

**Ferrovial International SE**

**FINANCIAL REPORT  
2022**

Amsterdam, The Netherlands

**FINANCIAL STATEMENTS**

**CONTENTS:**

BALANCE SHEET	<a href="#">3</a>
INCOME STATEMENT	<a href="#">5</a>
NOTES TO THE BALANCE SHEET AND INCOME STATEMENT	<a href="#">8</a>
OTHER INFORMATION	<a href="#">25</a>

# Company balance sheet as at 31 December 2022

## (before appropriation of profit)

(Euros)

ASSETS	Notes	December 31, 2022	December 31, 2021
<b>Fixed assets</b>		<b>8,032,969,808</b>	<b>6,827,071,658</b>
Financial fixed assets	3	8,003,288,027	6,827,071,658
Long term receivables from group companies	4	11,266,605	0
Deferred tax asset	14	18,415,176	0
<b>Current assets</b>		<b>379,695,431</b>	<b>17,206,762</b>
Receivables	5	277,139,525	15,898,979
Dividend to be received		216,972,035	0
Short term receivables from group companies		10,373,961	2,711,389
Group Companies debt		46,811,660	11,304,517
Group Companies trade receivables		2,981,285	1,883,073
Other receivables		584	0
Cash	6	102,555,906	1,307,783
<b>TOTAL ASSETS</b>		<b>8,412,665,239</b>	<b>6,844,278,420</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Equity</b>	7	<b>8,164,136,587</b>	<b>6,761,634,191</b>
Share capital		742,877,070	742,877,070
Share premium		7,884,268,870	6,413,868,157
Other reserves		-395,111,036	-406,656,673
Interim dividend		-1,295,636,729	0
Profit of the year		1,227,738,412	11,545,637
<b>Long term Liabilities</b>	8	<b>0</b>	<b>3,025,923</b>
Group companies loan		0	3,025,923
<b>Current Liabilities</b>	9	<b>248,528,652</b>	<b>79,618,306</b>
Dividend pending to be paid		212,544,871	
Deferred income		0	2,711,389
Group companies debt		34,195,327	75,631,175
Group companies trade payables		1,542,394	479,666
Accrued expenses		56,731	0
Current income tax liabilities		129,069	418,110
Others		60,260	377,966
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8,412,665,239</b>	<b>6,844,278,420</b>



# Company income statement for the year ended 31 December 2022

(Euros)	Notes	December 31, 2022	December 31, 2021
Turnover	10	5,054,461	2,179,833
General and administrative expenses	11	-2,410,054	-2,009,019
<b>Operating result</b>		<b>2,644,407</b>	<b>170,814</b>
Result on participation in subsidiaries	12	1,095,730,279	0
Impairment of fixed assets	13	-30,808,321	12,275,733
Disposals of fixed assets	14	162,281,928	0
Interest income on loans to group companies	5	721,025	0
Interest expense on loans from group companies	9	-28,088	-267,642
Guarantee expense		-2,062,570	-243,794
Interest on bank accounts		36,072	0
Exchange differences		-740,644	-445,792
<b>Financial result</b>		<b>1,225,129,681</b>	<b>11,318,505</b>
<b>Result before taxation</b>		<b>1,227,774,088</b>	<b>11,489,319</b>
Corporate Income tax	14	-35,676	56,318
<b>NET RESULT AFTER TAXATION</b>		<b>1,227,738,412</b>	<b>11,545,637</b>

# Notes to the company balance sheet as at 31 December 2022

## 1. General

Ferrovial International SE is a European public limited liability company, having its corporate seat in Amsterdam, the Netherlands, and its address at Kingsfordweg 151, 1043 GR Amsterdam, the Netherlands, registered with the Dutch trade register under number 734 221 34 (the “Company”).

These financial statements cover the year 2022, which ended at the balance sheet date of 31 December 2022 for the reporting period.

The financial statements are presented in euros ('EUR'), which is the Company's functional currency.

The Company was incorporated in England and Wales as a private limited company (LTD) on 27 October 2015, re-registered as a public limited company (PLC) on 25 July 2018 and subsequently re-registered as a Societas Europaea (SE or European public limited liability company) on 13 December 2018. On 14 December 2018 the Company transferred its center of effective management and, therefore, its tax domicile from Spain to the Netherlands. At last, pursuant to a notarial deed of 18 March 2019 the Company also transferred its corporate seat from the UK to the Netherlands and thus converted into a Dutch SE subject to corporate Dutch laws.

Ferrovial International SE is the Ferrovial Group's Dutch company (hereinafter referred to as the “Group” or “the Company”) and the parent company of all Ferrovial's international businesses in the Toll Roads and Airports activities, as well as a part of the international Construction business. It is also the parent of the Services business both in Spain and globally, except for the United Kingdom.

The Group carries out activities in the following business areas:

- a. Construction: Design and build of all manner of public and private works, including most notably the construction of public infrastructure.
- b. Toll roads: Development, financing and operating of toll roads.
- c. Airports: Development, financing and operating of airports.
- d. Energy Infrastructures and Mobility: this business area is reported for the first time this year, which is fundamentally focused on the development of energy infrastructures, both transmissions and renewable energies, and where mobility businesses are also located, and some of the Services activities that have not finally been subject to divestment.

The different areas of activity in which the consolidated Group carries out its business can be consulted in more detail on the website [www.ferrovial.com](http://www.ferrovial.com).

The activity carried out by the Group's business divisions is mainly carried out through the development of infrastructure projects. These projects are conducted through long-term arrangements with public authorities under which the concession operator, in which the Group generally has an ownership interest together with other shareholders, finances the construction or upgrade of public infrastructure, mainly with borrowings secured by the cash flows from the project and with the shareholders' capital contributions, and subsequently operates and maintains the infrastructure. The investment is recovered by collecting tolls or regulated charges for the use of the infrastructure, or through amounts paid by the authority awarding the contract based on the availability for use of the related asset. In most cases the construction and subsequent maintenance of the infrastructure is subcontracted by the concession operators to the Group's construction division.

