2021

also refers.

KPMG Accountants N.V.

the Netherlands, and the EEG-Umlage and NNE charges for Germany that are included in the income statement as the amounts are received by the Group on its own account. Amounts received by the Group on behalf of third parties are not recognized as revenue. This relates to charges included in the transaction price for network costs, for energy taxes and for other indirect taxes depending on local rules and requirements per country the Group is operating in (see below the Group acting as agent).

Gas

Based on the criteria that the customer simultaneously receives and consumes the gas delivered by Scholt, a single performance obligation has been identified that is (1) satisfied over time related to contractual fixed stand-by fees irrespective of usage or (2) satisfied over time based on the criteria that the customer simultaneously receives and consumes gas delivered by Scholt.. The related cost are recognized in profit or loss when they are incurred.

The amount of revenue to recognize is dependent on a progress of measurement which is (1) the time elapsed for the contractual fixed fees in the contract, irrespective of usage (i.e. fixed part of the consideration which is charged even when no gas is consumed) and (2) the actual consumption of gas.

The transaction price for delivery of gas is calculated based on transparent wholesale market prices, increased with a fixed surcharge per unit of gas delivered, irrespective of wholesale market prices, for services provided. The transaction wholesale market price is determined to be fixed from day to day. Gas deliveries are monitored on a continuous bases or a deferred basis (depending on the customer either monthly or yearly) during the accounting period, in which case the portion of not yet metered revenues "in the meter" is estimated on the closing date.

The transaction price includes additional elements such as the Stand-ready obligation and flexibility charges for all countries, certificates and CO2 rights for Belgium and the Netherlands that are included in the income statement as the amounts are received by the Group on its own account. Amounts received by the Group on behalf of third parties are not recognized as revenue. This relates to surcharges included in the transaction price for network cost, energy and other indirect taxes depending on local rules and requirements per country the Group is operating in (see below the Group acting as agent).

Energy Transition Services

Revenue is recognized over time based on the percentage of completion method. The related cost are recognized in profit or loss when they are incurred.

Advances received are included in contract liabilities.

The Group acting as agent

In certain cases, the Group does not act as a principal towards the customer, but rather as an agent. This relates to contracts to pass through feed-in tariffs on the supply of renewable energy or the grid fees, invoiced by the energy supplier on behalf of the grid company ('grid charges'). According to Dutch and Belgium energy law, the supplier of energy also invoices the use of the network to the customer, on behalf of the grid companies. Due to the nature of the contracts between the supplier and grid companies, these amounts are not recognised in the income statement. Invoiced amounts are settled with the grid companies on a monthly statement.

20 Cost of energy purchases

The cost of purchases relates to the purchases of gas and electricity and third party services for services.

21 Employee benefit expenses

	2020 EUR 1.000	2019 EUR 1.000	2018 EUR 1.000
Wages and salaries	7.457	6.318	5.398
Social security contributions	1.337	1.030	791
Contributions to defined contribution plans	226	184	155
	<hr/>	<hr/>	<hr/>
	9.020	7.532	6.344
	<hr/>	<hr/>	<hr/>

22 Amortization and depreciation

Amortization and depreciation relates to tangible and intangible assets.

	2020 EUR 1.000	2019 EUR 1.000	2018 EUR 1.000
Depreciation:			
Office buildings	386	359	356
Computers	145	203	203
Machines and equipment	145	134	90
Leasehold improvements	105	104	104
Transport equipment	388	281	182
	<hr/>	<hr/>	<hr/>
	1.169	1.081	935
Amortization:			
Customer relationships	5.510	5.510	5.510
Trade name	327	327	327
Software	463	460	465
	<hr/>	<hr/>	<hr/>
	6.300	6.297	6.302
	<hr/>	<hr/>	<hr/>
	7.469	7.378	7.237
	<hr/>	<hr/>	<hr/>

