OTHER INFORMATION

INDEPENDENT AUDITOR'S REPORT

To: the shareholders and supervisory board of Fugro N.V.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS 2020 INCLUDED IN THE ANNUAL REPORT

OUR OPINION

We have audited the financial statements 2020 of Fugro N.V., based in Leidschendam, the Netherlands (hereinafter: Fugro or the company). The financial statements comprise the consolidated and company financial statements.

In our opinion:

- The accompanying consolidated financial statements give a true and fair view of the financial position of Fugro N.V. as at 31 December 2020 and of its result and its cash flows for 2020 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code
- The accompanying company financial statements give a true and fair view of the financial position of Fugro N.V. as at 31 December 2020 and of its result for 2020 in accordance with Part 9 of Book 2 of the Dutch Civil Code

The consolidated financial statements comprise:

- The consolidated statement of financial position as at 31 December 2020
- The following statements for 2020: the consolidated statements of comprehensive income, changes in equity and cash flows
- The notes comprising a summary of the significant accounting policies and other explanatory information

The company financial statements comprise:

- The company balance sheet as at 31 December 2020
- The company income statement for 2020
- The notes comprising a summary of the accounting policies and other explanatory information

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the Our responsibilities for the audit of the financial statements section of our report.

We are independent of Fugro N.V. in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the "Wet toezicht accountantsorganisaties" (Wta, Audit firms supervision act), the "Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten" (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the "Verordening gedrags- en beroepsregels accountants" (VGBA, Dutch Code of Ethics).

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

OUR AUDIT APPROACH

Our understanding of the business

The Fugro group is structured in components and we tailored our group audit approach accordingly. We paid specific attention in our audit to a number of areas driven by the operations of the group and our risk assessment.

We start by determining materiality and identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud, non-compliance with laws and regulations or error in order to design audit procedures responsive to those risks and to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

In 2020 we were forced to perform our procedures to a greater extent remotely due to the restrictions required to contain the COVID-19 pandemic. This limits the extent of our observations and increases the risk of missing certain signals. In order to compensate for these limitations we performed alternative procedures to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Materiality

Materiality	€10,0 million (2019: €10,0 million)
Benchmark applied	Approximately 0.7% of revenue (2019: approximately 0.6% of revenue)
Explanation	We have applied this benchmark based on our professional judgment and taken into account the users of the financial statements. Earnings based measures are not considered to be appropriate benchmarks, given their volatility over the years.

We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the supervisory board that misstatements in excess of €0,5 million, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

Fugro N.V. is at the head of a group of entities.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities.
Our group audit mainly focused on group entities that are significant based on their size or their risk relative to the consolidated financial statements. All entities exceeding 1.5% of revenues are included within our group audit scope. We used the work of other EY member firms when auditing entities outside the Netherlands.

We performed audit procedures ourselves at certain group entities located in the Netherlands and performed analytical review procedures at entities without an audit scope.

The procedures performed for entities with an audit scope represent 79% of revenue and 83% of total assets.

Because of the (international) travel restrictions and social distancing requirements due to the COVID-19 pandemic, we have been unable to visit management and/or component auditors. In these extraordinary circumstances we predominantly used communication technology and written information exchange. We intensified communication with our local audit teams and required more detailed reporting.

By performing the procedures mentioned above, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion about the consolidated financial statements.

Teaming and use of specialists

We ensured that the audit teams both at group and at component level included the appropriate skills and competences which are needed for the audit of Fugro. We included in the audit specialists in the areas of IT, forensics, treasury, share based payments, income tax, pensions and business valuations.

Our focus on fraud and non-compliance with laws and regulations

Our responsibility

Although we are not responsible for preventing fraud or non-compliance and cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error.

Non-compliance with laws and regulations may result in fines, litigation or other consequences for the company that may have a material effect on the financial statements.

Our audit response related to fraud risks

In order to identify and assess the risks of material misstatements of the financial statements due to fraud, we obtained an understanding of the entity and its environment, including the entity's internal control relevant to the audit and in order to design audit procedures that are appropriate in the circumstances. As in all of our audits, we addressed the risk of management override of internal control. We do not audit internal control per se for the purpose of expressing an opinion on the effectiveness of the company's internal control.