It is also important to highlight that two of the Group's main assets are its 25% ownership interest in Heathrow Airport Holdings (HAH), the company that owns Heathrow Airport in London (UK), and its 43.23% ownership interest in 407 ETR, the concession operator of the 407 ETR toll road in Toronto (Canada), which are equity-accounted companies since 2011 and 2010, respectively.

### Update about discontinued operations

In 2022 the divestment process of the Services Division was completed, once the sales of the infrastructure upkeep and maintenance business in Spain to Portobello Capital was completed as well as the Amey business in the United Kingdom.

### **Significant investments in 2022**

The most significant acquisitions of the Company through its subsidiaries are described below. More information can be found on [www.ferrovial.com](http://www.ferrovial.com)

#### **Investment in the company JFK NTO LLC, concessionaire of the new Terminal One of the JFK airport in New York**

On the 10th June 2022, Ferrovial announced the financial close of its investment as an equity sponsor in the concessionaire of the New Terminal One (NTO), of New York's John F. Kennedy Airport, which is in charge of the remodeling, construction, financing, operation and maintenance of the facilities of the new Terminal One of the international airport. Ferrovial has a 49% indirect interest in the project.

#### **Acquisition and takeover of Dalaman International Airport**

On July 19, 2022, the Group acquired 60% of the voting shares of YDA Havalimanı (Dalaman International Airport), located in Turkey. The concession contract includes the renovation and operation of the Dalaman International Airport.

### **Group structure**

The Company is a member of the Ferrovial Group. The direct shareholder is Ferrovial S.A. a company incorporated in Spain with registered address in Calle Principe de Vergara, 135, 28002 Madrid (España).

Ferrovial S.A. is the ultimate controlling party and the parent of the group, a listed company on the Madrid Stock Exchange. The financial statements of the Company are included in the consolidated financial statements of Ferrovial, S.A. The Consolidated Financial statements of Ferrovial, S.A., are available at website: [www.ferrovial.com](http://www.ferrovial.com).

### **Related party transactions**

All legal entities that can be controlled, jointly controlled or significantly influenced are a related party. Also, entities which can control the company are considered a related party. In addition, statutory directors and close relatives are regarded as related parties.

Significant transactions with related parties are disclosed in the notes insofar. The nature, extent and other information is disclosed if this is required for to provide the true and fair view.

### **Consolidation**

Pursuant to Section 2:408 sub 1 under b of the Dutch Civil code, the Company is not required to consolidate. The consolidated financial statements of its ultimate parent company, Ferrovial S.A., are filed with the Dutch trade register.

### **Use of estimates**

In applying the accounting policies and guidelines for preparing the financial statements, management makes a range of estimates and judgements that might be essential for the amounts disclosed in the financial statements. If necessary for the purposes of providing the view required under Section 362(1), Book 2, of the Dutch Civil Code, the nature of these estimates and judgements, including the related assumptions, is disclosed in the notes to the financial statements items in question. Actual amounts may differ from these estimates.

They basically refer to

- Measurement of possible impairment losses on certain assets (see [notes 3](#) and [note 13](#)),
- Assessment of possible legal and tax contingencies ([note 14](#)),

- Assessment of commitments and contingencies not included in the balance sheet ([note 15](#)),
- Estimates made for the purposes of the going concern assessment ([note 18](#)).

## 2. Basis of preparation

The accompanying financial statements have been prepared in accordance with the statutory provisions of Part 9, Book 2, of the Dutch Civil Code and the firm pronouncements in the Guidelines for Annual Reporting in the Netherlands as issued by the Dutch Accounting Standards Board, taking into account the exemptions offered by the Dutch Accounting Standards Board.

In general, assets and liabilities are stated at the amounts at which they were incurred or at their current value. If not specifically stated otherwise, they are recognized at the amounts at which they were acquired or incurred. The balance sheet and income statement include references to the notes.

### **Comparison with previous year**

The accounting policies have been consistently applied to all the years presented.

### **Foreign Currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange prevailing at the balance sheet date. Foreign currency transactions in the reporting period are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates are recognized in the income statement.

Translation differences on non-monetary assets held at cost are recognized using the exchange rates prevailing at the dates of the transactions (or the approximated rates).

### **Financial fixed assets**

Participating interests, including majority investments where significant influence can be exercised, are stated at acquisition cost in accordance with Article 214.325 of the Guideline for Annual Reporting in The Netherlands as issued by the Dutch Accounting Standards Board, with reference to Title 9, Book 2, Article 389.9 of the Dutch Civil Code or in case of a permanent impairment of the value of the shares, it is measured at impaired value; any write-offs are disclosed in the income statement (refer to note d impairment).

### **Impairment**

At each balance sheet date, the Company tests whether there are any indications of assets being subject to impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent, if any, of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. An asset is subject to impairment if its carrying amount exceeds its recoverable amount; the recoverable amount is the higher of an asset's fair value less costs to sell and value in use. An impairment loss is recognized immediately in the income statement.

If it is established that a previously recognized impairment loss no longer applies or has declined, the increased carrying amount of the assets in question is not set any higher than the carrying amount that would have been determined had no asset impairment been recognized. A reversal of an impairment loss is recognized immediately in the income statement.

### **Receivables**

Receivables are measured at initial recognition at fair value including transaction costs. After initial recognition at amortized cost (if there is no premium or discount and transaction costs this is equal to the nominal value). Any provisions for bad debts are deducted from the carrying amount of the receivable.

### **Cash**

Cash and cash equivalents include cash in hand, bank balances and deposits held at call with maturities of less than 12 months. Bank overdrafts, if any, are shown within borrowings in current liabilities on the balance sheet. Cash and cash equivalents are stated at face value.



### **Financial liabilities**

The Company classifies all of its financial liabilities as liabilities at amortized cost. They are initially recognized at fair value net of any transaction costs directly attributable to the issuance of the instrument and are measured subsequently at amortized cost using the effective method.

### **Non-current and current liabilities**

Non-current and current liabilities and other financial commitments are measured after their initial recognition at amortized cost on the basis of the effective interest rate method. The effective interest is directly recorded in the profit and loss account. Redemption payments regarding non-current liabilities that are due next year, are presented under current liabilities.

### **Equity**

Direct changes in Equity are recognized net of the relevant income tax effects.

