HALF YEAR REPORT 2022

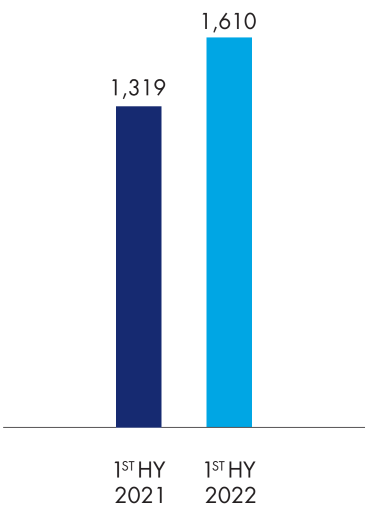
HALF YEAR
REPORT 2022

KEY FIGURES

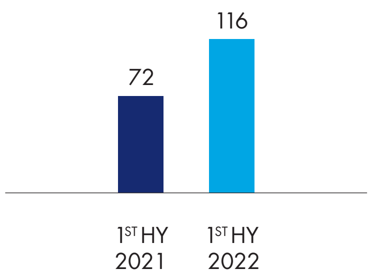
KEY FIGURES	1ST HY 2022	1ST HY 2021	2021
(in EUR million)			
Revenue	**1,610**	1,319	2,957
EBITDA	**292**	226	462
Net result from JVs and associates	**4**	18	39
Operating result	**106**	97	199
Exceptional items	**37**	-	-
EBIT	**143**	97	199
Net profit (loss)	**116**	72	151
Earnings per share (in EUR)	**0.90**	0.56	1.16
	30 June 2022	30 June 2021	End 2021
Net financial position incl. IFRS 16 lease liabilities: cash (debt)	**-1**	80	203
Solvency	**49%**	50%	48%
Order book	**5,371**	5,528	5,406

Definitions: Operating result is EBIT adjusted for exceptional items; EBIT(DA) and operating result include our share in the net result of joint ventures and associates.

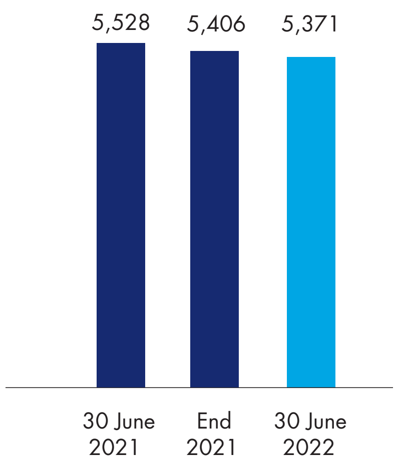
REVENUE (in EUR million)



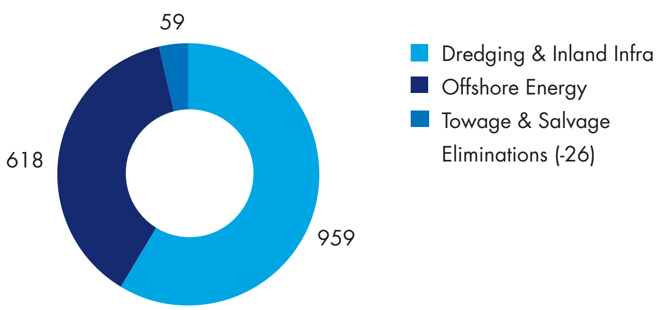
NET PROFIT (in EUR million)



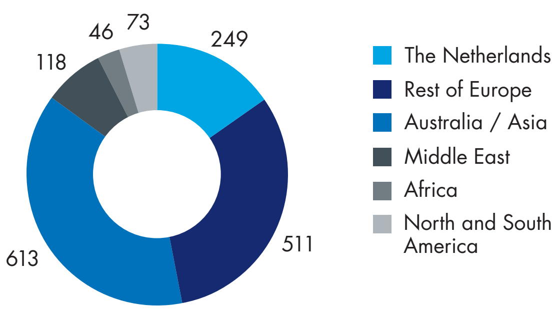
ORDER BOOK (in EUR million)



REVENUE BY SEGMENT (in EUR million)



REVENUE BY GEOGRAPHICAL AREA (in EUR million)



HALF YEAR REPORT 2022

This half year report contains forward-looking statements. These statements are based on current expectations, estimates and projections of Boskalis' management and information currently available to the company. These forecasts are not certain and contain elements of risk that are difficult to predict and therefore Boskalis does not guarantee that its expectations will be realized. Boskalis has no obligation to update the statements contained in this half year report. Unless stated otherwise, all amounts in this half year report are in euros (EUR). Some of the projects referred to in this report were carried out in joint venture or in a subcontractor role. This half year report as well as the Annual Report 2021 can be read on www.boskalis.com.

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Land reclamation activities by the trailing suction hopper dredger Causeway

CHAIRMAN'S STATEMENT

"Over the past six months we have managed to achieve a substantial increase in revenue and earnings – an excellent achievement given the restrictive COVID measures that were still having a major impact on our projects until recently and the inflationary pressures we are experiencing worldwide.

At Dredging, the dominant theme is our work in Manila Bay. The construction of the new international airport is the largest project in our history and the contours of the new land are now visible. In addition to the long-term deployment of our large dredgers, this project also provides a significant amount of local employment. Outside the Philippines, our colleagues were also very active with impressive projects, such as the construction of the Fehmarnbelt tunnel between Denmark and Germany and the protection of large parts of the Netherlands against climate change with the strengthening of dikes and coastal areas.

At Offshore Energy, we are reaping the benefits of our strategy of focusing on multi-purpose vessels and services with which we are able to serve both the traditional markets and the offshore wind market. With demand from both markets picking up, we achieved a very good result with subsea services and marine survey. In the past six months we also took the Bokalift 2 into service, one of the largest installation vessels in the industry. The vessel was commissioned with a visibility of almost three years of work in offshore wind in hand. Offshore Energy's order book now consists of over 60% of offshore wind projects.

At Towage & Salvage, we concluded an important process from a strategic point of view. In 2019, we announced our intention to divest our three major harbor towage joint ventures. At the end of June, we successfully sold Keppel Smit Towage, the last of these joint ventures, resulting in a book profit of EUR 50 million and over EUR 90 million in cash.

In March, our existing major shareholder HAL announced its intention to make an offer for all outstanding Boskalis shares. We have since held intensive talks with HAL in which we have taken the interests of all stakeholders into account. HAL has since launched its offer and Boskalis has published its formal position in a Position Statement. We will shortly explain this position to our shareholders in an extraordinary general meeting of shareholders, after which it will be up to the shareholders whether they wish to offer their shares. In the course of September more clarity will emerge regarding the outcome of the offer."

Peter Berdowski, CEO

OVERVIEW

Royal Boskalis Westminster N.V. (Boskalis) has concluded a strong first half year. The utilization of the large vessels was high and with a strong increase in revenue, earnings also rose sharply, in particular due to an exceptional gain.

Compared to last year, revenue increased by 22% to EUR 1.61 billion (H1 2021: EUR 1.32 billion). Adjusted for (de)consolidation and currency effects, revenue growth was 20%.

EBITDA increased by 29% to EUR 292 million (H1 2021: EUR 226 million), including a book profit of EUR 50 million from the sale of Keppel Smit Towage. Operating profit including exceptional items increased by 47% to EUR 143 million (H1 2021: EUR 97 million).

Net profit amounted to EUR 116 million, including EUR 37 million in exceptional items, whereas a year ago a net profit of EUR 72 million was reported.

In the Dredging & Inland Infra segment, revenue increased by 46% compared to the same period in 2021 with a similar increase in EBITDA result. Where the effects of COVID-19 led to major operational inefficiencies over the past two years on projects in Asia in particular, strong growth is now coming from large projects in that region. In particular, the activities in Manila Bay have contributed to the strong revenue growth. Other noteworthy projects in progress include Tuas Terminal 2 and the Pulau Tekong Polder (both in Singapore), the Fehmarnbelt tunnel (between Denmark and Germany) and a large number of projects in the Netherlands. The hopper fleet was well utilized thanks to activities in the Philippines and at the end of the second quarter the extended Prins der Nederlanden was re-commissioned.

At Offshore Energy, revenue increased by 3% and the EBITDA result increased by 29%. A sharp decline in the contracting activities, partly due to a volume decline at Subsea Cables, was more than offset by a good half year at the services part of the division. The utilization of the heavy transport vessels in Marine Transport & Services was exceptionally high and also Subsea Services and Marine Survey had a very good operational half year. The strong demand from both the offshore wind market and the traditional oil and gas market was partly causing this.
In the second quarter the new crane vessel Bokalift 2 was commissioned and has since been working on the sizable Changfang & Xidao offshore wind project in Taiwan.

Within the Towage & Salvage division, both revenue and earnings declined sharply. After a number of years with large high-profile projects at Salvage and significant settlement results from old projects, the first half of the year was quiet in terms of both revenue and earnings. At the end of June, the previously announced sale of the Keppel Smit Towage (KST) joint venture was successfully completed. The Towage activities are now mainly related to the terminal services of Smit Lamnalco.