23 Other operating expenses

	2020 EUR 1.000	2019 EUR 1.000	2018 EUR 1.000
Housing expenses	153	128	112
Office expenses	191	118	125
Information technology expenses	1.175	1.012	998
Legal and professional fees	975	890	660
Car expenses	270	362	255
Insurances	257	199	149
Sales and marketing expenses	421	322	242
Other employee services	392	421	342
General expenses	7	37	17
	<hr/>	<hr/>	<hr/>
	3.841	3.489	2.900
	<hr/>	<hr/>	<hr/>

24 Net finance costs

	2020 EUR 1.000	2019 EUR 1.000	2018 EUR 1.000
Interest income under the effective interest method on:			
— Loans	13	23	20
	<hr/>	<hr/>	<hr/>
Total interest income arising from financial assets	13	23	20
Financial liabilities not measured at FVTPL – interest expense	-1.238	-1.299	-1.832
Other	-97	-53	-27
	<hr/>	<hr/>	<hr/>
Finance costs - other	-1.335	-1.352	-1.859
	<hr/>	<hr/>	<hr/>
Net finance costs recognized in profit or loss	-1.322	-1.329	-1.839
	<hr/>	<hr/>	<hr/>

Income taxes

Amounts recognized in profit or loss

	2020 EUR 1.000	2019 EUR 1.000	2018 EUR 1.000
Current tax expense			
Current year	3.130	3.157	753
Deferred tax expense			
Origination and reversal of temporary differences	-1.108	-1.075	-3.236
Tax expense	2.022	2.082	-2.483

Tax expense excluded the Group's share of tax expense of the equity-accounted investees of EUR 12 thousand (2019: EUR 6 thousand income, 2018: EUR 1 thousand income), which has been included in 'share of profit of equity accounted investees, net of tax'.

Reconciliation of effective tax rate

	2020		2019		2018	
	%	EUR 1.000	%	EUR 1.000	%	EUR 1.000
Profit before tax from continuing operations		6.258		5.526		-236
Tax using the Company's domestic tax rate	25%	1.565	25%	1.381	25%	-59
Effect of tax rates in foreign jurisdictions	-	8	-	-5	-13%	30
Tax effect of:						
— Non-deductible expenses	-	5	-	20	-6%	14
— Effect of share of profits of equity-accounted investees	-	-10	-	4	-	1
— Change in statutory tax rates	5%	299	6%	353	741%	-1.749
— Tax-exempt income	2%	151	6%	303	322%	-760
— Other	-	4	1%	26	-17%	40
	32%	2.022	38%	2.082	1.052%	-2.483

Movement in deferred tax balances

2018	Net balance at 1 January	Recognized in profit or loss	Recognized directly in equity	Net balance at 31 December	Deferred tax assets	Deferred tax liabilities
	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000
Property, plant and equipment	-5	-	-	-5	-	-5
Right-of-use assets/ lease liabilities	-	-4	-	-4	-	-4
Intangible assets	-11.986	3.208	-	-8.778	-	-8.778
Trade and other receivables, including contract assets	306	99	-	405	446	-41
Provisions	2	1	-	3	10	-7
Loans and borrowings	-246	-	-	-246	13	-259
Trade and other payables	76	36	-	112	112	-
Carry forward tax loss	415	-104	-	311	311	-
Tax assets (liabilities) before set off	-11.438	3.236	-	-8.202	892	-9.094
Set off					-892	892
Net tax assets (liabilities)					-	-8.202



KPMG Audit
Document to which our report

2086587-21X00178682BRD dated
7 September 2021

also refers.
KPMG Accountants N.V.

2019	Net balance at 1 January	Recognized in profit or loss	Recognized directly in equity	Net balance at 31 December	Deferred tax assets	Deferred tax liabilities
	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000
Property, plant and equipment	-5	7	-	2	2	
Right-of-use assets/ / lease liabilities	-4	2	-	-2	-	-2
Intangible assets	-8.778	1.170	-	-7.608	-	-7.608
Trade and other receivables, including contract assets	405	81	-	486	590	-104
Provisions	3	2	-	5	12	-7
Loans and borrowings	-246	63	-	-183	13	-196
Trade and other payables	112	-29		83	83	
Carry forward tax loss	311	-221	-	90	90	
Tax assets (liabilities) before set off	-8.202	1.075	-	-7.127	790	-7.917
Set off					-790	790
Net tax assets (liabilities)					-	-7.127



KPMG Audit
Document to which our report
2086587-21X00178682BRD dated
7 September 2021
also refers.
KPMG Accountants N.V.