We considered available information and made enquiries of the board of directors, other executives (including internal audit, legal, compliance, human resources and regional directors) and the supervisory board. As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption in close co-operation with our forensic specialists.

In our process of identifying fraud risks, we considered whether the COVID-19 pandemic gives rise to specific fraud risk factors resulting from among others pressure to meet certain KPIs necessary to qualify for debt financing or meeting debt covenants and a dilution in the effectiveness of internal controls as a result of remote working, illness and workforce reductions. We evaluated the design and the implementation of internal controls that mitigate fraud risks. In addition, we performed procedures to evaluate key accounting estimates for management bias in particular relating to important judgment areas and significant accounting estimates as disclosed in note 2 to the financial statements. We have also performed procedures to identify and address high-risk journal entries.

We incorporated elements of unpredictability in our audit. We considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance. If so, we reevaluate our assessment of fraud risk and its resulting impact on our audit procedures.

Our audit procedures to address the assessed fraud risks did not result in a key audit matter. However, we describe the audit procedures responsive to the assessed fraud risk related to management bias and revenue recognition in the description of our audit approach for the key audit matters "Revenue recognition, project accounting and valuation with respect to unbilled revenue on (completed) contracts".

Our audit response related to risks of non-compliance with laws and regulations

We assessed factors related to the risks of non-compliance with laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general industry experience, through discussions with management, reading minutes, inspection of internal audit and compliance report and performing substantive tests of details of account balances and disclosures.

We also inspected lawyers' letters and correspondence with regulatory authorities and remained alert to any indication of (suspected) non-compliance throughout the audit. Finally we obtained written representations that all known instances of non-compliance with laws and regulations have been disclosed to us.

Going concern

We performed the following procedures in order to identify and assess the risk of going concern issues and to conclude on the appropriateness of the board of management's use of the going concern basis of accounting. The board of management made a specific assessment of the company's ability to continue as a going concern and to continue its operations for at least the next twelve months. We discussed and evaluated the assessment with the board of management exercising professional judgment and maintaining professional skepticism.

We consider based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.We make reference to our key audit matter *Availability of financing and compliance with debt covenant requirements for more details*.

General audit procedures

Our audit further included among others:

- Performing audit procedures responsive to the risks identified, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of management
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures

- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Our key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the supervisory board. The key audit matters are not a comprehensive reflection of all matters discussed.

The key audit matter *Changes in internal reporting structure resulting in a change in reporting segments and allocation of goodwill to groups of CGUs* is not considered a key audit matter for this year as this change was completed last year.
These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Availability of financing and compliance with debt covenant requirements (see notes 5, 26 and 29)	
Description	On 19 February 2020, Fugro launched a refinancing plan. The plan consisted of a €81,8 million equity increase through an accelerated bookbuild offering and issue of €500 million senior secured notes. The equity increase was successfully completed, but the issue of notes had to be postponed due to adverse market conditions as a result of the COVID-19 pandemic and the significantly decreased oil price. On 19 October 2020, Fugro announced its updated refinancing plan, consisting of a €250,4 million equity increase and new loan facilities in amount of €450 million. The updated refinancing was successfully completed on 14 December 2020 as further explained in note 5 of the consolidated financial statements As at 31 December 2020 Fugro complied with its debt covenant requirements and the board of management concluded that the liquidity forecast and assessments of the covenant requirements for the next twelve months present sufficient headroom to support the use of the going concern assumption. The board of management's liquidity forecast and assessment of the covenant requirements are complex and require significant management judgment.
Our audit approach	We analyzed Fugro's current financing arrangements and verified that the accounting for the refinancing, including allocation of transaction costs among equity, the super senior revolving credit facility and the super senior term loan was appropriate. We also verified that debt covenants as of 31 December 2020 were appropriately calculated by management and we evaluated compliance with these requirements. We evaluated the 2021 liquidity and covenant forecast as approved by the board of management, the financial forecast preparation process, the reasonability of the 2021 forecasts at the level of individual entities as well as at corporate level and performed an assessment of the historical accuracy of management's estimates through retrospective review. Our assessment also included an evaluation of available liquidity for the next twelve months, covenant sensitivity analyses and stress-testing. We assessed the adequacy of the disclosures included in notes 5, 26 and 29 of the consolidated financial statements.