Customary holding and unallocated group costs increased in the first half of the year compared to the same period in 2021. These costs were still at a relatively low level last year due to a wide range of COVID-19 related cost saving measures. In addition to the usual group expenses, a number of exceptional items of on balance EUR 36.9 million were recognized within the holding segment. A book profit was realized on the sale of KST and an impairment charge was recognized in the second quarter on equipment taken out of service.

The net financial position declined in line with expectations but is still strong. The exceptional net cash position at year-end 2021 has decreased to almost zero, largely due to the sizable investment program, the 2021 dividend and normalization of working capital. With the available cash and bank facilities, Boskalis has a readily available financing capacity of over EUR 900 million. Solvency remains high at 49% and Boskalis comfortably meets its financial covenants.

The order book remained virtually stable at EUR 5.37 billion (year-end 2021: EUR 5.41 billion). At Dredging & Inland Infra, more than EUR 0.5 billion worth of new work was taken on but the substantial revenue growth led to a net decrease in the portfolio. At Offshore Energy the workload rose sharply with the addition of EUR 1 billion in new projects, the largest share of which is related to offshore wind.

OPERATIONAL AND FINANCIAL DEVELOPMENTS

KEY FIGURES FIRST HALF YEAR 2022

- Revenue: EUR 1.61 billion
- EBITDA: EUR 292 million incl. EUR 50 million exceptional gain
- Net profit: EUR 116 million incl. EUR 37 million exceptional items
- Order book: EUR 5.37 billion

OUTLOOK SECOND HALF OF 2022

- Dredging: second half year comparable to first half with good fleet utilization
- Offshore Energy: also comparable to the first half year with a strong performance in services
- Towage & Salvage: Terminals stable. Salvage operationally unpredictable; no major settlement results expected
- EBITDA outlook second half year: in line with first half year, adjusted for exceptional items

REVENUE

In the first half of 2022 the group revenue increased by 22% to EUR 1.61 billion (H1 2021: EUR 1.32 billion). Adjusted for consolidation, deconsolidation and currency effects, the group revenue increased by 20%. Dredging & Inland Infra and Offshore Energy accounted for respectively 60% and 38% of group revenue with the balance coming from Salvage.

Dredging & Inland Infra revenue increased by 46%, mainly due to the activities in the bay of Manila, which also contributed to the healthy utilization level of the trailing suction hopper dredgers. Other noteworthy projects under execution in the first half year included Tuas Terminal 2 and the Pulau Tekong Polder (both in Singapore), the Fehmarnbelt tunnel (between Denmark and Germany) and a large number of projects in the Netherlands.

The revenue of Offshore Energy increased on balance by 3%. The revenue contribution from the contracting activities declined, largely due to a quiet year at Subsea Cables. This decline was more than offset by the services part of the division with Marine Transport & Services, Subsea Services and Marine Survey all reporting a strong revenue increase in the first half year.

Within the Towage & Salvage division, Salvage was busy on several smaller and medium-sized emergency response assignments resulting in a revenue decline compared to last year.

REVENUE BY SEGMENT	1ST HY 2022	1ST HY 2021	2021
(in EUR million)			
Dredging & Inland Infra	**959.5**	655.7	1,583.3
Offshore Energy	**617.6**	599.7	1,266.9
Towage & Salvage	**58.7**	79.0	133.7
Eliminations	**-25.6**	-15.5	-27.1
Total	**1,610.2**	1,318.9	2,956.8

REVENUE BY GEOGRAPHICAL AREA	1ST HY 2022	1ST HY 2021	2021
(in EUR million)			
The Netherlands	**248.9**	241.1	578.5
Rest of Europe	**510.8**	526.4	1,136.5
Australia / Asia	**612.6**	271.1	718.3
Middle East	**118.0**	124.7	217.1
Africa	**46.6**	25.3	52.7
North and South America	**73.3**	130.3	253.7
Total	**1,610.2**	1,318.9	2,956.8

RESULT

The strong revenue increase, a good operational performance across the two largest divisions and a healthy utilization of the fleet contributed to a strong increase in the results. Whilst the impact of the COVID-19-related inefficiencies was less than in 2021, the new inflationary environment is demanding a strong cost focus on projects. The half-year result also included EUR 36.9 million of exceptional items (pre- and post tax) relating to a book profit on the sale of our share in the towage joint venture Keppel Smit Towage (KST) and a limited number of impairment charges.

The first half year EBITDA increased to EUR 291.5 million (H1 2021: EUR 226.1 million) and EBIT increased to EUR 142.8 million (EBIT H1 2021: EUR 97.0 million). The result includes exceptional items and our share in the net result of joint ventures and associates, which amounted to EUR 4.4 million (H1 2021: EUR 18.0 million).

The divisional EBIT of Dredging & Inland Infra amounted to EUR 67.3 million (H1 2021: EUR 27.1 million). The strong increase is attributable to a good and busy half year with a high utilization of the hopper fleet.

Within Offshore Energy the EBIT amounted to EUR 67.1 million (H1 2021: EUR 43.4 million). The strong increase was driven by the services part of the division with a busy half year. At Marine Transport & Services the large heavy transport vessels were very well utilized. The largest increase came from Subsea Services and Marine Survey with an operationally very strong half year.

There was a strong decline in the Towage & Salvage EBIT to EUR 1.9 million (H1 2021: EUR 39.9 million). A decline from the Towage activities was in part related to the sale of Keppel Smit Towage. Salvage had an extraordinary performance in 2021 which was related to a settlement result.

The Holding & Eliminations operating result amounted to negative EUR 30.4 million and relates primarily to the non-allocated head-office costs (H1 2021: negative EUR 13.4 million). Including EUR 36.9 million of exceptional income, the segment EBIT amounted to EUR 6.5 million.

RESULT BY SEGMENT	1ST HY 2022	1ST HY 2021	2021
(in EUR million)			
Dredging & Inland Infra	**67.3**	27.1	83.4
Offshore Energy	**67.1**	43.4	100.7
Towage & Salvage	**1.9**	39.9	60.7
Holding & Eliminations (non-allocated group activities)	**-30.4**	-13.4	-46.2
Operating result	**105.9**	97.0	198.6
Exceptional items (included in Holding & Eliminations)	**36.9**	-	-
EBIT	**142.8**	97.0	198.6

NET PROFIT

The EBIT amounted to EUR 142.8 million (H1 2021: EUR 97.0 million). Net of financing expenses of EUR 8.2 million on balance, the pre-tax profit was EUR 134.6 million. The net profit attributable to shareholders totaled EUR 116.1 million, compared to EUR 72.3 million in H1 2021.

ORDER BOOK

Boskalis acquired on balance EUR 1.57 billion worth of new contracts in the course of the first half of the year. As a result, the order book, excluding our share in the order book of joint ventures and associates, declined to EUR 5.37 billion (end-2021: EUR 5.41 billion).

ORDER BOOK	30 JUNE 2022	END 2021	30 JUNE 2021
(in EUR million)			
Dredging & Inland Infra	**3,584.6**	3,999,8	4,273.8
Offshore Energy	**1,779.0**	1,397.6	1,246.9
Towage & Salvage	**7.4**	8.8	7.5
Total	**5,371.0**	5,406.2	5,528.2

DREDGING & INLAND INFRA

Construction, maintenance and deepening of ports and waterways, land reclamation, coastal defense and riverbank protection, underwater rock fragmentation and the extraction of minerals using dredging techniques as well as earthmoving, soil improvement and remediation. Construction of roads and railroads, bridges, aqueducts, viaducts and tunnels – mainly in the Netherlands.

DREDGING & INLAND INFRA	1ST HY 2022	1ST HY 2021	2021
(in EUR million)			
Revenue	**959.5**	655.7	1,583.3
EBITDA	**130.9**	90.5	211.1
Net result from JVs and associates	**0.4**	0.4	2.2
Operating result (EBIT)	**67.3**	27.1	83.4
Order book	**3,584.6**	4,273.8	3,999.8

EBITDA and operating result include our share in the net result of joint ventures and associates.

REVENUE

Revenue from the Dredging & Inland Infra segment amounted to EUR 959.5 million (H1 2021: EUR 655.7 million).

REVENUE BY REGION	1ST HY 2022	1ST HY 2021	2021
(in EUR million)			
The Netherlands	**208.8**	225.2	519.9
Rest of Europe	**231.9**	198.8	439.0
Rest of the world	**518.8**	231.7	624.4
Total	**959.5**	655.7	1,583.3

The Netherlands

Revenue in the Netherlands totaled EUR 208.8 million in the first half of the year. The largest revenue contribution came from the Markermeerdijken project, the N206 and the construction of an inland harbor in Spijk.

