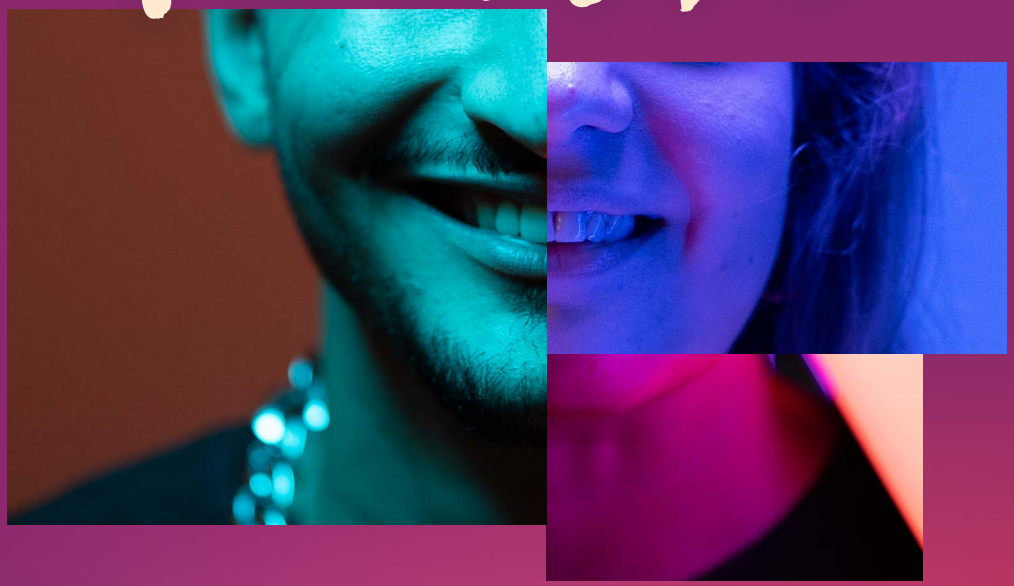


OUR HOUSE RESULTS



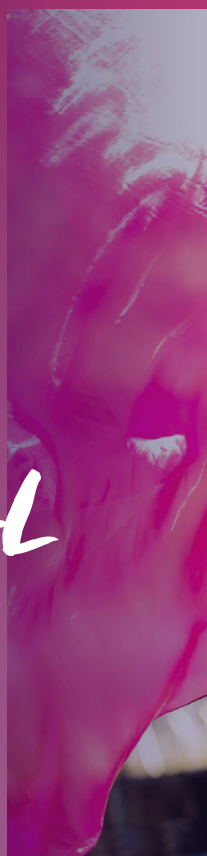
HOUSE OF HR

FINANCIAL REPORT 2024



Our financial Year

House Results and Financial Statements



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We have planted the seeds for FUTURE GROWTH

In 2024, we recognized the need to adapt and innovate in response to a challenging market environment. Our strategy focused on operational excellence and strategic adaptability, ensuring that House of HR remained resilient and poised for growth.

At the heart of our approach was a clear and unwavering philosophy: "Sales, sales, sales" and "Care ratio, care ratio, care ratio." These principles guided every decision we made, helping us remain efficient, competitive, and always looking ahead.

Daily sales were stable in 2024, and while overall volumes declined, our pricing strategies helped offset much of the impact. The NFI percentage came under pressure due to business mix changes and productivity challenges. House of HR demonstrated its ability to adapt its cost structure in line with sales volumes, demonstrated by a stable care ratio. Though our EBITDA % dropped to 9.8%, our margin remained above the market average, a testament to our operational discipline and strategic execution. House of HR is fit and ready to regain operational leverage when the market recovers.

25.5%
Gross profit vs, 26.9 in 2023

6.7
Care ratio

€3,354M
Sales

€2,020M
Bank debt

FINANCIAL HIGHLIGHTS

Sales per segment 2024 (%)

€3,354m



- Specialized Talent Solutions 60%
- Engineering & Consulting 40%

Sales per segment 2023 (%)

€3,324m



- Specialized Talent Solutions 60%
- Engineering & Consulting 40%

Sales per geography 2024 (%)

€3,354m



- Belgium 23.3%
- Netherlands 39.7%
- Germany 27.5%
- France 8.2%
- Other 1.4%

Sales per geography 2023 (%)

€3,324m



- Belgium 24.0%
- Netherlands 38.5%
- Germany 28.7%
- France 7.6%
- Other 1.2%

FINANCIAL KPIs

Consolidated balance sheet (in KEUR)	31 December 2024	31 December 2023
ASSETS	**3,306,339**	**3,785,915**
Non-current assets	**2,721,852**	**3,138,905**
Current assets	**584,486**	**647,010**
EQUITY	**279,907**	**756,135**
LIABILITIES	**3,026,431**	**3,029,780**
Non-current liabilities	**2,229,270**	**2,228,144**
Current liabilities	**797,163**	**801,636**

Consolidated income statement (in KEUR)	2024	2023
Revenue	3,354,115	3,323,957
Cost of services	-2,498,771	-2,430,779
Gross profit/(loss)	**855,344**	**893,179**
Selling expenses	-560,927	-547,308
Other general and administrative expenses	-212,688	-229,013
Goodwill impairment	-319,346	0
Total operating expenses	**-1,092,961**	**-776,320**
Other gains & losses	8	64,679
Operating profit/(loss)	**-237,609**	**181,537**

KPIs presented in this chapter are based on the IFRS consolidated financial statements. These might differ from the management adjusted pro forma figures reported in book 1, which are (1) normalised for any extra-ordinary, one-off, non-recurring gain, less expense or change to the extent this does not recur on a regular basis except as explicitly mentioned otherwise; and (2) impacted by the timing of acquisition, i.e. the profit & loss is included as from acquisition date in our IFRS Financial Statements while the KPIs in book 1 include a full year profit & loss, unless stated differently.

HOUSE OF HR HOLDING BV
DIRECTOR'S REPORT

Enterprise number 86426346

Dear shareholders,

We are honored to present to you our report with respect to our management and the business of the Group for the accounting year ended 31 December 2024.

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) Accounting Standards as adopted by the European Union and as issued by the International Accounting Standards Board (IASB).

1. THE GROUP

House of HR Holding B.V. ("*HOHR*", "*House of HR*" or "*The Group*"), is a private limited liability company, incorporated as per 17 May 2022, and existing under Dutch law, having its statutory seat in Amsterdam, the Netherlands and its office address at Flight Forum 40, 5657 DB Eindhoven, the Netherlands and registered with the Trade and Company Register (Kamer van Koophandel) under number 86426346.

HOHR is a leading HR service provider focusing on two specific types of services:

- **Engineering & Consulting:** Highly skilled professionals are recruited to work in fast evolving sectors like finance, public, legal, energy, pharmaceuticals, technology, through project sourcing, interim management or secondment in line with our clients' needs. The Group also assists clients with the search and selection of the right candidate, interim management or secondment.
- **Specialized Talent Solutions:** The Specialized Talent Solutions segment provides on the one hand temporary staffing solutions with a focus on 'temp-to-perm' placements with focus on SME, international job candidate recruiting and permanent placements for clients who need specific job profiles, and on the other hand short-term staffing solutions to larger clients with multiple staffing needs. It requires specialists to hire specialists. Healthcare, finance, construction, technical, retail, logistics – HOHR its specialized PowerHouses know their niches and both their customers and candidates like no one else.

The Group's vision is to be Europe's most exciting talent PowerHouse, connecting people to possibilities and shaping the world of tomorrow. The Group currently has a network of over 700 offices in Europe, and is active in Belgium, Germany, the Netherlands, France and Switzerland, but also present in Spain, Portugal, Romania, Luxembourg and Poland.

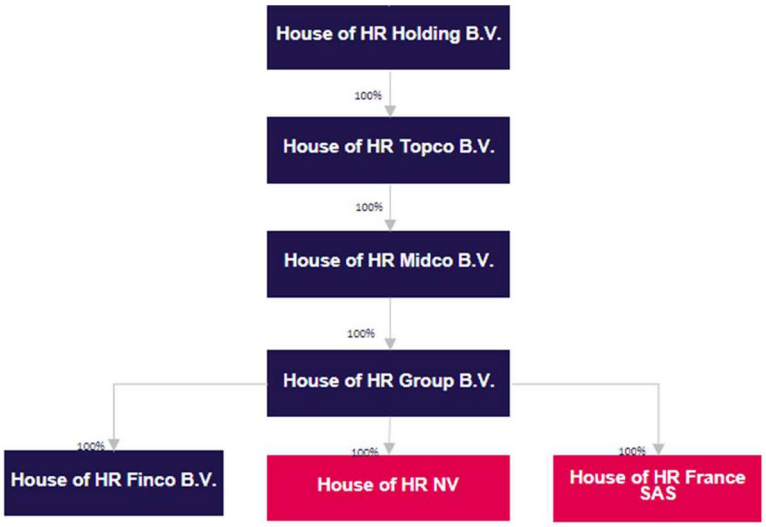
It employs 5.470 people in 2024 (2023: 5.663) and is providing jobs to 72.518 people in 2024 (2023: 73.395) each day via its brands:

- **Engineering & Consulting:** ABY Engineering, AERO, Cohedron, Continu Professionals, SOLCOM and Redmore.
- **Specialized Talent Solutions:** Accent, House of HealthCare, Covebo, NowJobs, TimePartner (excl. AERO) and TMI.

Bain Capital Private Equity (via its subsidiary Villa Lux Holdco SARL) is the majority shareholder of the Group, holding a 55,08% stake in the Group.

Group structure

The Group's structure as per 31 December 2024 is as follows:



Reference is made to the corporate website www.houseofhr.com with regard to the Group's ESG Charter and code of conduct (of which compliance by the Happy Rebels is mandatory).

The Board of Directors is composed of Mr. Christophe Jacobs van Merlen, Ms. Conny Vandendriessche, Mr. Daniel Masata, Mr. Eric Aveillan, Mr. Matthias Boyer-Chammard, Mr. Youssef Salha, being non-executive directors, and Ms. Rika Coppens, executive director. The composition of the Board of Directors of House of HR Holding B.V. has been done, taking into account the expertise in the Groups sector, the knowledge and link with the history of the Group, its shareholding, independencies and diversity. This composition results in an almost 30% distribution of woman/men in the Board of Directors. For future appointments the Board will take the minimum of 30% distribution for women into account. This distribution is for now accepted given the importance of the other criteria of composition of the Board and in future a percentage of 30% distribution for women will be considered. The executive committee is composed of a 40%/60% distribution of woman/men.

Reference is made to chapter 3 "Our Responsibility" and chapter 4 "Our Governance" of the Group's annual report with respect to the Group's Environmental, Social and Governance strategy. The mid- to long-term strategy of House of HR Holding B.V. is to build a Group that specializes in offering end-to-end temporary recruitment and outsourcing services. Its focus revolves around Engineering & Consulting and Specialized Talent Solutions. Both segments deliver a diversified set of specialized talents with high scarcity, for which the Group developed a clear advantage in sourcing talents by activating relevant levers by specialization. The Group is active in more than 10 European countries.

2. OVERVIEW OF THE EVOLUTION OF THE CONSOLIDATED RESULTS OF THE GROUP

Consolidated income statement

The most important elements of the income statement can be summarized as follows:

in KEUR	1 January 2024 - 31 December 2024	1 January 2023 - 31 December 2023
Revenue	3.354.115	3.323.957
Cost of services	-2.498.771	-2.430.779
Gross profit/(loss)	**855.344**	**893.179**
Selling expenses	-560.927	-547.308
Other general and administrative expenses	-212.688	-229.013
Goodwill impairment	-319.346	0
Total operating expenses	**-1.092.961**	**-776.320**
Other gains & losses	8	64.679
Operating profit/(loss)	**-237.609**	**181.537**
Finance income	3.971	893
Finance expense	-246.464	-240.152
Net finance income/(loss)	**-242.493**	**-239.259**
Share in profit/(loss) of equity accounted investments	57	0
Profit/(loss) before taxes	**-480.045**	**-57.722**
Income tax expense	486	-12.410
Net profit/(loss) of the period	**-479.559**	**-70.132**
Attributable to:		
Net result non-controlling interests	*1.229*	*1.030*
Net result of the Group shareholders	*-480.787*	*-71.162*

Gross profit over revenue amounts to 25,5% for 2024 compared to 26,9% in 2023. The gross profit came under pressure due to business mix changes and productivity challenges. Overall volumes declined, but pricing strategy helped to offset much of the impact.

Selling expenses as a percentage of revenue amount to 16,7% in 2024 compared to 16,5% in 2023. The selling expenses include the depreciation charges on the purchase price allocations.

Resulting from an increased WACC on the one hand and the macro-economic environment in Germany on the other hand, the Group recorded an impairment charge of -319.346 KEUR.

The other general and administrative expenses over revenue amount to 6,3% in 2024 compared to 6,9% in 2023. The decrease compared to last year is mainly attributable to the higher external fees in 2023 relating to several projects done.

The other gains (8 KEUR in 2024 compared to 64.679 KEUR in 2023) mainly relate to earn-out adjustments. In 2023, the other gains & losses include 49.260 KEUR earn-out reversal related to the Bain earn-out, as a result of actual 2023 results.

Net finance result includes mainly interest on the external borrowings of 196.408 KEUR (2023: 183.236 KEUR) and lease liabilities of 12.227 KEUR (2023: 11.130 KEUR), the depreciation of the capitalized refinancing fees over the lifetime of the loan of 20.276 KEUR (2023: 19.415 KEUR), change in the valuation of the interest rate hedge and related cost/(income) of 676 KEUR (2023: 5.304 KEUR), discounting impact of earn-out provisions of 1.337 KEUR (2023: 6.951 KEUR) and commercial finance fees of 6.825 KEUR (2023: 6.872 KEUR).

The income tax income of 486 KEUR for 2024 and the income tax expense of -12.410 KEUR for 2023 represent an effective tax rate of 0,1% and -21,5%, respectively. The effective tax rate is mainly impacted by (1) the fiscal units and group consolidation that have been set-up end of 2022 and early 2023, (2) the expenses not deductible for income tax purpose (172.494 KEUR for 2024 compared to 177.253 KEUR for 2023), mainly relating to the "*thin capitalization rule*" (i.e. interest expenses that are fiscally capped), (3) the goodwill impairment of 319.346 KEUR in 2024 and (4) the permanent differences of 42.844 KEUR in 2023, mainly relating to earn-out adjustments.

People at Work, including number of new placements or number of recorded vacancies, are leading indicators of the Group's financials. Macro indicators predict stable volumes for the first half of the year, with potential for improvement in the second half of the year.

Consolidated balance sheet

The most relevant components of the balance sheet can be summarized as follows:

A. Assets

in KEUR	31 December 2024	31 December 2023
ASSETS	**3.306.339**	**3.785.915**
NON-CURRENT ASSETS	**2.721.852**	**3.138.905**
Property, plant and equipment	232.304	236.695
Intangible assets	1.255.888	1.353.988
Goodwill	1.212.487	1.525.604
Deferred tax assets	7.004	6.666
Investments accounted for using the equity method	1.041	1.274
Other non-current assets	13.128	14.678
CURRENT ASSETS	**584.486**	**647.010**
Trade receivables	334.523	372.356
Inventory and work in progress	509	460
Income tax receivables	5.213	6.174
Other receivables	71.486	62.250
Cash and cash equivalents	172.755	205.770

Property, plant and equipment decreased by -4.391 KEUR, mainly due to a decrease in leased assets by 2.608 KEUR. The lease assets are impacted by the depreciation charges of 84.654 KEUR, partially compensated by 82.711 KEUR of additions during the year. Leased assets represent 84,9% of property, plant and equipment.

Intangible assets decreased by -98.100 KEUR primarily resulting from the amortization charge of 123.497 KEUR, partly compensated by software additions (25.506 KEUR).

Goodwill decreased by -313.118 KEUR resulting from an impairment charge of -319.346 KEUR recorded (cf. supra ' Consolidated income statement'), partly compensated by the impact of the business combinations of 6.229 KEUR.

The movement in trade receivables of -37.833 KEUR is mainly attributable to the further roll-out of the factoring program within the Group.

B. Equity and Liabilities

in KEUR	31 December 2024	31 December 2023
EQUITY AND LIABILITIES	**3.306.339**	**3.785.915**
EQUITY	**279.907**	**756.135**
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	272.875	750.851
NON-CONTROLLING INTEREST	7.032	5.284
LIABILITIES	**3.026.431**	**3.029.780**
NON-CURRENT LIABILITIES	**2.229.270**	**2.228.144**
Non-current borrowings	1.764.016	1.723.417
Deferred tax liabilities	310.095	342.161
Other long-term benefits	5.770	4.509
Provisions for liabilities and charges	2.680	1.849
Other non-current liabilities	145.210	154.509
Non-current derivative liability	1.499	1.700
CURRENT LIABILITIES	**797.163**	**801.636**
Trade and other payables	112.832	123.031
Income tax liabilities	61.860	46.148
Current borrowings	156.875	180.140
Current employee benefits	235.915	244.672
Provisions for other liabilities and charges	3.280	3.239
Other current liabilities	221.941	203.557
Current derivative liability	4.459	850

Equity decreased by -476.228 KEUR and is primarily the combined effect of the loss of the year of 479.559 KEUR, net capital increases of 1.360 KEUR, purchases and other transactions with non-controlling interests (1.972 KEUR) and employee share schemes (969 KEUR).

Borrowings (current and non-current) increased by 17.335 KEUR due to new bank loans.
The Group has the following external loans with a maturity in 2029, except the Second Lien Term Loan which matures in 2030:

- 1.299.000 KEUR First-Lien Term Loan (increased by 129.000 KEUR in 2024);
- 210.000 KEUR Second-Lien Term Loan (decreased by 100.000 KEUR in 2024);
- 96.000 KEUR Delayed Draw Term Loan (decreased by 29.000 KEUR in 2024); and
- 415.000 KEUR Senior Secured Notes.

At year-end 2024 143.955 KEUR of financing fees have been capitalized (+2.791 KEUR compared to 2023) and are being depreciated over the lifetime of the loans (20.276 KEUR depreciation charges for 2024).

The Group also has a Revolving Credit Facility of 275.000 KEUR (+25.000 KEUR compared to 2023). The Group did not have any loan default or breach of any loan agreements during 2024 or 2023.

Deferred income tax liabilities are mainly related to deferred taxes on the Purchase Price Allocations done and on the fair value adjustment of the borrowings. These are depreciated over the lifetime of the intangible assets and the lifetime of the loan, respectively.

The increase in other liabilities (current and non-current) of 9.086 KEUR is mainly related to the increased interest accrual (+45.044 KEUR in 2024 compared to 36.679 KEUR in 2023). The remaining other liabilities mainly relate to lease liabilities (207.911 KEUR), VAT (79.932 KEUR) and earn-outs to pay (18.259 KEUR).

The Group's solvency ratio[1] amounts to 8,5% (2023: 20,0%). The liquidity ratio[2] amounts to 73,3% (2023: 80,7%). In order to meet its cash outflow obligations, the Group uses cash flows generated from operating activities and credit facilities with financial institutions if necessary. The business of House of HR Holding B.V. has a yearly operational cash conversion typically above 80%. Capex tends to be low, and M&A activities are done at the discretion of the Group when value-adding and cash accretive and not jeopardizing the Groups financial position. In order to mitigate the liquidity obligation in less than one-year, cash flows from revolving credit facilities with drawdown rights for additional EUR 270,00 million are available until 6 months before the termination date of the Term Loan B.

The Group yearly makes up a 5 year business plan, composed of an evolution of the operational result, generation of cash flow and cashflow statement. As per 31 December 2024 the Group thus can confirm the use of the going concern assumption is appropriate in the preparation of the financial statements.

3. POST BALANCE SHEET EVENTS

Mergers & Acquisitions

As per 1 January 2025, PlussWerk, formerly part of the House of HealthCare, has been transferred to TimePartner, allowing TimePartner to expand its specialization in the qualified technical business.

Per 15 January 2025, Solcom Switzerland GmbH was established. The company is 100% owned by Solcom GmbH.

On 2 February 2025, Logi-Technic SAS was incorporated, which is a 100% subsidiary of House of HR France SAS.

As per 28 January 2025, Covebo, a House of HR PowerHouse and a specialist in operational roles in construction, technology, production, and logistics, has acquired Pro Industry. Pro Industry, originally a Dutch staffing agency, specializes in the process industry and has been active in the Belgian market since 2022, recruiting machine and process operators. Covebo has built a strong reputation in staffing low-skilled operational roles in production and logistics. The addition of Pro Industry now expands our expertise to include skilled operational professions. The acquisition is currently pending approval by the ACM (*Autoriteit Consument & Markt).*

Disposals

On 30 January 2025, Pluss Personalmanagement Pinneberg was dissolved.

Segment reporting

There are no changes or upcoming changes in the segment reporting.

Related parties

There are no changes or upcoming changes in the related parties.

[1] Solvency ratio calculated as equity/total assets
[2] Liquidity ratio defined as current assets/current liabilities

4. RISK AND UNCERTAINTIES

The Group has a significant value of goodwill and intangible assets on the balance sheet. Significant judgement is made in respect of assumptions about future results of the business and discount rates applied to future cash flow forecasts.

The Group has a Governance and Enterprise Risk Management Program (GERMP) to ensure strong, credible, effective and sustainable enterprise risk management across the Group. The GERMP has four key pillars:

- Audit committee
- Risk management
- Internal audit
- Insurance

To gain an overarching view of group risks and their impact on House of HR, the Group set up a risk model introducing the maximum risk severity metric – the combined risk impact x the probability that the risk happens. In other words, how likely is it that a risk will occur, and if it does, how severe will it be for House of HR. The risks for each PowerHouse are grouped by risk family. The maximum risk severity metric per risk family is selected and then weighed, based on the PowerHouse turnover. The Group can then obtain an overall House of HR risk severity metric.

As part of this process, the Group assesses and maps existing and potential risks across House of HR. The primary responsibility for identifying and managing risks rests with the PowerHouse Management teams. They compile a risk register annually, showing the local business risks and opportunities they may be exposed to, together with mitigating controls and action plans to address them. Supported by the House of HR Risk and Internal Audit Department, they create local risk maps reflecting potential and existing risks assessed on three aspects: financial, legal and reputational impact. From this, a group risk map is compiled.

It includes a comprehensive fraud risk assessment entailing the identification, evaluation, and mitigation of risks that could lead to fraudulent behavior within the Group. By conducting this thorough assessment, House of HR can effectively safeguard the organization's assets, reputation, and stakeholders' interests. The risk assessment outlines the key areas of vulnerability, such as financial transactions, contract management processes, and employee misconduct, and assesses the likelihood and potential impact of fraudulent activities occurring in each area. Additionally, it highlights the control measures in place to mitigate these risks, including internal controls, monitoring systems, and employee awareness programs.

In addition, the Group is also investing in sustainable risk management to ensure having the appropriate mechanisms in place to consistently and continuously identify and mitigate ESG-related risks impacting our business and stakeholders. It goes beyond traditional financial risk assessments, taking into account the broader impact of business activities on the environment, society, and corporate governance.

Further, an Internal Audit Charter is set up in accordance with the Standards of the Institute of Internal Audit. The primary role of Internal Audit is to help the Board and Executive Management to protect the assets, reputation and sustainability of the Group. Internal Audit provides independent and objective assurance as to whether the quality and operational effectiveness of the Group's framework of risk management, control and governance processes, as designed and represented by management, is adequate and contributes to the protection of the interests and reputation of the Group. The internal audit plan is a yearly planning consisting out of three types of audits. A first type is the cross border audit. This is an audit topic that is performed with same scope for all powerhouses. Another type is the specific audit, consisting of one specific audit topic executed at powerhouse or boutique level. The last type is a recurrent audit, aiming to monitor high risk topics on a continuous basis at both House of HR and the powerhouses. IT security, treasury and GDPR were selected as we have noted our highest potential risks in these areas. We see performing these recurrent audits as a key way to improve our risk management and the awareness around these topics.

Financial position risks

The Group's activities are exposed to a variety of financial risks: market risk (including limited foreign exchange risk, cash flow and fair value interest rate risk), credit risk and liquidity risk.

- The Group's exposure to foreign exchange risk is very limited as the Group's operations are essentially denominated in euro.
- House of HR Group B.V. has entered into interest rate hedging agreements to manage its exposure to interest rate risk.
- Credit risk for the Group mainly arises from cash and cash equivalents, favorable derivative financial instruments and deposits with banks and financial institutions, as well as credit exposure to customers, including outstanding receivables. The Group has no significant concentrations of credit risk other than that for ordinary debtors. A credit insurance program was set-up for the entire group, in order for House of HR to mitigate risks over their open receivables.

- Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and use of trade supplier credit terms. Cash flow forecasting is performed in the PowerHouses of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. In order to meet its cash outflow obligations, the Group uses cash flows generated from operating activities and credit facilities with financial institutions if necessary. In order to mitigate the liquidity obligations in less than one year, cash flows from revolving credit facilities with drawdown rights for additional 270.000 KEUR are available until 6 months before the termination date of the TLB.

Financial reporting risk

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the Consolidated financial statements. An IFRS accounting manual is set-up by the Group containing guidelines and requirements on how to address below topics.

- Determination of the consolidation scope of the Group
- Accounting for factoring agreements within the Group
- Capitalization of development costs
- Share-based payment plans
- Fair value of intangible assets acquired in a business combination
- Taxes
- Useful life and residual value of intangible assets and property, plant and equipment
- Determining the lease term of contracts with renewal options
- Estimated earn-out
- Revenue recognition
- Fair value of financial instruments
- Impairment testing on goodwill

Further, specialists are involved for complex topics or valuations to the extent needed.

Other risks

Besides above financial risks, the main Group risks relate to IT, Compliance and Process risk families.

RISK FAMILY	IMPACT	BUSINESS AREA	MITIGATION	PROGRESS
1) COMPLIANCE RISKS Issues related to regulatory and legal matters	Operating in an increasingly complex environment as many of our activities and services are subject to legal and regulatory influences. New laws, changes to existing regulations and increased regulatory scrutiny could affect how we operate.	• Labor law • General Data Protection Regulation (GDPR) • Tax	Our PowerHouses put into place appropriate procedures and controls designed to ensure compliance with all relevant legislation (GDPR, labor law, equal pay and Health & Safety). They also provide regular training for their employees about changes in rules and regulations on the different topics. Memberships to industry organizations such as Federgon, ABU, BAP and WEC help achieve these goals.	Improved awareness and sharing of good practice among our PowerHouses help to set out our ethical culture across the organization and assist employees to understand their role in ensuring compliance. Continuation of group wide recurring audits to monitor compliance across the Group.

RISK FAMILY	IMPACT	BUSINESS AREA	MITIGATION	PROGRESS
2) CONTRACTUAL RISKS Issues from contractual agreements with stakeholders	Accepting inappropriately high contractual liability while not having a robust delivery process could result in a stakeholder making a claim that would materially affect our results.	• Authorization levels • Contract review management	We encourage the use of standard contracts. Non-standard contracts are reviewed by the local legal department, with the support of the Group's legal department or the master broker if required. Liability insurance is arranged at Group level.	Action plans, coming from the cross border internal audit, have been implemented by the local legal departments and followed up by our third party internal audit provider. This helped to improve visibility and control by optimizing the contract management process and liability arrangements.
3) IT RISKS Issues related to data, systems and security	IT risks are abundant and increasing. The risks of cyber-attacks, phishing, data fraud or theft, privacy and data protection could lead to serious operational disruption, reputational damage and legal penalties.	• IT governance • Information and data security • Cyber security	Implementation of various security layers with a.o. the expansion of the IT security service center being ISO27K certified, a group wide recurring IT security audit and the launch of a Group-wide awareness platform.	Work on stronger security posture by further fine-tuning our detection capabilities, aligning our defense strategy with the best market practices, and add additional structural resilience capabilities to the core systems of our companies.
4) PROCESS RISKS Issues about procedures, operations and tools	Operational risk of loss or unintended gain from inadequate or failed processes, systems and external events, can arise through business transformation and introducing new technologies.	• Performance management • Policies and procedures	Update our processes and services with the latest industry and sector practices which give us a better proposition in the market to help differentiate ourselves from the competition, e.g. Robotic Process Automation (RPA) and AI.	Constant improvement throughout the whole organization by continuously reinventing ourselves, investing heavily and making commitments in new technologies or approaches to our markets.
5) PEOPLE RISKS Issues related to sourcing, managing and retaining of the workforce	People are our most important asset, and talent is hard to come by in a competitive market. If we cannot attract, develop, and retain the right people, we could fail in realizing our objectives.	• Employee wellbeing • Talent management • Employee engagement • Health & Safety	Optimizing talent management by taking steps to effectively manage our ability to attract, retain and engage employees. Investing in sustainable employability by encouraging our people to learn and develop themselves and reach their full potential.	As an important part of our ESG-strategy, it will stay a very important focus area for House of HR. Most of the material topics of the social pillar are considered as a priority for House of HR, such as diversity, retention and wellbeing.
6) GOVERNANCE RISKS Issues related to organization and strategy	A failure to maintain high standards of corporate governance may adversely impact the Group and our customers, our candidates and our Happy Rebels, through poor decision making and a lack of oversight of our key risks.	• Corporate values and principles • Risk and control	Maintain appropriate governance and oversight through Group policies and procedure, e.g. code of conduct. In addition, risk management and control requirements are set out in the GERMP.	Formalization of Internal control environment within all PowerHouses under the supervision of the Group Risk and Sustainability department.

RISK FAMILY	IMPACT	BUSINESS AREA	MITIGATION	PROGRESS
7) BUSINESS RISKS Issues related to the global and political environment	Business risks are inherent with the global evolutions. Global uncertainty implies uncertainty in profits or danger of losses.	• Commercial performance • Financial management	A decentralized structure with a diversified offer of services, without forgetting the human touch has proven to be resilient and future proof.	Stay on full alert to respond to ongoing changes In the market, results in fulfilling the market requirements.

Risk appetite for the significant risks identified

In the periodical risk assessments, the Group's current risk profile is determined, which is evaluated and compared to its desired risk profile. If the current risk profile exceeds the desired risk profile, action plans are prepared to reduce risk exposure.

The overall risk appetite from the Group is considered to be 'moderate'.

5. INFORMATION WITH RESPECT TO THE USE OF FINANCIAL INSTRUMENTS BY THE GROUP, AS FAR AS CONSIDERED MEANINGFUL

The Group has entered into interest rate hedging agreements to manage its exposure to interest rate risk. The interest rate hedging in place are used to reduce the variability of cash flows arising from changes in interest rates on the Group's floating rate debt. It engaged with 2 clips of each 350.000 KEUR CAPs at a 3% strike, with bi-annual fixings and 1 clip of 300.000 KEUR CAP at a 3% strike, with quarterly fixings. The 2 caps of 350.000 KEUR have an effective date starting on 30 December 2022 with a 3 year term, while the 300.000 KEUR cap has an effective date starting on 29 December 2023 with a 4 year term.

6. INFORMATION ON THE CIRCUMSTANCES WITH A POTENTIAL SIGNIFICANT EFFECT ON THE FUTURE EVOLUTION OF THE GROUP

The Group typically has low capex.

The Group has total outstanding borrowings of 1.920.892 KEUR (see details above) with variable interest rates, all maturing at the earliest in 2029. The Group also has a Revolving Credit Facility of EUR 275,00 million.

The number of job placements has decreased compared to last year and is under pressure of market circumstances within the German temping market.

The Group will continue to invest in digitalization and further explore the use of digital tooling.

The Group capitalizes amounts of both externally acquired software and internally developed software. Further, the Group expenses a minimum of research and development expenditures in the income statement (< EUR 1 million).

The Board of Directors; De Raad van Bestuur

HOUSE OF HR HOLDING BV
DIRECTOR'S REPORT

Amsterdam, 26 March 2025

Christophe Patrick M. Jacobs van Merlen

Director

Conny Vandendriessche

Director

Daniel Masata

Director

Eric Aveillan

Director

Youssef Salha

Director

Matthias Boyer Chammard

Director

Rika Coppens

Director

CONSOLIDATED FINANCIAL STATEMENTS

Bridge between IFRS Consolidated operating profit and Pro Forma Management Adjusted EBITDA – Unaudited 18 | Consolidated balance sheet 19 | Consolidated income statement 20 | Consolidated statement of comprehensive income 21 | Consolidated statement of changes in equity 22 | Consolidated statement of cash flows 24 | Notes to the consolidated financial statements 25

"The future of an organization depends on the willingness to invest today in the leaders of tomorrow. Our Firestarter program is a great example of how we bring that vision to life"

Bas Ten Hove,
Succession Manager House of HR

CONSOLIDATED financial s



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BRIDGE BETWEEN IFRS CONSOLIDATED OPERATING PROFIT AND PRO FORMA MANAGEMENT ADJUSTED EBITDA

UNAUDITED

Below tables provides the bridge in EUR between the attached IFRS Consolidated financial statements at the level of House of HR Holding B.V. and the Pro Forma Management Adjusted EBITDA.

in KEUR	Note	2024	2023
Pro forma management adjusted EBITDA		**330.151**	**372.987**
Normalization		-26.321	-30.446
Full year impact of acquisitions & disposals		0	-5.596
Difference consolidation scope		100	-57
EBITDA (IFRS)		**303.930**	**336.888**
Depreciation & amortization	29	-220.986	-215.534
Impairment Goodwill	8	-319.346	0
Impairment Intangible Assets	29	-245	0
EBITDA adjustments		-962	60.183
Operating profit/(loss)		**-237.609**	**181.537**

Normalization is any gain/(loss) not occurring on a regular basis (i.e. can occur every couple of years), not indicative to the operational performance of the group. (e.g. Reorganization, M&A activities, start-ups, rebranding,…)

Income and expenses classified under the heading "*EBITDA adjustments*" are those items that are considered by management not to relate to transactions, projects and adjustments to the value of assets and liabilities taking place in the ordinary course of activities of the Group. In 2023 the EBITDA adjustments mainly related to earn-out adjustments on the earn-outs to pay recognized on the balance sheet of the Group (61.780 KEUR , of which 49.260 KEUR is related to the reversal of the Bain earn-out as a result of actual 2023 results).

CONSOLIDATED *BALANCE SHEET*

in KEUR	Note	31 December 2024	31 December 2023
ASSETS		**3.306.339**	**3.785.915**
NON-CURRENT ASSETS		**2.721.852**	**3.138.905**
Property, plant and equipment	9	232.304	236.695
Intangible assets	7	1.255.888	1.353.988
Goodwill	8	1.212.487	1.525.604
Deferred tax assets		7.004	6.666
Investments accounted for using the equity method	2	1.041	1.274
Other non-current assets	12	13.128	14.678
CURRENT ASSETS		**584.486**	**647.010**
Trade receivables	12	334.523	372.356
Inventory and work in progress		509	460
Income tax receivables		5.213	6.174
Other receivables	12	71.486	62.250
Cash and cash equivalents	14	172.755	205.770
EQUITY AND LIABILITIES		**3.306.339**	**3.785.915**
EQUITY		**279.907**	**756.135**
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	15	272.875	750.851
NON-CONTROLLING INTEREST	15	7.032	5.284
LIABILITIES		**3.026.431**	**3.029.780**
NON-CURRENT LIABILITIES		**2.229.270**	**2.228.144**
Non-current borrowings	16	1.764.016	1.723.417
Deferred tax liabilities	13	310.095	342.161
Other long-term benefits	18	5.770	4.509
Provisions for liabilities and charges	17	2.680	1.849
Other non-current liabilities	21	145.210	154.509
Non-current derivative liability	11	1.499	1.700
CURRENT LIABILITIES		**797.163**	**801.636**
Trade and other payables	20	112.832	123.031
Income tax liabilities	13	61.860	46.148
Current borrowings	16	156.875	180.140
Current employee benefits	18	235.915	244.672
Provisions for other liabilities and charges	17	3.280	3.239
Other current liabilities	21	221.941	203.557
Current derivative liability	11	4.459	850

The notes are an integral part of the consolidated financial statements.

CONSOLIDATED *INCOME STATEMENT*

in KEUR	Note	1 January 2024 - 31 December 2024	1 January 2023 - 31 December 2023
Revenue	22	3.354.115	3.323.957
Cost of services	25	-2.498.771	-2.430.779
Gross profit/(loss)		**855.344**	**893.179**
Selling expenses	26	-560.927	-547.308
Other general and administrative expenses	27	-212.688	-229.013
Goodwill impairment	8	-319.346	0
Total operating expenses		**-1.092.961**	**-776.320**
Other gains & losses	23	8	64.679
Operating profit/(loss)		**-237.609**	**181.537**
Finance income	30	3.971	893
Finance expense	30	-246.464	-240.152
Net finance income/(loss)		**-242.493**	**-239.259**
Share in profit/(loss) of equity accounted investments		57	0
Profit/(loss) before taxes		**-480.045**	**-57.722**
Income tax expense	13	486	-12.410
Net profit/(loss) of the period		**-479.559**	**-70.132**
Attributable to:			
Net result non-controlling interests		1.229	1.030
Net result of the Group shareholders		-480.787	-71.162

The notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in KEUR	1 January 2024 - 31 December 2024	1 January 2023 - 31 December 2023
Net profit/(loss) of the period	**-479.559**	**-70.132**
Other comprehensive income:		
Items that subsequently may be reclassed to profit or loss, net of deferred income taxes		
Exchange differences on translation of foreign operations	583	396
Remeasurement of net defined benefit liability (asset)	-1.160	0
Other comprehensive income:		0
Total other comprehensive income, net of taxes	**-576**	**396**
Total comprehensive income for the period	**-480.135**	**-69.737**
Attributable to:		
Net result of the Group shareholders	-481.364	-70.900
Net result non-controlling interests	1.229	1.164

The notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in KEUR	Note	Attributable to owners of the company						
		Share capital and share premium	Other reserves	Retained earnings	Treasury shares	TOTAL	Non-controlling interests	TOTAL EQUITY
Balance at 1 January 2024		**1.120.962**	**-4.287**	**-364.858**	**-966**	**750.851**	**5.284**	**756.135**
Net profit/(loss) of the period		0	0	-480.787	0	**-480.787**	1.229	**-479.559**
Remeasurement of net defined benefit liability (asset)		0	0	-1.160	0	**-1.160**	0	**-1.160**
Other comprehensive income of the period		0	583	0	0	**583**	0	**583**
Total comprehensive income		**0**	**583**	**-481.947**	**0**	**-481.364**	**1.229**	**-480.135**
Transactions with owners in their capacity as owners:								
Capital increase, net of transaction costs	15	1.360	0	0	0	**1.360**	0	**1.360**
Capital decrease	15	0	0	0	0	**0**	0	**0**
Sale of treasury shares	15	0	0	0	86	**86**	0	**86**
Acquisition of treasury shares	15	0	0	0	0	**0**	0	**0**
Purchase of non-controlling interests	15	0	837	0	0	**837**	1.120	**1.957**
Sale of non-controlling interests	15	0	0	0	0	**0**	0	**0**
Employee share schemes	19	0	969	0	0	**969**	0	**969**
Dividends paid		0	0	0	0	**0**	-631	**-631**
Other movements		-884	0	140	880	**136**	16	**152**
Total transactions with owners		**476**	**1.806**	**140**	**966**	**3.387**	**505**	**3.892**
Balance at 31 December 2024		**1.121.438**	**-1.897**	**-846.666**	**0**	**272.875**	**7.018**	**279.892**

in KEUR	Note	Attributable to owners of the company					Non-controlling interests	TOTAL EQUITY
		Share capital and share premium	Other reserves	Retained earnings	Treasury shares	TOTAL		
Balance at 1 January 2023		**1.104.712**	**-3.376**	**-293.565**	**-884**	**806.887**	**7.628**	**814.514**
Net profit/(loss) of the period		0	0	-71.162	0	**-71.162**	1.030	**-70.132**
Other comprehensive income of the period		0	262	0	0	**262**	134	**396**
Total comprehensive income		**0**	**262**	**-71.162**	**0**	**-70.900**	**1.164**	**-69.737**
Transactions with owners in their capacity as owners:								
Capital increases, net of transaction costs	15	16.967	0	0	0	**16.967**	0	**16.967**
Capital decrease	15	-774	0	0	0	**-774**	0	**-774**
Acquisition of treasury shares	15	57	0	0	-82	**-25**	0	**-25**
Sale of treasury shares	15	0	0	0	0	**0**	0	**0**
Purchase of non-controlling interests	15	0	-2.852	0	0	**-2.852**	-4.204	**-7.057**
Other transactions with non-controlling interests	15	0	0	0	0	**0**	1.356	**1.356**
Employee shares scheme	19	0	1.680	0	0	**1.680**	0	**1.680**
Dividends paid		0	0	0	0	**0**	-542	**-542**
Other movements		0	0	-131	0	**-131**	-116	**-247**
Total transactions with owners		**16.250**	**-1.172**	**-131**	**-82**	**14.865**	**-3.507**	**11.357**
Balance at 31 December 2023		**1.120.962**	**-4.287**	**-364.858**	**-966**	**750.851**	**5.284**	**756.135**

The notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT *OF CASH FLOWS*

in KEUR	Note	1 January 2024 - 31 December 2024	1 January 2023 - 31 December 2023
Profit/(loss) of the period		**-479.559**	**-70.132**
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation on property, plant and equipment	29	97.734	90.261
Amortization and impairment on intangible assets	29	123.497	125.273
Goodwill impairment	8	319.346	0
Increase/decrease in employee benefit provisions (share-based payment)	31	969	1.680
Finance income/cost	30	242.493	239.259
Income tax expenses	13	-486	12.410
Other gains/losses: earn-out and adjustments of purchase price of subsidiaries	23	121	-63.366
Gain/loss on disposal of fixed assets	23	-129	1.503
Other		-57	0
Cash flow from operations before working capital and income taxes		**303.930**	**336.888**
Change in accounts receivable	12	38.397	-12.640
Change in accounts payable	20	-12.456	-452
Change in other receivables	12	-1.348	9.847
Change in prepaid expenses	12	3	-6
Change in employee benefit obligations	18	-6.383	-1.064
Change in VAT debt & receivables	12, 21	-1.018	1.179
Change in other debt	21	2.038	-9.235
Change in deferred expenses	21	340	-77
Change in provisions	17	872	-6.909
Change in working capital		**20.445**	**-19.355**
Corporate income tax paid	13	-13.289	-37.533
Net cash flow from operating activities		**311.086**	**280.000**
Investments in tangible assets (net capex)	9	-12.359	-19.762
Investments in intangible assets	7	-25.506	-17.722
Proceeds from disposal of fixed assets	9	1.177	118
Business combinations, net of cash acquired + JV's		-1.350	-84.897
Earn-out	21	-3.857	-12.383
Disposal of subsidiaries and joint-ventures, net of cash disposed	4	312	3.233
Asset deal & acquisition of joint ventures	4	0	-1.200
Net cash flow from investing activities		**-41.583**	**-132.613**
New loans granted		-9.039	-738
Proceeds from loans granted		3.263	339
New loans/reimbursements (+/-), net of financing costs	16	190.968	242.192
Repayment of loans	16	-191.186	-84.555
Interests paid incl. other finance costs paid	3	-202.839	-184.020
Net change payable towards shareholders	21	-1.159	0
Proceeds capital increase	15	1.360	1.685
Purchase of non-controlling interests	4	-222	-693
Sale of non-controlling interests	4	0	-3.057
Dividends	15	-631	-542
Leases	17	-93.033	-82.378
Net cash flow from financing activities		**-302.518**	**-111.767**
Net cash flow		**-33.015**	**35.620**
Cash and cash equivalents at the start of the period		**205.770**	**170.150**
Cash and cash equivalents at the end of the period		**172.755**	**205.770**

The notes are an integral part of the consolidated financial statements.

NOTES TO THE CONSOLIDATED *FINANCIAL STATEMENTS*

1. GENERAL INFORMATION

House of HR Holding B.V. ("*HOHR*" or "*The Group*"), is a private limited liability company, incorporated as per 17 May 2022, incorporated and existing under Dutch law, having its official seat in Amsterdam, the Netherlands and its office address at Flight Forum 40, 5657 DB Eindhoven, the Netherlands and registered with the Trade and Company Register (Kamer van Koophandel) under number 86426346.

The objects of the Group are:

- to participate in, finance or hold any other interest in, or to conduct the management of, other legal entities, partnerships or enterprises;
- to furnish guarantees, provide security, warrant performance or in any other way assume liability, whether jointly and severally or otherwise, for or in respect of obligations of Group Companies or other parties; and
- to do anything which, in the widest sense of the word, is connected with or may be conducive to the attainment of these objects.

HOHR is a leading HR service provider focusing on two specific types of services:

- **Engineering & Consulting:** Highly skilled professionals are recruited to work in fast evolving sectors like finance, public, legal, energy, pharmaceuticals, technology, through project sourcing, interim management or secondment in line with our clients' needs. The Group also assists clients with the search and selection of the right candidate, interim management or secondment.
- **Specialized Talent Solutions:** The Specialized Talent Solutions segment provides on the one hand temporary staffing solutions with a focus on 'temp-to-perm' placements with focus on SME, international job candidate recruiting and permanent placements for clients who need specific job profiles, and on the other hand short-term staffing solutions to larger clients with multiple staffing needs. It requires specialists to hire specialists. Healthcare, finance, construction, technical, retail, logistics – HOHR its specialized PowerHouses know their niches and both their customers and candidates like no one else.

Furthermore, the "*House of Support*" considers all group activities, including the digital initiatives of the Group. These relate to digital solutions designed around the Groups' candidates and clients, such as CV Creator, Book'U and NowJobs app (including StaffMe).

The consolidated financial statements of HOHR include the Company and its subsidiaries (all together "*the Group*").

The Group currently has a network of over 700 offices in Europe, and is active in Belgium, Germany, the Netherlands, France and Switzerland, but also present in Spain, Portugal, Romania, Luxembourg and Poland.

It employs 5.470 people in 2024 (2023: 5.663) and is providing jobs to 72.518 people in 2024 (2023: 73.395) each day via its brands:

- **Engineering & Consulting**: ABY Engineering, AERO, Cohedron, Continu Professionals, SOLCOM and Redmore.
- **Specialized Talent Solutions**: Accent, House of HealthCare, Covebo, NowJobs, TimePartner (excl. AERO) and TMI.

As a consequence of a strategic realignment, the PowerHouse GRITT, formed in 2016 by merging TEC and Logi-Technic, has ceased to exist as from 2024 onwards. Logi-Technic has become part of the Dutch Covebo. Both primarily work with blue-collar profiles, providing jobs in the fields of technology, production, construction, and logistics. Further, TEC, focusing on technical white-collar profiles, shares many similarities with PowerHouse ABY Engineering (within the Engineering & Consulting segment). This realignment had an impact on the composition of the two segments since GRITT was fully allocated to the Engineering and Consulting segment while, as a result of this realignment, Logi-Technic has now become part of the Specialized Talent Solutions segment as a boutique of Covebo. Considering this realignment, the segment reporting has been updated accordingly, including restatement of 2023 segment reporting. Reference is made to note 6 Segment Reporting.

In addition, as per 28 March 2024, with retro-active effect to 1 January 2024, IBB was transferred from TimePartner to SOLCOM. IBB, who focuses on white collar engineering, will hence strengthen PowerHouse SOLCOM, focusing on white collar IT and engineering profiles.

Bain Capital Private Equity (via its subsidiary Villa Lux Holdco SARL) is the parent and ultimate controlling party of the Group, holding a 55,08% stake.

The Group structure as per 31 December 2024 is summarized in note 2.

The financial statements are issued for authorization to the Annual Shareholders Meeting that will be held on 4 April 2025. The Board of Directors approved the financial statements per 26 March 2025.

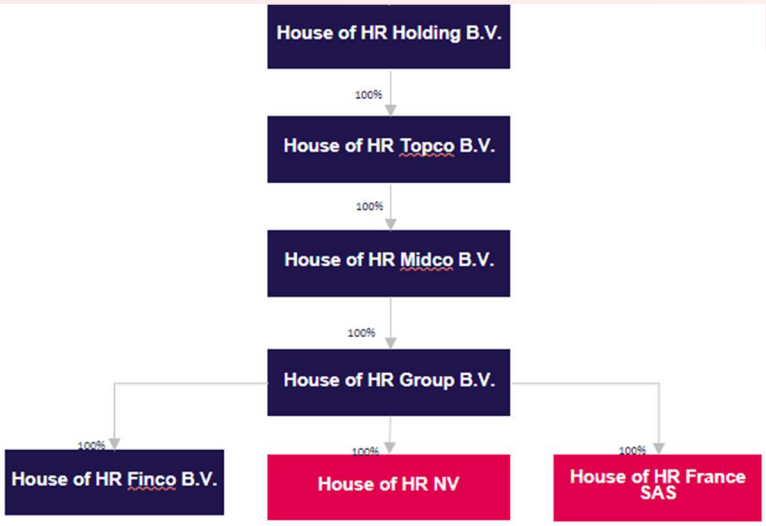
2. GROUP STRUCTURE OF HOUSE OF HR HOLDING

Bain Capital Private Equity (via its subsidiary Villa Lux Holdco SARL) is the parent and ultimate controlling party of the Group, holding a 55,08% stake. During 2024, the Group focused on positioning and strengthening its international foothold, after the different 2023 acquisitions primarily in Germany, the Netherlands and France: we refer to the caption "*Business Combinations*" below for additional information.