Availability of financing and compliance with debt covenant requirements (see notes 5, 26 and 29)

Key observations	We agree with the covenant calculations as per 31 December 2020 as well as with the board of management's conclusion that use of the going concern assumption is appropriate. We concluded that the disclosures in the consolidated financial statements are appropriate and in accordance with EU-IFRS.

Accounting for the Group's interest in Seabed Geosolutions (see note 7)

Description	As from 30 June 2019, the board of management concluded a disposal of Seabed Geosolutions was highly probable to occur within a year. Consequently, assets and liabilities of Seabed Geosolutions were classified as held-for-sale and considering the activities represent a separate major line of business, the disposal group was reported as discontinued operation. While delayed due to the COVID-19 pandemic and the deteriorated oil and gas markets, Fugro made progress on the disposal process and is in exclusive negotiations with one interested party. The deteriorated oil and gas market also impacted the activities of Seabed Geosolutions, among others with postponement of one project. These developments also impacted Seabed Geosolutions' recoverable amount, resulting in impairments totaling €74,7 million during 2020. The classification as held-for-sale and discontinued operation and determination of the recoverable amount require significant management judgment.

Accounting for the Group's interest in Seabed Geosolutions (see note 7)

Our audit approach	We performed enquiries with the Company's internal and external advisors involved in the divestment process and read correspondence between Fugro and potential buyers. We evaluated that the delay in the disposal was caused by events or circumstances beyond the Fugro's control and there is sufficient evidence that the Fugro remains committed to sell the asset. We assessed appropriateness of the assumption that there is a high probability of a successful disposal of Seabed Geosolutions. We also verified that the recoverable amount is appropriately determined and compared to carrying amounts of assets that are expected to disposed.
Key observations	We concur with the classification of Seabed Geosolutions as held-for-sale and discontinued operations as of 31 December 2020 and we concluded the recoverable amount falls within an acceptable range. We concluded the disclosures in the consolidated financial statements being proportionate and in accordance with EU-IFRS.

Sensitivities and estimates with respect to the valuation of goodwill, vessels and right-of-use assets (see notes 18, 19 and 20)

Description

At 31 December 2020, goodwill, vessels and right-of-use assets amount to, respectively, €257,6 million, €309,1 million and €135,0 million, together amounting to approximately 41% of total assets.

Management performed the annual impairment tests for goodwill and evaluated vessels and right-of-use assets with individually significant net book values for indicators of impairment.

The annual impairment tests for goodwill carried out by management are complex and require significant management judgment. The recoverable amounts of groups of cash-generating units (CGUs) with allocated goodwill have been determined based on value in use calculations. Value in use was determined by discounting the expected future cash flows from continuing use of the CGU's. Cash flows in the first year of the forecast are based on the board of management's approved 2021 financial forecast. The cash flows for the following four years are made explicit and a long term growth rate is assumed for the remaining period.

The headroom on the carrying amount of CGUs decreased significantly as disclosed in note 20 of the consolidated financial statements. These impairment tests resulted in €1,8 million impairment of a vessel and no impairment of right-of-use assets and goodwill.

Sensitivities and estimates with respect to the valuation of goodwill, vessels and right-of-use assets (see notes 18, 19 and 20)

Our audit approach

Our audit procedures included an assessment of management's evaluation of indicators of impairment for vessels and right-of-use assets. We also performed an assessment of the historical accuracy of management's estimates through retrospective review, evaluating and testing the assumptions, methodologies, discount rates and other data used by the company, for example by comparing them to external data. This assessment included support of EY valuation experts.