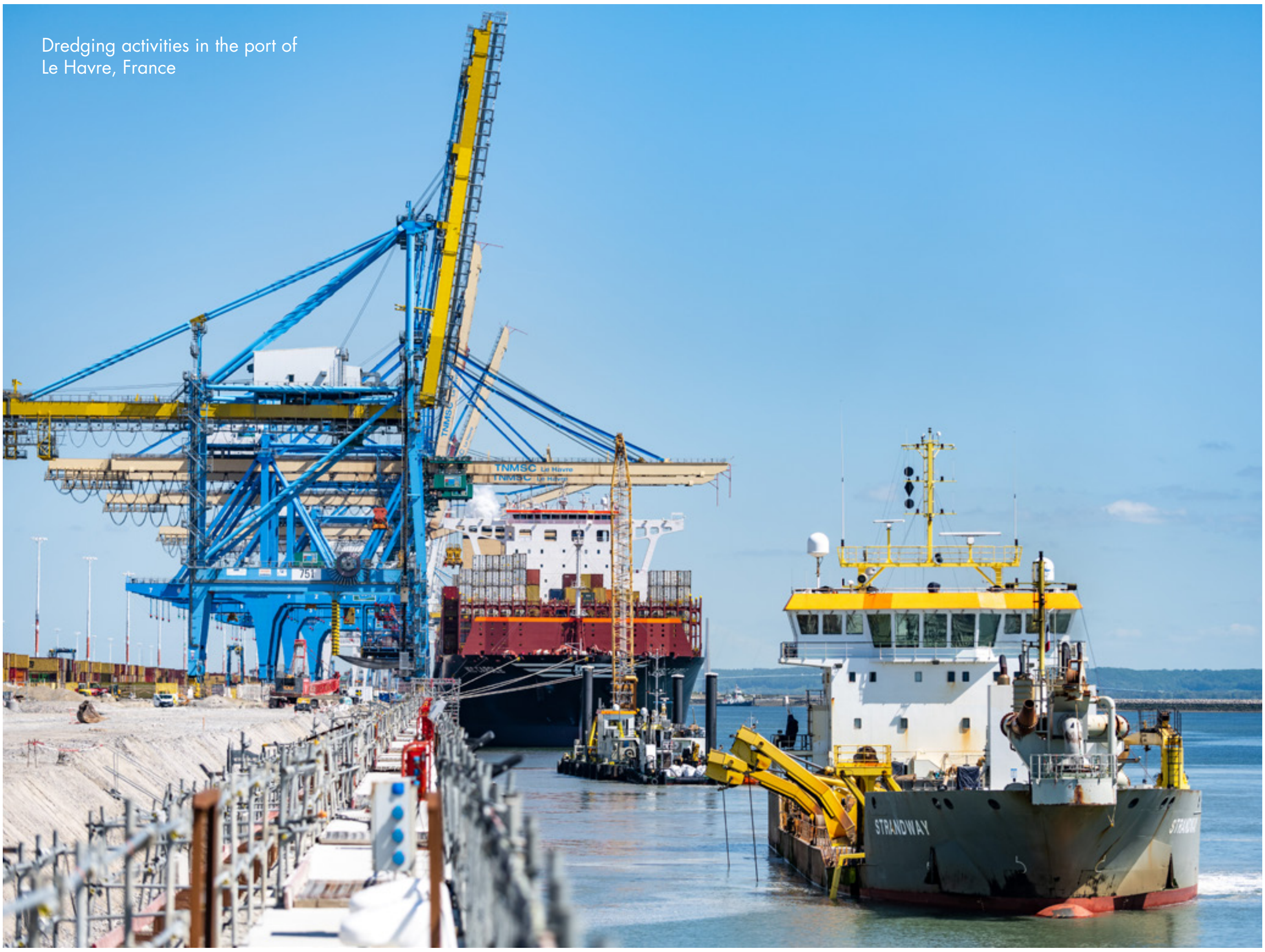
Rest of Europe

Revenue in the remaining European home markets (United Kingdom, Germany and the Nordics) amounted to EUR 231.9 million with the increase driven by the Fehmarnbelt tunnel project. This large project that will connect Denmark and Germany is fully underway and will be an important contributor for the business in the coming two years. Other projects included port-related capital and maintenance dredging projects, coastal protection, and dredging activities for offshore wind projects.

Rest of the World

The Rest of the World revenue more than doubled to EUR 518.8 million with the largest contribution coming from the activities in the bay of Manila. The land development for the new Manila International Airport is progressing with the largest hoppers in the fleet fully utilized in the first half year.

Dike reinforcement activities as part of the Markermeerdijken project



Dredging activities in the port of Le Havre, France

Other noteworthy projects that contributed to the revenue included projects in Southeast Asia (mainly Singapore), the Indian subcontinent and Western Africa.

FLEET DEVELOPMENTS

The hopper fleet had an effective annual utilization rate of 40 weeks (H1 2021: 31 weeks) with the two mega hoppers fully utilized in the bay of Manila. Early 2022, the jumbo hopper dredger Prins der Nederlanden was temporarily taken out of service for an extension at a yard in Singapore. The conversion has since been completed and the vessel was brought back into service in the third quarter with an increased hopper capacity of approximately 22,000 cubic meters. Preparations for the extension of her sister vessel Oranje are underway and this operation is scheduled to take place later this year.

The cutter fleet had an effective annual utilization rate of 7 weeks (H1 2021: 4 weeks). Dredging activities commenced on the access channel of the Tuas Terminal 2 project in Singapore in the second quarter.

SEGMENT RESULT

Dredging & Inland Infra achieved an EBITDA of EUR 130.9 million, with an operating result of EUR 67.3 million (H1 2021: EUR 90.5 million and EUR 27.1 million, respectively).

The strong increase is a reflection of the higher revenue, an increase in the vessel utilization and good project execution. The Dutch Inland Infra activities also made a strong contribution to the result. The first half year result also includes a book profit of EUR 10.8 million related to the sale of equipment.

ORDER BOOK

On 30 June 2022, the order book stood at EUR 3.58 billion (end of 2021: EUR 4.00 billion). On balance, projects with a total value of EUR 544 million were acquired in the first half of the year.

There was an increase in the order book in the Netherlands with the award of a number of coastal protection and road infrastructure projects. Outside of the domestic home market, numerous small to medium-sized project were acquired mainly related to coastal protection, offshore wind and port maintenance.

ORDER BOOK BY MARKET	**30 JUNE 2022**	END 2021	30 JUNE 2021
(in EUR million)			
The Netherlands	**949.0**	902.7	998.8
Rest of Europe	**466.4**	638.6	785.9
Rest of the world	**2,169.2**	2,458.5	2,489.1
Total	**3,584.6**	3,999.8	4,273.8

OFFSHORE ENERGY

Offshore dredging and rock installation projects, heavy transport, lift and installation work, surveying, diving and ROV services in support of the development, construction, maintenance and dismantling of oil and LNG import/export facilities, offshore platforms, pipelines and cables and offshore wind farms.

OFFSHORE ENERGY	1ST HY 2022	1ST HY 2021	2021
(in EUR million)			
Revenue	**617.6**	599.7	1,266.9
EBITDA	**133.5**	103.1	222.9
Net result from JVs and associates	**0.2**	5.2	7.6
Operating result (EBIT)	**67.1**	43.4	100.7
Order book	**1,779.0**	1,246.9	1,397.6

EBITDA and operating result include our share in the net result of joint ventures and associates.

REVENUE

Revenue from the Offshore Energy segment amounted to EUR 617.6 million (H1 2021: EUR 599.7 million) of which 40% was offshore wind related. The split of the divisional revenue contracting versus services was 30% : 70%.

The contracting cluster of the division consists of Seabed Intervention, Heavy Lifting (including offshore wind foundations) and Subsea Cables. Contracting revenue declined compared to the first half of last year, primarily due to a strong decline within Subsea Cables. As previously indicated, 2022 is a relatively quiet year for Subsea Cables with Ostwind 2 being the largest project in progress. At Seabed Intervention, the Fécamp offshore wind project is underway after initial project delays. At Heavy Lift, the 2022 installation campaign for the Changfang & Xidao offshore wind project commenced with the newly commissioned 4,000 ton Bokalift 2 crane vessel.

The services cluster of the division consists of Marine Transport & Services, Subsea Services and Marine Survey. Services revenue increased substantially reflecting a good first half year within all three business units, all benefitting from strong demand from both the renewables sector and the traditional oil & gas market. Marine Transport & Services enjoyed a high utilization of the large heavy transport vessels including a fully utilized BOKA Vanguard. Subsea Services continues to show further improvements with the activities of Rever Offshore now fully integrated. The diving support vessels were well utilized on projects in the North Sea, the Middle East and West Africa. Marine Survey also had a strong half year with a mix of renewables and oil & gas and good project execution.

FLEET DEVELOPMENTS

In the first half of the year the (weighted) utilization rate of the heavy transport fleet was 91% (H1 2021: 58%). The captive assets (cable-laying vessels, fallpipe vessels, construction support vessel and crane vessels) had a good half year, despite a low utilization of the cable-laying vessels. A high utilization of the crane vessels in particular contributed to the higher weighted average utilization rate of 65% (H1 2021: 50%).

SEGMENT RESULT

The EBITDA and operating result increased in the first half year to EUR 133.5 million and EUR 67.1 million, respectively (H1 2021: EUR 103.1 million and EUR 43.4 million, respectively).

The earnings contribution from the contracting cluster declined relative to last year whilst the operating result from the services cluster increased substantially. The strong half year by Marine Transport & Services, Subsea Services and Marine Survey reflects the strong combined demand from the renewables sector and traditional oil & gas market resulting in improved pricing and higher volumes.

ORDER BOOK

On 30 June 2022 the order book, excluding our share in the order books of joint ventures and associates, stood at EUR 1.78 billion (end-2021: EUR 1.40 billion) of which approximately 61% is related to offshore wind.