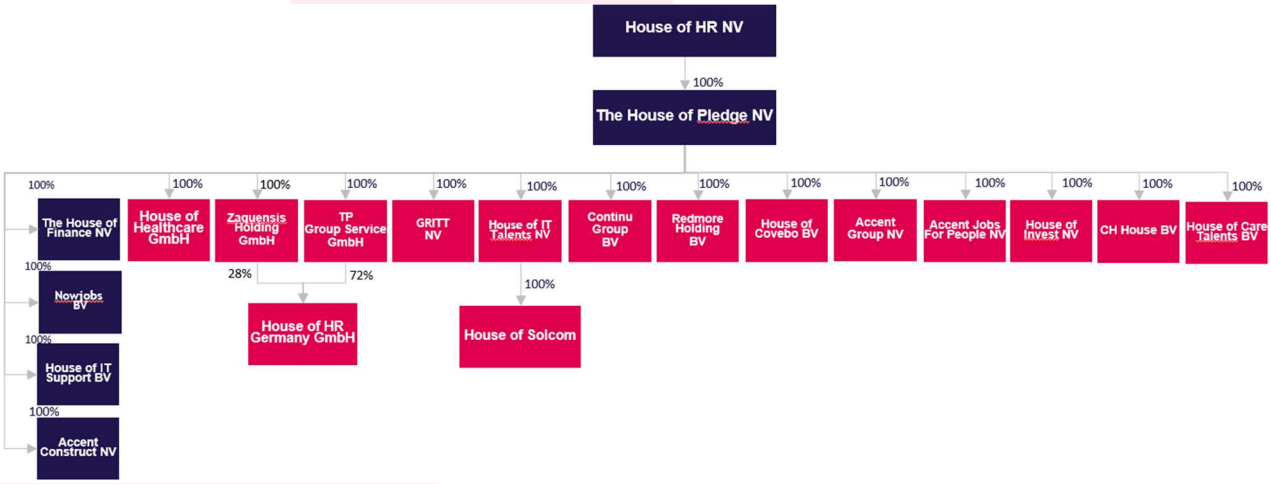
The mid- to long-term strategy of House of HR Holding B.V. is to build a Group that specializes in offering end-to-end temporary recruitment and outsourcing services. Its focus revolves around Engineering & Consulting and Specialized Talent Solutions. Both segments deliver a diversified set of specialized talents with high scarcity, for which the Group developed a clear advantage in sourcing talents by activating relevant levers by specialization. The Group is active in more than 10 European countries.

The consolidation at the level of House of HR Holding B.V. will be published on the Group website www.houseofhr.com.

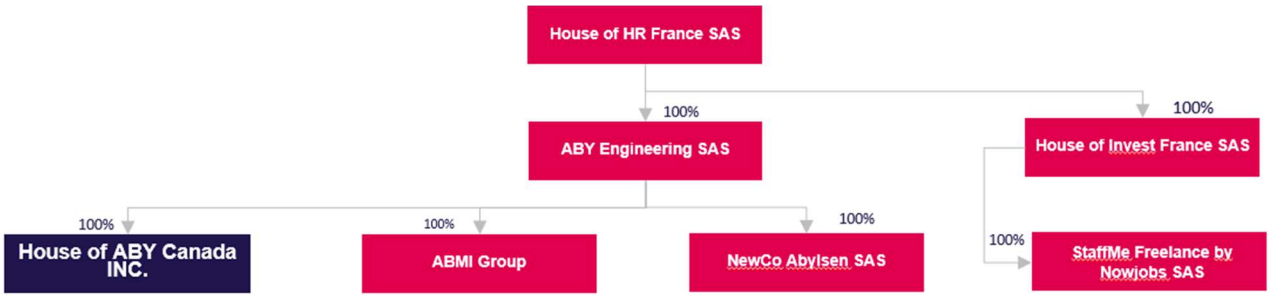
The Group's structure as per 31 December 2024 is as follows:



Group structure at the level of House of HR:



Group structure at the level of House of HR France:



The following notes provide more information on the changes in the Group structure in 2024 and 2023.

Business Combinations

2024 acquisitions

Beginning of January 2024, TMI closed an asset deal with ZorgXchange Group in the Netherlands for a consideration of 1.600 KEUR and a maximum earn-out of 1.300 KEUR.

TMI is included in the Group consolidation as from the beginning of January 2024 and part of the Specialized Talent Solutions segment.

Early 2024, Joint Financials Participations B.V., a subsidiary of Redmore acquired 50% of the remaining shares of ANG Public Finance B.V. for 75 KEUR and now fully owns and controls this entity.

In March 2024, the Group acquired via its subsidiary Wyzer B.V. (Cohedron) the assets of XXLLNC Detachering B.V. for 297 KEUR.

XXLLNC Detachering B.V. is included in the Group consolidation as from March 2024 and part of the Engineering and Consulting segment.

End of December 2024, the Group exercised its call option in ClickCare N.V. and acquired 14,0% additional shares (increasing ownership from 40,9% to 54,9%) for a consideration of 722 KEUR. Consequently, the entity is no longer equity accounted for but fully consolidated. In accordance with IFRS 3 Business combinations, the Group remeasured its previously held 40,9% interest at acquisition date fair value and a gain of 908 KEUR was recognized (refer to note 23 Other gains/(losses). The assets acquired (2.131 KEUR including 1.180 KEUR cash) and liabilities assumed were recognized at 100% of their fair value and determined the preliminary goodwill of 3.342 KEUR. At the same time, the share capital of ClickCare was increased and the Group obtained 4,5% additional shares,owning currently 59,4%.

ClickCare N.V. is included in the Group consolidation as from end of December 2024 and part of the Specialized Talent Solutions segment.

2023 acquisitions

Pluss

On 5 April 2023, the Group acquired, via its subsidiary House of HR Germany II, the German company pluss, specialized in temporary recruitment in healthcare and social services, from Funds managed by BIP Capital Partners, Luxembourg, for a consideration of 83.138 KEUR, of which 5.710 KEUR is reinvested in the Group.

Pluss is included in the Group consolidation as from 1 April 2023 and part of the Specialized Talent Solutions segment.

ICC/Careworker

On 3 July 2023, the Group acquired 100% of the shares of ICC and Careworker GmbH, via its subsidiary pluss Personalmanagement GmbH for a consideration of 1.500 KEUR; which comprises a fixed purchase price of 1.350 KEUR (1.250 KEUR paid on closing date and 0.100 KEUR paid at the end of October 2023) and a reinvestment of 150 KEUR. The maximum exposure to an earn-out amounts to 150 KEUR.

ICC/Careworker is a regional provider of temporary nursing profiles, based in Germany and included in the Group consolidation as from 1 July 2023 and part of the Specialized Talent Solutions segment.

The Galan Group

On 5 July 2023, the Group, via its subsidiary Cohedron, acquired the Galan Group, which is active as a strategic advisor to the Dutch government. The consideration paid for acquiring 100% of the shares amounted to 17.432 KEUR, of which 5.635 KEUR is reinvested in the Group.

The Galan Group is part of the Engineering & Consulting segment as from 1 July 2023.

Openium

On 23 October 2023, ABMI Groupe, part of ABY Engineering PowerHouse and Engineering & Consulting segment, finalized the acquisition of 100% of the shares in Openium, a company active in the design and development of mobile applications for a consideration of 2.926 KEUR, including 1.220 KEUR reinvestment in the Group. The potential additional earn-out payable in 2024 is maximum 1.500 KEUR. At acquisition date the estimated earn-out accounted for amounts to 610 KEUR.

Openium is part of the Engineering & Consulting segment and consolidated since 1 November 2023.

Verder in Techniek (VIT)

On 10 November 2023, Covebo acquired 100% of the shares in Vithoma Holding B.V. including its 100% subsidiary Verder in Techniek B.V. for a consideration of 976 KEUR including 238 KEUR reinvestment in the Group. VIT is a training center for operators of computer controlled machinery, a very scarce profile.

VIT is part of the Specialized Talent Solutions segment and consolidated since 1 November 2023.

Overview of acquired fair values and determination of the associated goodwill

The allocation of the purchase price is based on management's best estimate with input from independent third parties. Details of the purchase allocation can be summarized as follows:

in KEUR	2023			
Consideration for acquiring the business	**Pluss**	**Galan**	**All other**	**TOTAL**
Cash	77.419	11.797	3.794	93.010
Equity instruments in the Group	5.710	5.635	1.608	12.953
Earn-out	0	0	760	760
Total consideration transferred for 100% of the business	**83.129**	**17.432**	**6.162**	**106.723**
Fair value of the acquired assets (@ 100%)				
Property, plant and equipment	8.422	339	328	9.089
Intangible assets	124	0	131	255
Acquisition-related intangible assets: trademarks	10.107	2.086	0	12.193
Acquisition-related intangible assets: customer relationships	14.715	6.433	0	21.148
Other non-current assets	521	1	2	524
Trade receivables	14.890	4.033	1.031	19.954
Income tax receivable	0	0	14	14
Other receivables	1.062	78	80	1.220
Cash and cash equivalents	5.394	1.214	1.504	8.112
Deferred income tax liabilities	-7.618	-2.197	0	-9.814
Other non-current liabilities	-4.858	0	-232	-5.090
Trade and other payables	-1.131	-2.558	-158	-3.848
Income tax liabilities	-3.869	0	-85	-3.954
Employee benefit obligations	-14.713	-1.211	-753	-16.677
Other current liabilities	-6.261	-1.234	-359	-7.854
Total identifiable net assets acquired	**16.785**	**6.984**	**1.503**	**25.272**
Add: Goodwill	66.344	10.448	4.658	81.450
Net assets acquired	**83.129**	**17.432**	**6.162**	**106.723**

The valuation techniques used for measuring the fair value of material assets acquired were as follows:

- Intangible assets – Trademarks and Customer relationships: the fair values have been determined by the Multi-period Excess Earnings (MEEM) Method, an income approach which requires an estimate or forecast of future expected cash flows.
- Property, plant and equipment mainly consist of leased assets which are being assessed through a market approach, which requires a comparison of contract and market price.
- The deferred tax liabilities mainly comprise the tax effect of the fair value adjustments of intangible assets.
- Trade and other receivables and liabilities are valued at the carrying value on the basis that the carrying value represents the fair value at acquisition date.

The preliminary goodwill as a result of this acquisition is attributable to the workforce and the expected high profitability of the acquired business. The goodwill is not deductible for tax purposes.

Acquired receivables

The following table summarizes the fair value of acquired trade receivables as per acquisition date:

in KEUR	2023			
Acquired receivables	Pluss	Galan	All other	TOTAL
Contractual amount of trade receivables	15.351	4.033	1.196	20.580
Amount of uncollectible trade receivables	-461	0	-165	-626
Fair value of acquired trade receivables	**14.890**	**4.033**	**1.031**	**19.954**

Revenue and profit contribution

The acquired businesses contributed since their acquisition dates until year-end 2023 the following amount of revenue and net profit to the Group:

in KEUR	2023			
Contribution to revenue and net profit since the date of the acquisition	Pluss	Galan	All other	TOTAL
Revenue	134.433	17.098	2.286	153.817
Net profit	356	699	311	1.366

If the acquisitions had occurred on 1 January of the year, consolidated pro-forma revenue and net profit for the year 2023 ended would have been:

in KEUR	2023			
Contribution to revenue and net profit as if the acquisition was completed per 1 January	Pluss	Galan	All other	TOTAL
Revenue	180.233	32.361	6.912	219.505
Net profit	1.671	992	939	3.602

These amounts have been calculated using the subsidiary's results, adjusting them for:

- differences in the accounting policies between the Group and the subsidiary, and
- the additional depreciation and amortization that would have been charged assuming the fair value adjustments to intangible assets had applied from 1 January of every year, together with the consequential tax effects.

Contingent assets and contingent liabilities

The Group did not recognize any material contingent assets or contingent liabilities under the purchase price allocation exercise.

Reconciliation to the cash-flow statement

in KEUR	2023			
Outflow of cash to acquire subsidiary, net of cash acquired	Pluss	Galan	All other	TOTAL
Cash consideration	**77.419**	**11.797**	**4.554**	**93.770**
Less: balances acquired	0	0	0	0
Cash acquired	-5.394	-1.214	-1.504	-8.112
Bank overdraft	0	0	0	0
Total	**72.025**	**10.583**	**3.050**	**85.657**
Effectively cash transferred	-72.025	-10.583	-3.050	-85.657
Amounts remaining unpaid/amounts on a blocked account	0	0	760	760
Net flow of cash - investing activities for business combinations	**-72.025**	**-10.583**	**-2.290**	**-84.897**

Acquisition related costs

The total acquisition-related costs related to these acquisitions amount to 780 KEUR as per 31 December 2023. These costs have been expensed within the income statement at the acquisition date.

Acquisitions completed after year-end

As per 28 January 2025, Covebo, a House of HR PowerHouse and a specialist in operational roles in construction, technology, production, and logistics, has acquired Pro Industry. Pro Industry, originally a Dutch staffing agency, specializes in the process industry and has been active in the Belgian market since 2022, recruiting machine and process operators. Covebo has built a strong reputation in staffing low-skilled operational roles in production and logistics. The addition of Pro Industry now expands our expertise to include skilled operational professions. The acquisition is currently pending approval by the ACM (*"Autoriteit Consument & Markt").*

Business disposals

2024 business disposals

On 1 February 2024, BE-CONSULT B.V. sold its asbestos activities towards BE-CONSULT B.V. for a consideration of 375 KEUR. The name "BE-Consult" has been transferred towards the purchaser.

2023 business disposals

On 5 April 2023, the Group sold 100% of the shares of @atrium B.V. and Safety Move B.V. (part of Accent) for a consideration of 1.705 KEUR (including 157 KEUR cash disposed), resulting in a loss of 420 KEUR.

Interests in joint ventures

The Group holds a 50% joint-ventures in Sixie B.V., held by Accent Group since 2020, which is individually and in total not material to the Group (less than 100 KEUR).

Interests in associates

The group sold all shares held in HAPPY RECRUITER S.A. (42,53%) to the management of the entity on 9 February 2024 in exchange for 1 EUR.

In July 2023, the Group acquired via a capital increase 40,9% of the shares of ClickCare B.V. for 1.200 KEUR. End December 2024, the Group acquired, partly via share deal and partly via capital increase 18,5% additional shares: see section on Business combinations above.

On 10 March 2023 the 33,31% stake in Ariad, an associate of House of Invest was sold for a price of 2.094 KEUR, of which 410 KEUR through a vendor loan, and the Group realized a gain of 994 KEUR.

These entities are accounted for at equity method and are not considered material for the Group.

Non-controlling interests

2024 changes

In September 2024, the Group acquired an additional 12.5% in the shares of Vialegis B.V. for a consideration of 1 EUR, resulting in a total Group ownership of 87.5%.

In October 2024, the Group acquired the remaining 2.5% non-controlling interests of Eastelson SAS for a consideration of 36 KEUR.

In December 2024, the Group acquired the remaining 23,3% shares of Newco Pharmacos SAS for 186 KEUR, which was reinvested in the Group.

As mentioned above in Business Combinations, the Group has owned since December 2024, 59,4% in ClickCare. In January 2025, 1% was sold for 63 KEUR.

2023 changes

As per 8 June 2023, 12,5% of the shares in Vialegis B.V. have been sold to the management of the company for a minor consideration.

On 7 July 2023, the Group acquired the remaining 29,2% non-controlling interests in NowJobs France II for a consideration of 4.000 KEUR, which was reinvested in the Group.

On 15 September 2023, 5% of the shares of Triple A - Risk Finance Belgium B.V. were sold for a minor consideration.

On 2 October 2023, 12% non-controlling interests of ITDS Poland have been purchased for a consideration of 3.057 KEUR. The Group currently owns 64% in ITDS Poland.

Effect on the equity attributable to the owners of the companies:

in KEUR	2024	2023
Carrying amount of non-controlling interests acquired	1.059	4.204
Settlement through:		
Consideration reinvested by NCI	186	4.000
Consideration paid to NCI	36	3.057
Excess of consideration paid, recognized in the transactions with non-controlling interests reserve within equity	**-837**	**2.852**

The financial information for the subsidiaries of the Group that have non-controlling interests that are material to the Group is summarized in below overview. The amounts disclosed for each subsidiary are before inter-company eliminations.

31 December 2024 in KEUR	Schollmeyer & Steidl GmbH	ITDS Polska Sp. z.o.o.	Triple A - Risk Finance Spain S.L.	Triple A - Risk Finance Belgium B.V.	Eastelson SAS	Pharmacos (Group)	Book'U N.V.	PHARMACOS R&D	NowJobs	Greenworking (Group)	Vialegis B.V.	ClickCare	TOTAL
NCI ownership	26,7%	36,0%	30,0%	30,0%	0,0%	0,0%	20,0%	42,5%	0,0%	2,5%	13,0%	40,6%	
Non-current assets	363	637	89	22	1	0	1.608	0	0	31.126	24	415	34.286
Current assets	421	11.139	570	761	708	0	292	643	0	5.151	398	2.766	22.849
Total assets	**784**	**11.775**	**660**	**783**	**709**	**0**	**1.900**	**643**	**0**	**36.277**	**422**	**3.181**	**57.135**
Non-current liabilities	123	256	37	0	6	0	3.961	2	0	13.616	-106	67	17.962
Current liabilities	353	2.718	117	419	453	0	747	584	0	1.712	869	253	8.225
Total liabilities	**476**	**2.974**	**154**	**419**	**459**	**0**	**4.708**	**586**	**0**	**15.328**	**763**	**320**	**26.187**
Total equity	**308**	**8.801**	**505**	**364**	**250**	**0**	**-2.808**	**56**	**0**	**20.949**	**-341**	**2.862**	**30.948**
Equity attributable to NCI	**297**	**3.169**	**152**	**109**	**0**	**0**	**-559**	**14**	**1.356**[1]	**248**	**-43**	**2.289**	**7.032**
Total sales	2.111	29.742	881	2.250	2.575	8.212	1.284	2.028	0	6.111	979	0	56.174
Net result of the period	**-71**	**3.188**	**14**	**113**	**201**	**636**	**-854**	**115**	**0**	**372**	**14**	**0**	**3.728**
Result attributable to NCI	**-19**	**1.148**	**4**	**34**	**7**	**172**	**-171**	**46**	**0**	**9**	**-1**	**0**	**1.229**
Dividends paid to NCI	**73**	**558**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**631**

31 December 2023 in KEUR	Schollmeyer & Steidl GmbH	ITDS Polska Sp. z.o.o.	Triple A - Risk Finance Spain S.L.	Triple A - Risk Finance Belgium B.V.	Eastelson SAS	Pharmacos (Group)	Book'U N.V.	PHARMACOS R&D	NowJobs		Greenworking (Group)	Vialegis B.V.	TOTAL
NCI ownership	26,7%	36,0%	30,0%	30,0%	2,5%	23,3%	20,0%	42,5%	0,0%		2,5%	25,0%	
Non-current assets	411	641	171	24	3	3.590	1.006	0	22.359		24.734	89	53.028
Current assets	884	9.114	559	711	420	2.642	105	260	1.522		6.786	273	23.277
Total assets	**1.295**	**9.755**	**730**	**736**	**423**	**6.233**	**1.110**	**260**	**23.881**	**0**	**31.520**	**363**	**76.305**
Non-current liabilities	191	47	49	0	0	18	2.561	0	8.166		13.748	-105	24.674
Current liabilities	430	2.654	194	484	370	2.301	491	319	1.040		2.827	822	11.932
Total liabilities	**621**	**2.700**	**242**	**484**	**370**	**2.319**	**3.052**	**319**	**9.205**	**0**	**16.575**	**717**	**36.607**
Total equity	**279**	**4.520**	**342**	**182**	**52**	**2.996**	**-1.553**	**-32**	**13.321**	**(1)**	**14.577**	**-253**	**34.430**
Equity attributable to NCI	**394**	**2.534**	**146**	**69**	**1**	**917**	**-388**	**-27**	**1.355**		**368**	**-101**	**5.269**
Total sales	2.536	26.844	1.057	2.057	1.810	8.607	618	1.123	4.870		5.513	428	55.464
Net result of the period	**82**	**3.070**	**161**	**124**	**165**	**25**	**-971**	**129**	**497**		**-539**	**-225**	**2.516**
Result attributable to NCI	**22**	**1.419**	**48**	**37**	**4**	**6**	**-194**	**55**	**-409**		**-13**	**-56**	**918**
Dividends paid to NCI	**78**	**465**	**0**	**0**	**0**	**0**	**0**	**0**	**0**		**0**	**0**	**542**

(1) Settlement of the NCI purchase NowJobs partially converted in a preferred dividend with a put and call option (refer to note 15).

The Group holds 100% in its subsidiaries on 31 December 2024 and 2023, except for the subsidiaries mentioned in the table below:

Ownership held by the Group (%)	Country	2024	2023
Triple A - Risk Finance Belgium B.V.	Belgium	70,0%	70,0%
Book'U N.V.	Belgium	80,0%	80,0%
ClickCare N.V. (1)	Belgium	59,4%	40,9%
Eastelson SAS	France	100,0%	97,5%
Newco Pharmacos SAS	France	100,0%	76,7%
Pharmacos R&D (2)	France	75,0%	57,5%
Newco Greenworking SAS	France	97,5%	97,5%
House of Invest France SAS (3)	France	100,0%	100,0%
Schollmeyer & Steidl GmbH	Germany	73,3%	73,3%
ITDS Polska Sp. z.o.o.	Poland	64,0%	64,0%
Triple A - Risk Finance Spain S.L.	Spain	70,0%	70,0%
Vialegis B.V.	The Netherlands	87,5%	75,0%

(1) Only in December 2024, control was obtained over ClickCare, previously accounted as an associate.
(2) 75% directly owned by Newco Pharmacos SAS.
(3) One preferred share still held by the former shareholder.

Subsidiary restrictions

Significant restrictions on certain assets within the subsidiaries

Cash and short-term deposits held in the Netherlands are subject to local exchange control regulations. These regulations provide for restrictions on exporting capital from those countries, other than through normal dividends. The carrying amount of restricted cash in the consolidated financial statements as per 31 December 2024 of 5.493 KEUR (2023: 11.288 KEUR) mainly relates to these restrictions.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements.

The accounting policies used to prepare these consolidated financial statements for the period from 1 January 2024 to 31 December 2024 are consistent with those applied in the audited consolidated financial statements for the year ended on 31 December 2023, unless otherwise stated

Basis of preparation

(i) Financial reporting period

The Group prepares consolidated financial statements on a calendar year basis, ending on 31 December.

(ii) Compliance with IFRS

The consolidated financial statements of the Group for the year ending on 31 December 2024 have been prepared in accordance with IFRS ("*International Financial Reporting Standards*") Accounting Standards as adopted by the European Union and in conformity with Part 9 of Book 2 of the Dutch Civil Law. In accordance with sub 8 of article 362, Book 2 of the Dutch Civil Code, the Company's financial statements are prepared based on the accounting principles of recognition, measurement and determination of profit, as applied in the consolidated financial statements.

(iii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.
- Derivative financial instruments, debt and equity financial assets and contingent consideration that have been measured at fair value;
- Other long-term employee benefits, for which the liability is measured in accordance with the projected unit-credit method.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 5.

The consolidated financial statements are presented in thousand euro (KEUR) and all values are presented in KEUR, except when otherwise indicated.

Changes in accounting policies and disclosures

New standards, interpretations and amendments adopted by the Group

Below an overview of the impact on the Group of IFRS standards that became applicable for the first time as from 1 January 2024:

- Amendments to IAS 12: International Tax Reform – Pillar Two Model Rules
- Amendments to IAS 1: Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants
- Amendments to IFRS 16: Lease Liability in a Sale and Leaseback
- Amendments to IAS 7 and IFRS 9: Disclosures – Supplier Finance Arrangements
- Amendments to IAS 21: Lack of exchangeability
- Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

None of these standards, amendments to standards and interpretations have any impact on the Group's consolidated financial statements. The Group did not early adopt any other standard, interpretation, or amendment that has been issued but is not yet effective.