We evaluated the 2021 financial forecast, the solidity of the financial forecast preparation process and the reasonability of the 2021 forecasts at the level of individual entities as well as at corporate level. Furthermore, we evaluated management's outlook in the explicit period, in particular around forecasted revenues, EBITDAs and capital expenditures, as well as the long term growth rate. Our assessment also included sensitivity analyses.

We assessed the adequacy of the disclosures included in notes 18, 19 and 20 of the consolidated financial statements including those assumptions to which the outcome of the impairment test is most sensitive.

Key observations

We concluded the assumptions relating to the impairment models to fall within acceptable ranges and we agree with the board of management's conclusions. Furthermore, we concluded that the disclosures in the conso lidated financial statements are proportionate and in accordance with EU-IFRS.

Revenue recognition, project accounting and valuation with respect to unbilled revenue on (completed) contracts (see note 7 and 23)

Description	The revenue recognition process, including determining the appropriate cut-off of revenues, involves management estimates. The valuation of unbilled revenue on (completed) contracts is affected by subjective elements including estimated costs to complete and projected revenue, whether impacted by additional/reduced services, project progress or (potential) disputes.
Our audit approach	Our audit included evaluation of internal controls with respect to project management, project accounting and the project results estimation process. In addition, we performed substantive audit procedures relating to contractual terms and conditions, revenues and costs incurred, including local representatives' fees, and disputes or potential disputes. For individually significant projects, we performed testing procedures, such as substantiating transactions with underlying documentation, including contracts and third party correspondence, to obtain evidence for the accuracy and recoverability of unbilled revenue on (completed) contracts. We made enquiries with project controllers, inspected contracts and underlying documentation, tested project progress, forecasts and appropriateness of the (planned) result and verified whether the project status has been appropriately reflected in the consolidated financial statements. We assessed the adequacy of the disclosures included in note 8.
Key observations	We conclude that Fugro appropriately recognised unbilled revenue on (completed) contracts as at 31 December 2020 and revenue for the year then ended. We concluded the disclosures in the consolidated financial statements are proportionate and in accordance with EU-IFRS.

Estimates in respect of deferred tax assets (see note 16)

Description	The Group's results on operations are subject to income taxes in various jurisdictions. Due to reported losses since 2014, Fugro has significant tax loss carry forwards available. For part of these tax loss carry forwards, deferred tax assets were recognised. The assessment process of recoverability of deferred tax assets involves a high degree of judgment. During the year, deferred tax assets in amount of €19,8 million were impaired. As at 31 December 2020, recognised deferred tax assets amount to €35,6million.
Our audit approach	Our audit procedures included amongst others an assessment of the historical accuracy of management's estimates through retrospective review, analyses of tax positions and the effective tax rate reconciliation. We involved specialists for the audit of the amounts recognised in the statement of comprehensive income and assessment of judgmental (deferred) tax positions. For tax positions where management's assumptions are used to determine the probability that deferred tax assets recognised in the statement of financial position will be recovered through taxable income in future years and available tax planning strategies, we evaluated the 2021 financial forecast, the solidity of the financial forecast preparation process and the reasonability of the 2021 forecasts at the level of individual jurisdictions. Also, we evaluated the projected developments after 2021 and reasonability of expectations and assumptions. We also assessed the adequacy of the disclosure in note 17of the consolidated financial statements.
Key observations	We concluded that the board of management's judgments in relation to the recognition and measurement of deferred tax assets are appropriate. We concluded the disclosures in the consolidated financial statements are proportionate and in accordance with EU-IFRS.

REPORT ON OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

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

- The report of the board of management, consisting of At a glance, Profile, Strategy, Mid-term financial outlook, Group performance, Regional performance and Governance
- The supervisory board report
- The remuneration report
- Other information as required by Part 9 of Book 2 of the Dutch Civil Code
- Message from the CEO and Additional information

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements
- Contains the information as required by Part 9 of Book 2 and Sections 2:135b and 2:145 sub section 2 of the Dutch Civil Code

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 and Section 2:135b sub-Section 7 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The board of management is responsible for the preparation of the other information, including the report of the board of management in accordance with Part 9 of Book 2 of the Dutch Civil Code, other information required by Part 9 of Book 2 of the Dutch Civil Code and the remuneration report in accordance with Sections 2:135b and 2:145 sub section 2 of the Dutch Civil Code.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Engagement

We were engaged by the supervisory board as auditor of Fugro N.V. on 7 December 2015, as of the audit for the year 2016 and have operated as statutory auditor since that financial year.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

DESCRIPTION OF RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

Responsibilities of board of management and the supervisory board for the financial statements

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

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

The supervisory board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements
Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. The Our audit approach section above includes an informative summary of our responsibilities and the work performed as the basis for our opinion.