### **Provisions**

A provision is recognized if the following applies:

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

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

### **Financial instruments**

Financial instruments include investments in shares, trade and other receivables, cash items, loans and other financing commitments, trade payables and other amounts payable. These financial statements contain the following financial instruments: financial instruments held for trading (financial assets and liabilities), loans and receivables (both purchased and issued), equity instruments, other financial liabilities and guarantees.

### **Accruals and deferred income**

Prepayments and accrued income for subsequent periods, for instance amounts still to be paid (possibly estimated) in respect of charges allocated to an elapsed period, such as accrued interest on debts and the like.

These accruals and deferred income may also be presented in liabilities in the balance sheet. The nature of the accrual or deferred income shall, if material to the view required by Article 2:362(1) of the DCC, be expressed either by classification in the balance sheet, specific designation, or detailed disclosure in the notes.

## **Income**

Profit or loss is determined as the difference between the realizable value of the goods delivered and rendered, and the costs and other charges for the year. Revenues on transactions are recognized in the year in which they are realized.

### **Exchange rate differences**

Exchange rate differences arising upon the settlement or conversion of monetary items are recognized in the income statement in the period that they arise.

Exchange rate used at year-end is shown as follows:

	December 31, 2022	December 31, 2021
EUR/GBP	0.88534	0.8413
EUR/AUD	1.57172	1.5647
EUR/USD	1.0705	1.137
EUR/CAD	1.45055	1.4373

### **Selling expenses and general and administrative expenses**

Selling expenses, and general and administrative expenses comprise costs chargeable to the year. Employee benefits are charged to the profit and loss account in the period in which the employee services are rendered and, to the extent not already paid, as a liability on the balance sheet. If the amount already paid exceeds the benefits owed, the excess is recognized as a current asset to the extent that there will be a reimbursement by the employees or a reduction in future payments by the Company.

### **Financial income and expenses**

Interest income and expenses and similar charges are recognized in the period to which they belong. Premium, discount and redemption premiums are recognized as interest expense in the period to which they belong. The allocation of these interest expenses and the interest income on the loan is the effective interest rate that is recognized in the profit and loss account. On the balance sheet, the amortized value of the debt(s) is recognized (on balance). The amounts of the premium that are not yet recognized in the profit and loss account and the redemption premiums already recognized in the profit and loss account, are recognized as an increase in debt(s) to which they relate. Amounts of the discount that are not yet recognized in the profit and loss account are recognized as a reduction of the debt(s) to which they relate. Additional costs associated with the use of more than customary supplier credit are recognized as interest expense. If the amount of the expected ultimately to be capitalized cost of the qualifying asset exceeds the recoverable amount, an impairment loss is recognized.

Dividends receivable from associates not carried at net asset value and securities are recognized as soon as the Company acquires the right to them.

### **Income tax expense**

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realized based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also recognized in other comprehensive income.

### 3. Financial Fixed assets

The financial fixed assets of the Company consist of investments in group companies. The movements can be broken down as follows:

	2022	2021
<b>Opening Balance</b>	<b>6,827,071,658</b>	<b>5,944,362,807</b>
Contributions	1,471,561,959	870,433,118
Impairments	-30,808,321	12,275,733
Other movements	<b>(264,537,269)</b>	0
<b>Closing Balance</b>	<b>8,003,288,027</b>	<b>6,827,071,658</b>

Euros	Balance at 1 January 2022	Contributions	Impairments	Other movements	December 31, 2022
Ferrovial Services International SE	58,796,338		(7,100,216)		51,696,122
Acadia Servicios de Medioambiente SL	203,616,189		(3,600)	(203,612,589)	–
Ferrovial Construction International SE	237,416,159				237,416,159
Cintra Global SE	2,873,004,942	369,325,017			3,242,329,959
Cintra Infrastructures SE	2,074,315,001	946,902,374			3,021,217,375
Ferrovial Transco International BV	81,301,082	2,145,935	(23,704,505)		59,742,511
Ferrovial Airports International SE	1,219,281,364	153,188,633			1,372,469,997
Ferrovial Netherlands B.V.	2,100,001				2,100,001
Ferrovial Ventures Ltd.	7,050,000				7,050,000
Ferrovial Servicios S.A.U.	60,924,680			(60,924,680)	–
Ferrovial Ventures Netherlands BV	9,265,903				9,265,903
<b>Total</b>	<b>6,827,071,658</b>	<b>1,471,561,959</b>	<b>(30,808,321)</b>	<b>(264,537,269)</b>	<b>8,003,288,027</b>

The movements recorded in the period ended on December 31, 2022, are explained as follows:

- Contributions to the subsidiary Cintra Infrastructures SE were made for a total amount of USD 976,010,868, which is equivalent to EUR 946,902,374. This enables to finance projects in the US.
- Contribution to Ferrovial Airports International SE for a total amount of EUR 153,188,633, of which EUR 21,570,405 (GBP 18,006,327) went to AGS and EUR 131,618,228 to new airport project in Turkey.
- Contribution to Cintra Global SE for a total amount of EUR 369,325,017, related to the acquisition to IRB in India.
- Contribution to Ferrovial Transco International BV for a total amount of EUR 2,145,935, to enable the latter to increase capital to its Spanish subsidiary.
- The impairments recorded for both Ferrovial Transco International BV and Ferrovial Services International SE are related to negative results and decrease in the value of their subsidiaries which drop the value below its carrying value on the balance sheet.
- The impairment and other movements recorded for Acadia Servicios de Medioambiente SL arises after the distribution made in 2022 by this subsidiary to the Company, consisting of results generated and return on investment for EUR 203,612,589, resulting in an impairment for the remaining share capital of this subsidiary of EUR 3,600.
- On 31 January 2022, the sale agreement between Ferrovial and Portobello Capital for the infrastructure upkeep and maintenance business in Spain was completed once all the conditions precedent were fulfilled. The total price of the shares initially received by the Company was EUR 171 million together with other earn-outs, transaction costs and other price adjustment agreed. The book value of EUR 60,924,680 was written off and a positive impact of EUR 162,281,928 was recognized in the income statement.