On balance, EUR 999 million of new work was acquired during the first half year, including two large export cable contracts for offshore wind projects. The most significant project award was for an export cable in North America and the contract scope comprises ocean transportation of export cables with the use of in-house heavy transport vessels and the installation of three export cables with a combined total length in excess of 200 kilometers. The second contract is for the Hollandse Kust West Beta project off the coast of the Netherlands with the project scope covering the installation of two 65-kilometer-long export cables that will connect the 700 MW offshore wind farm to the onshore grid.

TOWAGE & SALVAGE

Towage: *towage services and berthing and unberthing of oceangoing vessels in ports and at offshore terminals, management and maintenance both above and below the surface of onshore and offshore oil and gas terminals and associated maritime and management services.*

Salvage: *providing assistance to vessels in distress, wreck removal, environmental care services and consultancy.*

TOWAGE & SALVAGE	1ST HY 2022	1ST HY 2021	2021
(in EUR million)			
Revenue	**58.7**	79.0	133.7
EBITDA	**2.8**	41.1	64.9
Net result from JVs and associates	**3.8**	12.4	29.3
Operating result (EBIT)	**1.9**	39.9	60.7
Order book	**7.4**	7.5	8.8

EBITDA and operating result include our share in the net result of joint ventures and associates.

REVENUE

Revenue in the Towage & Salvage segment declined to EUR 58.7 million in the first half of the year (H1 2021: EUR 79.0 million).

Salvage was busy on several emergency response assignments however to date, 2022 has been a relatively quiet year from a revenue perspective. Smaller and medium-sized emergency response contracts including the salvage of the Euroferry Olympia off the Greek island of Corfu and a wreck removal project off the west coast of India contributed to the revenue.

All towage activities are conducted through joint ventures and recognized as net result from joint ventures and associates.

SEGMENT RESULT

EBITDA generated by the Towage & Salvage segment totaled EUR 2.8 million, with an operating result of EUR 1.9 million (H1 2021: EUR 41.1 million and EUR 39.9 million, respectively).

For Salvage, a quiet half year and no settlement results are reflected in a low result. The 2021 result was exceptionally strong as it included a substantial financial settlement from a project that was executed in previous years. Such post completion settlements are common for the salvage business, however the timing is unpredictable.

The contribution from the Towage joint ventures is included in our share in the net result of joint ventures and associates and now mainly relates to the terminal services of Smit Lamnalco whilst in 2021 this also included the Keppel Smit Towage activities. In anticipation of the announced sale of Keppel Smit Towage, the Singaporean towage activities became assets held for sale as per the end of 2021 and therefore no longer contribute to the segment result. The sale of these activities was completed on 30 June and the book profit is reported as an exceptional item outside of the division. The net result from joint ventures and associates (now mainly the terminal services of Smit Lamnalco) amounted to EUR 3.8 million (H1 2021: EUR 12.4 million).

The newly commissioned Bokalift 2 crane vessel installing wind turbine foundations in Taiwan

ORDER BOOK

The order book, excluding our share in the order book of joint ventures and associates, was EUR 7.4 million on 30 June 2022 (end-2021: EUR 8.8 million). The order book relates solely to the Salvage business unit.

The value of the order book of the joint ventures is not included in the consolidated financials. As per 30 June 2022 the 100% value of the order book of the joint ventures amounted to EUR 1.23 billion, which is fully attributable to terminal services contracts of Smit Lamnalco (end-2021: EUR 1.22 billion).

HOLDING AND ELIMINATIONS

Non-allocated head office activities.

HOLDING AND ELIMINATIONS	1ST HY 2022	1ST HY 2021	2021
(in EUR million)			
Revenue	**-25.6**	-15.5	-27.1
EBITDA	**24.3**	-8.6	-36.6
Net result from JVs and associates	**-**	-	-0.1
EBIT	**6.5**	-13.4	-46.2

EBITDA and EBIT include our share in the net result of joint ventures and associates.

SEGMENT RESULT

The EBIT for the reporting period was on balance EUR 6.5 million. This includes the usual non-allocated head-office costs (such as advisory expenses related to the HAL Offer), as well as various non-allocated (in many cases non-recurring) income and expenses, in total EUR 30.4 million of expenses in the first half of 2022. Furthermore, a number of exceptional items are also included in this segment in the first half year. A book profit of EUR 50 million was realized on the sale of our share in the towage joint venture Keppel Smit Towage which was partly offset by EUR 13.1 million of impairment charges on a number of assets taken out of service.

The BOKA Summit towing the jack-up rig Maersk Resolute

OTHER FINANCIAL INFORMATION

The BOKA Vanguard transporting the 70,000-ton FPSO Johan Castberg from Singapore to Norway

DEPRECIATION, AMORTIZATION AND IMPAIRMENTS

Depreciation and amortization amounted to EUR 135.6 million (H1 2021: EUR 129.1 million). Furthermore, impairment charges of EUR 13.1 million were incurred during the first half year 2022 on assets taken out of service.

INCOME FROM JOINT VENTURES AND ASSOCIATES

Our share in the net result from joint ventures and associates was EUR 4.4 million (H1 2021: EUR 18.0 million). This result relates mainly to our share in the net result of Smit Lamnalco, Donjon-Smit and Asian Lift (the remaining Singapore partnerships with Keppel).

TAX

The tax expenses amounted to EUR 18.3 million (H1 2021: EUR 18.5 million) with an effective tax rate of 18.7% adjusted for exceptional items.

CAPITAL EXPENDITURE AND BALANCE SHEET

In the first half of the year an amount of EUR 211.4 million was invested in property, plant and equipment (H1 2021: EUR 190.4 million) of which EUR 26.3 million was related to dry dockings. Disposals amounted to EUR 7.3 million (H1 2021: EUR 5.7 million). In addition to these investments in property, plant and equipment EUR 10.0 million was added in right-of-use assets (H1 2021: EUR 28.3 million).

Within Dredging the largest investment was related to the extension of the hopper dredger Prins der Nederlanden and preparations for the extension of the hopper dredger Oranje. The largest investments within the Offshore Energy division were related to the completion and delivery of the Bokalift 2 crane vessel, the acquisition of an existing diving support vessel (Boka Atlantic) and survey vessel related investments. Preparations were also made for the pending conversion of a former transport vessel into a fallpipe vessel and the construction of a new motion compensated pile gripper frame for wind turbine foundations.

At 30 June 2022 the capital expenditure commitments amounted to EUR 140.4 million (end-2021: EUR 87 million), which include the conversion of the Oranje, the fallpipe vessel and the investment in the motion compensated pile gripper frame.

The cash flow for the first six months amounted to EUR 265.0 million (H1 2021: EUR 199.2 million).

The working capital position as per 30 June 2022 was EUR 666.5 million negative (H1 2021: EUR 733.5 million negative and end-2021 EUR 889 million negative). The position at the end of 2021 was exceptionally favorable and a normalization of the working capital position was anticipated. Customary seasonal pattern of revenues and receivables and the receipt of milestone payments impact working capital levels.

The interest-bearing debt, including lease liabilities, at 30 June 2022 amounted to EUR 538.3 million. The cash position at 30 June 2022 was EUR 537.5 million. The resulting net financial position is a net debt of EUR 0.7 million, including EUR 133.7 million of IFRS 16 lease liabilities. At the end of 2021 the debt position was EUR 560 million with a cash position of EUR 763 million resulting in a positive net financial position with a net cash amount of EUR 203 million, including EUR 148 million of IFRS 16 lease liabilities. The solvency ratio amounted to 49.0% (end-2021: 48.0%).

On 15 March 2022, HAL Investments, together with Stichting Hyacinth, acquired a combined stake of more than 50% in Boskalis. This event triggered a change of control in a number of its financing arrangements. After this change of control, all the banks and almost all of the other financing parties concerned, confirmed the continuation of the financing facilities at unchanged terms and conditions.

The interest-bearing debt relates largely to a long-term US Private Placement (USPP) of USD 297 million (EUR 284 million at 30 June 2022). This USPP matures in 2023. In October 2019, Boskalis financed its mega suction cutter dredger Krios through an Export Credit Agency covered loan. The outstanding amount under this facility is currently EUR 106 million. The tenor of the facility is ten years and includes a linear redemption. Boskalis also has a currently undrawn EUR 500 million syndicated bank facility at its disposal which matures in 2027. With the available cash and cash equivalents and bank facilities, Boskalis now has a financing capacity in excess of EUR 900 million.

Boskalis must comply with a number of covenants as agreed with the syndicate of banks and the USPP investors. These covenants were comfortably met as at 30 June 2022. The main covenants relate to the net debt : EBITDA ratio, with a limit of 3 and the EBITDA : net interest ratio, with a minimum of 4. At 30 June 2022 the net debt : EBITDA ratio stood at -0.3 and the EBITDA : net interest ratio at 31.

PRINCIPAL RISK AND UNCERTAINTIES

The 2021 Annual Report of Royal Boskalis Westminster N.V. provides an overview of Boskalis' risk management and describes the main risk categories: strategic and market risks, operational risks, financial risks, other risks including non-compliance with laws and regulations, and risks related to financial reporting as well as internal risk management and control systems. More information can be found on pages 62-69 of the 2021 Annual Report and in the online annual report at https://boskalis.com/annualreport.