Communication
We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit. In this respect we also submit an additional report to the audit committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the supervisory board, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Amsterdam, 18 February 2021

Ernst & Young Accountants LLP

A.A. van Eimeren

STATUTORY PROVISIONS REGARDING THE APPROPRIATION OF NET RESULT

The provisions regarding the appropriation of profit are contained in article 36 of the Articles of Association of Fugro and, as far as relevant, read as follows:

36.2 a. The profit shall, if sufficient, be applied first in payment to the holders of protective preference shares of a percentage as specified below of the compulsory amount paid on these shares as at the commencement of the financial year for which the distribution is made.

b. The percentage referred to above in subparagraph a. shall be equal to the average of the Euribor interest charged for loans with a term of one year – weighted by the number of days for which this interest was applicable – during the financial year for which the distribution is made, increased by at most four percentage points; this increase shall each time be fixed by the Board of Management for a period of five years, after approval by the Supervisory Board.

36.3 a. Next, if possible, a dividend shall be paid on the financing preference shares of each series and on the convertible financing preference shares of each series, equal to a percentage calculated on the amount effectively paid on the financing preference shares of the respective series and the convertible financing preference shares of the respective series, including a share premium, if any, upon the first issue of the series in question, and which percentage shall be related to the average effective return on 'state loans general with a term of 7 – 8 years', calculated and determined in the manner as described hereinafter.

b. The percentage of the dividend for the financing preference shares of each or for the convertible financing preference shares of each series, as the case may be, shall be calculated by taking the arithmetic mean of the average effective return on the aforesaid loans, as published by Bloomberg, or if Bloomberg does not publish this information, by Reuters, for the last five stock market trading days preceding the day of the first issue of financing preference shares of the respective series or the convertible financing preference shares of the respective series, as the case may be, or preceding the day on which the dividend percentage is adjusted, increased or decreased, if applicable, by a mark-up or mark-down set by the Board of Management upon issue and approved by the Supervisory Board of at most two percentage points, depending on the market conditions then obtaining, which mark-up or mark-down may differ for each series, or, if Reuters does not publish this information or if such state loan and information source that is or are most comparable thereto as to be determined by the board of Management and approved by the Supervisory Board.

36.4 If in any financial year the profit is insufficient to make the distributions referred to above in paragraph 3 of this article, then in subsequent financial years the provisions of paragraph 3 shall not apply until the deficit has been made good and until the provisions of paragraph 3 have been applied or until the Board of Management, with the approval of the Supervisory Board, resolves to charge an amount equal to the deficit to the freely distributable reserves, with the exception of the reserves which have been set aside as share premium upon the issue of financing preference shares or convertible financing preference shares.

36.5 If the first issue of financing preference shares or convertible financing preference shares of a series takes place during the course of a financial year, the dividend for that financial year on the respective series of financing preference shares or convertible financing preference shares shall be decreased proportionately up to the first day of such issue.

36.6 After application of paragraphs 2 to 5 no further distribution of shall be made on the protective preference shares, the financing preference shares or the convertible financing preference shares.

36.7 Of any profit remaining after application of the paragraphs 2 to 5 such amount shall be allocated to the reserves by the Board of Management with the approval of the Supervisory Board as the Board of Management shall deem necessary. Insofar as the profit is not allocated to the reserves pursuant to the provisions of the preceding sentence, it shall be at the disposal of the annual general meeting either for allocation in whole or in part to the reserves or for distribution in whole or in part to the holders of ordinary shares pro rata to the aggregate amount of their ordinary shares.