The movements recorded in the period ended on December 31, 2021, can be break down as follows:

Euros	Balance at 1 January 2021	Contributions	Impairments	Other movements	December 31, 2021
Ferrovial Services International SE	71,804,544	5,000,000	13,401,334	(31,409,540)	58,796,338
Acadia Servicios de Medioambiente SL	–			203,616,189	203,616,189
Ferrovial Construction International SE	237,416,159				237,416,159
Cintra Global SE	2,873,004,942				2,873,004,942
Cintra Infrastructures SE	1,177,472,343	865,433,118		31,409,540	2,074,315,001
Ferrovial Transco International BV	83,116,887		(1,815,805)		81,301,082
Ferrovial Airports International SE	1,219,281,364				1,219,281,364
Ferrovial Netherlands B.V.	2,100,001				2,100,001
Ferrovial Ventures Ltd.	7,050,000				7,050,000
Ferrovial Servicios S.A.U.	264,540,869			(203,616,189)	60,924,680
Ferrovial Ventures Netherlands BV	8,575,697		690,205		9,265,903
<b>Total</b>	<b>5,944,362,807</b>	<b>870,433,118</b>	<b>12,275,733</b>	<b>–</b>	<b>6,827,071,658</b>

The Company made the following contributions which were recorded for the period ended 31 December 2021 and are explained as follows:

- Ferrovial Services International SE: contribution made in cash in November 2021 for EUR 5,000,000, to enable the latter the distribution of the subsidiary Servicios Delaware.
- Cintra Infrastructures SE: the capital contributions were made in cash in several tranches for a total amount of EUR 865,433,118 (equal to USD 1.013.503.902) to enable the latter to increase the financial capability of certain US subsidiaries. The contributions were made upon receipt from its sole shareholder Ferrovial S.A. by way of a share premium contribution in the same amount.

The impairment recorded for Ferrovial Transco International BV related to negative results which drop the value below its carrying value on the balance sheet. Whereas the impairment for Ferrovial Services International SE and Ferrovial Ventures Netherlands BV was written off. These were consistently recognized in the income statement for the period under review.

Additionally, other movements for the year under review are explained as follows as part of the Ferrovial's reorganization due to the Services divestment process:

- A contribution in kind was made consisting of the Ferrovial Services International SE's subsidiary, Servicios Delaware, which was contributed to Cintra Infrastructures SE with value of EUR 31,409,540 EUR, equal to the book value.
- Pursuant to a notarial deed, Ferrovial Servicios S.A.U. was split and Acadia Servicios de Medioambiente SL was incorporated.

The Company's investments in group companies comprise the following:

Name	Ownership	Country	Activity	Registered address
Ferrovial Services International SE	100%	The Netherlands	Holding	Kingsfordweg 151, Amsterdam
Ferrovial Construction International SE	100%	The Netherlands	Holding	Kingsfordweg 151, Amsterdam
Cintra Global SE	100%	The Netherlands	Holding	Kingsfordweg 151, Amsterdam
Cintra Infrastructures SE	100%	The Netherlands	Holding	Kingsfordweg 151, Amsterdam
Ferrovial Transco International BV	100%	The Netherlands	Holding	Kingsfordweg 151, Amsterdam
Ferrovial Airports International SE	100%	The Netherlands	Holding	Kingsfordweg 151, Amsterdam
Ferrovial Netherlands B.V.	100%	The Netherlands	Holding	Kingsfordweg 151, Amsterdam
Ferrovial Ventures Netherlands B.V.	100%	The Netherlands	Financing	Kingsfordweg 151, Amsterdam

Ferrovial Ventures Ltd.	100%	United Kingdom	Financing	389 Chiswick High Road, London
Acadia Servicios de Medioambiente SLU	100%	Spain	Services	Príncipe de Vergara 135, Madrid

## 4. Long term receivables from group companies

The amount of EUR 11,266,605 is due from Grupo Serveo after Ferrovial Servicios S.A.U. disposal and it is mainly related to the earn-outs resulting from the transaction.

## 5. Receivables

The receivables can be broken down as follows:

Euros	2022	2021
Dividend pending to be received	216,972,035	
Short term receivables from group companies	10,373,961	2,711,389
Group companies debt	46,811,660	11,304,517
Group Companies trade receivables	2,981,285	1,883,073
Other receivables	584	–
<b>Total receivables</b>	<b>277,139,525</b>	<b>15,898,979</b>

### 5.1 Dividend pending to be received

In November 2022 Cintra Infrastructures SE declared a dividend amounted to USD 225,000,000 (EUR 216,972,035). This dividend was declared in cash, pending to be wire transferred at December 31, 2022.

At the date of preparation of these financial statements and as explained in the post balance sheet events, the amount of USD 191.250 million was paid, being the pending amount USD 33.750 million.

### 5.2 Short term receivables from group companies

Includes the following:

Euros	2022	2021
Ferrovial Airports FMM BV	10,373,961	2,711,389
<b>Total</b>	<b>10,373,961</b>	<b>2,711,389</b>

These receivables become due within twelve months.

### 5.3 Short term debt due from group companies

The short-term debt due from group companies relates to current accounts which accrue an interest rate similar to those of the market:

Euros	2022	2021
Ferrovial S.A.	–	6,456,078
Ferrovial Netherlands BV	27,122,934	–
Hubco Netherlands BV	–	3,008,288
Ferrofin S.L.	695,668	744,826
Ferrovial Corporación S.A.	–	11,523
Ferrovial Construcción S.A.	–	2,306
Ferrovial Transco International BV	–	76,780
Cintra Infrastructures SE	18,705,367	–
Ferrovial Services International SE	30,921	555,295
Ferrovial Airports FMM B.V.	–	249,826
Ferrovial Ventures Netherlands B.V.	–	190,963
Cintra INR Investments B.V.	256,769	8,632
<b>Total short term debt due from group companies</b>	<b>46,811,660</b>	<b>11,304,517</b>

These receivables become due within twelve months.

The financial income associated to receivables is specified in the following table:

Euros	2022	2021
Ferrofin S.L.	709,264	–
Ferrovial Netherlands BV	11,762	–
<b>Total financial income</b>	<b>721,025</b>	<b>–</b>

This income is related to the dividends received in kind through loans, explained in [note 12](#).