In the second half of 2022 the extent to which new projects are acquired with associated commercial terms and conditions will be largely dictated by the general prevailing economic circumstances in the geographic markets relevant to Boskalis including supply chain disruptions, the effects of cost inflation, global geopolitical developments including the current unrest in Ukraine and the state of affairs for services providers to the renewables and oil and gas sector.

OTHER DEVELOPMENTS

HAL OFFER

On 24 June 2022, HAL Holding N.V. (HAL) formally announced the launch of its public offer for all issued and outstanding shares of Boskalis (the Offer). Reference is further made to HAL's press release dated 10 March 2022 and Boskalis' press releases dated 10 March 2022, 8 April 2022, 12 May 2022, 3 June 2022, 24 June 2022 and 1 July 2022.

Pursuant to the Offer, Boskalis will convene an Extraordinary General Meeting (EGM) of shareholders on Wednesday 24 August 2022, 10.30 am CET in Papendrecht, the Netherlands, in accordance with the provisions of the Dutch Decree on Public Takeover Bids. At this EGM, the Board of Management and the Supervisory Board of Boskalis will discuss the Offer including the financial and non-financial aspects. The minutes of the EGM will be published online on 30 August, prior to the deadline of the Offer.

All details relating to the Offer, including the referred press releases, EGM documents and the Position Statement can be found on boskalis.com/ir/hal-offer.

FINANCIAL CALENDAR

18 August 2022	Publication of 2022 half-year results
24 August 2022	Extraordinary General Meeting of Shareholders
11 November 2022	Trading update on third quarter of 2022
9 March 2023	Publication of 2022 annual results
11 May 2023	Trading update first quarter of 2023
11 May 2023	General Meeting of Shareholders
17 August 2023	Publication of 2023 half-year results
10 November 2023	Trading update third quarter of 2023

The successful salvage of the chemical tanker Wisby Teak off the Dutch coast

OUTLOOK

Given the strong results in the first half of the year and the magnitude and composition of the order book, Boskalis is in good shape for the rest of the year, assuming that COVID-19-related restrictive measures experienced over the past two years, particularly in the Far East, will not return.

At Dredging & Inland Infra, a comparable operational and financial second half is expected. Due to the magnitude of the activities in Manila Bay, the progress will be a major determinant for the result. Furthermore, the other large works in Singapore, Denmark and the Netherlands will also make a significant contribution. The utilization of the hopper fleet is expected to remain high and the utilization of the cutters will only increase to a limited extent.

At Offshore Energy, the second half of the year is also expected to be in line with the first half. In contracting, a number of large ongoing offshore wind projects such as Changfang & Xidao and Fécamp will be decisive. In services it is expected that the current market picture will not change substantially and that the strong demand will also be reflected in a good second half year.

Towage & Salvage; a stable picture is expected for the terminals activities within Towage. The result of Salvage will strongly depend on the inherently unpredictable nature of the business. Possible large settlement results on previously executed projects are not expected.

Based on the fleet planning and works in portfolio, and barring unforeseen circumstances, the Board of Management expects the EBITDA level of the second half of the year to be in line with that of the first half, adjusted for exceptional items. For 2022, the unchanged capital expenditures outlook is approximately EUR 450 million, including dry-dockings however excluding possible acquisitions.

Land reclamation activities by the trailing suction hopper dredger
Willem van Oranje in the port of Rotterdam, the Netherlands

Dredging activities as part of the Fehmarnbelt tunnel project
by the world's largest backhoe dredger Magnor

INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR 2022

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(Condensed Consolidated Income Statement)

(in millions of EUR)	Note	**1ST HALF YEAR 2022**	1ST HALF YEAR 2021*
OPERATING INCOME			
Revenue	*[8]*	**1,610.2**	1,318.9
Other income	*[6]/[9]*	**64.1**	3.1
		1,674.3	1,322.0
OPERATING EXPENSES			
Raw materials, consumables, personnel expenses, services and subcontracted work		**- 1,383.0**	- 1,113.9
Depreciation and amortization		**- 135.6**	- 129.1
Impairment charges	*[10]*	**- 13.1**	-
Other expenses	*[9]*	**- 4.2**	-
		- 1,535.9	- 1,243.0
Share in result of joint ventures and associates		**4.4**	18.0
RESULTS FROM OPERATING ACTIVITIES (EBIT)		**142.8**	97.0
Finance income and expenses		**- 8.2**	- 8.4
PROFIT/LOSS (-) BEFORE TAXATION		**134.6**	88.6
Income tax expense	*[17]*	**- 18.3**	- 18.5
NET GROUP PROFIT/LOSS (-) FOR THE REPORTING PERIOD		**116.3**	70.1
NET GROUP PROFIT/LOSS (-) FOR THE REPORTING PERIOD ATTRIBUTABLE TO:			
Shareholders		**116.1**	72.3
Non-controlling interests		**0.2**	- 2.2
		116.3	70.1
Weighted average number of shares (x 1,000)		**129,325**	129,821
Earnings per share (basic and diluted)		**EUR 0.90**	EUR 0.56

* Excluding the application of the amendment to IAS 37. Reference is made to note 3 under ´Accounting principles applied for the preparation of the interim consolidated financial statements'.

The notes on pages 29 to 34 are an integral part of these Interim Consolidated Financial Statements for the first half year of 2022.

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

(Condensed Consolidated Statement of Recognized and Unrecognized Income and Expenses)

(in millions of EUR)		**1ST HALF YEAR 2022**	1ST HALF YEAR 2021*
NET GROUP PROFIT/LOSS (-) FOR THE REPORTING PERIOD		**116.3**	70.1
ITEMS THAT WILL NOT BE SUBSEQUENTLY RECLASSIFIED TO THE STATEMENT OF PROFIT OR LOSS			
Actuarial gains (losses) and asset limitation on defined benefit pension plans, after tax		**- 0.2**	0.2
		- 0.2	0.2
ITEMS THAT ARE OR MAY BE RECLASSIFIED SUBSEQUENTLY TO THE STATEMENT OF PROFIT OR LOSS			
Currency translation differences on foreign operations, after tax		**50.3**	24.0
Currency translation differences from joint ventures and associates, after tax		**- 0.3**	- 0.5
Reclassification of foreign currency differences to statement of profit or loss	*[6]*	**- 19.4**	-
Change in fair value of cash flow hedges, after tax		**6.6**	1.8
Change in fair value of cash flow hedges from joint ventures and associates, after tax	*[12]*	**6.4**	1.8
		43.6	27.1
Other comprehensive income for the reporting period, after tax		**43.4**	27.3
TOTAL COMPREHENSIVE INCOME FOR THE REPORTING PERIOD		**159.7**	97.4
ATTRIBUTABLE TO:			
Shareholders		**159.5**	99.7
Non-controlling interests		**0.2**	- 2.3
TOTAL COMPREHENSIVE INCOME FOR THE REPORTING PERIOD		**159.7**	97.4

* Excluding the application of the amendment to IAS 37. Reference is made to note 3 under ´Accounting principles applied for the preparation of the interim consolidated financial statements'.

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Condensed Consolidated Balance Sheet)

(in millions of EUR)	Note	**30 JUNE 2022**	31 DECEMBER 2021*
NON-CURRENT ASSETS			
Intangible assets		**182.2**	176.6
Property, plant and equipment	[11]	**2,720.5**	2,609.0
Right-of-use assets		**125.8**	140.3
Investments in joint ventures and associates	[12]	**230.7**	206.3
Other non-current assets		**11.8**	16.6
		3,271.0	3,148.8
CURRENT ASSETS			
Inventories and receivables		**1,284.7**	1,045.6
Cash and cash equivalents		**537.5**	762.9
Assets held for sale	[6]/[13]	**-**	55.5
		1,822.2	1,864.0
TOTAL ASSETS		**5,093.2**	5,012.8
GROUP EQUITY			
Shareholders' equity		**2,494.1**	2,404.0
Non-controlling interests		**0.1**	0.6
		2,494.2	2,404.6
NON-CURRENT LIABILITIES			
Interest-bearing borrowings	[14]	**381.9**	388.9
Provisions		**106.4**	109.4
Lease liabilities		**104.9**	114.7
Other liabilities and payables		**3.1**	3.5
		596.3	616.5
CURRENT LIABILITIES			
Interest-bearing borrowings	[14]	**10.4**	10.2
Bank overdrafts		**12.3**	13.4
Lease liabilities		**28.8**	33.1
Other liabilities, payables and provisions		**1,951.2**	1,935.0
		2,002.7	1,991.7
TOTAL GROUP EQUITY AND LIABILITIES		**5,093.2**	5,012.8
Solvency		**49.0%**	48.0%

* Excluding the application of the amendment to IAS 37. Reference is made to note 3 under ´Accounting principles applied for the preparation of the interim consolidated financial statements'.