New and amended standards not yet adopted by the Group:

Group's management preliminary assessment revealed that the following standards and amendments to standards that have been endorsed within the European Union and that are not yet applicable as per the first time for the financial year beginning 1 January 2025 should not have a material impact for the Group:

- Amendments to IFRS 21: Lack of exchangeability
- IFRS 19: Subsidiaries without Public Accountability: Disclosures
- IFRS 18: Presentation and Disclosure in Financial Statements

Principles of consolidation and equity accounting

(i) Subsidiaries

The consolidated financial information includes the financial statements of entities over which the Group exercises control. The Group controls an entity (including structured entities) when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity to decide over relevant activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations. Refer to note 2 for more information.

Inter-company transactions, balances, income and expenses and unrealized gains on transactions and dividends between Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides

evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated balance sheet, income statement and statement of other comprehensive income as well as the statement of changes in equity.

(ii) Joint arrangements

A joint arrangement operates in the same way as other entities, except that a contractual arrangement between the Group and other ventures establishes joint control over the economic activity of the entity. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Under IFRS 11 'Joint Arrangements' investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

- Joint operations

The Group recognizes its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings. The Group does not have any joint operations as per 31 December 2024.

- Joint ventures

Interests in joint ventures are accounted for using the equity method (see below), after initially being recognized at cost in the consolidated balance sheet.

Refer to note 2 for an overview of the Group's joint ventures.

- Equity method

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognized as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in note 3.

(iii) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized in a separate reserve within equity attributable to owners of the Group.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.

Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in thousand euro (KEUR), which is the Group's functional and presentation currency. It ensures more relevant reporting for the users of the financial statements and aligns with market practice considering the size of the Group's operations over the years. Comparative figures have been presented accordingly (rounded up to the nearest number). This does not affect the financial position, financial performance, nor cash flows of the Group.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognized in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'Finance income or costs'. All other foreign exchange gains and losses are presented in the income statement within 'Other gains/(losses), net'.

Translation differences on non-monetary financial assets and liabilities, such as equities held at fair value through profit or loss, are recognized as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified at fair value through other comprehensive income, are included in the fair value reserve in other comprehensive income. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and all resulting exchange differences are recognized in other comprehensive income).

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognized in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired.

The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group;
- fair value of any asset or liability resulting from a contingent consideration arrangement; and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

The Group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred;
- amount of any non-controlling interest in the acquired entity; and
- acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognized in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognized in profit or loss.

If the net assets recognized in the business combination as at the end of the reporting period are based on provisional assessments of their values determined as at the date of the acquisition, the Group assesses whether there are any measurement period adjustments needed to finalize the accounting for the business combination.

The measurement period ends on the earlier of the date when the Group receives the information that it needs (or determines that it cannot obtain the information) and one year after the acquisition date. New information that gives rise to a measurement period adjustment should relate to events or circumstances existing at the acquisition date. Information pertaining to events that occur after the acquisition date are not measurement period adjustments.

The Group accounts for measurement period adjustments in the following way:

- Retrospectively adjust the provisional amounts and/or recognize additional assets and liabilities to reflect new information;
- Adjustments are recognized as if the accounting for the business combination had been completed at the acquisition date. Additionally, comparative information from prior periods is revised by:
    - increasing or decreasing the amount of goodwill or gain from a bargain purchase. If the adjustment affects more than one asset or liability, the adjustment to goodwill reflects the net effect of those adjustments;
    - making any change in depreciation, amortization or other income effects recognized in the initial accounting for the business combination.

All changes that do not qualify as measurement period adjustments are included in the current period profit or loss and do not affect the accounting for the business combination except if the change relates to a correction of an error in accordance with IAS 8.

Goodwill

Goodwill is measured as described in note 2 on the business combinations and in note 8 after initial recognition. Goodwill on acquisitions of subsidiaries is shown separately in the balance sheet. Goodwill on acquisitions of joint ventures and associates is included in equity accounted for investments and is tested for impairment as part of the overall balance.

Goodwill is not amortized but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or Groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

Intangible assets

Intangible assets are recognized when the cost of an asset can be reliably measured and it is probable that the entity will obtain future economic benefits from the asset over a period extending beyond the current fiscal year.

At initial measurement, intangible assets are measured at cost. Cost comprises the purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of preparing the asset for its intended use.

(i) Trademark and customer relationship contracts

Separately acquired trademarks are shown at historical cost. Trademarks, licenses and customer relationship contracts acquired in a business combination are recognized at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortization and impairment losses.

(ii) Acquired computer software licenses

Externally acquired software licenses are stated at historical costs and amortized over its estimated useful life.

(iii) Internally developed software

Costs associated with maintaining software programs are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognized as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the software include employee costs and an appropriate portion of relevant overheads.

Development costs are amortized from the point at which the asset is ready for use.

Research expenditure and development expenditure that do not meet the criteria indicated above are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

(iv) Amortization methods and periods of intangible assets

The Group amortizes intangible assets with a limited useful life using the straight-line method over the following periods:

Intangible assets	Amortization method	Amortization periods
Trademarks	Straight-line amortization	Determined per purchase price allocation, between 3 and 15 years
Customer relationships	Straight-line amortization	Determined per purchase price allocation, between 2 and 24 years
Internally generated software	Straight-line amortization	3 to 5 years Up to 10 years for software with proven historical useful life
Acquired computer software licenses	Straight-line amortization	1 to 5 years
Other	Straight-line amortization	3 to 5 years

Property, plant and equipment

All property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Costs may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenances are charged to profit or loss during the reporting period in which they are incurred.

The Group depreciates PP&E assets with a limited useful life using the straight-line method over the following periods:

Property, plant and equipment	Depreciation method	Depreciation periods
Freehold land	Not depreciated	Not depreciated
Buildings	Straight-line depreciation	35 years
Plant, machinery and equipment	Straight-line depreciation	5 years
Vehicles	Straight-line depreciation	5 years
Furniture and office equipment	Straight-line depreciation	5 years
Leased plant and equipment	Straight-line depreciation	Dependent on the contract lifetime
Other tangible assets	Straight-line depreciation	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Refer to impairment of assets for more information (note 3).

PPE is derecognized either on disposal, or when no future economic benefits are expected from its use or disposal.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is Group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

Leases

The Group leases mainly company cars, buildings and IT equipment.

All lease obligations, except for short term leases and low value items are considered on the balance sheet, for which a right-of-use asset (included in Property, Plant and equipment) and lease liability (included in the other liabilities) is accounted for.

Leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. These include any extension options when assessed as reasonably certain to be exercised. The corresponding lease liabilities are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term.

The respective leased assets are included in the balance sheet based on their nature.

The Group also acts as a lessor in the sublease of buildings, which are qualified as financial subleases. For these contracts the right-of-use asset is derecognized and a lease receivable is recognized at the lease's inception at the present value of the minimum lease payments. A gain or loss is recognized at inception date for the difference between the fair value of the minimum lease payments of the sublease and the value of the right-of-use asset in the head lease.

Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Cash and cash equivalents

For presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

➢ Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortized cost**: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss.
- **FVOCI**: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as a separate line item in the statement of profit or loss.
- **FVPL**: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognized in profit or loss and presented net within other gains/(losses) in the period in which it arises.

➢ Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognized in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognized in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) Impairment

The Group assesses on a forward-looking basis the expected credit loss associated with its financial assets carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables, see note 12 for further details.

(v) Derivatives

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group did not designate certain derivatives as hedge instruments.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognized immediately in profit or loss and are included in financial result.

As regards embedded derivatives, the Group assesses whether the derivative is closely related to the host instrument and accounted for separately or not.

Offsetting financial assets and liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

Compound financial instruments

Compound financial instruments issued by the Group comprise convertible notes that can be converted to share capital, and the number of shares to be issued does not vary with changes in their fair value.

The liability component of a compound financial instrument is recognized initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognized initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortized cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequent after initial recognition except on conversion or expiry.

Trade receivables and other receivables

Trade receivables are amounts due from customers for sales made in the ordinary course of business. Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less loss allowance. See note 12 for further information about the Group's accounting for trade receivables and for a description of the Group's impairment policies.

If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

The other receivables - projects related to contracts with customers are classified as other receivables.

Share capital

Ordinary shares are classified as equity. The cumulative preferred shares are classified as equity as:

- They do not include a contractual obligation to (1) delivery cash or another financial asset to another entity; or (2) exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the issuer; and
- As a non-derivative, they do not include a contractual obligation for the issuer to deliver a variable number of its own equity instruments.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Where any Group company purchases the company's equity instruments, for example as the result of a share buy-back or a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the owners of House of HR as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of House of HR.

Dividends

A liability is recognized for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost, any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

The fair value of the liability portion of a convertible bond is determined using a market interest rate for an equivalent non-convertible bond. This amount is recorded as a liability on an amortized cost basis until extinguishment on conversion or maturity of the bonds. The remainder of the proceeds is allocated to the conversion option. This is recognized and included in shareholders' equity, net of income tax effects.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other income or finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognized in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

Provisions, Contingent Liabilities and Contingent Assets

(i) Provisions

The Group recognizes provisions for legal claims or similar types of obligations when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are not recognized for future operating losses.

Provisions are measured at the present value of Group management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Where there are several similar obligations, the likelihood that an outflow will be required in settlement is determined by the Group by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

In case the Group expects a reimbursement from another party, the Group will recognize a separate asset when and only when it is virtually certain that the reimbursement will be received. The amount recognized for the reimbursement shall not exceed the amount of the provision. In the statement of comprehensive income, the expense relating to a provision may be presented net of the amount recognized for a reimbursement.

(ii) Contingent liabilities and contingent assets

The Group does not recognize any contingent liabilities, instead contingent liabilities are disclosed, unless the possibility of an outflow is remote. The Group discloses the inflow of economic benefits when it is probable. Contingent assets are recognized when it is virtually certain that the economic benefits will flow into the Group.

Current and deferred income tax

The income tax expense for the period comprises current and deferred income tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

(i) Current income tax

The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and joint ventures operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate based on amounts expected to be paid to the tax authorities.

(ii) Deferred income tax

Deferred income tax is accrued in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities and assets are not recognized for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Employee benefits

(i) Short-term obligations

The main employee benefits of the Group consist of short-term employee benefits for wages and salaries, including non-monetary benefits and annual leave that are expected to be settled wholly within 12 months after the end of the period in which the employees rendered the related service. These liabilities are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Pension benefits

➢ Defined contribution plans

The Group has defined contribution plans as well as disability benefits in certain countries in which it operates whereby contributions by the Group are funded through payments to independent entities. For these schemes, the Group's obligation is limited to the payment of these annual contributions.

The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

Because of the Belgian legislation applicable to the second pillar pension plans (the so-called "*Wet op de Aanvullende Pensioenen*"), all Belgian pension plans that are structured as defined contribution plans are considered defined benefit plans under IFRS. Because of this minimum guaranteed return, the employer is exposed to a financial risk since further contributions could be required if the return on the assets is not sufficient to reach the minimum benefits to be paid. The Group has plans that are financed through insurance contracts. The projected unit credit method has been used as the actuarial technique to measure the defined benefit obligation.

➢ Defined benefit plans

The Group does not offer defined benefit plans to its staff. For the specific situation on the Belgian pension plans, we refer to above.

The Group has certain retirement benefits obligations in France called "*Indemnités de fin de carrière*" (IFC). The calculation of the retirement benefit obligation is based on recommendation 2003-R.01 of the French National Accounting Council, inspired by international accounting standard IAS 19. Based on this the projected unit credit method is used, meaning that the retirement benefits to which an employee would be entitled should they remain with the company until retirement is estimated, weighting them by discounting and the probability of the employee's presence at the retirement date. This study takes into account various parameters specific to each employee, including:

- Age
- Socio-professional category
- Retirement age
- Seniority at the time of retirement
- Gross annual salary.

It also includes other essential and company-specific data:

- The collective agreement that governs the activity;
- Salary growth assumptions;
- The projected employee turnover rate.

(iii) Other long-term employee benefits

Some Group entities provide jubilee benefits rewarding employees for long years of service. The liability recognized in the balance sheet is the present value of the obligation at the reporting date. The remeasurements have been recognized in the income statement in full.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iv) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.

In the Netherlands there is a legal obligation to pay a termination benefit to temporary workers of which the amount is based on the number of days one has been employed (*"transitievergoeding"*).

The Group recognizes termination benefits at the earlier of the following dates:

- when the Group can no longer withdraw the offer of those benefits; and
- when the entity recognizes costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Share-based payments

Share-based compensation benefits are provided to key managers via the Management Incentive Plan (MIP).

The MIP is classified as an equity-settled share-based payment plan.

Equity settled share-based payments

The fair value of the goods or services received is recognized with a corresponding increase in equity.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

A share-based payment award generally vests upon meeting specified conditions. Vesting conditions are either:

- Service conditions, which require the counterparty to complete a specified period of service during which the services are provided to the entity; or
- Performance conditions, which requires the counterparty to complete a specified period of service (i.e., a service condition) and involves specified performance targets to be met while the counterparty is rendering the required service.

A performance condition is further defined as either a market condition or a non-market condition. A market condition is a performance condition (i.e., requires specified targets to be met) and the performance conditions are related to the market price (or value) of the entity's equity instruments, such as: attaining a specified share price or achieving a specified target that is based on the market price (or value) of the entity's equity instruments relative to an index of market prices of equity instruments of other entities. A condition linked to a purely internal financial performance measure, such as profit or earnings per share, is not a market condition. Such measures will affect the share price, but are not directly linked to it, and hence are not market conditions. For a market condition to be treated as a performance vesting condition rather than a non-vesting condition, there must also be an implicit or explicit service condition.

Under IFRS 2, the nature of the condition (i.e., vesting or non-vesting, service, performance, market or non-market) affects the timing of when the expense is recognized and, in some cases, the measurement of the expense. In addition, if a condition is not met, whether the entity may reverse the previously recognized compensation expense depends on the nature of the condition that was not met. Therefore, the classification of a condition is a critical step in accounting for share-based payment transactions. Market conditions are only considered when estimating the fair value of the award at the grant date. Non-market vesting conditions are not considered when estimating the fair value of the shares or share options at the grant date. Instead, these vesting conditions are considered by adjusting the number of equity instruments included in the measurement of the transaction amount to reflect the number of awards that are expected to vest. Such non-market vesting conditions include a service condition.

Revenue recognition

The Group mainly generates revenue from offering temporary staffing solutions to its customers. The duration of these temporary staffing solutions may vary between a couple of hours up to a period of two years. The Group mainly offers temporary staffing solutions in the following industries: construction industry, manufacturing industry, logistics industry, sales and finance industry. The Group also provides solutions to customers active in larger project-oriented businesses (such as the construction industry) where apart from staffing also specific deliverables must be provided for. Projects may take one week or up to two to three months.

The Group has identified one performance obligation within the vast majority of its customer contracts, i.e. the delivery of services for a predefined period of time by one or more temping staff or consultants. Revenue from temporary staffing solutions is traditionally negotiated and invoiced to customers using an hourly rate (i.e. the transaction price). Temporary workers charge all their worked hours on project codes which are then accumulated on a weekly or monthly basis and billed to customers. Revenue from temporary staffing solutions is recognized over time upon rendering the services.

Revenues related to services rendered in the project business are recognized upon the performance of the service under contract by comparing the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on the actual costs incurred as compared to the total expected costs to incur to successfully complete the project.

Revenue from permanent placements includes the fee received or receivable for the services provided. This fee is generally a percentage of the remuneration package of the candidate placed (net basis). The revenue of these placements is recognized at a point in time on completion of the service when the performance obligations are fulfilled, (for example the start date of the candidate placed).

The Group recognizes project related receivables if the Group has a right to payment for goods and services already transferred to a customer if that right to payment is conditional on something other than the passage of time. These project related receivables are recognized as part of the other receivables.

Contract fulfilment costs related to this project business are capitalized and amortized on a systematic basis consistent with the pattern of the transfer of the goods and services to which these assets relate.

Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known to management.

Customers are invoiced on a weekly, bi-weekly or monthly basis and the consideration is payable when invoiced.

The Group offers volume rebates to a limited number of customers. The Group applies the 'most likely amount method' for contracts with a single volume threshold and the 'expected value method' for contracts with more than one volume threshold.

The Group does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year.

For sales arrangements where the Group acts as a principal in the transaction and has the principal risk and rewards of ownership, including amongst others, the obligation to deliver the services, revenue is reported gross by the Group. Under arrangements where the Group acts as an agent, revenue is reported on a net basis.

Revenues related to freelancers further increased, also because of the acquisitions done during the year. The Group uses different type of contracts for this. In a part of these contracts, also taking into account the general terms & conditions, the communication includes elements of an agent (margin only revenue), instead of a principal (gross revenue). Key judgement was used by the Group to recognize sales related to freelance revenues either as principal or agent, depending on the terms and conditions stipulated in the contracts.

Interest income

Interest income is recognized using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loans and receivables is recognized using the original effective interest rate.

Going concern

Management has assessed the going concern assumption and exercised judgment in making reasonable estimates. Based on the latest available financial (cash flow) forecasts and sensitivity analysis performed, management concluded that there is no material uncertainty related to events and conditions that may cast significant doubt on the Group ability to continue as a going concern.

4. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities are exposed to a variety of financial risks: market risk (including limited foreign exchange risk, cash flow and fair value interest rate risk), credit risk and liquidity risk.

The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The objective is to identify, quantify, manage and then monitor events or actions that could lead to financial losses. The Group uses derivative financial instruments to hedge certain interest risk exposures. In particular, the Group protects the variable interest rate on loans via the use of caps that limit the exposure to fluctuations of Euribor.

Risk management is carried out by the Group's Treasury department. Group's treasury identifies, evaluates and hedges financial risks with approval from the Board of Directors.

Market risk

Foreign exchange risk

The most common foreign currency rates applicable to the Group can be summarized below:

	31 December 2024		31 December 2023	
1 EUR =	Average	At year-end	Average	At year-end
CHF	0,95	0,94	0,97	0,94
PLN	4,31	4,28	4,52	4,35
RON	4,97	4,97	4,94	4,99
USD	1,08	1,04	1,08	1,11
GBP	0,85	0,83	0,87	0,87

The Group's exposure to foreign exchange risk is very limited as the Group's operations are essentially denominated in euro. Therefore, the impact of fluctuations of these currencies of +/-10% is considered immaterial.

Interest rate risk

At year-end 2024 and 2023, the Group has the following external loan arrangements:

	Nominal amount at 31 December			
in KEUR	2024	2023	Interest rate	Maturity date
First-Lien Term Loan (1LTL)	1.299.000	1.170.000	floating	2029
Second-Lien Term Loan (2LTL)	210.000	310.000	floating	2030
Delayed Draw Term Loan (DDLT)	96.000	125.000	floating	2029
Senior Secured Notes (SSN)	415.000	415.000	9%	2029
Total loans	**2.020.000**	**2.020.000**		
Of which:				
Floating interest	1.605.000	1.605.000		
Fixed interest	415.000	415.000		
Revolving credit facility (RCF)	275.000	250.000	floating	2029
Total Revolving Credit Faciliy (RCF)	**275.000**	**250.000**		
Of which:				
Committed ancillary facility	5.000	5.000		
Used	0	0		

In the second quarter of 2024 the Group was able to successfully reprice the margin of the 1LTL by 50 bps at par, upsize it by 100.000 KEUR and convert 29.000 KEUR of the non-fungible DDTL into the newly repriced 1LTL. The 100.000 KEUR proceeds were fully used to partially redeem the 2LTL, reducing its outstanding amount from 310.000 KEUR to 210.000 KEUR.

The floating interests are based on Euribor floored at zero plus a margin (depending on the leverage ratio) of 5,25% (2023: 5,50%) for the 1LTL and for the DDTL. The RCF carries a leverage dependent margin of 4,00% if drawn (2023: 3,50%).

The floating rate borrowings are entirely accounted for at amortized cost, and therefore the impact of changes in the market interest rate on the fair value of these floating rate borrowings at the closing date will have no impact on the income statement or on the equity.

The Group has entered into interest rate hedging agreements to manage its exposure to interest rate risk. The interest rate hedging in place are used to reduce the variability of cash flows arising from changes in interest rates on the Group's floating rate debt. It engaged with 2 clips of each 350.000 KEUR CAPs at a 3% strike, with bi-annual fixings and 1 clip of 300.000 KEUR CAP at a 3% strike, with quarterly fixings. The 2 caps of 350.000 KEUR have an effective date starting on 30 December 2022 with a 3 year term, while the 300.000 KEUR cap has an effective date starting on 29 December 2023 with a 4 year term. The interest rate CAPs are initially measured at fair value and are revalued on the reporting date. The derivatives used by the Group are not classified as cash flow hedging transactions. Changes in the fair value of the derivative are taken immediately through profit and loss, refer to note 11.

Euribor floating rate borrowings which are not covered by the hedge agreements are subject to interest rate risk. An increase (decrease) of 100 basis points – considering a floor at 0% and actual EURIBOR rates at year-end, in interest rate as per year-end would have an effect on profit and equity of:

in KEUR	2024	2023
Increase 100 bps	-6.050	-6.050
Decrease 100 bps	16.050	7.296

At year-end 2024, 143.955 KEUR (2023: 141.164 KEUR) of financing fees are capitalized and are being depreciated over the lifetime of the loans.

All facilities have an option for early repayment, refer to note 11.

Credit risk

Credit risk for the Group mainly arises from cash and cash equivalents, favorable derivative financial instruments and deposits with banks and financial institutions, as well as credit exposure to customers, including outstanding receivables.

Risk management

The Group has no significant concentrations of credit risk other than that for ordinary debtors. The Group has policies to ensure that the services are provided to customers with an appropriate credit history.

Credit risk is managed locally by each PowerHouse. Credit risk mainly arises as credit exposure to customers, including outstanding receivables.

The credit quality of customers, considering the financial position of customers, past experience and other factors, is closely assessed by the credit department on a regular basis. During 2020, a credit insurance program was set-up for the entire group, in order for House of HR to mitigate risks over their open receivables.

Individual risk limits are set based on internal or external ratings in accordance with limits set by the finance committee. The utilization of credit limits is regularly monitored.

Management does not expect any material losses from non-performance by these counterparties.

Impairment of financial assets

The Group has three types of financial assets that are subject to the expected credit loss model:

- trade receivables for sales of services;
- receivables resulting from project services in progress;
- debt investments carried at amortized cost.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, there was no identified impairment loss.

➢ *Trade receivables*

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before each reporting year-end and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the receivables.

The ageing balance and the expected credit loss allowance as at 31 December 2024 and 2023 can be summarized as follows:

31 December 2024 in KEUR	Gross trade receivables	Gross contract assets	Loss allowance	Expected credit loss rate
Current	313.299	4.005	-1.599	0,5%
Past due > 30 days	9.610	0	-452	4,7%
Past due > 60 days	14.793	0	-2.834	19,2%
Past due > 1 year	5.152	0	-3.448	66,9%
Total	**342.854**	**4.005**	**-8.331**	**2,4%**

31 December 2023 in KEUR	Gross trade receivables	Gross contract assets	Loss allowance	Expected credit loss rate
Current	352.455	2.757	-92	0,0%
Past due > 30 days	6.818	0	-75	1,1%
Past due > 60 days	9.422	0	-750	8,0%
Past due > 1 year	5.697	0	-1.118	19,6%
Total	**374.392**	**2.757**	**-2.036**	**0,5%**

As of 31 December 2024, trade receivables of 60.922 KEUR (2023: 56.085 KEUR) were past due but not impaired. These receivables are expected to be recovered and have not been provided for because they relate to well-known customers and they are strictly followed up by the credit department.

The movement of the loss allowances for trade during 2024 and 2023 can be summarized as follows:

in KEUR	31 December 2024	31 December 2023
1 January	**2.036**	**457**
Increase in loss allowance recognized in profit or loss during the year	7.303	5.244
Unused amounts and write-offs	-1.008	-3.665
31 December	**8.331**	**2.036**

Trade receivables and project related receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 120 days past due. Several factors are considered in assessing the likelihood of impairment which is assessed on a case-by-case basis.

Impairment losses on trade receivables and project related receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

The Group first applies this policy under the incurred loss model, and then, for the rest of receivables which are not provided for, the Group applies the expected credit loss model, and recognizes an additional provision.

The increase in the loss allowance from 2.036 KEUR as per 31 December 2023 to 8.331 KEUR as per 31 December 2024 is attributable to the revaluation of the trade receivables at fair value at moment of Bain acquisition 3 November 2022. Considering trade receivables are valued at fair value in a business combination, the loss allowance of 8.222 KEUR at 3 November 2022 is considered in the revaluation at fair value of the trade receivables. The current loss allowance of 8.331 KEUR or 2% of trade receivables is in line with the historical loss allowance expected for the Group.