#### 5.4 Group Companies trade receivables

The short-term trade receivables details are shown in the following table:

Euros	2022	2021
Ferrovial Power Infrastructure Chile, SpA	308,586	209,307
Webber LLC	281,350	115,493
Ferrovial Airports International SE	20,101	20,101
FAM Construction, LLC	86,648	86,648
North Perimeter Contractors	4,791	9,231
Ferrovial Construction Texas	102,221	69,521
Ferrovial Construction West, LLC	15,887	7,635
Webber Commercial Constructors	69,236	23,533
Ferrovial Construcción S.A.	84,192	69,639
Ferrovial Construction UK	11,081	11,081
Ferrovial Services Canada Ltd.	2,662	29,756
Servicios (Delaware) Inc	3,002	3,002
Ferrovial Aeropuertos España S.A.	29,368	29,368
Car Sharing Mobility Services	101	–
Ferrovial Airports US Terminal One	1,898,534	–
Centella Transmisión, S.A	48,785	
Acadia Servicios de Medioambiente SLU	9,751	
Bluebonnet Contractors LLC	832	
Ferrovial Corporación SA	416	
Cadagua US LLC	10	
Ferrovial Construction Canada	135	
Ferrovial Construction US Corp	–	36,446
Cintra Global SE	–	88,977
Cintra Infrastructures SE	–	3,787
Ferrovial Holding US Corp	–	974,748
Ferrovial Services U.S., Inc.	–	32,711
Others	3,597	62,090
<b>Total Group Companies trade receivables</b>	<b>2,981,285</b>	<b>1,883,073</b>

These receivables become due within twelve months.

## 6. Cash

All Cash are at the Company's free disposal.

Euros	2022	2021
<b>Total cash</b>	<b>102,555,906</b>	<b>1,307,783</b>

## 7. Shareholder's equity

### Share capital paid called up

The Company has an issued and outstanding share capital of EUR 742,877,070 divided in ordinary shares with a nominal value of EUR 1 each. The shares are all held by Ferrovial, S.A. and fully paid up.

Movements in the equity accounts are as follows:

(Euros)	Issued and paid-up capital	Share Premium	Other reserve	Result of the year	Total
<b>Opening balance 2021</b>	742,877,070	5,549,634,842	-800,723,111	394,066,438	5,885,855,239
Result appropriation			394,066,438	-394,066,438	0
Ferrovia Servicios S.A.U.		864,233,315			864,233,315
Result of the year				11,545,637	11,545,637
<b>Closing balance 2021</b>	<b>742,877,070</b>	<b>6,413,868,157</b>	<b>-406,656,673</b>	<b>11,545,637</b>	<b>6,761,634,191</b>
Result appropriation			11,545,637	-11,545,637	0
Shareholder contribution		1,470,400,713			1,470,400,713
Interim dividend			-1,295,636,729		-1,295,636,729
Result of the year				1,227,738,412	1,227,738,412
<b>Closing balance 2022</b>	<b>742,877,070</b>	<b>7,884,268,870</b>	<b>-1,690,747,765</b>	<b>1,227,738,412</b>	<b>8,164,136,587</b>

During the year under review there have been no changes as to the Company's issued and outstanding share capital; the same goes for the previous year.

In 2022, the Company's sole shareholder Ferrovia, S.A. made several share premium contributions (agiotoring) into the Company, in an aggregate amount of EUR 1,470,400,713 (EUR 864,233,315 in 2021), which amount has been applied by the Company to increase the financial capability of subsidiaries, as explained in note 3.

The Company made an interim distribution on shares (tussentijdse uitkering) to its sole shareholder Ferrovia, S.A. at the expense of the Company's freely distributable reserves on December 16, 2022 for a total amount of EUR 1,295,636,729, as further detailed below:

- i. a distribution of USD 225,000,000 in cash, equivalent to EUR 212,544,871;
- ii. a distribution in kind with a value of 47,708,761.57, consisting of a receivable from Ferrovia Netherlands BV (FNBV) under an intra-group credit agreement of 29 June 2022 between Ferrovia Construction International SE as lender and FNBV as borrower;
- iii. a distribution in kind with a value of EUR 1,010,194,916.93, (including unpaid interests which accrued until this date) consisting of a receivable from Ferrofin S.L. (FSL) under an intra-group loan agreement of 1 December 2021 between (originally) Acadia Servicios de Medioambiente, S.L.U. as lender and FSL as borrower; and
- iv. a distribution in kind with a value of EUR 25,188,179.80, consisting of a receivable from FSL as borrower and Acadia Servicios de Medioambiente, S.L.U. as lender under an intra-group current account agreement of 28 February 2018.

#### Proposal result appropriation

The board of directors proposes to add the result for the year to the other reserve.

## 8. Long-term liabilities

Long term borrowings amounting EUR 3,025,923 are mainly related to a debt due to Ferrofin S.L. (entity fully owned by Ferrovia S.A), which was paid at the date of preparation of this annual accounts.

## 9. Current liabilities

The remaining term of the current liabilities is less than one year. The total current liabilities and payables to group companies are specified as follows:



Euros	2022	2021
Dividend pending to be paid	212,544,871	0
Deferred income	0	2,711,389
Group companies' debt	34,195,327	75,631,175
Group Companies trade payables	1,542,394	479,666
Current income tax	56,731	418,110
Accrued expenses	129,069	107,498
Others	60,260	270,468
<b>Total current liabilities</b>	<b>248,528,652</b>	<b>79,618,306</b>

Deferred income, group companies' debt and group companies' trade payables are detail in the next paragraphs.

The amount in others mainly related to VAT payable and suppliers.

### 9.1 Dividend pending to be paid

The dividend pending to be paid is related to the dividend declared in cash on December 16, 2022 to the sole shareholder Ferrovial S.A., pending to be wired transferred as at December 31, 2022, for USD 225,000,000 equivalent to EUR 212,544,871.

At the date of preparation of these financial statements and as included in post balance sheet events, the amount of USD 191.250 million was paid, being the pending amount USD 33.750 million.

### 9.2 Deferred income

The deferred income in 2021 included the short debt from the indirect subsidiary Ferrovial Airports FMM BV ('FAFBV') for EUR 2,711,389, pending to be paid.