The notes on pages 29 to 34 are an integral part of these Interim Consolidated Financial Statements for the first half year of 2022.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(in millions of EUR)		**1ST HALF YEAR 2022**	1ST HALF YEAR 2021*
CASH FLOWS FROM OPERATING ACTIVITIES			
Net group profit		**116.3**	70.1
Depreciation, amortization and impairment charges	*[10]/11]*	**148.7**	129.1
Cash flow		**265.0**	199.2
Adjustments for:			
Finance income and expenses, income tax expenses and results from disposals		**12.7**	23.8
Book result from divestments of joint ventures	*[6]*	**- 50.0**	-
Movement in other non-current assets, excluding deferred tax		**-**	- 12.4
Movement in provisions, excluding deferred tax		**- 12.6**	- 2.6
Movement in working capital (including inventories, excluding tax and interest)		**- 142.3**	- 81.7
Share in result of joint ventures and associates		**- 4.4**	- 18.0
Cash generated from operating activities		**68.4**	108.3
Dividends received		**10.7**	0.9
Interest paid and received		**- 8.2**	- 8.0
Income tax paid		**- 23.1**	- 21.1
Net cash from operating activities		**47.8**	80.1
CASH FLOWS FROM INVESTING ACTIVITIES			
Net investments in intangible assets and property, plant and equipment		**- 242.1**	- 196.5
Proceeds from divestments of joint ventures	*[6]*	**83.7**	-
Net cash used in investing activities		**- 158.4**	- 196.5
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from interest-bearing borrowings		**-**	15.0
Repayment of interest-bearing borrowings		**- 30.4**	- 7.7
Payment of lease liabilities		**- 18.7**	- 17.1
Purchase of ordinary shares		**-**	- 18.7
Dividends paid to shareholders and non-controlling interests	*[15]*	**- 64.7**	- 64.8
Net cash used in / from financing activities		**- 113.8**	- 93.3
NET DECREASE IN CASH AND CASH EQUIVALENTS		**- 224.4**	- 209.7
Net cash and cash equivalents and bank overdrafts as at 1 January		**749.5**	814.9
Net decrease in cash and cash equivalents (including bank overdrafts)		**- 224.4**	- 209.7
Currency translation differences		**0.1**	-
Movement in net cash and cash equivalents		**- 224.3**	- 209.7
NET CASH AND CASH EQUIVALENTS (INCLUDING BANK OVERDRAFTS) AS AT 30 JUNE		**525.2**	605.2

* Excluding the application of the amendment to IAS 37. Reference is made to note 3 under ´Accounting principles applied for the preparation of the interim consolidated financial statements'.

The notes on pages 29 to 34 are an integral part of these Interim Consolidated Financial Statements for the first half year of 2022.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN GROUP EQUITY

	1ST HALF YEAR 2022			1ST HALF YEAR 2021*		
(in millions of EUR)	**SHARE HOLDERS' EQUITY**	**NON-CONTROLLING INTERESTS**	**GROUP EQUITY**	SHARE HOLDERS' EQUITY	NON-CONTROLLING INTERESTS	GROUP EQUITY
Balance as at 31 December prior year	**2,404.0**	**0.6**	**2,404.6**	2,283.2	3.0	2,286.2
Change in accounting principles **	**- 5.3**	**-**	**- 5.3**	-	-	-
Balance as at 1 January	**2,398.7**	**0.6**	**2,399.3**	2,283.2	3.0	2,286.2
TOTAL COMPREHENSIVE INCOME FOR THE REPORTING PERIOD						
Net group profit/loss (-) for the reporting period	**116.1**	**0.2**	**116.3**	72.3	- 2.2	70.1
Other comprehensive income for the reporting period	**43.4**	**-**	**43.4**	27.4	- 0.1	27.3
Total comprehensive income for the reporting period	**159.5**	**0.2**	**159.7**	99.7	- 2.3	97.4
TRANSACTIONS WITH SHAREHOLDERS						
Purchase of ordinary shares	**-**	**-**	**-**	- 18.7	-	- 18.7
Cash dividend	**- 64.1**	**- 0.2**	**- 64.3**	- 64.8	-	- 64.8
Total transactions with shareholders	**- 64.1**	**- 0.2**	**- 64.3**	- 83.5	-	- 83.5
Total movements in interests in subsidiaries						
Transactions with minority interests	**-**	**- 0.5**	**- 0.5**	-	-	-
Balance as at 30 June	**2,494.1**	**0.1**	**2,494.2**	2,299.4	0.7	2,300.1

* Excluding the application of the amendment to IAS 37. Reference is made to note 3 under ´Accounting principles applied for the preparation of the interim consolidated financial statements'.

** Incorporates the change in accounting principles for IAS 37. Reference is made to note 3 under ´Accounting principles applied for the preparation of the interim consolidated financial statements'.

The notes on pages 29 to 34 are an integral part of these Interim Consolidated Financial Statements for the first half year of 2022.

EXPLANATORY NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

Royal Boskalis Westminster N.V. is a leading global services provider operating in the dredging, dry and maritime infrastructure and maritime services sectors. Royal Boskalis Westminster N.V. (the 'Company') has its registered office in Sliedrecht, the Netherlands, and its head office is located at Rosmolenweg 20, 3556 LK in Papendrecht, the Netherlands. The Company is registered at the Chamber of Commerce under number 23008599 and is a publicly listed company on Euronext Amsterdam.

The Interim Consolidated Financial Statements of Royal Boskalis Westminster N.V. for the first half year of 2022 include the Company and its Group companies (hereinafter referred to jointly as the 'Group') and the interests of the Group in associates and entities over which it has joint control.

The Interim Consolidated Financial Statements were prepared by the Board of Management and released for publication on 18 August 2022.

The Interim Consolidated Financial Statements for the first half year of 2022 have been reviewed but not audited by an independent auditor. The Interim Consolidated Financial Statements for the first half year of 2021 were not audited or reviewed by an independent auditor. Accordingly, no assurance is provided in relation to the comparative information of the Interim Consolidated Financial Statements for the first half year of 2022.

The Group's audited consolidated financial statements for 2021 are available at www.boskalis.com.

2. COMPLIANCE STATEMENT

The Interim Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting. These Interim Consolidated Financial Statements do not include all the information required for full financial statements and are to be read in combination with the audited 2021 Consolidated Financial Statements of the Group, which were prepared in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS).

3. ACCOUNTING PRINCIPLES APPLIED FOR THE PREPARATION OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The accounting principles applied to the valuation of assets and liabilities and the determination of results are the same as the valuation principles applied to the 2021 Consolidated Financial Statements, except for the relevant changes mentioned in the section 'Changes in Principles of Financial Reporting'. Unless stated otherwise, all amounts are reported in millions of euros.

CHANGES IN PRINCIPLES OF FINANCIAL REPORTING

The Group applied the amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' and IAS 16 'Property, Plant and Equipment' for the first time. Both changes are effective as of 1 January 2022 and do not require a revision of the comparative figures.

The change to IAS 37 affected a limited number of contracts of the service activities within the Offshore Energy division of which the allocation, over accounting periods, of the (positive) contribution to the results of the Group changed. The Group has applied this standard retrospectively and used the transition option meaning that the cumulative effects are accounted for in the Consolidated Statement of Financial Position as at 1 January 2022. The comparative figures for 2021 have not been restated. The application of the amendment does not have a material impact on the Consolidated Statement of Financial Position of the Group; as per 1 January 2022 the provision for onerous contracts and group equity were EUR 5.3 million higher and lower, respectively.

The application of the change to IAS 16 has no material impact on the Group.

NEW INTERPRETATION ADOPTED

IAS 1 'Presentation of Financial Statements' and IAS 8 'Accounting Policies, Changes in Accounting were endorsed by the European Union in the first half of 2022 and have an effective date for annual periods starting on or after 1 January 2023.

The Company is analyzing the impact of these changes.

NEW INTERPRETATION NOT YET ADOPTED

IAS 12 'Income Taxes' was amended during 2021. The amendment has an effective date for annual periods starting on or after 1 January 2023 but has not been endorsed yet by the European Union. The Company is analyzing the impact of these changes.

4. ESTIMATES

The preparation of Interim Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the application of accounting principles and the recognized amounts under assets, liabilities, income and expense. Actual results may deviate from results reported previously on the basis of estimates and assumptions. Judgements made by management in applying the Group's accounting principles and the key sources for making estimates were the same as the judgements and sources applied when preparing the 2021 Consolidated Financial Statements, with the exception of income tax expense. Income tax expense is accounted for based on the weighted average tax rate that would apply to expected pre-tax profit for the full year multiplied by the pre-tax profit for the reporting period, taking into account known deviations.

5. OPERATIONAL SEGMENTS

The Group recognizes three operational segments which comprise the divisions of the Group as described below. These divisions offer different products and services and are managed separately because they require different strategies. Each of the divisions reports on a quarterly basis, by means of internal management reporting to the Board of Management.

The following is a brief summary of the activities of the operational segments:

DREDGING & INLAND INFRA

Traditionally, dredging is the core activity of the Group. It involves all activities required to remove silt, sand and other layers from the seabed and river bed and in some cases using it elsewhere where possible, for example for coastal protection or land reclamation. The services provided also include the construction and maintenance of ports and waterways, and coastal defense and riverbank protection, as well as associated specialist services such as underwater rock fragmentation. In addition, the Group is active in the extraction of raw materials using dredging techniques and dry earthmoving. In the Netherlands, the Group also operates as a contractor of dry infrastructure projects. This involves the design, preparation (by means of dry earthmoving) and execution of large-scale civil infra works, such as the construction of roads and railroads, bridges, dams, viaducts and tunnels. These activities include performing specialist works such as soil improvement and land remediation.