The credit quality of trade receivables is detailed below:

in KEUR	31 December 2024	31 December 2023
Prime	44.381	39.953
High grade	32.325	37.542
Medium grade	53.340	78.058
Lower medium grade	38.970	40.176
Non-investment grade speculative	31.222	26.600
Highly speculative	21.760	16.071
Substantial risk	20.984	18.498
Extremely speculative	8.099	7.897
Default imminent	900	510
In default	3.777	2.625
Trade receivables for counterparties with external credit rating	**255.757**	**267.930**
Group 1 - new customers <6 months	3.329	9.158
Group 2 - existing customers (>6m) with no past defaults	25.998	33.313
Group 3 - existing customers (>6m) with some past defaults	49.438	61.955
Trade receivables for counterparties without external credit rating	**78.766**	**104.426**
Total trade receivables	**334.523**	**372.356**

➢ *Cash and cash equivalents*

The credit rating of cash and cash equivalents consists of:

in KEUR	31 December 2024	31 December 2023
Prime	0	22
High grade	37.856	13.457
Upper medium grade	129.956	191.054
Lower medium grade	4.944	613
Non-investment grade speculative	0	624
Cash and cash equivalents	**172.755**	**205.770**

House of HR uses a notional cash pool at J.P. Morgan, which includes various group entities. The cash pool helps optimize internal liquidity without physical cash concentration. The group monitors the net liquidity position on a daily basis to ensure that it never falls below 0. House of HR Group B.V. acts as a Pooling Agent and manages a Pool Funding Account that temporarily absorbs negative balances, if necessary. There is no external credit risk, as all participants are fully owned by the group. Positive cash positions continue to be classified as cash & cash equivalents. Negative positions per entity are reported as current liabilities, but are not considered debt at group consolidation level, as the total pool cannot be negative and this negative position is therefore purely Intragroup.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and use of trade supplier credit terms.

Cash flow forecasting is performed in the PowerHouses of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities (note 16) at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable external regulatory or legal requirements. The Group also uses factoring agreements with certain banks in order to obtain early access to cash flows.

Surplus cash is retained to finance future growth of the Group through acquisitions, after leverage ratio is in line with Group's internal policy.

The table below analyses the Group's non-derivative and derivative financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the at year-end contractual undiscounted cash flows and include future contractual interest payments. As a result, those amounts differ from the balances in the balance sheet.

31 December 2024	Contractual cash flows				
in KEUR	< 1 year	1-2 years	2-5 years	> 5 years	Total
Non derivatives					
Bank loans	183.991	164.872	2.314.137	217.931	**2.880.932**
Lease liabilities, net of lease receivables	81.798	57.529	67.928	16.492	**223.747**
Trade and other payables	112.832	0	0	0	**112.832**
Shareholder's loans/payables	1.611	0	0	0	**1.611**
Other loans	274	259	51	0	**584**
Derivatives					
Derivative liabilities	4.459	749	749	0	**5.957**

31 December 2023	Contractual cash flows				
in KEUR	< 1 year	1-2 years	2-5 years	> 5 years	Total
Non derivatives					
Bank loans	201.583	186.334	540.751	2.144.819	**3.073.486**
Lease liabilities, net of lease receivables	72.358	55.058	69.839	31.921	**229.177**
Trade and other payables	123.031	0	0	0	**123.031**
Shareholder's loans/payables	43	43	1.662	0	**1.748**
Other loans	309	265	256	0	**830**
Derivatives					
Derivative liabilities	850	1.537	163	0	**2.550**

In order to meet its cash outflow obligations, the Group uses cash flows generated from operating activities and credit facilities with financial institutions if necessary. In order to mitigate the liquidity obligations in the less than one-year bucket, cash flows from revolving credit facilities with drawdown rights for additional 270.000 KEUR are available until 6 months before the termination date of the Term Loan B.

Capital risk management

➢ *Borrowings and related gearing ratio*

in KEUR	31 December 2024	31 December 2023
Total borrowings	1.920.892	1.903.556
Less: cash and cash equivalents	-172.755	-205.770
Net debt	**1.748.136**	**1.697.786**
Total equity	279.907	756.135
Total funding	**2.028.043**	**2.453.921**
Gearing ratio	**86%**	**69%**

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Under the terms of the Senior Facilities Agreement, if the RCF is drawn over 100.000 KEUR the Group is required to comply with a springing Senior Secured Net Leverage covenant (Senior Secured Net Debt to Consolidated Pro Forma Management EBITDA; i.e. EBITDA adjusted based on the SFA agreement) set at 8.13:1 for the life of the Revolving Credit Facility (RCF). At 31 December 2024, similar as to 31 December 2023, the Group did not draw under the RCF.

Management considers there is no material risk of breaching any covenant in the foreseeable future.

➢ *Dividends*

No dividends are paid out to majority shareholders. During 2024, 631 KEUR (2023: 542 KEUR) dividends were paid to minority shareholder.

Fair value estimation

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the reporting date. The quoted (unadjusted) market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the reporting date. These instruments are included in level 2.

The instruments included in level 3 are those for which one or more significant inputs are not based on observable market data.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

The following tables present the fair value disclosures of the Group's financial assets and liabilities at 31 December 2024 and 2023:

31 December 2024 in KEUR	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Derivative financial instruments	0	0	0	**0**
Assets for which fair values are disclosed				
Trade receivables	0	334.523	0	**334.523**
Other receivables	0	71.486	0	**71.486**
Cash and cash equivalents	0	172.755	0	**172.755**
Other non-current assets	0	13.128	0	**13.128**
Liabilities measured at fair value				
Derivative financial instruments	0	5.957	0	**5.957**
Liabilities for which fair values are disclosed				
Trade and other payables	0	112.832	0	**112.832**
Bank borrowings	0	2.020.007	0	**2.020.007**
Shareholders loans	0	1.575	0	**1.575**
Other loans	0	563	0	**563**
Other liabilities - financial leases	0	207.911	0	**207.911**
Other liabilities - excl. financial leases	0	159.240	0	**159.240**

31 December 2023 in KEUR	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Derivative financial instruments	0	0	0	**0**
Assets for which fair values are disclosed				
Trade receivables	0	372.356	0	**372.356**
Other receivables	0	62.250	0	**62.250**
Cash and cash equivalents	0	205.770	0	**205.770**
Other non-current assets	0	14.678	0	**14.678**
Liabilities measured at fair value				
Derivative financial instruments	0	2.550	0	**2.550**
Liabilities for which fair values are disclosed				
Trade and other payables	0	123.031	0	**123.031**
Bank borrowings	0	2.039.067	0	**2.039.067**
Shareholders loans	0	1.575	0	**1.575**
Other loans	0	688	0	**688**
Other liabilities - financial leases	0	206.933	0	**206.933**
Other liabilities - excl. financial leases	0	151.132	0	**151.132**

At 31 December 2024 and 2023 a level 2 fair value has been used for all financial instruments measured at fair value. Refer to note 11 for the fair value determination of the derivative instruments.

With regard to the estimates used for the valuation of the earn-outs (included in note 17 Other liabilities, reference is made to note 2.)

Offsetting financial assets and financial liabilities

The Group does not apply any offsetting on financial assets and financial liabilities as there are no enforceable master netting arrangements.

The Group has the following pledges in place:

- Limited recourse share pledge granted by House of HR Midco over its shares held in House of HR Group
- Limited recourse security agreement granted by House of HR Midco over IC receivables owed to House of HR Midco by House of HR Group
- Share pledge granted by House of HR Group over shares held in House of HR Finco
- Security agreement granted by House of HR Group over (i) its material bank accounts in the Netherlands; and (ii) IC receivables owed to House of HR Group by House of HR Finco
- Share pledge granted by House of HR Group over shares held in House of HR
- Security agreement granted by House of HR Finco over IC receivables owed to House of HR Finco by House of HR
- Securities account pledge granted by House of HR Group over its shares held in House of HR France
- Second ranking securities account pledge granted by House of HR Group over its shares held in House of HR France.

5. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

This note provides an overview of the areas that involve a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong.

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

5.1 Accounting judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the consolidated financial statements:

Accounting judgements

Accounting for factoring agreements within the Group

Several affiliates of the Group have entered into factoring agreements with banks, under which trade receivables of certain entities within the Group are being transferred to the factors. The entities which such agreements are part of Accent Group, TimePartner, Continu, Covebo, SOLCOM, House of HealthCare and ABY Engineering. Significant judgement is needed to assess whether the criteria for derecognition of these assets under IFRS 9 has been met, and whether the Group can derecognize trade receivables at the moment of transfer to the factors. In order to meet the IFRS 9 criteria for the derecognition, substantially all risks and rewards of ownership related to the financial asset (i.e. receivable) need to be transferred to the factor.

The factoring agreement stipulates a late payment risk for clients not paying their invoices or paying their invoices passed due date. The Group assesses this risk based on the outstanding receivables at year-end and taken into account the historical client behavior for late payment.

Capitalization of development costs

The capitalization of development costs involves management judgement: management assesses whether the development projects meet the criteria for capitalization, which includes expectations of future economic benefits and the ability to reliably measure the expenditures attributable to the projects. This involves estimates concerning technical feasibility, completion of the projects, and subsequent use or sale. The assumptions made in this process are reviewed regularly to ensure they are still appropriate, and adjustments are made as necessary to reflect changes in market conditions, technological advancements, and other relevant factors.

Useful life and residual value of intangible assets and property, plant and equipment

Judgement is required in estimating the useful lives and residual value of intangible and tangible assets. The residual value is the estimated amount that would be currently obtained from the disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Group management reviews its estimated useful life as well as the residual value of intangible and tangible assets on an annual basis.

Refer to the property, plant and equipment note (note 9) and intangible assets note (note 7) for more information.

Determining the lease term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its leases to lease the assets for additional terms between 3 and 9 years. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

The Group included the renewal period as part of the lease term for leases of its buildings due to the significance of these assets to its operations when it is reasonably certain that these renewal options will be exercised by the Group.

Revenue recognition

Revenues related to freelancers further increased, also because of the acquisitions done during the year. The Group uses different type of contracts for this. In a part of these contracts, also taking into account the general terms & conditions, the communication includes elements of an agent (margin only revenue), instead of a principal (gross revenue). Key judgement was used by the Group to recognize sales related to freelance revenues either as principal or agent, depending on the terms and conditions stipulated in the contracts.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Impairment testing on goodwill

Impairment exists when the carrying value of an asset or cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

The fair value less costs to sell calculation is either based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset or either based on discounted cash flow model. The cash flows are derived from the budget for the next five years and include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash- generating unit being tested.

The value in use calculation is based on discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash- generating unit being tested.

The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

The key assumptions used to determine the recoverable amount for the different cash-generating units, including a sensitivity analysis, are further explained in note 8.

Fair value of financial instruments

The Group has a First-Lien and Second-Lien Term Loan, a Delayed Draw Term Loan and Senior Secured Notes. A derivative financial asset has been recognized in relation to the embedded derivate – the right to exercise an early payment option. As this option is not considered to be closely related to the host contract, a derivative asset has been recognized separately from the host contract and has been measured at fair value on initial recognition and subsequently at fair value through the income statement. The option is valued using different modules within Bloomberg. First, appropriate inputs are extracted (bond price and implied volatility per reporting date). Further, another module in Bloomberg is used to determine the option price given these inputs. The value of the option is calculated by comparing the present value of the cash flows, assuming no prepayment takes place, discounted by the interest rate including an option adjusted spread, minus the market value of the bond and minus the net book value of the capitalized refinancing expenses in order to take into account the impact of the timing of the period between the previous and next round of refinancing.

The Group has entered into interest rate hedging agreements to manage its exposure to interest rate risk. The interest rate hedging in place are used to reduce the variability of cash flows arising from changes in interest rates on the Group's floating rate debt. derivative financial asset has been recognized in relation to the interest rate CAP. The interest rate CAPs are initially measured at fair value and are revalued on the reporting date. The fair value is an approximate Mark-to-Market value ("*MtM*") based on the prevailing market conditions as at the close of business. The MtM excludes amounts for profit, credit reserve, hedging, funding, liquidity, or any other costs or adjustments.

For more details refer to note 11 on derivatives.

Fair value of intangible assets acquired in a business combination

As part of the purchase price allocations that were completed by the Group for the recent acquisitions of the Group, both brand names and customer relationships have been accounted for by the Group at their estimated fair value. In determining the fair value of these intangible assets, assumptions and estimates are made in relation to the long-term growth rate, discount rates and contributory asset charges. Refer to note 2 for more information.

Taxes

Uncertainties may exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded.

The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Estimated earn-out

Earn-out arrangements may exist as part of the negotiations of the purchase price in business combinations. At acquisition date, the earn-out liability is calculated based on the most likely outcome, taken into account the information that is at hand at that time. A revaluation of this estimate is performed at year-end, based on the updated information available. Judgement is required in estimating the likely outcome of the earn-out as this frequently includes future information, such as expected EBITDA growth or expected gross margin growth. In case of a difference between the initial estimate and the updated estimate at year-end, the difference is recorded though P&L in Other gains/(losses) - net.

6. Segment Reporting

Via its two operating segments, Engineering & Consulting and Specialized Talent Solutions, the Group is able to deliver custom-made solutions to its target markets and believes it will deliver faster than market sales growth.

- **Engineering & Consulting**: Highly skilled professionals are recruited to work in fast evolving sectors like finance, public, legal, energy, pharmaceuticals, technology through project sourcing, interim management or secondment in line with our clients' needs. The Group also assists clients with the search and selection of the right candidate, interim management or secondment.

  The Engineering & Consulting segment, composed of ABY Engineering, AERO, Cohedron, Continu Professionals, SOLCOM and Redmore, is active throughout France, the Netherlands, Belgium, and Germany. Reference is made to note 26 for a split of the revenue per geographical region.

- **Specialized Talent Solutions**: The Specialized Talent Solutions segment provides on the one hand temporary staffing solutions with a focus on 'temp-to-perm' placements with focus on SME, international job candidate recruiting and permanent placements for clients who need specific job profiles, and on the other hand short-term staffing solutions to larger clients with multiple staffing needs, such as healthcare, finance, construction, technical, retail and logistics.

  The Specialized Talent Solutions segment, composed of Accent, House of HealthCare, Covebo, NowJobs, TimePartner (excl. AERO) and TMI, is active in Belgium, The Netherlands and Germany.

Further, the "*House of Support*" considers all group activities, including the digital initiatives of the Group. These relate to digital solutions designed around the Groups' candidates and clients, such as CV Creator, NowJobs (including StaffMe) and Book'U.

House of HR management is responsible for managing performance, underlying risks, and effectiveness of operations.

As explained above in note 1, the PowerHouse GRITT, part of the Engineering & Consulting segment, no longer exists. Effective January 2024, the TEC activities were sold to ABY Engineering (also part of Engineering & Consulting) and the Logi-Technic business became part of the Dutch Covebo, part of the Specialized Talent Solutions segment. As a consequence, the 2023 segment reporting has been restated to reflect this split of activities.

The tables below shows the segment information provided to management and the Board for the reportable segments and the basis on which revenue is recognized for 2024 and 2023.

Segment reporting - income statement for the year ended at 31 December 2024					
in KEUR	Specialized Talent Solutions	Engineering & Consulting	House of Support (incl. Book'U)	Group eliminations and other	TOTAL
Revenue	2.010.462	1.342.570	1.284	-200	**3.354.115**
Revenue from transactions with other operating segments in the group	3.684	340	0	-4.023	**0**
Cost of services	-1.557.855	-941.127	-297	508	**-2.498.771**
Gross profit/(loss)	**456.290**	**401.783**	**987**	**-3.715**	**855.344**
Selling expenses	-341.651	-222.208	-1.055	3.987	**-560.927**
Other general and administrative expenses	-89.338	-92.720	-30.171	-459	**-212.688**
Goodwill impairment	-282.531	-36.815	0	0	**-319.346**
Total operating expenses	**-713.520**	**-351.743**	**-31.226**	**3.528**	**-1.092.961**
Other gains/(losses) - net	-15.794	-11.697	27.501	-2	**8**
Operating profit/(loss)	**-273.024**	**38.342**	**-2.739**	**-189**	**-237.609**
Financial income	4.032	4.780	90.755	-95.596	**3.971**
Financial expenses	-49.910	-76.356	-215.924	95.726	**-246.464**
Net finance income/(loss)	**-45.878**	**-71.576**	**-125.169**	**130**	**-242.493**
Share in profit/loss of equity accounted investments	44	13	0	0	**57**
Profit/(loss) before taxes	**-318.858**	**-33.221**	**-127.908**	**-58**	**-480.045**
Income tax expenses	-503	1.465	-475	0	**486**
Net profit/(loss) of the period	**-319.361**	**-31.757**	**-128.383**	**-58**	**-479.559**

Segment reporting - income statement for the year ended at 31 December 2023					
in KEUR	Specialized Talent Solutions	Engineering & Consulting	House of Support (incl. Book'U)	Group eliminations and other	TOTAL
Revenue	1.992.849	1.330.490	618	0	**3.323.957**
Revenue from transactions with other operating segments in the group	3.477	468	0	-3.945	**0**
Cost of services	-1.518.678	-913.062	-290	1.252	**-2.430.779**
Gross profit/(loss)	**477.648**	**417.895**	**329**	**-2.694**	**893.179**
Selling expenses	-330.682	-220.264	5.624	-1.987	**-547.308**
Impairment of goodwill	-3	0	-2.938	2.941	**0**
Other general and administrative expenses	-92.108	-92.883	-48.018	3.995	**-229.013**
Total operating expenses	**-422.792**	**-313.146**	**-45.331**	**4.949**	**-776.320**
Other gains/(losses) - net	-9.179	-8.223	85.014	-2.934	**64.679**
Operating profit/(loss)	**45.678**	**96.526**	**40.011**	**-679**	**181.537**
Financial income	17.299	2.816	182.466	-201.688	**893**
Financial expenses	-61.656	-71.620	-224.634	117.758	**-240.152**
Net finance income/(loss)	**-44.357**	**-68.804**	**-42.168**	**-83.930**	**-239.259**
Share in profit/loss of equity accounted investments	0	0	0	0	**0**
Profit/(loss) before taxes	**1.321**	**27.722**	**-2.157**	**-84.609**	**-57.722**
Income tax expenses	-7.348	-15.362	10.294	6	**-12.410**
Net profit/(loss) of the period	**-6.027**	**12.360**	**8.137**	**-84.602**	**-70.132**

Segment sales are presented before elimination of intersegment transactions. Sales between segments are at arm's length basis in a manner similar to transactions with third parties.

The pro forma Management Adjusted EBITDA 2024 for the Engineering & Consulting Segment amounts to 190.498 KEUR, for the Specialized Talent Solutions to 156.670 KEUR, and for the House of Support to -17.019 KEUR. The pro forma Management Adjusted EBITDA is presented to management and the Board per reportable segment. The pro forma Management Adjusted EBITDA for the segments in total amounts to 330.151 KEUR. Reference is made to the note "*Bridge between IFRS Consolidated operating profit and Pro Forma Management Adjusted EBITDA*" for a reconciliation between the Pro Forma Management Adjusted EBITDA at Group level and the operating profit/loss.

The 'Group eliminations and other' net finance income/(loss) of 83.930 KEUR in 2023 relates mainly to the elimination of the dividend from Accent Jobs For People N.V. to House of HR N.V. (83.840 KEUR).

Segment reporting - balance sheet as at 31 December 2024

in KEUR	Specialized Talent Solutions	Engineering & Consulting	House of Support (incl. Book'U)	Group eliminations	TOTAL
Total segment non-current assets	1.104.065	1.584.810	24.864	0	**2.713.807**
Amount of investments in associates and joint ventures accounted for by the equity method	0	161	880	0	**1.041**

Segment reporting - balance sheet as at 31 December 2023

in KEUR	Specialized Talent Solutions	Engineering & Consulting	House of Support (incl. Book'U)	Group eliminations and other	TOTAL
Total segment non-current assets	1.443.465	1.666.312	20.963	0	**3.130.740**
Amount of investments in associates and joint ventures accounted for by the equity method	0	74	1.200	0	**1.274**

Segment non-current assets include property, plant and equipment, intangible assets, goodwill and other non-current assets.

In 2024, the group employs 49.515 FTE (internal employees and People at Work), of which 13.828 FTE relating to the Engineering & Consulting Segment, 35.539 FTE to the Specialized Talent Solutions and 136 to House of Support. 17.151 FTE are located in the Netherlands.

7. INTANGIBLE ASSETS

in KEUR Net book value	Customer relation-ships	Brand name	Internally generated software	Software under develop-ment	Externally acquired software	Total
1 January 2023	**1.146.588**	**226.240**	**2.662**	**3.740**	**49.864**	**1.429.094**
31 December 2023	**1.075.844**	**218.611**	**17.819**	**5.499**	**36.213**	**1.353.987**
31 December 2024	**986.971**	**199.073**	**31.880**	**7.398**	**30.566**	**1.255.888**

in KEUR Cost	Customer relation-ships	Brand name	Internally generated software	Software under develop-ment	Externally acquired software	Total
1 January 2023	**1.157.482**	**228.735**	**1.771**	**3.740**	**52.207**	**1.443.936**
Acquisition of subsidiaries	21.147	12.194	48	0	208	**33.596**
Disposal of subsidiaries	0	0	-162	0	0	**-162**
Additions	0	0	6.526	11.741	732	**19.000**
Disposals	0	0	-169	0	-2.241	**-2.410**
Translation differences	0	0	1	0	0	**1**
Transfers	0	0	10.004	-9.980	0	**25**
Other changes	-287	0	0	0	0	**-287**
31 December 2023	**1.178.343**	**240.928**	**18.019**	**5.501**	**50.906**	**1.493.698**
Acquisition of subsidiaries	0	0	0	0	-1	**-1**
Disposal of subsidiaries	0	0	0	0	0	**0**
Additions	297	0	7.929	10.740	6.541	**25.506**
Disposals	0	0	-2.434	-242	-289	**-2.965**
Translation differences	0	0	0	0	1	**1**
Transfers	0	0	8.590	-8.590	0	**0**
Other changes	0	0	0	0	0	**0**
31 December 2024	**1.178.640**	**240.928**	**32.104**	**7.409**	**57.158**	**1.516.239**

in KEUR Accumulated amortization and impairment	Customer relation-ships	Brand name	Internally generated software	Software under develop-ment	Externally acquired software	Total
1 January 2023	**-10.894**	**-2.495**	**891**	**0**	**-2.343**	**-14.841**
Disposal of subsidiaries	0	0	143	0	0	**143**
Disposals	0	24	0	0	133	**157**
Amortization/impairment	-91.693	-19.846	-1.234	-2	-12.497	**-125.273**
Other changes in accumulated depreciations	89	0	0	0	15	**103**
31 December 2023	**-102.499**	**-22.317**	**-200**	**-2**	**-14.693**	**-139.711**
Disposal of subsidiaries	0	0	0	0	0	**0**
Disposals	0	0	2.412	2	443	**2.857**
Amortization/impairment	-89.170	-19.538	-2.436	-12	-12.342	**-123.497**
Other changes in accumulated depreciations	0	0	0	0	0	**0**
31 December 2024	**-191.669**	**-41.855**	**-223**	**-12**	**-26.591**	**-260.351**

Acquisition related intangible assets

The carrying amounts of the customer relationships and the brand names as per 31 December 2024 amount to 986.971 KEUR and 199.074 KEUR, respectively. As per 31 December 2023, the carrying amounts were 1.075.844 KEUR and 218.611 KEUR respectively.

The customer relationships and brand names were acquired as part of a business combination or an asset deal. They are recognized at their fair value at the date of acquisition and are subsequently amortized on a straight-line based on the timing of projected cash flows of the contracts over their estimated useful lives. The estimated useful lives are determined per PowerHouse. The customer relationships have a useful live between 2 and 24 years, the trade names between 3 and 15 years. The fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

Refer to the Business Combination note (note 2) for more information on the additions to the customer relationships and the brand names.

Software

The Group capitalizes amounts of both externally acquired software and internally developed software. Internally developed software is initially classified under the category "*Software under development*" and is transferred to the category "*Internally generated software*" once the software becomes available for use. As from that moment amortizations will start.

Externally acquired software

The carrying amount of externally acquired software amounts to 30.566 KEUR as per 31 December 2024 (36.213 KEUR as per 31 December 2023). The majority of the externally developed software is coming from the 2022 business combination (note 2) and relates to the "*MyAccent app*" and the "*My tools*" digital platform that is used by Accent Jobs for People to run the HR business; the IT platform named "*FLOW*" developed by Cohedron to bring together budget counselling, guardianship and debt counseling; and the development of the apps created by the Group such as NowJobs, Softskills, etc.