### 9.3 Group companies' debt

The group companies' debt comprises the following:

Euros	2022	2021
Ferrofin SL	0	51,890,639
<b>Short-term loan Ferrofin SL</b>	<b>0</b>	<b>51,890,639</b>
Ferrovial Netherlands BV	0	15,763,673
Ferrovial S.A.	93,823	0
Ferrovial Airports International SE	619,600	803,032
Hubco Netherlands BV	3,023,729	
Ferrovial Airports Turkey BV	278,954	
Ferrovial Airports FMM B.V.	29,323	
Ferrovial Ventures Netherlands B.V.	398,174	
407 Toronto Highway BV	27,344,679	3,658,839
Cintra Infrastructures SE	0	991,819
Cintra Global SE	1,866,049	2,458,002
Ferrovial Construction International SE	21,536	16,307
Ferrovial Transco International BV	69,113	
Ferrovial Services Netherlands BV	59,077	48,454
Thalia Waste Treatment BV	15,172	271
Cintra Latam Highways BV	118,371	139
<b>Group Companies - Current accounts</b>	<b>33,937,599</b>	<b>23,740,536</b>
Cartera Ceres	257,728	
<b>Total Group Companies debt</b>	<b>34,195,327</b>	<b>75,631,175</b>

The short-term loan from Ferrofin SL amounting EUR 51,890,639 in 2021, was related to the credit facility signed on December 20, 2017, between the Company and Ferrofin S.L. (entity fully owned by Ferrovial S.A), for a maximum amount of EUR 100,000,000, which was totally paid in 2022. The accrued interest rate was 0.48%.

The amount due to Cartera Ceres, is related to unrecoverable taxes to be assumed by the Company related Ferrovial Services SAU disposal.

The financial expense associated to receivables is specified in the following table:

Euros	2022	2021
Ferrovial S.A.	-214	-1,917
Ferrofin S.L.	-23,933	-246,973
Ferrovial Netherlands BV	-3,941	-16,686
Ferrovial Corporacion S.A.	0	-6
Ferrovial Airports International SE	0	-2,060
<b>Total Interest expense on loans from group companies</b>	<b>-28,088</b>	<b>-267,642</b>

#### 9.4 Group companies' trade payables

The group companies' trade payables comprises the following:

Euros	2022	2021
Ferrovial S.A.	1,542,394	428,893
Ferrovial Corporación S.A.	0	45,872
<b>Total Group Companies debt</b>	<b>1,542,394</b>	<b>479,666</b>

The cost payable to Ferrovial S.A. are related to services provided in regard the Ferrovial Servicios SAU disposal.

## 10. Turnover

The turnover consists of the services provided to group companies, which can be classified in two groups.

On one hand, the Other income from group companies are management services provided to the Ferrovial's Dutch entities together with the office cost centralized by the Company as head of the entities seated in the Netherlands that is recharged to these entities.

(Euros)	2022	2021
Guarantee charges to group companies	3,043,115	676,368
Other income from group companies	2,011,345	1,503,465
<b>Total Turnover</b>	<b>5.054.461</b>	<b>2.179.833</b>

On the other hand, the Company assumes the position of guarantor regarding guarantees provided by bonding agencies in favor of its subsidiaries. Those guarantees cover the possible contingent liabilities arising from the performance of contracts signed by those

subsidiaries as commented in [note 15](#). The breakdown of the Guarantee charges to group companies is as follows:

(Euros)	2022	2021
Ferrovial Airports US Terminal One LLC	1,898,534	0
Alamo Nex Construction LLC	194,332	0
Ferrovial Airports Turkey B.V.	187,437	0
Webber LLC	165,857	139,387
Centella Transmisión, S.A	48,785	0
Ferrovial Construcion Southeast LLC	14,120	19,947
Ferrovial Construcion LLC Puerto Rico	3,836	3,591
Ferrovial Construcción SA	14,767	13,715
Ferrovial Construcion West LLC	8,253	16,763
Ferrovial Construcion Texas LLC	32,700	76,790
Webber Commercial Construction	45,703	41,798
Ferrovial Construcion US Corp	25,862	70,403
Cintra Servicios de Infraestructuras SA	16,485	975
Ferrovial Power Infraestructures Spa	99,279	77,269
Cintra Infraestructures SE	204,607	185,961
Cintra Global SE	15,934	12,872
Ferrovial Vertiports Florida	1,540	
Ferrovial Services Canada	16,351	808
Ferrovial Services Ontari	2,100	20
Ferrovial Services Infra.	44,187	11,465
Ferrovial Corporación SA	1,439	0
Ferrovial Construcion Canada	297	364
Ferrovial Construcion Australia PTY LTD	568	1,099
Ferrovial Services US, In		3,029
Car sharing Mobility Services	126	19
T.R.S.C., Inc.	6	8
H.R.I., Inc.	2	0
Timec Specialty Services,	10	6
Webber Barrier Services LLC	0	70
Cadagua US LLC	0	10
<b>Guarantee charges to group companies</b>	<b>3,043,115</b>	<b>676,368</b>

## 11. General and administrative expenses

The general and administrative expenses comprises the following:

(Euros)	2022	2021
Personnel expenses	-945,496	-918,118
Auditors and consultants	-185,193	-256,691
Rent costs	-254,628	-194,668
Travel expenses	-16,465	-3,894
Temporary work agencies	-27,526	-40,684
Recharged costs from Group companies (mainly divestment projects)	-172,288	-530,063
Other general expenses (phone, couriers, offices supplies, etc.)	-63,921	-54,353
Fee from Ferrovial Netherlands BV	-346,800	0
VAT non-recoverable	-388,117	0
Others	-9,619	-10,548
<b>General and administrative expenses</b>	<b>-2,410,054</b>	<b>-2,009,019</b>

## 12. Result on participation in subsidiaries

The result on participation in subsidiaries were as follow::

(Euros)	2022	2021
Cintra Infrastructures SE	216,972,035	
Ferrovial Construction International SE	47,697,000	
Acadia Servicios de Medioambiente	831,061,244	
<b>Result on participations in subsidiaries</b>	<b>1,095,730,279</b>	<b>0</b>

Certain FISE's subsidiaries declared an interim dividend to its sole shareholder in 2022, as explained below:

- Cintra Infrastructures SE: EUR 216,972,035 on the basis of an Interim distribution on shares in the amount of USD 225,000,000 at the expense of the Company's freely distributable reserves.
- Ferrovial Construction International SE: EUR 47,697,000 on the basis of an interim distribution on shares in kind at the expense of the Company's freely distributable reserves, consisting of a receivable from Ferrovial Netherlands BV (FNBV) in the aggregate amount of EUR 47,697,000 under the intra-group credit agreement entered into on 29 June 2022 between the Company as lender and FNBV as borrower, as amended, restated or supplemented from time to time;
- Acadia Servicios de Medioambiente SLU: EUR 1,034,673,833 on the basis of (i) a loan agreement between Acadia Servicios de Medioambiente SLU, as lender, and Ferrofin, S.L., as borrower, dated December 1, 2021, with an amount of principal and interest accrued and not paid as of November 22, 2022, of EUR 1,009,486,073; and (ii) balance for the amount of EUR 25,187,760, of the current account between the Acadia Servicios de Medioambiente SLU and Ferrofin, S.L. Additionally, this amount is offset by the consideration of the return on investment for EUR 203,612,589, according to the book value which was written off (see note 3).

## 13. Impairment and disposal of fixed assets

(Euros)	2022	2021
Acadia Servicios de Medioambiente SLU	(3,600)	
Ferrovial Transco International BV	(23,704,505)	(1,815,805)
Ferrovial Services International SE	(7,100,216)	13,401,334
Ferrovial Ventures Netherlands BV	–	690,205
<b>Impairments</b>	<b>(30,808,321)</b>	<b>12,275,733</b>
Ferrovial Servicios S.A.U.	162,281,928	–
<b>Disposal</b>	<b>162,281,928</b>	<b>–</b>
<b>Total</b>	<b>138,573,823</b>	<b>12,275,733</b>

The result on impairment and disposal of fixed assets is commented in [note 3](#).

## 14. Tax

The Company is tax resident of The Netherlands as of 15 December 2018. Since then, the Company is subject to Corporate Income Tax in The Netherlands on a consolidation tax regime. The Company is the head of Ferrovial's Dutch Fiscal Unity. The fiscal unity is currently in dispute with the Dutch tax authorities with respect to a group restructuring abroad. In case the group cease to exist, and the Company becomes a stand-alone taxpayer, this would not impact the current tax balances.

The tax burden differs from nominal tax rate due to the result on participation's subsidiaries of non-current assets which are tax exempted. In the Netherlands, the rate of 15.0% is used for the first EUR 395,000 in 2022, and 15.0% for the first EUR 245,000 in 2021. The rate of 25.8% is used for the rest of the taxable result before taxes for 2022 and 25.0% for 2021.

The result for corporate income tax is detailed as follows:

(Euros)	2022	2021
<b>Result before Corporate Income Tax</b>	<b>1,227,774,088</b>	<b>11,489,319</b>
Corporate income tax for the year	-35,676	172,103
Deferred taxes		64,312
Adjustment for previous years		-180,097
<b>Corporate income tax</b>	<b>-35,676</b>	<b>56,318</b>
<b>Net Result after Taxation</b>	<b>1,227,738,412</b>	<b>11,545,637</b>

The calculation for corporate income tax is as follows:

(Euros)	2022	2021
Result before Corporate Income Tax	1,227,774,088	11,489,319
Less: participation exemption	-1,064,921,958	-12,275,733
Less: Disposals of fixed assets	-162,281,928	0
Non deductible interests	-333,561	0
<b>Taxable amount</b>	<b>236,641</b>	<b>-786,414</b>

(Euros)	Taxable amount	2022
15.0% Applicable rate (395,000€)	236,641	-35,676
<b>Corporate income tax 2022</b>	<b>236,641</b>	<b>-35,676</b>

(Euros)	Taxable amount	2021
15.0% Applicable rate (245,000€)	-245,000	36,750
25% Applicable rate	-541,414	135,353
<b>Corporate income tax 2021</b>	<b>-786,414</b>	<b>172,103</b>

The deferred tax asset recognized for EUR 18,415,176 in 2022 is related to the recognition of the tax loss generated by the fiscal unity. As the Company is the head of the fiscal unity it must recognize the tax credits related to Net Operating Losses (NOLs) for the whole fiscal unity.

## 15. Commitments and contingencies not included in the balance sheet

### Guarantees provided to other Group Companies

In carrying on its activities the Group is subject to possible contingent liabilities uncertain by nature relating to the liability arising from the performance of the various contracts that constitute the activity of its business divisions.

In order to cover the aforementioned liability, the Company has bank and insurance companies guarantees, other guarantees issued by bonding agencies and other corporate guarantees in which the Company appears as guarantor, as described in Notes 10 and 5. That means that if a project is not performed properly, the customer would enforce the guarantee and the Company would have to pay the amount granted. The Company's directors do not expect any liability to arise as a result of these guarantees.

At 31 December 2022, the balance amounted to EUR 4,574,329,357 (2021: EUR 3,866,789,784), and is detailed in the following table:

(Euros)	2022	2021
Parent company guarantees and comfort letters	249,529,884	9,436
Bonding agencies guarantees	3,702,745,368	3,766,567,147
Bank and insurance companies guarantees	622,054,105	100,213,201
<b>Total</b>	<b>4,574,329,357</b>	<b>3,866,789,784</b>

The increase in parent company guarantees is mainly related to new guarantees issued to several entities of Thalia group (EUR 105.7 million), Company's affiliates which operate waste treatment and power generation plants in the United Kingdom, activity that remains after Amey Group disposal. Additionally, there are guarantees given to Company's affiliates under the Amey group disposal transaction (EUR 123.4 million) and for a transmission line project in Chile (EUR 20.4 million).

The bonding agencies guarantees cover the liability to customers for correct performance under the Construction business, highlighting Webber projects and other construction project in the US.

The increase in bank and insurance companies guarantees is primarily due to New Terminal One JFK project (EUR 506.0 million) and Dalaman Airport (EUR 25.4 million). These guarantees secure commitments to invest in the capital of infrastructure projects.