OFFSHORE ENERGY

With the offshore contracting capabilities and services, the Group supports activities of the international energy sector, including oil and gas companies and providers of renewable energy such as wind power. The Group is involved in the engineering, construction, maintenance and decommissioning of oil and LNGimport/export facilities, offshore platforms, pipelines and cables and offshore wind farms. In performing these activities, the Group applies its expertise in the areas of heavy transport, lift and installation work, as well as diving and ROV services complemented with dredging, offshore pipeline installation, rock installation, offshore cable installation, marine activities and survey activities.

TOWAGE & SALVAGE

In ports and terminal locations around the world towage and terminal services are provided to ocean-going vessels through the joint ventures Keppel Smit Towage and Smit Lamnalco. Keppel Smit Towage offers assistance to incoming and outgoing vessels in various ports in the AsiaPacific region. On 30 June 2022, the Group completed the sale of its interest in the joint ventures Keppel Smit Towage and Maju Maritime, resulting in discontinuation of its previous harbor towage activities in AsiaPacific region. The interests in these partnerships had been classified as held for sale as from the fourth quarter of 2021.

Through Smit Lamnalco, a full range of terminal services for the operation and management of onshore and offshore terminals is offered. These services include assistance with the berthing and unberthing of tankers at oil and LNG terminals as well as additional support services. With a combined fleet of over 200 vessels assistance is provided to, amongst others, oil and chemical tankers, LNG carriers, container ships, reefers, ro-ro vessels and mixed cargo ships around the world. SMIT Salvage provides marine salvage-related services and assistance to vessels in distress and is able to act at anytime and anywhere in the world. It is able to do so by operating out of four locations which are strategically situated in relation to the main international shipping routes: Houston, Cape Town, Rotterdam and Singapore. The removal of shipwrecks or damaged offshore platforms almost always takes place at locations where the wreck forms an obstruction to traffic or presents an environmental hazard.

SEGMENTS

The operational segments are monitored based on the segment result (operating result) and EBITDA. The segment result and EBITDA are used to measure the performance of operational segments, both between segments and compared to other companies in the same industry. Inter-operational segment services, if any, take place on an arm's length basis. In the reporting period there were no material inter-operational segment services. For contracts executed in a joint operation of two segments, the segments only report their own share in revenue and the results recognized, resulting in no material related party transactions between segments that need to be eliminated. EBITDA is defined as being the segment result before depreciation, amortization, impairment and other exceptional charges.

INFORMATION ON OPERATIONAL SEGMENTS AND RECONCILIATION TO GROUP RESULTS

(in millions of EUR)	DREDGING & INLAND INFRA	OFFSHORE ENERGY	TOWAGE & SALVAGE	HOLDING & ELIMINATIONS / GROUP	GROUP
1st half year 2022					
Revenue	959.5	617.6	58.7	- 25.6	1,610.2
EBITDA	130.9	133.5	2.8	24.3	291.5
Share in result of joint ventures and associates	0.4	0.2	3.8	-	4.4
Operating result	67.3	67.1	1.9	- 30.4	105.9
Exceptional items	-	-	-	36.9	36.9
EBIT	67.3	67.1	1.9	6.5	142.8
Non-allocated finance income and expenses					- 8.2
Non-allocated income tax expenses					- 18.3
Net Group profit/loss (-)					116.3
Investments in property, plant and equipment	69.2	139.3	0.8	2.1	211.4
Additions to right-of-use assets	9.0	0.5	-	0.5	10.0
Depreciation on property, plant and equipment and right-of-use assets and amortization	- 63.6	- 66.4	- 0.9	- 4.7	- 135.6
Impairment charges on property, plant and equipment	-	-	-	- 13.1	- 13.1
Reversal of impairment charges on sale Keppel Smit Towage Pte Ltd and Maju Maritime Pte Ltd	-	-	-	30.6	30.6

(in millions of EUR)	DREDGING & INLAND INFRA	OFFSHORE ENERGY	TOWAGE & SALVAGE	HOLDING & ELIMINATIONS / GROUP	GROUP
1st half year 2021*					
Revenue	655.7	599.7	79.0	- 15.5	1,318.9
EBITDA	90.5	103.1	41.1	- 8.6	226.1
Share in result of joint ventures and associates	0.4	5.2	12.4	-	18.0
Operating result	27.1	43.4	39.9	- 13.4	97.0
Non-allocated finance income and expenses					- 8.4
Non-allocated income tax expenses					- 18.5
Net Group profit/loss (-)					70.1
Investments in property, plant and equipment	33.3	156.4	0.3	0.4	190.4
Additions to right-of-use assets	2.8	24.9	-	0.6	28.3
Depreciation on property, plant and equipment and right-of-use assets and amortization	- 63.4	- 59.7	- 1.3	- 4.7	- 129.1

* Excluding the change in accounting principles of IAS 37 (reference is made to note 3).

RECONCILIATION WITH IFRS

As required by IFRS, the information as presented above reconciles to the internal management information of the Board of Management. In measuring the financial performance of operational segments certain line items relating to exceptional items are presented differently in the internal management information than in the EU-IFRS (Interim) Consolidated Financial Statements.

In the EU-IFRS Interim Condensed Consolidated Statement of Profit or Loss the Results from operating activities (EBIT) shows a profit of EUR 142.8 million, which includes a book profit of EUR 50.0 million related to divestments of joint ventures (reference is made to note 6) and impairment charges of EUR 13.1 million (reference is made to note 10). In the table above, these items are presented as part of the net balance of exceptional income (EUR 50.0 million) and exceptional charges (EUR 13.1 million). EBITDA in the table above equals the operating result (EBIT) before depreciation, amortization, impairment and other exceptional charges and amounts to EUR 291.5 million (first half year 2021: EUR 226.1 million).

A large part of the Group's projects that have been executed or are currently in progress within the operational segments of Dredging & Inland Infra and Offshore Energy is directly or indirectly performed on behalf of state-controlled authorities and oil and gas producers (or contractors thereof) in various countries and geographical areas. In general, there is a healthy diversification of receivables from different customers in several countries in which the Group performs its activities.

6. SALE OF INTEREST IN PARTNERSHIPS KEPPEL SMIT TOWAGE PTE LTD AND MAJU MARITIME PTE LTD

On 30 June 2022, the Group completed the sale of its interest in the partnerships Keppel Smit Towage Pte Ltd and Maju Maritime Pte Ltd to Rimorchiatori Mediterranei S.p.A. The sale resulted in a consideration of EUR 93.0 million in cash, which includes transaction-related (received) dividend of EUR 9.3 million, and a pre- and post-tax book profit of EUR 50.0 million. The consideration is based on a preliminary amount of net debt to be settled between parties. The book profit includes the reversal of impairment of EUR 30.6 million and the recycling of accumulated currency translation differences of EUR 19.4 million.

7. SEASONAL OPERATIONS

The Group's operations are mainly project-based and are therefore primarily influenced by the timing of commencement and completion of these projects. Projects are executed and services are provided all over the world. Some operations are influenced by seasonal patterns.

8. REVENUE

Revenue by region can be specified as follows:

(in millions of EUR)	**1ST HALF YEAR 2022**	1ST HALF YEAR 2021
The Netherlands	**248.9**	241.1
Rest of Europe	**510.8**	526.4
Australia / Asia	**612.6**	271.1
Middle East	**118.0**	124.7
Africa	**46.6**	25.3
North and South America	**73.3**	130.3
	1,610.2	1,318.9

Revenue from contracting business amounts to EUR 1,109 million (first half year 2021: EUR 914 million). This mainly comprises the revenue of Dredging & Inland Infra, Offshore Energy (excluding marine transport, survey and related services) and Salvage, and is typically related to the execution of projects.

The revenue from services rendered to third parties is primarily related to Offshore Energy (mainly marine transport, survey and related services) and amounts to EUR 501 million (first half year 2021: EUR 405 million).

9. OTHER INCOME AND EXPENSES

Other income includes the book result of EUR 50.0 million on the sale of Keppel Smit Towage Pte Ltd and Maju Maritime Pte Ltd (reference is made to note 6). Other income also includes the positive book results on the disposal of property, plant and equipment.

Other expenses relate to divestments in previous years, amounting to EUR 3.9 million (first half year 2021: nil), and negative book results on the disposal of property, plant and equipment, amounting to EUR 0.3 million (first half year 2021: nil).

10. IMPAIRMENT CHARGES

In the first half year of 2022 the Group incurred a non-cash impairment loss of EUR 13.1 million as a limited number of vessels were taken out of service. These vessels have been valued at the highest of the value in use and the fair value less cost to sell. No impairment charges were incurred in the first half year of 2021.

11. PROPERTY, PLANT AND EQUIPMENT

Movements in property, plant and equipment in the reporting period can be summarized as follows:

(in millions of EUR)	**TOTAL**
Balance as at 1 January 2022	**2,609.0**
Investments	211.4
Depreciation	- 117.9
Impairment charges	- 13.1
Disposals	- 7.3
Currency translation differences and other movements	38.4
Balance as at 30 June 2022	**2,720.5**

12. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

Movements in investments in joint ventures and associates in the reporting period are primarily attributable to the impact of currency translation differences (EUR 17.3 million), changes in fair value of cash flow hedges (EUR 6.4 million) and share in results of joint ventures (EUR 4.4 million).