Internally developed software and software under development

The carrying amount of internally generated software amounts to 31.880 KEUR as per 31 December 2024 (17.819 KEUR as per 31 December 2023). The carrying amount of software under development amounts to 7.398 KEUR as per 31 December 2024 (5.499 KEUR as per 31 December 2023).

The Group expenses related to research and development expenditures in the income statement are minor (< 100 KEUR).

Amortizations

Amortizations on intangible assets are charged to the selling expenses (110.858 KEUR) and the general and administrative expenses (12.639 KEUR) in the income statement.

There are no intangible assets with an indefinite useful life.

8. GOODWILL

Goodwill acquired through business combinations is allocated by Group management to the PowerHouses representing the Cash Generating Units of the Group. These PowerHouses are part of below reportable segments:

- **Engineering & Consulting:** Highly skilled professionals are recruited to work in fast evolving sectors like finance, public, legal, energy, pharmaceuticals, technology, through project sourcing, interim management or secondment in line with our clients' needs. The Group also assists clients with the search and selection of the right candidate, interim management or secondment. The Engineering & Consulting segment, composed of ABY Engineering, AERO, Cohedron, Continu Professionals, SOLCOM and Redmore, is active throughout France, the Netherlands, Belgium, and Germany.
- **Specialized Talent Solutions**: The Specialized Talent Solutions segment provides on the one hand temporary staffing solutions with a focus on 'temp-to-perm' placements with focus on SME, international job candidate recruiting and permanent placements for clients who need specific job profiles, and on the other hand short-term staffing solutions to larger clients with multiple staffing needs. We strongly believe it requires specialists to hire specialists. House of HealthCare, finance, construction, technical, retail, logistics – our specialized PowerHouses know their niches and both their customers and candidates like no one else. The Specialized Talent Solutions segment, composed of Accent, House of HealthCare, Covebo, NowJobs, TimePartner (excluding AERO), and TMI, is active in Belgium, The Netherlands and Germany.

Carrying amount of goodwill allocated to each of the segments

Movements in goodwill as well as the allocation of goodwill to the different Cash Generating Units within the segments at year-end is shown in the following table:

in KEUR	1 January 2024	Acquisition of subsidiaries	Disposal of subsidiaries	Impairment charge	Other adjustment	31 December 2024
Specialized Talent Solutions	686.581	3.329	0	-286.107	0	403.803
Engineering & Consulting	839.023	2.900	0	-33.239	0	808.684
Total	**1.525.604**	**6.229**	**0**	**-319.346**	**0**	**1.212.487**

in KEUR	1 January 2023	Acquisition of subsidiaries	Disposal of subsidiaries	Impairment charge	Other adjustment	31 December 2023
Specialized Talent Solutions	620.131	68.473	-2.023	0	0	686.581
Engineering & Consulting	825.878	12.977	0	0	168	839.023
Total	**1.446.009**	**81.450**	**-2.023**	**0**	**168**	**1.525.604**

Reference is made to note 2 on business combinations for more details on the acquisitions of subsidiaries.

The CGUs TimePartner and House of HealthCare Germany are operating in tough market conditions. Management has carefully considered this in their business plan. CGU SOLCOM has acquired IBB early 2024 from TimePartner. IBB has also been heavily impacted by the German market conditions, impacting the SOLCOM budget adversely. Further, all CGUs are impacted by the increased WACC (impacted by a.o. increased risk-free rate and increased country risk premium). As a result, a total impairment charge of 319.346 KEUR has been accounted for.

Key assumptions used in fair value less cost to sell calculations

With regard to the business combinations, the determination and allocation of the Purchase Price, including Goodwill, occurred at acquisition date.

The calculations use cash flow projections based on financial budgets approved by management covering a five-year window for the 2024 impairment. Cash flows beyond the projection period are extrapolated using a 2% growth rate. This growth rate is consistent with forecasts included in industry reports specific to the industry in which each CGU operates.

The calculation of fair value less costs to sell for all CGU's are most sensitive to the following assumptions:

- ***Post-tax discount rates:*** Discount rates represent the current market assessment of the risks associated, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and derived from its weighted average cost of capital (WACC). The WACC takes into account

a rate that reflects a return that investors would require if they chose an investment that would generate cash flows of the same amounts, timing and risk profiles as those that the Group expects from the CGU. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data. Compared to 2023, the WACC has increased a.o. resulting from an increase in the risk-free rate and an increase in country risk premium. The table below shows the discount rates per PowerHouse.

Discount rates	31 December 2024	31 December 2023
	12,7 – 13,6%	**11,7 – 12,4%**
Engineering & Consulting		
Cohedron	12,8%	11,9%
Continu Professionals	12,8%	11,9%
Redmore	12,8%	11,9%
SOLCOM	12,7%	11,7%
AERO	12,7%	11,7%
ABY Engineering	13,6%	12,3%
Specialized Talent Solutions		
Accent	13,4%	12,4%
Covebo	12,8%	11,9%
TimePartner	12,7%	11,7%
House of HealthCare	12,7%	11,7%
Digital	13,4%	11,9%
TMI	12,8%	11,9%

- ***EBITDA Margin:*** The EBITDA margins are based upon past performance and management's expectations for the future. The average EBITDA margin for the five-year financial budget is in the range of 10,8%-24,2% for the Engineering & Consulting Segment, with most PowerHouses in Engineering & Consulting having an EBITDA margin around 16,4%, and 7,0%-18,5% for the Specialized Talent Solutions segment, with most PowerHouses in Specialized Talent Solutions having an EBITDA margin around 9,2%. The average EBITDA margin per segment amounts to:

in KEUR EBITDA margin	31 December 2024	31 December 2023
Specialized Talent Solutions	9,1%	9,6%
Engineering & Consulting	16,2%	16,8%

- ***Growth rate estimates:*** Rates are based on financial budgets approved by management covering a five-year window for the 2024 impairment. Beyond this period, rates are based on published inflation rates provided by the IMF (International Monetary Fund), amounting to 2%. For the reasons explained above, the long-term rate is used to extrapolate the projections.

Average growth rate	31 December 2024	31 December 2023
Engineering & Consulting	**7,4 – 10%**	**9 – 14%**
Cohedron	10%	9%
Continu Professionals	7%	10%
Redmore	8%	11%
SOLCOM	9%	12%
AERO	6%	16%
ABY Engineering	7,7%	11%
Specialized Talent Solutions	**3 – 68%**	**8 – 14%**
Accent	9%	9%
Covebo	8%	10%
TimePartner	6%	14%
House of HealthCare	3%	11%
Digital	68%	
TMI	7%	8%

Sensitivity to changes in assumptions

A sensitivity analysis has been performed taken into account following changes: a decrease in annual sales growth of 100BPS, a decrease in EBITDA margin of 100BPS or an increase in WACC of +1%. These have resulted in the following additional impairment risk:

in KEUR Sensitivity	EBITDA	Sales	WACC
Specialized Talent Solutions	-264.476	-242.892	-230.011
Engineering & Consulting	-38.165	-36.135	-37.021
Total	**-302.641**	**-279.027**	**-267.033**

The CGUs TimePartner, House of HealthCare and SOLCOM are operating in tough market conditions. Management has carefully considered this in their budget and an action plan has been set up. Further, the increased WACC is also impacting the CGU Accent. If the budget expectations would not be met, or the WACC would further increase, this might be considered as a trigger for a goodwill impairment.

9. PROPERTY, PLANT AND EQUIPMENT

The group holds the following property, plant and equipment:

in KEUR Net book value	Land and buildings	Plant and machinery	Furniture, hardware and motor vehicles	Leasing	Other tangible assets	Total
1 January 2023	979	1.080	16.680	167.446	10.682	196.867
31 December 2023	891	1.801	21.189	199.843	12.972	236.695
31 December 2024	845	2.114	20.124	197.235	11.987	232.304

Rollforward table of property, plant and equipment:

in KEUR Cost	Land and buildings	Plant and machinery	Furniture, hardware and motor vehicles	Leasing	Other tangible assets	Total
1 January 2023	985	1.143	17.257	178.423	11.054	208.861
Acquisition of subsidiaries	0	0	856	8.198	36	9.089
Disposal of subsidiaries - gross book value	0	0	0	-261	0	-261
Additions	1	1.123	11.537	87.455	7.098	107.215
Remeasurement & contract modifications	0	0	0	14.658	0	14.658
Disposals - reversal of gross book value	0	-120	-3.628	-11.329	-4.389	-19.465
Transfers - Acquisition value	0	0	556	0	-581	-25
31 December 2023	985	2.146	26.578	277.144	13.219	320.073
Acquisition of subsidiaries	0	0	10	1.115	0	1.125
Disposal of subsidiaries - gross book value	0	0	0	0	0	0
Additions	74	846	7.624	82.711	3.815	95.071
Remeasurement & contract modifications	0	0	0	-1.346	0	-1.346
Disposals - reversal of gross book value	-66	19	-1.847	-32.254	-1.116	-35.264
Transfers - Acquisition value	46	0	1.101	0	-1.146	0
31 December 2024	1.039	3.011	33.467	327.370	14.772	379.658

in KEUR Accumulated depreciation and impairment	Land and buildings	Plant and machinery	Furniture, hardware and motor vehicles	Leasing	Other tangible assets	Total
1 January 2023	**-5**	**-63**	**-577**	**-10.976**	**-372**	**-11.994**
Disposals of subsidiaries	0	0	0	77	0	77
Disposals - reversal of accumulated amortization/impairment	0	109	3.148	11.234	4.309	18.801
Depreciation/impairment	-89	-392	-7.961	-77.636	-4.184	-90.261
Transfers - Accumulated depreciations	0	0	0	0	0	0
31 December 2023	**-94**	**-345**	**-5.390**	**-77.301**	**-247**	**-83.377**
Disposals of subsidiaries	0	0	0	0	0	0
Disposals - reversal of accumulated amortization/impairment	0	-22	1.218	31.820	741	33.758
Depreciation/impairment	-110	-530	-8.542	-84.654	-3.899	-97.734
Transfers - Accumulated depreciations	10	0	-630	0	620	0
31 December 2024	**-194**	**-897**	**-13.343**	**-130.135**	**-2.785**	**-147.354**

The Group's main PP&E items relate to office furniture, hardware and equipment, owned company cars as well as leasehold improvements the Group has made in its leased headquarters and regional offices (branches). The caption "*Leased PP&E*" includes various company cars, houses, branches and headquarters that are considered as lease in accordance with IFRS16 standard on leases:

in KEUR Leased right-of-use assets	31 December 2024	31 December 2023
Buildings	101.170	116.405
Cars	95.844	83.371
Office equipment and vehicles	220	66
Total leased right-of-use assets	**197.235**	**199.843**

Changes into PP&E as per 31 December 2024 mainly relate to the replacement of office furniture and company cars. Remeasurements & contract modifications relate to the modifications in the assumptions of the lease contracts, such as the prolongment of the lifetime of existing contracts.

In 2024, depreciations on PP&E are charged to Cost of Services (40.676 KEUR), selling expenses (43.639 KEUR) and the general and administrative expenses (13.673 KEUR) in the income statement. In 2023, depreciations on PP&E were charged to Cost of Services (31.678 KEUR), selling expenses (41.435 KEUR) and the general and administrative expenses (17.147 KEUR) in the income statement.

10. FINANCIAL INSTRUMENTS BY CATEGORY

The Group holds the following financial instruments:

in KEUR Financial assets at	Fair value through OCI (FVOCI)	Fair value through P&L (FVPL)	Amortized costs	Total
31 December 2024				
Trade receivables	0	0	334.523	**334.523**
Loans to related parties	0	0	325	**325**
Cash and cash equivalents	0	0	172.755	**172.755**
Other non-current assets	0	0	12.803	**12.803**
Other receivables	0	0	71.486	**71.486**
Total financial assets	**0**	**0**	**591.892**	**591.892**

in KEUR Financial assets at	Fair value through OCI (FVOCI)	Fair value through P&L (FVPL)	Amortized costs	Total
31 December 2023				
Trade receivables	0	0	372.356	**372.356**
Loans to related parties	0	0	225	**225**
Cash and cash equivalents	0	0	205.770	**205.770**
Other non-current assets	0	0	14.453	**14.453**
Other receivables	0	0	62.250	**62.250**
Total financial assets	**0**	**0**	**655.053**	**655.053**

in KEUR Financial liabilities at	Fair value through OCI (FVOCI)	Fair value through P&L (FVPL)	Amortized costs	Total
31 December 2024				
Trade and other payables	0	0	112.832	**112.832**
Bank borrowings	0	0	1.918.754	**1.918.754**
Other loans	0	0	563	**563**
Shareholder's loans	0	0	1.575	**1.575**
Other liabilities - leases	0	0	207.911	**207.911**
Other liabilities - excl. Leases	0	0	159.240	**159.240**
Derivative financial liabilities	0	5.957	0	**5.957**
Total financial liabilities	**0**	**5.957**	**2.400.875**	**2.406.832**

in KEUR Financial liabilities at	Fair value through OCI (FVOCI)	Fair value through P&L (FVPL)	Amortized costs	Total
31 December 2023				
Trade and other payables	0	0	123.031	**123.031**
Bank borrowings	0	0	1.901.293	**1.901.293**
Other loans	0	0	688	**688**
Shareholder's loans	0	0	1.575	**1.575**
Other liabilities - leases	0	0	206.933	**206.933**
Other liabilities - excl. Leases	0	0	151.132	**151.132**
Derivative financial liabilities	0	2.550	0	**2.550**
Total financial liabilities	**0**	**2.550**	**2.384.652**	**2.387.203**

11. DERIVATIVE FINANCIAL INSTRUMENTS

The Group has the following derivative financial instruments:

Interest rate caps

The Group has entered into interest rate hedging agreements to manage its exposure to interest rate risk. The interest rate hedging in place are used to reduce the variability of cash flows arising from changes in interest rates on the Group's floating rate debt. It engaged with 2 clips of each 350.000 KEUR CAPs at a 3% strike, with bi-annual fixings and 1 clip of 300.000 KEUR CAP at a 3% strike, with quarterly fixings. The 2 caps of 350.000 KEUR have an effective date starting on 30 December 2022 with a 3 year term, while the 300.000 KEUR cap has an effective date starting on 29 December 2023 with a 4 year term. The interest rate CAPs are initially measured at fair value and are revalued on the reporting date. At year-end 2024, the fair value of the caps amounted to 676 KEUR liability, compared to 2.550 KEUR liability at 31 December 2023.

The derivatives used by the Group are not classified as cash flow hedging transactions. Changes in the fair value of the derivative are taken immediately through profit and loss. During 2024, a net amount of 676 KEUR was booked through P&L with regard to the interest rate CAPs (being the total of the cashflow hedge income, hedging cost and revaluation expense).

Early payment option on SSN

The Group has 1.299.000 KEUR First-Lien Term Loan, 210.000 KEUR Second-Lien Facility, 96.000 KEUR Delayed Draw Term Loan, and 415.000 KEUR Senior Secured Notes as disclosed in borrowings (refer to note 21 for more details). The First-Lien Term Loan, the Delayed Draw Term Loan, the Senior Secured Notes and the Revolving Credit Facility mature in 2029 and the Second-Lien Term Loan matures in 2030.

A derivative financial liability has been recognized in relation to an embedded derivative – the right for the issuer to exercise an early payment option. As this option is not considered to be closely related to the host contract, a derivative liability has been recognized and has been measured at the fair value on initial recognition with subsequent changes in fair value recorded in the income statement.

As regards the First Lien/delayed draw loan, it should be considered that over the 7 year term the amount to be repaid will be close to the amortized cost. The early repayment clause can be considered closely related to the host instrument and should not be accounted for separately.

As regards the Senior Secured Notes, no early repayment option is available in the first 3 years, whereas in the fourth and fifth year an indemnity which amounts to 50% and 25% respectively of the annual coupon should be paid. In the sixth and seventh year no penalty should be paid. As during half of the exercise period of the option a considerate indemnity should be paid, the amount to be reimbursed will not be close to the amortized cost at the date of reimbursement. The option is not closely related and should be accounted for separately.

As regards the Second Lien loan, no early repayment option is available in the first year, whereas in the second (102%) and third year (101%) an indemnity applies. As the total term is 8 years, for most (63%) of the term no indemnity applies. As from the fourth year, the reimbursement amount will be equal to the amortized cost. It can be concluded that for this instrument the option is closely related to the host instrument, and thus, should not be accounted for separately.

The prepayment option relating to the Senior Secured Notes is valued using different modules within Bloomberg. First appropriate inputs are extracted (bond price and implied volatility per reporting date) and then in another module Bloomberg is used to determine the option price given these inputs. The value of the option is calculated by comparing the present value of the cash flows, assuming no prepayment takes place, discounted by the interest rate including an option adjusted spread, minus the market value of the bond, and additionally considering the net book value of the refinancing fees in order to take into account the impact of the timing of the period between the previous and next round of refinancing. The fair value of this early repayment option as per 31 December 2024 and 2023 amounts to EUR 0.

The Group does not use derivatives for speculative investments.

Sensitivity to changes in assumptions

The value of the derivative is mainly impacted by the yield of the underlying debt. Sensitivity analysis performed on this yield results in following valuation:

	Spread -100 bps	Base	Spread +100 bps
SSN	0,00	0,00	0,00

12. TRADE AND OTHER RECEIVABLES

Current trade receivables

in KEUR	Note	31 December 2024	31 December 2023
Trade receivables from third parties		342.549	373.555
Trade receivables from related parties	34	305	837
Less: provision for impairment	4	-8.331	-2.036
Trade receivables, net		**334.523**	**372.356**

Classification as current trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. Trade receivables have varying due dates, a period of 0 – 90 days comprises the range for credit terms. Therefore, they are classified as current assets. Trade receivables are recognized initially at the amount of the consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method.

Transferred receivables

The Group has factoring agreements with banks, under which trade receivables of certain entities within the Group are being transferred to the factors. These entities are part of Accent Group, GRITT, House of HR Germany, Continu, Covebo, Avanti and SOLCOM. At the end of 2022 Eurojob (part of Covebo) was also integrated in the factoring program. During 2023, AERO & IBB (part of TimePartner), FID and wEUrk (part of Covebo) were acceded to the factoring program, while in 2024 Effect (part of Covebo) and Abylsen Belgium (part of ABY Engineering) were added. At year-end 2024, a total of 180.956 KEUR accounts receivable (2023: 169.101 KEUR has been transferred to the factor which has been deducted from the open trade receivables. A further EUR 22.606 KEUR is recorded at year-end 2024 (2023: 21.037 KEUR) as other receivables and comprises the difference between the gross trade receivable sold and the amount available for pre-financing under the factoring program (95% for Accent and GRITT, 90% for TimePartner, Avanti & SOLCOM, and 80% for Continu and Covebo), after deducting debtor payments received on the last day of the year.

Fair value

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

Impairment and risk exposure

Information about the impairment of trade receivables and the Group's exposure to credit risk can be found in note 4. As the Group is mainly active in the EURO-zone, there is no exposure to foreign currency risk. There is also no exposure to price risk as the investments will be held to maturity.

The increase in the loss allowance from 2.036 KEUR as per 31 December 2023 to 8.331 KEUR as per 31 December 2024 is attributable to the revaluation of the trade receivables at fair value at moment of Bain acquisition 3 November 2022. Considering trade receivables are valued at fair value in a business combination, the loss allowance of 8.222 KEUR at 3 November 2022 is considered in the revaluation at fair value of the trade receivables. The current loss allowance of 8.331 KEUR or 2% of trade receivables is in line with the historical loss allowance expected for the Group.

Other financial assets at amortized cost

The Group classifies its financial assets at amortized cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets at amortized costs as per 31 December 2024 and 2023 include:

in KEUR	Note	31 December 2024	31 December 2023
Subleasing		2.680	3.554
Long term warranties		9.288	8.871
Other non-current assets		156	784
Loans granted to third parties (LT)	34	678	1.243
Loans to related parties (LT)	34	325	225
Total non-current assets and loans to related parties		**13.128**	**14.678**
Prepayments		14.422	13.044
VAT receivable		4.935	5.173
CICE receivable		2.317	3.286
Other receivables - projects		4.005	2.757
Grants to be received	24	5.464	8.786
Short term warranties		334	318
Loans granted to third parties (ST)	34	171	150
Subleasing		876	832
Commercial finance		22.606	21.037
Other receivables		7.316	6.723
Loans granted to related parties (ST)	34	9.039	0
Other receivables from related parties	34	0	143
Other receivables		**71.486**	**62.250**

The **long term warranties** relate mainly to financial guarantees paid by the Group for its ongoing lease contracts of branches and housing accommodation.

The **other receivables and prepayments** are related to accruals for income to be received/costs to be carried forward.

Project related receivables result from project services in progress for which the right to payment of goods or services have been transferred to the customer. This relates to projects that typically cover a period of more than one year.

Per end 2024, a **grant** receivable of 3.241 KEUR (2023: 2.031KEUR) has been recorded in Accent for wages and training expenses of people at work that can be reclaimed. The amount that can be reclaimed depends on the amount of training given to the people at work and the number of people hired from risk groups. Covebo and Continu receive the LIV *("lage-inkomensvoordeel")* grant every year from the Dutch government, which is intended to encourage employers to hire employees with a low wage. The amount received is a fixed fee for every hour worked by employees with a wage within a certain range, that is defined by the government and indexed yearly. For 2024 the outstanding receivable amounts to 1.946 KEUR compared to an outstanding receivable of 3.590 KEUR in 2023. The decrease results from a change in the set-up of the LIV systematic, which has been reduced as a grant. TimePartner receives the KUG *("Kurzarbeit"*; translated to compensation for reduced hours) and IfSG (*"Infektionsschutzgesetz"*; translated to Infection Protection Act) grants from the German government only in case the sales drop with >10% on branch level. The amount received depends on the number of hours the employee works less. For 2024 the outstanding receivable amounts to 81 KEUR compared to 2.340 KEUR in 2023. We also refer to note 24 for more information on the grants.

Fair values

Due to the short-term nature of the other current receivables, their carrying amount is considered to be the same as their fair value. For the non-current receivables, the fair values are also not significantly different to their carrying amounts.

Impairment and risk exposure

The Group recorded an impairment of 2.295 KEUR on the German IFSG grant receivable in 2024. As the Group is mainly active in the EURO-zone, there is no exposure to foreign currency risk. There is also no exposure to price risk as the investments will be held to maturity.

13. INCOME TAX

This note provides an analysis of the Group's income tax expense, shows what amounts are recognized directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Group's tax position.

Income tax expense

The major components of income tax expense for the years ended are:

in KEUR	2024	2023
Current tax on profit of the year	34.916	47.284
Adjustments in respect of prior years	-2.900	-8.729
Total current tax expense	**32.016**	**38.556**
Decrease/(increase) in deferred tax asset	-2.028	63
(Decrease)/increase in deferred tax liabilities	-30.475	-26.209
Impact of change in the income tax rate	0	0
Total deferred income tax expense/(benefit)	**-32.502**	**-26.146**
Income tax expense	**-486**	**12.410**

As per 1 January 2023 a tax unit in France was established, comprising all PowerHouses in France. The Group also finalized in the third quarter of 2023 the set-up of a fiscal consolidation in Belgium, with retro-active effect as from 1 January 2022. Further, the Group has a tax unit in the Netherlands (established as per 3 November 2022).

The adjustments in respect of prior years include this impact of the fiscal consolidation in France (-2.788 KEUR).

Refer to note 13 for details regarding the movement in deferred taxes impacting the income tax expense.

Numerical reconciliation of income tax expense

The tax expenses as shown above have been calculated in conformity with local and international tax laws. The tax on the Group's profit before tax differs from the theoretical amount that would arise using the domestic rate in each individual jurisdiction of the consolidated companies as follows:

in KEUR	2024	2023
Profit from continuing operations before income tax expense	-480.045	-57.722
PROFIT/(LOSS) BEFORE TAXES	**-480.045**	**-57.722**
Theoretical income tax rate in % (25,8%)		
Tax calculated at theoretical domestic tax rate	-123.852	-14.892
Items in Profit/(Loss) not deductible (at theoretical tax rate)		
Expenses non-deductible for tax purposes	45.531	45.731
Goodwill impairment	82.384	0
Permanent difference	31	-11.054
Tax computed on other basis	0	-41
Items impacting tax income/expense		
Different tax rate compared to parent company	-613	-198
Use of recognized deferred income tax asset	353	3.060
Previously unrecognized tax losses used to reduce deferred tax expense	-2.602	-1.701
Unrecognized deferred income tax losses	2.146	1.581
Regional taxes	784	0
Adjustments for current tax of prior periods	-2.905	-8.674
Innovation deduction	-1.704	-2.348
Taxation on dividends	-364	330
Tax increase due to insufficient prepayments	402	716
Other	-78	-100
Adjusted tax calculated	**-486**	**12.410**
Income tax expense in P&L	**-486**	**12.410**

The income tax expense of -486 KEUR for 2024 and 12.410 KEUR for 2023 represent an effective tax rate of 0,1% and -21,5% respectively.