2020	Net balance at 1 January	Recognized in profit or loss	Recognized directly in equity	Net balance at 31 December	Deferred tax assets	Deferred tax liabilities
	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000	EUR 1.000
Property, plant and equipment	2	-1	-	1	1	-
Right-of-use assets/ / lease liabilities	-2	1	-	-1	-	-1
Intangible assets	-7.608	1.185	-	-6.423	-	-6.423
Trade and other receivables, including contract assets	486	-18	-	468	672	-204
Provisions	5	9	-	14	14	-
Loans and borrowings	-183	94	-	-89	-	-89
Trade and other payables	83	-76	-	7	7	-
Carry forward tax loss	90	-86	-	4	4	-
Tax assets (liabilities) before set off	-7.127	1.108	-	-6.019	698	-6.717
Set off					-698	698
Net tax assets (liabilities)						-6.019

Unrecognized deferred tax assets and liabilities

The Company does not have any unrecognized deferred tax assets and liabilities.



KPMG Audit
Document to which our report

2086587-21X00178682BRD dated
7 September 2021

also refers.
KPMG Accountants N.V.

26 Earnings per share

The calculation of basic earnings per share ('EPS') has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding. The Company does not have potential ordinary shares which are dilutive and impact the calculation of earnings per share

Profit (loss) attributable to ordinary shareholders (basic and diluted)

	2020	2019	2018
	EUR 1.000	EUR 1.000	EUR 1.000
Profit/(loss) attributable to ordinary shareholders (basic)	4.236	3.444	2.247
Profit/(loss) attributable to ordinary shareholders (diluted)	4.236	3.444	2.247

Weighted-average number of ordinary shares (basic and diluted)

	2020	2019	2018
Issued ordinary shares at 1 January	10.000	10.000	10.000
Effect of share options exercised	-	-	-
Effect of shares issued in October 2020	-	-	-
Weighted average number of ordinary shares at 31 December	10.000	10.000	10.000

27 Leases

Leases as lessee

The Group leases a number of offices facilities and cars. The car leases typically run for a period of 4 - 5 years, whereas the office facilities run for a period of 5 - 10 years. Only the office facilities leases have an option to renew the lease after that date. Lease payments for the offices facilities are renegotiated every five years to reflect market rentals. Some leases provide for additional rent payments that are based on changes in local price indices. The Group did not enter any sub-lease arrangements.

The Group leases IT equipment with contract terms of one to three years. These leases are short-term and/or leases of low-value items. The Group has elected not to recognize right-of-use assets and lease liabilities for these leases.

Information about leases for which the Group is a lessee is presented below.



Right-of-use assets

Right-of-use assets related to leased offices are presented as property, plant and equipment.

	Offices EUR 1.000	Cars EUR 1.000	Total EUR 1.000
2018			
Balance at 1 January	4.217	761	4.978
Depreciation charge for the year	(356)	(107)	(463)
Balance at 31 December	3.861	654	4.515
2019			
Balance at 1 January	3.861	654	4.515
Depreciation charge for the year	(359)	(235)	(594)
Additions to right-of-use assets	137	343	480
Balance at 31 December	3.639	762	4.401
2020			
Balance at 1 January	3.639	762	4.401
Depreciation charge for the year	(386)	(348)	(734)
Additions to right-of-use assets	116	439	555
Indexations	79	-	79
Balance at 31 December	3.448	853	4.301

Lease liability

	31 December 2020 EUR 1.000	31 December 2019 EUR 1.000	31 December 2018 EUR 1.000
Current	700	568	537
Non-current	3.598	3.825	3.988
Total	4.298	4.393	4.525



Amounts recognized in profit or loss

	2020 EUR 1.000	2019 EUR 1.000	2018 EUR 1.000
Depreciation expenses	734	594	463
Interest on lease liabilities	26	27	29
Expenses relating to short-term leases	168	118	50

Amounts recognized in statement of cash flows

	2020 EUR 1.000	2019 EUR 1.000	2018 EUR 1.000
Total cash outflow for leases	728	612	506

Extension options

Some property leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at the lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

The Group has estimated that the potential future lease payments, should it exercise the extension option, would not result in an increase in lease liability considering that the extension options have already been reflected in the determining the liability.