13. ASSETS HELD FOR SALE

Movements in assets held for sale in the reporting period are attributable to the sale of interest in the partnerships Keppel Smit Towage Pte Ltd and Maju Maritime Pte Ltd. (reference is made to note 6).

14. INTEREST-BEARING BORROWINGS

On 15 March 2022, HAL Investments, together with Stichting Hyacinth, acquired a combined stake of more than 50% in Boskalis. This event triggered a change of control in a number of its financing arrangements. After this change of control, all the banks and almost all of the other financing parties concerned, have confirmed the continuation of the financing facilities at unchanged terms and conditions.

As a result of the above, an early repayment of USD 28 million was made on the US Private Placement in April 2022. The balance of the US Private Placement amounts to USD 297 million as per 30 June 2022 (31 December 2021: USD 325 million). The remaining balance is due in July 2023 and is reported as part of the non-current interest-bearing borrowings as per 30 June 2022.

15. DIVIDEND PAYMENTS TO SHAREHOLDERS OF ROYAL BOSKALIS WESTMINSTER N.V.

In the first half year of 2022 a cash dividend of EUR 64.7 million was distributed with regard to the 2021 financial year (EUR 0.50 per ordinary share). The amount of EUR 64.1 million as reported in the movement schedule relates for EUR 0.6 million to a dividend tax refund from prior years.

At 30 June 2022, the issued share capital consisted of 129,324,898 ordinary shares.

16. RELATED PARTIES

The identified related parties of the Group are its Group companies, joint ventures, associates, shareholders with significant influence, pension funds that are classified as funded defined benefit pension plans in accordance with IAS 19, and the members of the Supervisory Board and Board of Management. There were no changes to the identified related parties of the Group.

Transactions with joint ventures and associates in the course of normal business activities take place at arm's length basis. In the first half year of 2022 sales and purchases amounted to EUR 2.0 million and EUR 10.5 million, respectively (first half year 2021: EUR 2.4 million and EUR 23.4 million, respectively). Receivables from and liabilities to joint ventures and associates amounted to EUR 6.0 million and EUR 17.2 million, respectively, as at 30 June 2022 (year-end 2021: EUR 6.9 million and EUR 34.9 million, respectively).

Transactions with members of the Board of Management and Supervisory Board comprise only regular remuneration.

During the first half of 2022 HAL Holding, which reports Boskalis in its consolidated financial statements of 2021 as an associate, acquired additional ordinary shares in the capital of Boskalis. Otherwise there were no other material transactions with related parties that could reasonably be expected to influence any decision taken by users of these Interim Consolidated Financial Statements.

17. INCOME TAX EXPENSE

In the first half year of 2022 the tax charge amounts to EUR 18.3 million (2021: EUR 18.5 million). The relationship between the applicable tax rate in the Netherlands and the effective tax rate as can be derived from the income statement can be summarized as follows:

	1ST HALF YEAR 2022	1ST HALF YEAR 2021
Effect on tax rate:		
Nominal tax rate in the Netherlands	**25.8%**	25.0 %
Exceptional items (book profit divestments and impairments)	**-7.1%**	0.0%
Tax exempted share in result of joint ventures and associates (excluding impairments)	**-1.1%**	-4.2 %
Tonnage tax and other special tax regimes	**-7.8%**	0.2 %
Different statutory tax rates for other jurisdictions	**-9.9%**	-5.3 %
Unrecognized income tax losses	**8.5%**	8.1 %
Prior year adjustments	**5.2%**	-3.0 %
ADJUSTED EFFECTIVE TAX RATE	**13.6%**	20.8 %

18. COMMITMENTS AND CONTINGENT LIABILITIES

The total of outstanding guarantees, mainly relating to projects in progress, amounted to EUR 0.9 billion as at 30 June 2022. Compared to 31 December 2021 there were no material changes to the other commitments and investment commitments. Some legal proceedings and investigations have been initiated against the Group or entities of the Group. Provisions have been made where deemed necessary and if a reliable estimate of future cash flows can be made.

19. FINANCIAL INSTRUMENTS

FAIR VALUE

The fair value of the majority of the financial instruments does not differ materially from the carrying amount, with the exception of long-term and short-term loans and other payables with a fixed interest rate. The book value of these liabilities exceeded the fair value by EUR 8.3 million as at 30 June 2022 (31 December 2021: EUR 12.6 million lower).

The following financial instruments have been recognized at fair value in the Condensed Consolidated Statement of Financial Position:

(in millions of EUR)	**30 June 2022**	31 December 2021
FINANCIAL ASSETS		
Derivatives current	**17.1**	7.5
	17.1	7.5
FINANCIAL LIABILITIES		
Derivatives current	**- 8.8**	- 6.4
	- 8.8	- 6.4

FAIR VALUE HIERARCHY

A fair value hierarchy is defined in accordance with IFRS 13 for the fair value measurement of the recognized financial instruments:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within 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 fair value of derivatives is based on future cash flows, objectively determinable forward rates of the relevant interest rates, foreign currencies and commodities at balance sheet date and forward rates according to the respective contracts. Moreover, the discount rate applied is derived from the relevant interest curves. The fair value of derivatives is categorized as level 2 (31 December 2021: level 2).

The fair value of the long-term and short-term loans and other payables with a fixed interest rate is determined based on the present value of future cash flows for which the discount rate is derived from relevant interest curves. The fair value of these loans and other payables is categorized as level 3 (31 December 2021: level 3).

20. BOARD OF MANAGEMENT DECLARATION

The Board of Management of Royal Boskalis Westminster N.V. hereby declares that, to the best of its knowledge, the Interim Consolidated Financial Statements for the first half year of 2022 as prepared in accordance with International Financial Reporting Standard (IFRS) 'IAS 34 Interim Financial Reporting' give a true and fair view of the assets, liabilities, financial position and the profit or loss of Royal Boskalis Westminster N.V. and all its business undertakings included in the consolidation and that the semi-annual report gives a fair view of the information required in accordance with Section 5:25d subsections 8 and 9 of the Dutch Financial Supervision Act (Wet op het financieel toezicht).

Papendrecht / Sliedrecht, the Netherlands,
17 August 2022

Board of Management
dr. P.A.M. Berdowski, chairman
T.L. Baartmans
B.H. Heijermans
C. van Noort, CFO

Trailing suction hopper dredger Freeway

INDEPENDENT AUDITOR'S REVIEW REPORT

To: the Shareholders and the Supervisory Board of Royal Boskalis Westminster N.V.

OUR CONCLUSION

We have reviewed the accompanying interim consolidated financial statements for the first half year 2022 on pages 23 up to and including 34 of Royal Boskalis Westminster N.V. (or hereafter: the "Company") based in Papendrecht. Based on our review, nothing has come to our attention that causes us to believe that the interim consolidated financial statements for the first half year 2022 are not prepared in all material respects, in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union.

The interim consolidated financial statements for the first half year 2022 comprise:

1 the condensed consolidated statement of financial position as at 30 June 2022;
2 the following statements for the first half year 2022: the condensed consolidated statement of profit or loss, the condensed consolidated statements of other comprehensive income, cash flows and changes in group equity; and
3 the explanatory notes to the interim consolidated financial statements 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 Royal Boskalis Westminster N.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

CORRESPONDING FIGURES NOT AUDITED OR REVIEWED

The interim consolidated financial statements for the first half year 2021 are not audited or reviewed. Consequently, the corresponding figures included in the condensed consolidated statement of profit or loss and in the condensed consolidated statements of other comprehensive income, cash flows and changes in group equity as well as the corresponding figures in the related notes have not been audited or reviewed.

RESPONSIBILITIES OF THE BOARD OF MANAGEMENT AND THE SUPERVISORY BOARD FOR THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR 2022

The Board of Management is responsible for the preparation and presentation of the interim consolidated financial statements for the first half year 2022 in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union.

Furthermore, the Board of Management is responsible for such internal control as it determines is necessary to enable the preparation of the interim consolidated financial statements for the first half year 2022 that are free from material misstatement, whether due to fraud or error.

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

OUR RESPONSIBILITIES FOR THE REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST HALF YEAR 2022

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 where material misstatements are likely to arise due to fraud or error, designing and performing procedures to address those areas, and obtaining assurance evidence that is sufficient and appropriate to provide a basis for our conclusion;
- Obtaining an understanding in the internal control, as it relates to the preparation of the interim consolidated financial statements for the first half year 2022;
- Making inquiries of management and others within the entity;
- Applying analytical procedures with respect to information included in interim consolidated financial statements for the first half year 2022;
- Obtaining assurance evidence that the interim consolidated financial statements for the first half year 2022 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 interim consolidated financial statements for the first half year 2022; and
- Considering whether the interim consolidated financial statements for the first half year 2022 and the related disclosures have been prepared in accordance with the applicable financial reporting framework and represents the underlying transactions free from material misstatement.

The Hague, 17 August 2022

KPMG Accountants N.V.

R.R.J. Smeets RA


NO WELDING
BOKALIFT 1

Royal Boskalis Westminster N.V.
Rosmolenweg 20
PO Box 43
3350 AA Papendrecht
The Netherlands

royal@boskalis.com
T +31 78 6969000

www.boskalis.com