#### **Fiscal Unity**

The Company forms a fiscal unity since December 14, 2018 for corporate income tax purposes. The fiscal unity includes Ferroviaal International SE (Fiscal head), Ferroviaal Netherlands B.V., Ferroviaal Services Netherlands B.V., Ferroviaal Services International SE, Ferroviaal Airports International SE, Ferroviaal Transco International BV, Cintra Infrastructures SE, Cintra Global SE, Ferroviaal Construction International SE, 407 Toronto Highway B.V., Hubco Netherlands B.V., Ferroviaal Ventures Netherlands BV, Ferroviaal Airports FMM B.V., Thalia Waste Treatment BV, Cintra Latam Highways BV and Cintra INR investments B.V.

There is a dispute with the tax authorities with regard to a group restructuring of the fiscal unity. No provision has been recorded in relation to this litigation since the possibility of an economic outflow is considered remote.

#### **Lease contract**

The Company has a rent contract which relates to the offices of the Ferroviaal's Dutch entities. At the date of preparation of these annual accounts, the contract in place has a commitment until August 2023, with a total fee for the year of EUR 223,289 payable on a monthly basis.

#### **Other guarantees**

As part of the Services divestment process referred to under the discontinued operations paragraph, the Company has provided the indemnities that are usual in this type of transactions. The best assessment thereof is already considered in the financial statements.

## **16. Number of employees**

During the period under review, the average number of employees was 5.2 (2021:5). The total personnel costs were EUR 945,496 (2021: EUR 918,118), including wage tax accrued for EUR 326,359 (2021: EUR 306,518) and social security charges for EUR 75,165 (2021: EUR 111,024). There were no pension charges.

## **17. Current Economic Situation**

### **COVID-19 Impact**

More than two years after the World Health Organization declared COVID-19 a global pandemic, 2022 has been a turning point towards the normal situation prior to the pandemic. This has allowed the different countries in which Ferroviaal operates to lift the restrictions on mobility and economic activity that were in force almost from the start of it, although at an uneven pace depending on the country, and with ups and downs caused by the new variants and successive waves, especially at the beginning of the year by omicron. The direct consequence of this has been the recovery of demand for the activities carried out by Ferroviaal, as well as the consolidation of the positive outlook in this regard. For all these reasons, at the end of the 2022 financial year it can be concluded that Ferroviaal's activities are no longer being affected by the effects of COVID and the associated restrictions.

### **Impact of Russia-Ukraine conflict**

On February 24, 2022, the conflict between Russia and Ukraine began. This has not yet concluded as of the date of preparation of these financial statements. The European Union together with the United States and most of the NATO countries condemned the attack and approved a series of economic measures in the form of sanctions on the Russian economy, with the aim of dissuading

them.

The macroeconomic scenario derived from this situation translates into widespread price increases, mainly related to energy and raw materials. In some cases, there have also been supply problems and difficulties in the distribution chain of certain materials, especially in the construction sector. All of the above is causing an increase in interest rates in response, which affects the banking and financing markets.

The Company's direct exposure to the conflict is limited, since no Group company has activities located in Russia or Ukraine. The Group's businesses closest to the conflict zone are the construction activity of Budimex (in Poland) and the D4R7 concession, Bratislava ring road (in Slovakia), as both share the border with the Ukrainian country. However, none of them has been significantly affected to date.

In relation to the indirect impact on Ferrovial's activities, this is different depending on the nature of the business. Although Ferrovial does not expect material impacts related to the conflict, the most affected business would be Construction, due to the effects derived from the increase in the costs of certain raw materials. In the case of the Toll Road business, it is positively impacted by the increase in tariffs in those assets in which these are directly linked to inflation, and negatively, by the effect that the increase in fuel prices could have on traffic. Lastly, regarding the Airports business, no significant impact is expected, due to the scant effect of passenger traffic from these regions at the airports managed by Ferrovial, although the effect of inflation on ticket prices could generate some deterrent effect. No signs of impairment have been detected in the Group's assets for this reason.

More information about the analysis made and mitigating measures adopted can be found in the 2022 consolidated Ferrovial SA annual accounts, available on [www.ferrovial.com](http://www.ferrovial.com).

## 18. Going concern

Based on the information available to them, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

## 19. Post balance sheet events

### 2022 dividend distributions

From balance sheet date and to the date of the preparation of these financial statements, part of the 2022 interim distributions from Cintra Infrastructures SE were wire transferred for the amount of USD 191.250 million, being the pending amount USD 33.750 million. This amount was consequently paid to Ferrovial SA as part of the dividend declared in 2022 to the shareholder, remaining pending of payment the same amount.

## 20. Directors

The Company has a one-tier board with executive and non-executive managing directors. During the period under review, the Company had three managing directors, of which two have been appointed as executive managing director A and one as non-executive managing director B. None of them received any remuneration for this role in the year under review or in the previous year.

Míriam Sanz Santiuste resigned as executive director A on February 21, 2023 and was replaced by Ignacio Malo Liebana on that same date.

# Signatories to the financial statements

## Management board:

Luis Alberto Pascual Oliva

María Elena Martín Romero

Ignacio Malo Liebana

Amsterdam, 27 February 2023



## Other information

### **Articles of Association provisions governing profit appropriation**

(i) The General Meeting shall be authorized to declare distributions.

(ii) The Company may only make distributions to the Shareholders and other persons entitled to distributable profits to the extent that its equity exceeds the aggregate amount of the issued share capital and the reserves which must be maintained pursuant to the law.

(iii) Distribution of profits shall be made following the adoption of the Annual Accounts which show that such distribution is permitted.

(iv) The Company may make interim distributions provided that the requirement of (ii) has been met as evidenced by an interim financial statement as referred to in section 2:105 subsection 4 of the Civil Code. The Company shall deposit the financial statement at the offices of the trade register within eight days after the resolution to make the distribution is published.

(v) Shares held by the Company shall not be taken into account for the purpose of calculating each distribution.

### **Special voting rights and non-voting shares under the Articles of Association**

Each Share confers the right to cast one vote.

### **Independent auditor's report**

Since the Company qualifies as a "small sized company", it is not legally required to have its accounts audited as provided for in Article 396, paragraph 1, of Book 2 of the Dutch Civil Code.