Primary drivers that impact the effective tax rates include the following:

Drivers impacting taxable profit/loss

- Expenses not deductible for income tax purposes (45.531 KEUR for 2024 compared to 45.731 KEUR for 2023): The recurring expenses not deductible for tax purposes include permanent differences such as expenses which are non-deductible under local tax laws (e.g. car expenses and meal voucher expenses), including interest expenses that are fiscally capped ("thin capitalization rule").
- Goodwill impairment (319 KEUR for 2024: Reference is made to note 8 Goodwill).
- Permanent difference (31 KEUR for 2024 compared to -11.054 KEUR for 2023): The permanent differences relate mainly to earn-out adjustments recorded through P&L (refer to note 23 "*Other gains/(losses)-net*" in accordance with IFRS standards).

Tax items impacting tax income/expense

- Adjustments for current tax of prior periods (-2.905 KEUR for 2024 compared to -8.674 KEUR for 2023): The adjustments for current tax of prior periods include the impact of the fiscal consolidation in France (2.788 KEUR).
- Unrecognized deferred income tax assets & previously unrecognized tax losses used to reduce deferred tax expense (total of -456 KEUR for 2024 compared to -120 KEUR for 2023): The Group decided not to recognize additional deferred income tax assets on losses carried forward in some of its entities as the Group believes that the realization of the related tax benefit through the future taxable profits is not probable.
- Tax increase due to insufficient prepayments (402 KEUR 2024 compared to 716 KEUR million for 2023): The tax increase due to insufficient prepayments relates to the increase in the tax payable resulting from tax prepayments that are insufficient compared to the actual tax payable balance.

Amounts recognized directly in equity

There are no deferred income taxes that have been recognized directly in equity.

Deferred taxes

Using the balance sheet liability method, deferred tax assets and liabilities are recognized to provide for temporary differences between the value of the assets and liabilities for financial reporting purposes and for tax purposes.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income taxes relate to the same tax jurisdiction.

Deferred tax assets and liabilities are valued at tax rates enacted or substantially enacted at year-end and which are expected to apply in the coming years when the assets and liabilities are expected to be realized or settled.

The gross movement on the deferred income tax account is as follows:

in KEUR	2024		2023	
	DTA	DTL	DTA	DTL
Balance at the end of the preceding period	**6.666**	**-342.161**	**8.581**	**-359.946**
Increase/decrease (-) through Income Statement	2.028	30.475	-63	26.209
Change in scope: Business combinations	0	0	0	-9.891
Translation differences	-3	0	0	0
Offsetting	-1.687	1.687	-1.852	1.852
Other movements	0	-96	0	-384
Balance at the end of the period	**7.004**	**-310.096**	**6.666**	**-342.161**

The movement in deferred income tax assets and liabilities, without taking into consideration the offsetting within the same jurisdiction, is as follows:

in KEUR	2024		2023	
	DTA	DTL	DTA	DTL
Capitalization expenses	0	-5.743	297	-3.535
Brands & customer relationship	0	-309.789	0	-343.776
Provisions	263	0	310	2
Employee benefit obligation	1.172	0	599	0
Fiscal losses and other tax credits	2.245	0	3.190	0
Other	8.761	0	6.943	472
Total deferred taxes related to temporary differences	**12.441**	**-315.532**	**11.340**	**-346.836**
Offsetting	-5.437	5.437	-4.674	4.674
Net deferred tax assets/liabilities	**7.004**	**-310.096**	**6.666**	**-342.161**

Deferred income tax assets are recognized for tax losses carried forward, excluding unused notional interest deduction (NID), to the extent that the realization of the related tax benefit through the future taxable profits is probable, i.e. in those companies where, based on business projections over a period of 10 years, the Group estimates that the losses can be utilized within this timeframe.

The Group did not recognize deferred income taxes for:

in KEUR	2024	2023
Unrecognized deferred tax assets		
Losses carried forward	13.171	11.779
Dividends received deduction	1.730	1.730
R&D deduction	4.211	21
Interest deduction limitation	100.907	68.695
Total	**120.018**	**82.224**

Exposure to Pillar Two income taxes

Pillar Two legislation has been enacted (or substantively enacted) in certain jurisdictions in which the Group operates. The legislation will be effective for the Group's financial year beginning 1 January 2024. The Group has performed an assessment of the Group's potential exposure to Pillar Two income taxes. This assessment is based on the most recent information available regarding the financial performance of the constituent entities in the Group.

Based on the assessment performed, the Group meets the transitional safe harbour relief requirements in all jurisdictions it operates. The Pillar Two effective tax rates in the jurisdictions in which the Group operates are above 15%, or either the 'de minimis' exclusion or the 'routine profits test' is applicable. Management is not currently aware of any circumstances under which this might change. Therefore, the Group does not expect an exposure to Pillar Two top-up taxes.

14. CASH AND CASH EQUIVALENTS

in KEUR	31 December 2024	31 December 2023
Cash at banks and on hand	167.178	192.182
Short-term bank deposits	83	2.300
Restricted cash	5.493	11.288
Cash and cash equivalents	**172.755**	**205.770**
Bank overdrafts	0	0
Cash and cash equivalents, net of bank overdrafts	**172.755**	**205.770**

The cash and cash equivalents disclosed above and in the statement of cash flows include 5.493 KEUR of restricted cash at the end of 2024 compared to 11.288 KEUR in 2023. These deposits are subject to regulatory restrictions in the Netherlands (system of G-accounts containing amounts for taxes to be paid on salaries) or relate to deposits for buildings/branches and are therefore not available for general use by the other entities within the Group or to a blocked cash account pending a capital increase.

As indicated in note 16 on the borrowings, a part of the Group's current and future cash and cash equivalents are pledged as security for these borrowings.

House of HR uses a notional cash pool at J.P. Morgan, which includes various group entities. The cash pool helps optimize internal liquidity without physical cash concentration. The group monitors the net liquidity position on a daily basis to ensure that it never falls below 0. House of HR Group B.V. acts as a Pooling Agent and manages a Pool Funding Account that temporarily absorbs negative balances, if necessary. There is no external credit risk, as all participants are fully owned by the group. Positive cash positions continue to be classified as cash & cash equivalents. Negative positions per entity are reported as current liabilities, but are not considered debt at group consolidation level, as the total pool cannot be negative and this negative position is therefore purely Intragroup.

15. EQUITY

Share capital and share premium

The authorized share capital and share premium of the Group as per 31 December 2024 is 1.122.323 KEUR and consists of 1.116.727 shares. The following movements in the shareholders' equity were noted in 2024 and 2023, respectively, in KEUR and in thousands of shares:

in KEUR Total share capital and share premium	Ordinary shares	Cumulative preferred shares	PowerHouse shares	Total	Number of shares
1 January 2024	**22.017**	**1.095.491**	**3.455**	**1.120.962**	**1.116.460**
28 Feb 2024 - French vesting 2022 grant	-24	0	24	**0**	5
3 July 2024 - Capital increase	10	476	547	**1.033**	0
13 Sept 2024 - French vesting 2023 grant	-4	0	4	**0**	1
20 Dec 2024 - Capital increase	0	327	0	**327**	262
31 Dec 2024 - Treasury shares	-12	-566	-307	**-884**	0
31 December 2024	**21.988**	**1.095.728**	**3.723**	**1.121.439**	**1.116.727**

in KEUR Total share capital and share premium	Ordinary shares	Cumulative preferred shares	PowerHouse shares	Total	Number of shares
1 January 2023	**22.011**	**1.078.536**	**4.165**	**1.104.712**	**1.100.583**
30 March 2023 - Mover event	2	84	0	**86**	83
13 July 2023 - Capital increase	4	15.891	58	**15.953**	14.911
13 July 2023 - Capital decrease	0	-6	-768	**-774**	-8
22 November 2023 - Capital increase	0	985	0	**985**	891
31 December 2023	**22.017**	**1.095.491**	**3.455**	**1.120.962**	**1.116.460**

The following types of shares exist as per 31 December 2024 and 2023:

- Class A, B, C, D and E ordinary shares
- Class A, B, C, D and E cumulative preferred shares 12%
- Group and PowerHouse shares

The capital structure of the Group is based on the so-called "*institutional strip*", which consists of a combination of ordinary shares and cumulative preference shares in a 2:98 proportion across all classes of shares.

Cumulative Preferred Shares

Payment of the preferred dividend

- A fixed, cumulative, preferential dividend in respect of a certain class of Coupon Preference Shares at the rate of 12% per annum of (i) the aggregate nominal value of the relevant class of the Coupon Preference Shares, (ii) the balance of the share premium reserve attached to the relevant class of the Coupon Preference Shares, (iii) the balance of the profit reserve attached to the relevant class of the Coupon Preference Shares, and (iv) the amount corresponding to the Preferred Dividends not paid on the relevant class of Coupon Preference Shares in respect of preceding Accrual Periods (the Preferred Dividend) shall accrue on such class of Coupon Preference Shares on a daily basis (on the assumption of a 365-day-per-year basis) and compound yearly at the end of each Accrual Period from the date of issue of a Coupon Preference Share, whether or not earned or declared and whether or not there are sufficient distributable reserves legally available to the Group to permit payment.
- Payment of the Preferred Dividend shall in any event be subject to (i) the Groups equity exceeding the amount of reserves that must be maintained by law , (ii) a resolution of the Board (or other competent body) to make any distribution of Preferred Dividend (such resolution to be at the Board's (or other competent body's) sole discretion, without prejudice however to applicable restrictions under the Articles and Dutch law) in accordance with Dutch law, (iii) the priority rules.

Conversion of preference shares into ordinary shares in the event of an IPO

- Subject to applicable laws and regulations, the Coupon Preference Shares shall be converted into Ordinary Shares (or equivalent common stock Securities) in the event of an IPO and the Parties shall do all such things and take all such action (within their respective powers and capacities) as required in order for that conversation to be effective.
- The conversion ratio R of a Coupon Preference Share into Ordinary Shares (or equivalent common stock Securities) will be equal to the ratio between (x) the price of a Coupon Preference Share computed on the date of the IPO (corresponding to the Fair Market Value of that Coupon Preference Share (determined in accordance with the principles set forth in that Schedule based on the Company Fair Market Value retained in the context of the IPO) divided by (y) the IPO price per Ordinary Share (or equivalent common stock Securities).
- In the event the number of Ordinary Shares (or equivalent common stock Securities) resulting from the conversion of the Coupon Preference Shares by a given shareholder is not a whole number, the number of Ordinary Shares (or equivalent common stock Securities) resulting from the conversion of the Coupon Preference Shares will be rounded down to the nearest whole number. No fractional Ordinary Shares (or equivalent common stock Securities) will be issued.

Liquidation of the Group

- In the event of a liquidation of the Group (whether voluntary or forced), the liquidation proceeds, if any, after payment of the Groups debts, will be paid, by priority to any other Securities, to the respective holders of a certain class of Coupon Preference Shares pro rata to the number of Coupon Preference Shares they hold of such class, up to the point their respective Coupon Preference Shares of such class have received payment of the amount to which they are entitled to.

As the payment of the preferred dividend is subject to Board Approval it does not contain a contractual obligation to deliver cash or another financial asset.

As a potential IPO is subject to Board approval, the entity has no contractual obligation to deliver cash or a variable number of its own equity instruments.

The holders of ordinary shares are entitled to all distributions, and to all liquidation surplus (if any) of the Group subject to the priority right of the cumulative preferred shares as well as the group preferred entitlement and PowerHouses preferred entitlement of the Group and PowerHouse shares (it being specified however that the Group and PowerHouse shares shall not be entitled to any distribution before the occurrence of an exit).

One voting right shall be attached to each ordinary share and cumulative preferred share at a General Meeting, except that the class A ordinary shares and the class A cumulative preferred share in the Groups capital each carry the right to cast two votes a General Meeting. The class A shares are held by Villa Lux Holdco SARL.

The number of shares held and movement compared to last year is as follows:

Class	1 January 2024	French vesting of grants 28 February 2024	Capital increase 3 July 2024	French vesting of grants 13 September 2024	Capital increase 20 December 2024	31 December 2024
Cum. Pref shares A	547.627	0	0	**0**	**0**	**547.627**
Cum. Pref shares B	125.558	0	0	**0**	**0**	**125.558**
Cum. Pref shares C	99.996	0	0	**0**	**0**	**99.996**
Cum. Pref shares D	192.055	0	0	**0**	**257**	**192.312**
Cum. Pref shares E	128.847	0	0	**0**	**0**	**128.847**
Ordinary shares A	11.176	0	0	**0**	**0**	**11.176**
Ordinary shares B	2.562	0	0	**0**	**0**	**2.562**
Ordinary shares C	2.041	0	0	**0**	**0**	**2.041**
Ordinary shares D	3.920	0	0	**0**	**5**	**3.925**
Ordinary shares E	2.629	0	0	**0**	**0**	**2.629**
PowerHouse Abylsen shares	0	5	0	**1**	**0**	**5**
PowerHouse Avanti shares	10	0	0	**0**	**0**	**10**
PowerHouse Cohedron	6	0	0	**0**	**0**	**6**
PowerHouse Continu shares	4	0	0	**0**	**0**	**4**
PowerHouse Covebo shares	2	0	0	**0**	**0**	**2**
PowerHouse Group shares	0	0	0	**0**	**0**	**0**
PowerHouse Redmore	3	0	1	**0**	**0**	**4**
PowerHouse SOLCOM	10	0	0	**0**	**0**	**10**
PowerHouse TMI shares	3	0	0	**0**	**0**	**2**
PowerHouse TimePartner	10	0	0	**0**	**0**	**10**
Total number of shares	**1.116.460**	**5**	**0**	**1**	**262**	**1.116.727**

Class	1 January 2023	Mover event 30 March 2023	Capital increase 13 July 2023	Capital decrease 13 July 2023	Capital increase 22 November 2023	31 December 2023
Cum. Pref shares A	542.306	0	5.321	0	0	**547.627**
Cum. Pref shares B	125.558	0	0	0	0	**125.558**
Cum. Pref shares C	99.996	0	0	0	0	**99.996**
Cum. Pref shares D	182.184	580	9.291	0	0	**192.055**
Cum. Pref shares E	128.473	-499	0	0	873	**128.847**
Ordinary shares A	11.067	0	109	0	0	**11.176**
Ordinary shares B	2.562	0	0	0	0	**2.562**
Ordinary shares C	2.041	0	0	0	0	**2.041**
Ordinary shares D	3.718	12	190	0	0	**3.920**
Ordinary shares E	2.622	-10	0	0	18	**2.629**
PowerHouse Avanti shares	10	0	0	0	0	**10**
PowerHouse Cohedron shares	7	0	0	-1	0	**6**
PowerHouse Continu shares	6	0	0	-2	0	**4**
PowerHouse Covebo shares	6	0	0	-3	0	**2**
PowerHouse Group shares	0	0	0	0	0	**0**
PowerHouse Redmore shares	5	0	0	-2	0	**3**
PowerHouse SOLCOM shares	10	0	0	0	0	**10**
PowerHouse TMI shares	3	0	0	-1	0	**3**
PowerHouse TimePartner shares	10	0	0	0	0	**10**
Total number of shares	**1.100.583**	**83**	**14.911**	**-8**	**891**	**1.116.460**

Other reserves

The following table shows a breakdown of the balance sheet line item "*other reserves*" and the movement in these reserves during the year.

in KEUR Other reserves	2024	2023
Balance 1 January	**4.287**	**3.376**
Foreign currency translation	-583	-262
Transactions with non-controlling interests	-837	2.852
Employee share premium	-969	-1.680
Balance 31 December	**1.897**	**4.287**

Refer to note 2 for information on the changes in non-controlling interests and note 19 for information on the Employee share premium.

Retained earnings

Movements in retained earnings are fully attributable to the net profit/(loss) of the period.

Non-controlling interests

The following transactions occurred during 2024:

- In September 2024, the Group acquired an additional 12,5% in the shares of Vialegis B.V. for a consideration of 1 EUR, resulting in a total Group ownership of 87,5%.
- In October 2024, the Group acquired the remaining 2,5% non-controlling interests of Eastelson SAS for a consideration of 36 KEUR.
- In December 2024, the Group acquired the remaining 23,3% shares of Newco Pharmacos SAS for 186 KEUR, which was reinvested in the Group.
- The Group has owned since December 2024, 59,4% in ClickCare.

The following major transactions occurred during 2023:

- On 7 July 2023, the Group purchased the remaining 29,2% non-controlling interests in NowJobs France II for a consideration of 4.000 KEUR. At the same time, part of the earn-out due to the former owners of StaffMe, acquired in 2022, has been settled in cash (1.650 KEUR) and 1.360 KEUR was converted into a preferred dividend with a put and call option at the level of NowJobs France II. Both transactions were accounted for as equity transactions.
- On 2 October 2023, 12% non-controlling interests of ITDS Poland were purchased for a consideration of 3.060 KEUR. The Group currently owns 64% in ITDS Poland.

We refer to note 2 for additional information and a reconciliation with the statement of cash flows.

Other comprehensive income

The remeasurement of the net defined benefit liability (asset) is accounted for in Other Comprehensive Income (1.160 KEUR). Reference is made to note 3 section 'Employee Benefits' for detailed information.

16. BORROWINGS

The following table details the borrowings per 31 December 2024 and 2023:

in KEUR Total borrowings	31 December 2024	31 December 2023
Term loan	1.406.110	1.369.076
Senior Secured Notes	357.906	352.766
Related party borrowings:		
Shareholders loans	0	1.575
Non-current borrowings	**1.764.016**	**1.723.417**
Term Loan	123.090	147.944
Senior Secured Notes	32.210	32.196
Related party borrowings:		
Shareholders loans	1.575	0
Current borrowings	**156.875**	**180.140**
Total borrowings	**1.920.892**	**1.903.556**

Bank borrowings

At year-end 2024, the Group has external loans at the level of House of HR Group B.V., composed of:

- Floating rate borrowings:
  - 1.299.000 KEUR First-Lien Term Loan (increased by 129.000 KEUR in 2024);
  - 210.000 KEUR Second-Lien Term Loan (decreased by 100.000 KEUR in 2024);
  - 96.000 KEUR Delayed Draw Term Loan (decreased by 29.000 KEUR in 2024); and
- Fixed rate borrowings:
  - 415.000 KEUR Senior Secured Notes.

In the 2nd quarter of 2024 the Group was able to successfully reprice the margin of the First-Lien Term Loan by 50 bps at par, upsize it by 100.000 KEUR and convert 29.000 KEUR of the non-fungible Delayed Draw Term Loan into the newly repriced First-Lien Term Loan. The 100.000 KEUR proceeds were fully used to partially redeem the Second-Lien Term Facility, reducing its outstanding amount from 310.000 KEUR to 210.000 KEUR.

The interest of the floating rate borrowings is based on Euribor floored to zero plus a margin (depending on leverage ratio) of 5,25% (2023: 5,50%) for the First-Lien Term Loan, 5,75% for the Delayed Draw First-Lien Term Loan (2023: 5,50%) and the Delayed Drawn Loan and 9% for the Second-Lien Term Loan. The Senior Secured Notes have a fixed interest rate of 9,00%. The loans all mature in 2029 except for the Second Lien Facility, which will mature in 2030.

The floating rate borrowings are entirely accounted for at amortized cost, and therefore the impact of changes in the market interest rate on the fair value of these floating rate borrowings at the closing date will have no impact on the income statement or on the equity.

The Senior Secured Notes have an option for early repayment, refer to note 11.

Furthermore, the Group also has a Revolving Credit Facility (RCF) of 275.000 KEUR (increased by 25.000 KEUR in 2024). At the end of 2024, the Group had no outstanding RCF balance, nor at 31 December 2023. When drawn, the RCF bears an EURIBOR interest plus a variable margin depending on the leverage ratio, currently at 4,00%.

At year-end 2024, 143.955 KEUR of financing fees have been capitalized and are being depreciated over the lifetime of the loans, compared 141.164 KEUR in 2023. As per 31 December 2024 the cumulated depreciated financing fees amount to 42.702 KEUR (2023: 22.425 KEUR).

House of HR Group B.V. has entered into interest rate hedging agreements to manage its exposure to interest rate risk. Refer to note 4.

The following tables show the movements of the borrowings of the Group:

in KEUR Movement in borrowings	2024	2023
1 January	**1.903.556**	**1.727.146**
Repayments	-191.186	-84.555
Proceeds from additions borrowings, net of financing fees	190.968	242.192
Capitalization new financing fees	-2.791	-642
Depreciation refinancing fees	20.276	19.415
Business combinations	67	0
31 December	**1.920.892**	**1.903.556**

The following are the available undrawn facilities:

in KEUR Undrawn borrowing facilities	31 December 2024	31 December 2023
Expiring within beyond year 1	275.000	250.000
Total	**275.000**	**250.000**
Bank guarantees	5.000 KEUR is already used as a bank guarantee and is therefore not available	5.000 KEUR is already used as a bank guarantee and is therefore not available

The maturity of borrowings is included in the liquidity section of note 4.

Shareholder's loans

In 2018, a shareholder's loan has been provided to Vialegis Group, maturing in 2025.

Significant assumptions taken for the fair value calculations at initial measurement

The derivative on the Senior Secured Note is accounted for at fair value (refer to note 11). The bank loans include the transactions costs that are reflected in the net book value, under the amortized cost method. For the remaining borrowings, the fair values are not materially different to their carrying amounts since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short-term nature.

in KEUR	31 December 2024		31 December 2023	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Bank loans	2.020.007	1.918.754	2.039.067	1.901.293
Shareholder loans	1.575	1.575	1.575	1.575
Other loans	563	563	688	688
Total	**2.022.145**	**1.920.892**	**2.041.330**	**1.903.556**

Financial covenants

Under the terms of the Senior Facilities Agreement, if the RCF is drawn over 110.000 KEUR (40% of the RCF) the Group is required to comply with a springing Senior Secured Net Leverage covenant (Senior Secured Net Debt to Consolidated Pro Forma Management EBITDA; i.e. EBITDA adjusted based on the SFA agreement) set at 8.13:1 for the life of the RCF.

At 31 December 2024 and 2023 no RCF was drawn, meaning the above mentioned springing covenant is not applicable.

Collateral for the Group's bank borrowings

For the Senior Secured Notes in place, multiple pledge agreements have been entered into:

- Limited recourse share pledge granted by House of HR Midco over its shares held in House of HR Group
- Limited recourse security agreement granted by House of HR Midco over IC receivables owed to House of HR Midco by House of HR Group
- Share pledge granted by House of HR Group over shares held in House of HR Finco
- Security agreement granted by House of HR Group over (i) its material bank accounts in the Netherlands; and (ii) IC receivables owed to House of HR Group by House of HR Finco
- Share pledge granted by House of HR Group over shares held in House of HR
- Security agreement granted by House of HR Finco over IC receivables owed to House of HR Finco by House of HR
- Securities account pledge granted by House of HR Group over its shares held in House of HR France
- Second ranking securities account pledge granted by House of HR Group over its shares held in House of HR France.

The Group is subject to regular bank reporting, and leverage is monitored. In the event of a default of repayment of the bank borrowings and related interest payments, the pledgee may enforce against the pledged assets. During the period under review, there was no default of the payment obligations.

17. PROVISIONS FOR OTHER LIABILITIES AND CHARGES

The following table summarizes the movement of the provisions at year-end 2024 and 2023:

in KEUR	Sickness provision	Long-term incentive plan	Litigation	Decommis-sioning	Other	Total
1 January 2024	**3.030**	**156**	**912**	**879**	**111**	**5.088**
Movements:						
Transfer	99	0	13	0	-111	0
Increase	12	0	1.472	4	0	1.488
Used	-90	0	-416	-52	0	-558
Reversal	-52	0	-6	0	0	-57
Interest accretion	0	0	0	0	0	0
31 December 2024	**2.999**	**156**	**1.974**	**831**	**0**	**5.960**
Of which:						
Non-current						2.680
Current						3.280

in KEUR	Sickness provision	Long-term incentive plan	Litigation	Decommis-sioning	Other	Total
1 January 2023	**3.167**	**156**	**6.115**	**691**	**317**	**10.447**
Movements:						
Transfer	0	0	0	0	0	0
Increase	428	0	550	300	21	1.298
Used	-380	0	-5.730	0	-171	-6.281
Reversal	-185	0	-23	-120	-56	-384
Interest accretion	0	0	0	8	0	8
31 December 2023	**3.030**	**156**	**912**	**879**	**111**	**5.088**
Of which:						
Non-current						1.849
Current						3.239

The **sickness provision** relates to the accumulated sick leave in the Netherlands.