28

Commitments

Purchase and selling obligations

The Group concludes future contracts for the purchase and sales of electricity and gas which will be honoured by the physical delivery or receipt of the goods. The purpose of these contracts is to offset positions. These contracts are not included in the balance sheet.

The activities carried out for purchase and sales purposes are executed within the Group's management system. At the end of the financial reporting period the Company and its group companies had the following obligations:

- Long term electricity delivery contracts with variable contract periods and contract terms. The terms of delivery concerning the amount of electricity sold for a fixed forward price from 2021 until 2025 amount to EUR 288.6 million (31 December 2019: EUR 239.9 million from 2020 until 2024, 31 December 2018: EUR 199.2 million from 2019 until 2022). The remainder shall be sold for floating prices determined by EPEX.
- Long term gas delivery contracts with variable contract periods and contract terms. The terms of delivery concerning the amount of gas sold for a fixed forward price from 2021 until 2025 amount to EUR 106.4 million (31 December 2019: EUR 92.2 million from 2020 until 2024,



KPMG Audit
Document to which our report

2086587-21X00178682BRD dated

7 September 2021

also refers.

KPMG Accountants N.V.

31 December 2018: EUR 63.9 million from 2019 until 2022). The remainder shall be sold for floating prices determined by LEBA.

- Purchases for the delivery of electricity for the years 2021 until 2025 have a value of EUR 287.8 million (31 December 2019: EUR 239.5 million from 2020 until 2024, 31 December 2018: EUR 197.3 million from 2019 until 2022). The remainder still has to be purchased for floating prices. These transactions are at customer's risk.
- Purchases for the delivery of gas for the years 2021 until 2025 have a value of EUR 105.3 million (31 December 2019: EUR 91.8 million from 2020 until 2024, 31 December 2018: EUR 62.7 million from 2019 until 2022). The remainder still has to be purchased for floating prices. These transactions are at customer's risk.
- Purchases for the future contracts for green power certificates for the year 2021 until 2027 have a value of EUR 3.2 million (31 December 2019: EUR 3.5 million for the year 2020 until 2026, 31 December 2018: 5.6 million for the year 2019 until 2026).
- Sales for the future contracts for green power certificates for the years 2021 until 2026 have a value of EUR 4.2 million (31 December 2019: EUR 2.4 million for the years 2020 until 2026, 31 December 2018: 2.7 million for the years 2019 until 2026).

Financial obligations

The Group has long-term financial obligations relating to the lease of offices and cars. The total obligation as at 31 December 2020 for offices amounts to EUR 2.115 thousand (31 December 2019: EUR 2.082 thousand, 31 December 2018: EUR 958 thousand), and for the cars the Group's total obligation amounts to EUR 1.326 thousand at 31 December 2020 (31 December 2019: EUR 1.054 thousand, 31 December 2018: EUR 934 thousand).

29

Related parties

Transactions with key management personnel

Key management personnel compensation

Key management personnel compensation comprised the following:

	2020 EUR 1.000	2019 EUR 1.000	2018 EUR 1.000
Short-term employee benefits	698	623	618
Post-employment benefits	38	34	30
	<hr/>	<hr/>	<hr/>
	736	657	648
	<hr/>	<hr/>	<hr/>

Compensation of the Group's key management personnel includes salaries and contributions as part of a defined contribution plan. There are no other compensations.

The emoluments to the Board of Directors as referred to in Section 2:383(1) of the Netherlands Civil Code, charged in the financial period to the company can be detailed as follows:



KPMG Audit
Document to which our report

2086587-21X00178682BRD dated
7 September 2021

also refers.
KPMG Accountants N.V.

	2020 EUR 1.000	2019 EUR 1.000	2018 EUR 1.000
<i>Short-term employee benefits</i>			
R.A.F. van Gennip	198	173	175
F.A. van Gastel	220	183	183
	<hr/>	<hr/>	<hr/>
	418	356	358
<i>Post-employment benefits</i>			
R.A.F. van Gennip	12	10	9
F.A. van Gastel	10	9	9
	<hr/>	<hr/>	<hr/>
	22	19	18
	<hr/>	<hr/>	<hr/>
Total	440	375	376
	<hr/>	<hr/>	<hr/>

Share-based payments

Following the acquisition of Scholt Energy Holding N.V. in 2016, certain board members and eligible employees of the Group have been provided the opportunity to participate indirectly in the share capital of the SEC Topholding B.V. These indirect share investments are held via a foundation ("Stichting Administratiekantoor"), which has issued Depositary Receipts ("DRs") to the eligible persons. This participation plan is classified as an equity-settled share-based payment arrangement. A eligible person who is leaving the Group is obliged to offer all the DRs held to a shareholder of the Company. If the employee is leaving the Group within five years after purchasing the DRs, the price will be equal to a percentage of the fair market value at the leaver date ranging from 50% in the first year after purchasing of the DRs to 90% in the fifth year after purchasing. An eligible person leaving after five years will be entitled to the fair market value for all DRs held. Since SEC Topholding B.V., the Company and the Company's subsidiaries do not have an obligation to repurchase the DRs from an eligible person or to otherwise settle these awards in cash, the participation plan is classified as an equity-settled share-based payment arrangement. Key management that indirectly invested in DRs of SEC Topholding B.V. paid at least the actual fair value of the shares at the respective grant date. As the Company's shares are not listed, management need to estimate the fair value of the shares when key management indirectly acquire DRs in the Company. On each subsequent grant date, the fair market value of the Company's DRs has been estimated taking into account relevant valuation parameters available as well as the Company's development in the respective period. Provided that the eligible persons paid at least the estimated fair market value of the underlying DRs in SEC Topholding B.V. at the grant date, the fair value of those share-based payment awards is nil. The share-based payment expense recognised for the Company's equity-settled management participation plan amounts to nil (2019: nil; 2018: nil).

Key management personnel transactions

A number of key management personnel, or their related parties, hold positions in other companies that result in them having control or significant influence over these companies.

A number of these companies transacted with the Group during the year. The terms and conditions of these transactions were no more favourable than those available, or which might reasonably be

expected to be available, in similar transactions with non-key management personnel related companies on an arm's length basis.

	Transaction values for the year ended 31 December			Balance outstanding as at 31 December		
	2020 EUR 1.000	2019 EUR 1.000	2018 EUR 1.000	2020 EUR 1.000	2019 EUR 1.000	2018 EUR 1.000
Sale of Energy						
Related parties	4.755	3.494	3.215	291	310	341
Purchase of services						
Parent Company	25	25	25	-	-	-
Related parties	331	440	329	-	-	-
Others						
Vendor loan financing	-	-	-	-	930	1.557

All outstanding balances with these related parties are priced on an arm's length basis and are to be settled in cash within two months of the end of the reporting period for the sale of energy balances, and the purchase of services.

The balances are secured through the Group's credit insurance policy (see note 18). No expense has been recognized in the current year or prior year for bad or doubtful debts in respect of amounts owed by related parties. No guarantees have been given or received.

30 Subsequent events

The Group increased the bank guarantee facility (see note 18 as from 28 January 2021 from EUR 75 million to EUR 100 million allowing a third lender to access the guarantee facilities and as such enhancing the Group's access to lenders educated on and committed to the Group's business model. There was no change of other terms as part of this increase.

The Company has committed an intention to list part of its shares at Euronext N.V., Amsterdam, The Netherlands, in 2021 and has engaged third party professional and legal advisors and underwriters to support the listing. The related third party expenditures are settled by the Company's direct shareholders.

The shareholders of the Company have decided in July 2021 to merge the Company with its direct parent company SEC Topholding B.V. in August 2021. The Company will be the acquirer in this merger.

In 2021 the Company provided a loan to its direct parent company for an amount of EUR 20,0 million to facilitate a dividend distribution. This loan is interest bearing at a rate of 2,0% and will be settled through the merger that will be effected in August 2021.

In July 2021 the Group announced that it reached agreement to acquire an interest of 33% in Hysolar B.V. for an amount of EUR 250 thousand to further exploit its energy and balancing services that should become operational in 2022 related to an electrolyzer of public hydrogen filling station.

Prior to IPO, certain key employees, including Managing Directors and members of the Senior Management shall have been granted Options under the Option Plan as approved by the General Meeting subject to, amongst others, the occurrence of a First Trading Date and continued employment or engagement until the relevant vesting dates (subject to arrangements for exceptional circumstances, such as death, injury, ill-health or disability). The Option Plan



KPMG Audit
Document to which our report

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7 September 2021

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KPMG Accountants N.V.

encourages the Managing Directors and selected eligible employees to focus on the Company's long-term success by providing such individuals an economic interest in any growth of the equity value of the Company.

Under the Option Plan, participants may receive Options, meaning a right to acquire Ordinary Shares subject to the terms of the Option Plan against payment of an exercise price. The number of Ordinary Shares that may be allocated under the Option Plan on any day cannot, when added to the aggregate of the number of Ordinary Shares already allocated under the Option Plan, exceed the number of 700,000 Ordinary Shares. Prior to IPO, the Managing Directors will each have been granted 100,000 Options, Mr R. Dekkers (the COO) will have been granted 42,120 Options and Mr S.J. Scholt (the CCO) will have been granted 30,000 Options. After IPO, other participants will be granted a total of 427,880 Options. It is currently expected that approximately 50 employees (including Senior Management) will be entitled to receive Options under the Option Plan.

Under the Option Plan, 50% of the Options awarded to a participant vests on the second anniversary of the date of grant and the remaining 50% of the Options awarded to such participant vests on the third anniversary of the date of grant, subject to continued employment or engagement with the Company (subject to arrangements for exceptional circumstances, such as death, injury, ill-health or disability). Vested Options may be exercised after vesting, provided that for members of the Management Board, vested Options can only be exercised on or after the third anniversary of the date of grant of the Options. In the event of a change of control over the Company, the Management Board and Supervisory Board may determine that any Options shall be deemed to be vested immediately prior to (and conditional upon) such change of control, subject to certain possible adjustments.

On the First Trading Date, the Company will grant to all eligible employees, excluding the Managing Directors, rights to acquire existing Ordinary Shares for no consideration under a one-off share incentive. It is currently expected that eligible employees will be granted rights to a cumulative total of 33,930 Ordinary Shares. Eligible employees are all employees of Scholt Energy, other than the Managing Directors, who are employed at the First Trading Date and who have not given or been given notice of termination of their employment agreements. Each eligible employee will be entitled to six Ordinary Shares for each full month he or she has been in service with Scholt Energy on the First Trading Date, with a minimum of 72 Ordinary Shares and a maximum of 360 Ordinary Shares.

The conditional rights to acquire existing Ordinary Shares granted to these employees of Scholt Energy will vest on the date which is one calendar year following the grant date, if this is a trading day or the first trading day thereafter, on the condition that the relevant employee of the Company continues to be employed by the Company or any of its subsidiaries on this date (subject to arrangements for exceptional circumstances, such as death of permanent disability). The Company entered into an agreement with the Selling Shareholders (excluding Stichting Administratiekantoor SEC Topholding) pursuant to which (i) the Company has the right to acquire from the Selling Shareholders (excluding Stichting Administratiekantoor SEC Topholding) for no consideration a number of Ordinary Shares equal to the number of conditional rights exercised by eligible employees and (ii) the Selling Shareholders (excluding Stichting Administratiekantoor SEC Topholding) shall pay to the Company an amount equal to any costs incurred in relation to taxes and social security contributions due in respect of the one-off share incentive.

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