During 2024, **provisions for litigations** increased by 1.063 KEUR, mainly resulting from an increase in litigations of 1.472 KEUR.

The provision charge is recognized in the income statement within the "*Other general and administrative expenses*" and "*Other gains/losses*", depending on the nature of the expense.

Management's view is that the outcome of these legal claims will not give rise to any significant loss beyond the amounts provided for at 31 December 2024.

On 31 March 2022 a long- term incentive plan (*"LTIP"*) has been signed for Book'U, in which 7.279 share options have been granted. Based on the estimated pay-out in 2027, when the plan ends, a LTIP provision of 156 KEUR has been recorded at 31 December 2024 and 2023, respectively.

18. EMPLOYEE BENEFIT OBLIGATIONS

The table below outlines the outstanding employee benefit obligations that were reported on the balance sheet:

in KEUR	31 December 2024	31 December 2023
Short-term employee benefits	227.627	238.066
Post employment benefits	7.976	6.456
Termination benefits	3.388	2.270
Other long-term employee benefits	2.691	2.389
Total amount of employee benefits	**241.685**	**249.180**
Total non-current employee benefits	5.770	4.509
Total current employee benefits	235.915	244.672
Total amount of employee benefits	**241.685**	**249.180**

Short-term employee benefits

The amount of short-term employee benefits outstanding at the reporting date mainly relates to unpaid salaries and wages as well as the related taxes on these amounts. The amounts both relate to salaries and wages for temping staff as well as the permanent staff that is working for the Group.

Post-employment employee benefits

Pension plans

The Group offers several defined contribution plans to its employees. Because of the Belgian legislation applicable to the second pillar pension plans (the so-called "*Wet op de Aanvullende Pensioenen*"), all Belgian pension plans that are structured as defined contribution plans are considered defined benefit plans under IFRS. Because of this minimum guaranteed return, the Group is exposed to a financial risk since further contributions could be required if the return on the assets is not sufficient to reach the minimum benefits to be paid. The Group has plans that are financed through insurance contracts. The Group carefully reviewed the different pension plans at the different reporting periods and concluded that the application of the projected unit credit method to calculate the defined benefit obligation would not result in a material amount of plan assets and defined benefit obligations to be accounted for on the balance sheet.

The Group has accounted for the post-employment employee benefit in France, i.e. the "indemnités de fin de carrière".

No similar minimum funding exists in other countries where the Group is active.

The Group does not provide any material defined benefit plans to its employees.

Disability benefits

The Group also provides disability benefits to its employees which have similar terms and conditions as the defined contribution plans and therefore also must be accounted for in a similar way. As the Group is insured for these disability benefits, no provision has been accounted for by the Group.

Termination benefits

The termination benefits relate to:

i. Outstanding payables towards former employees, mainly key management. Refer to note 34 Related Parties for more information.
ii. The transition accrual in the Netherlands ("*Wet arbeidsmarkt in balans*"; WAB).

Other long-term employee benefits

Amounts reported under the Other long-term employee benefits fully relate to jubilee premiums offered by the Group rewarding employees for long years of service.

(i) Jubilee benefits

The following table shows the split between the non-current and the current employee jubilee benefits:

in KEUR	31 December 2024	31 December 2023
Non-current jubilee benefits	2.032	2.389
Current jubilee benefits	320	355
Total amount of jubilee benefits	**2.352**	**2.743**

The following assumptions have been used when calculating the jubilee premiums:

Assumptions jubilee premiums	31 December 2024	31 December 2023
Discount rate	1,79% - 4,36%	0,50% - 1,50%
Retirement age	67 years	67 years
Turnover:		
0 year	5,04%	8,75%
0-5 years	2,74%	4,25%
1-2 years	2,53%	2,25%
3 years	0,83%	1,00%
4 years	0,45%	0,50%

The impact of the remeasurements on the outstanding jubilee premium is accounted for in the income statement.

19. SHARE-BASED PAYMENTS

The share-based payments consist of a share-based management incentive program ("*MIP*") at the level of House of HR Holding B.V..

Upon acquiring the majority stake by Bain Capital on 3rd November 2022, the Group launched a MIP at the level of House of HR Holding B.V..

The MIP-plan comprises currently 110.000 preferred shares (10.000 units per PowerHouse and 10.000 units for the Group), which can be offered to beneficiaries over the lifetime of the MIP.

The following common characteristics apply to the MIP-plan:

- The beneficiary should have a contractual relationship with the group at the date of Exit (in case of an Exit Event) or qualify as a good leaver (in case of a good leaver event);
- As regards vesting, the MIP-instruments will vest over a five-year period or the Exit Event (if earlier)
- The Exit event can be either an IPO or a Trade Sale to a third party.
- In case of an Exit event, the first Tranche (50% of the MIP-instruments) will be exercised upon Exit. In case of an IPO the first tranche of MIP-instruments will be converted into newly listed shares. In case of a Trade Sale the first Tranche of MIP-instruments will be acquired by the Acquirer.
- The settlement of the second Tranche will be deferred for 3 years based on a 3-year vesting period during which the beneficiaries should remain in service. In case of an IPO, the second Tranche will be settled through either a second tranche of listed shares or a cash settlement. As regards to a trade sale the second tranche will be settled through a cash payment by the new Acquirer.
- Based on the vesting conditions (remain in service for five years or till the Exit event (if earlier)), the vesting period has been determined at 5 years for the first Tranche (50%) and 8 years for the second Tranche (50%).
- The maximum term of the MIP-warrants is 10 years as of issuance.
- Safe for French tax residents, the terms of these MIP-shares also contain good and bad leaver conditions.
- In either case, it is the Board of House of HR Holding B.V., who decides on the practical settlement arrangements and whether the settlement of the MIP-shares will be in shares or in cash.

Depending on the tax residency, the following MIP instruments can be offered: preferred shares, subscription rights, stock appreciation rights ("*SAR*") or free shares.

Slightly different rules apply to the MIP instruments granted to French tax residents following the legal framework of the French free shares scheme:

- A one-year vesting period after the grant (instead of 5-year vesting) applies before actual issuance of the MIP-shares to the beneficiary.
- No bad or good leaver conditions apply. However, a general call option is provided for the Group upon a leaver event to acquire the MIP-shares at a discounted value.
- The second Tranche of the MIP will be converted into listed common stock but will be subject to a 3-year lock-up.

As the Board of Directors of the Group has full discretion how the second Tranche will be settled, the Group has no obligation under any circumstance to have the MIP-shares settled in cash, which leads to the conclusion that the MIP-plan is an equity-settled plan.

Depending on the country of tax residence the beneficiaries, the practical implementation and the choice of the MIP instrument will differ :

- German and Dutch tax residents. German and Dutch tax residents have acquired either MIP-shares at the grant date fair value against a cash consideration or received Stock Appreciation Rights ("*SAR's*") directly linked to underlying MIP-shares in the framework of the SAR-plan which was implemented on 14 November 2023. We refer to the table below to provide an overview of these fair values as per 31 December 2024.
  As per 31 December 2024, German beneficiaries have acquired a total of 19,770 preferred shares for a total consideration of EUR 1.571.192 and received a total of 90 SAR's for free. The Dutch tax residents acquired a total of 18.580 preferred shares for a cash consideration equal to the fair value upon grant date and this for a total consideration of EUR 1.686.422 and received a total of 15.833 SAR's for free. Accordingly, the grant date fair value of these share-based payment transactions is nil and no impact on profit or loss should be considered at year-end.

  The conditions of the SAR-plan mirror the conditions to the extent possible the overall conditions of the MIP-plan.

- Belgian and Polish tax residents: Belgian and Polish tax residents were offered warrants (subscription rights) free of charge on the corresponding MIP shares. The fair value of the underlying MIP-shares for all grants of subscription rights to Belgian tax residents (grants dating December 2022, August 2023, November 2023 and July 2024) were based on the latest available valuation at that moment, i.e. either the one of the closing of the Bain transaction i.e. 3 November 2022, 31 December 2022 and 31 December 2023. Given the limited time gap between the closing date of the Bain transaction and 31 December 2022 the same value was applied. For 31 December 2023 a new external valuation exercise was conducted to determine the fair market value. Therefore, the table below reflects the fair value of the MIP shares to which the subscription rights are linked.

  For Belgian tax residents, a total of 17.333 subscription rights active per 31 December 2024 following grants in December 2022, August 2023, November 2023 and July 2024. The number of warrants that vest (and can be exercised) or the number of shares to be sold at market value is determined at the vesting date; the value of the shares depend on the ordinary share value at the relevant time.

  The term of the subscription rights is 10 years. An Exit or a good leaver event, (can) trigger liquidity of the MIP.

  The subscription rights plan contains several vesting conditions:

  a. Service conditions – the beneficiary should have a contractual relationship with the group at the vesting date (in case of an exit) or qualify as a good leaver (in case of a good leaver event);
  b. Performance conditions – the number of warrants that vest (and can be exercised) or the number of shares to be sold at market value is determined at the vesting date; the value of the shares depend on the ordinary share value at the relevant time. A vesting period of 5 years applies.

- French Tax Residents: the French beneficiaries were granted free MIP shares ("*actions gratuities*") on 30 December 2022, 14 September 2023 and 3 July 2024. On 31 December 2024 a total number of 6.955 free shares were in place, of which 5.640 were – after the mandatory waiting period of 1 year - issued as ABY preferred shares at House of HR Holding B.V. level.

The table below provides an overview of the situation at 31 December 2022, 31 December 2023 and 31 December 2024:

Entity	Total MIP shares	Granted at 31/12/2024	Consideration paid 31/12/2024	Granted at 31/12/2023	Delta units granted 2024 vs 2023	Consideration paid 31/12/2023	Granted at 31/12/2022	Consideration paid 31/12/2022
Group preferred shares	10.000	6.725	17.331	5.185	1.540	17.333	4.514	17.333
Accent PowerHouse preferred shares	10.000	7.790	0	7.720	70	0	7.380	0
Abylsen PowerHouse preferred shares	10.000	8.738	0	7.189	1.549	0	1.190	0
GRITT PowerHouse preferred shares	0	0	0	0	0	0	4.250	0
Covebo PowerHouse preferred shares	10.000	8.929	273.300	7.783	1.146	214.758	5.588	572.267
Continu PowerHouse preferred shares	10.000	7.180	222.110	6.490	690	225.905	5.941	308.813
Cohedron PowerHouse preferred shares	10.000	7.850	499.126	8.243	-393	534.386	6.838	613.505
TimePartner PowerHouse preferred shares	10.000	5.560	345.613	5.660	-100	351.829	6.040	375.446
Redmore PowerHouse preferred shares	10.000	8.195	584.866	7.130	1.065	376.639	5.012	623.643
SOLCOM PowerHouse preferred shares	10.000	7.580	730.339	5.780	1.800	354.280	6.180	378.772
House of HealthCare PowerHouse preferred shares	10.000	6.630	495.240	8.355	-1.725	620.443	4.560	338.626
TMI PowerHouse preferred shares	10.000	4.300	93.420	3.800	500	93.420	3.166	110.937
Total	**110.000**	**79.477**	**3.261.347**	**73.335**	**6.142**	**2.788.993**	**60.659**	**3.339.342**

The fair value per share (determined via the Probability-Weighted Expected Return Method) at grant date in 2022 and grant 2023 was the same and is included in below table. The exercise price for the subscription rights is the fair value of the underlying MIP-shares at grant.

Entity	Fair Value MIP share grants 2022 and 2023	Fair Value MIP share grant 2024
Group preferred shares	234,22	543,30
Accent PowerHouse preferred shares	134,37	302,91
Abylsen PowerHouse preferred shares	82,27	214,05
GRITT PowerHouse preferred shares	25,24	25,24
Covebo PowerHouse preferred shares	102,41	292,71
Continu PowerHouse preferred shares	51,98	133,42
Cohedron PowerHouse preferred shares	89,72	197,15
TimePartner PowerHouse preferred shares	63,16	83,97
Redmore PowerHouse preferred shares	124,43	295,69
SOLCOM PowerHouse preferred shares	61,29	202,64
House of HealthCare PowerHouse preferred shares	74,26	190,07
TMI PowerHouse preferred shares	35,04	43,29

The movement in the number of MIP-shares granted is related to:

- Managers leaving the group who's MIP-shares lapse,
- New managers joining the Group who are granted MIP-shares,
- Managers moving from one PowerHouse to another,
- The restructuring of the GRITT PowerHouse (refer to note 36) resulting in the replacement of GRITT PowerHouse warrants by ABY and Covebo PowerHouse warrants,
- A number of Dutch tax residents have converted their MIP-shares into SAR's in 2023. This resulted in cash-back since MIP-shares were initially granted against a cash consideration, while SAR's are granted without any upfront cash payment for their fair value. This also explains why the consideration paid per 31 December 2023 is lower than the consideration paid per 31 December 2022.

Depending on the country of the beneficiaries, different instruments have been used for the implementation of the MIP at inception:

- Acquisition of shares and Stock Appreciation Rights ("*SAR's*") for German and Dutch tax residents.
- Warrants/subscription rights for the Belgian and Polish tax residents.
- Free shares ("*actions gratuities*") for the French tax residents.

During 2024, 969 KEUR was recorded as share-based payment expense through equity; compared to 1.680 KEUR in 2023.

The term of the subscription rights is 10 years. An exit or a good leaver event, (can) trigger liquidity of the MIP.

The plan contains several vesting conditions:

a. Service conditions – the beneficiary should have a contractual relationship with the group at the vesting date (in case of an exit) or qualify as a good leaver (in case of a good leaver event);
b. Performance conditions – the number of warrants that vest (and can be exercised) or the number of shares to be sold at market value is determined at the vesting date; the value of the shares depend on the ordinary share value at the relevant time. A vesting period of 5 years applies.

On 31 March 2022, an LTIP has been signed for Book'U, in which 7.279 share options have been granted. Based on the estimated pay-out in 2027, when the plan ends, a provision of EUR 0,16 million has been recorded (refer to note 17).

20. TRADE AND OTHER PAYABLES

The carrying amounts of trade and other payables (112.832 KEUR as per 31 December 2024 compared to 123.031 KEUR as per 31 December 2023) are considered to be the same as their fair values, due to their short-term nature. These mainly relate to invoices for services such as rent, electricity, IT, etc. and open payable invoices towards freelancers.

21. OTHER LIABILITIES

The other non-current and current liabilities at year-end 2024 and 2023 can be detailed as follows:

in KEUR Other non-current and current liabilities	31 December 2024	31 December 2023
Lease liabilities	132.305	141.333
Earn-out to pay	12.895	13.125
Other liabilities	10	51
Total other non-current liabilities	**145.210**	**154.509**
VAT	75.932	77.189
Lease liabilities	75.606	65.601
Interest accruals	45.044	36.679
Earn-out to pay	5.364	6.233
Contract liabilities	4.509	2.604
Deferred income	3.737	3.401
Debt towards related party	291	1.608
Disability contribution	1.778	1.934
Other accruals (insurance, board fees, management bonus, etc.)	5.003	2.981
Other liabilities	4.677	5.327
Total other current liabilities	**221.941**	**203.557**

Lease liabilities

The movement in lease liabilities can be detailed as follows:

in KEUR Lease liability	Non-current	Current	Total
1 January 2024	**141.333**	**65.601**	**206.933**
Movements:			
Business acquisitions	640	475	1.115
Additions	82.711	0	82.711
Remeasurement & contract modifications	-1.345	0	-1.345
Transfers	-90.308	90.308	0
Interest accretion	0	12.227	12.227
Lease payments	0	-93.033	-93.033
Disposal lease assets	-780	-6	-786
Other	53	35	88
31 December 2024	**132.305**	**75.606**	**207.911**

in KEUR	Non-current	Current	Total
1 January 2023	**113.548**	**56.774**	**170.322**
Movements:			
Business acquisitions	4.985	2.801	7.785
Additions	87.328	0	87.328
Remeasurement & contract modifications	14.752	0	14.752
Transfers	-79.121	79.121	0
Interest accretion	0	10.421	10.421
Lease payments	0	-83.417	-83.417
Disposal of subsidiaries	-74	-109	-184
Disposal lease assets	-82	0	-82
Other	-2	10	7
31 December 2023	**141.333**	**65.601**	**206.933**

The maturity analysis of the lease liabilities is the following for year-end 2024 and 2023:

in KEUR Lease liabililty	31 December 2024	31 December 2023
Gross finance lease liabilities - minimum lease payments:		
No later than 1 year	81.817	72.712
Between 1 and 5 years	125.299	124.528
Later than 5 years	16.632	31.921
Total undiscounted finance lease liabilities	**223.748**	**229.161**
Future finance charges on leases	-19.394	-26.614
Present value of lease liabilities, net of sublease assets	**204.354**	**202.547**
Discounted lease liabilities:		
No later than 1 year	74.767	64.769
Between 1 and 5 years	114.300	111.666
Later than 5 years	15.288	26.113
Total lease liabilities, net of sublease assets	**204.354**	**202.547**
Of which:		
Sublease assets	3.557	4.386
Lease liabilities	-207.911	-206.933

The Group uses the exemption for low value items and short-term contract, for which, respectively 211 KEUR and 31.387 KEUR expenses are included in the profit and loss statement of 2024 compared to 1.690 KEUR and 33.110 KEUR respectively in 2023.

Earn-outs to pay

The earn-outs to pay relate to the 2022 acquisition of the House of HR Group (payable upon exit) and ABMI, and Pluss and Openium which were acquired in 2023 - refer to note 2, caption "*Business Combinations*". The decrease of the earn-out payable during 2024 by -1.099 KEUR can be explained by:

- The adjustment of the earn-out calculation based on updated figures of 629 KEUR (see also note 23) offset by 1.337 KEUR discounting impact (note 30);
- The (partial) pay-out of the earn-out of 3.919 KEUR.

The fair value of the earn-outs has been re-assessed on 31 December 2024 based on most recent information available and is in line with the underlying Share Purchase Agreements.

Other liabilities – projects

Project related liabilities result from advance invoices sent to customers for services that still need to be rendered. This relates to projects that typically cover more than 1 year.

22. REVENUES

Disaggregation of revenue from contracts with customers

Revenue of the Group consists of the fair value of the consideration received or receivable for the services rendered during the year to third parties. The Group mainly derives revenue from the transfer of services over time and at a point in time in the following geographical regions and lines of services:

IN KEUR Revenue per geographical region	31 December 2024	31 December 2023
Belgium	780.766	798.071
The Netherlands	1.330.587	1.278.569
Germany	922.310	955.124
France	273.975	253.839
Other	46.476	38.354
Total amount of revenue	**3.354.115**	**3.323.957**

in KEUR 2024	Specialized Talent Solutions	Engineering and Consulting	Other	Total
Revenue recognized over time	1.934.326	1.329.746	0	3.264.072
Revenue recognized at point in time	76.135	12.994	913	90.042
Total amount of revenue	**2.010.462**	**1.342.740**	**913**	**3.354.115**

in KEUR 2023	Specialized Talent Solutions	Engineering and Consulting	Other	Total
Revenue recognized over time	1.922.887	1.317.839	0	3.240.727
Revenue recognized at point in time	69.962	12.650	618	83.231
Total amount of revenue	**1.992.849**	**1.330.490**	**618**	**3.323.957**

2023 has been updated to correctly reflect the revenue recognized at point in time (285.513 KEUR reclassification from at point in time to over time)

The Group mainly generates revenue from offering temporary staffing solutions to its customers. The duration of these temporary staffing solutions may vary between a couple of hours up to a period of two years (without minimum volumes attached to these contracts).

The Group uses different type of contracts for freelancers. The Group recognizes sales related to freelance revenues either as principal or agent, depending on the terms and conditions stipulated in the contracts. As per year-end 31 December 2024, the revenue recognized as principal and agent amounts to 3.335.180 KEUR and 18.935 KEUR, respectively. As per year-end 31 December 2023, the revenue recognized as principal and agent amounts to 3.296.320 KEUR and 27.640 KEUR, respectively.

The Group also provides solutions to customers active in project-oriented businesses where apart from staffing also specific deliverables have to be provided for. Projects may take one week up to two to three months.

The Group does not have a single major customer from which it generates revenue exceeding 10% of total revenue.

Assets and liabilities related to contracts with customers

The Group has recognized the following project related receivables and liabilities related to contracts with customers:

in KEUR Contract assets and liabilities	31 December 2024	31 December 2023
Current contract assets related to long-term contracts	4.005	2.757
Loss allowance	0	0
Total current contract assets	**4.005**	**2.757**
Contract liabilities - advance payments received	4.509	3.100
Contract liabilities - other type	0	0
Total current contract liabilities	**4.509**	**3.100**

The amount of contract liabilities as per year-end mainly relates to advance invoices sent to customers for services that still need to be rendered. This relates to projects that typically cover more than 1 year.

As per year-end, the following amount of contract liabilities and amortization on these contract liabilities are incurred by the Group:

in KEUR Revenue recognized related to contract liabilities	31 December 2024	31 December 2023
Revenue recognized that is included in the contract liability balance at the beginning of the period	2.890	3.064
Amount of revenue recognized throughout the period	8	201
Revenue recognized that is included in the contract liability balance at the beginning of the period	**2.897**	**3.265**

23. OTHER GAINS/(LOSSES) - NET

The Group has recognized the following gains and losses in the income statement as per year-end:

in KEUR	31 December 2024	31 December 2023
Other gains		
Earn-out	-1.805	63.366
Gain on disposal	-1.499	1.313
Total other gains	**-3.304**	**64.679**
Other losses		
Earn-out	1.926	0
Loss on disposal	1.370	0
Total other losses	**3.296**	**0**
Total other (gains)/losses - net	**-8**	**64.679**

The ultimate earn-outs paid are based on final calculations of the purchase price which might deviate from expected results as these are based on management best estimate of certain key metrics (such as for example EBITDA or % of sales growth). Refer to note 21 Other Liabilities for the movements in the earn-outs payable as per year-end 2024 compared to year-end 2023.

The gains on disposal includes the gain on the exercise of the call option in ClickCare N.V. (908 KEUR)..

24. GRANTS

The Group benefits from several grants, of which the main ones are:

Covebo and Continu receive the LIV ("*lage-inkomensvoordeel*") grant every year from the Dutch government, which is intended to encourage employers to hire employees with a low wage. The amount received is a fixed fee for every hour worked by employees with a wage within a certain range, that is defined by the government and indexed yearly. For 2024 the grant amounts to 2.484 KEUR, compared to 3.720 KEUR for 2023. The decrease results from a change in the set-up of the LIV systematic, which has been reduced as a grant.

In 2024, an income of 3.520 KEUR (4.680 KEUR in 2023) has been recorded in Accent for wages and training expenses of people at work that can be reclaimed. The amount that can be reclaimed depends on the amount of training given to the people at work and the number of people hired from risk groups.

House of HealthCare receives the "*Eingliederungszuschuss"* which is a grant from the German government for companies with a low number of employees. For 2024, the grant amounts to 1.274 KEUR, compared to 1.083 KEUR in 2023.

Considering the nature of the grants, all these grants are recorded as a deduction of payroll expenses.

25. COST OF SERVICES

Cost of services comprises expenses directly attributable to revenue. These costs mainly include expenses related to candidates, such as wages, salaries, and social charges.

The 'services' relate, among others, to the housing expenses for the foreign employees and travel expenses.

The % of cost of services compared to sales amounts to 74,50% in 2024 compared with 73,13% in 2023.

Depreciations relate mainly to the housing facilities that are accounted for as leases and depreciated over their contractual lifetime.

in KEUR	31 December 2024	31 December 2023
Personnel expenses	1.563.960	1.524.463
Wage taxes	291.204	285.124
Subcontractors and freelancers	494.008	484.752
Services	112.387	109.635
Depreciations & amortizations	40.676	31.678
Other	526	906
Grants	-3.990	-5.698
Other income	0	-80
Total costs of services	**2.498.771**	**2.430.779**

26. SELLING EXPENSES

Selling expenses comprise personnel and accommodation expenses in relation to operational activities at the branches, advertising and marketing, and other selling expenses, as well as the amortization and impairment of acquisition-related intangible assets.

The % of selling expenses compared to sales amounts to 16,72% for 2024 compared with for 16,47% 2023 and are impacted by the depreciation charges on the purchase price allocations (refer to note 2). Excluding these depreciation charges, the selling expenses as a % of sale amount to 13,48% for 2024 compared to 13,10% for 2023.

in KEUR	31 December 2024	31 December 2023
Personnel expenses	257.337	249.835
Depreciations & amortizations	154.497	153.084
Wage taxes	48.841	47.605
Subcontractors and freelancers	5.217	3.987
Services	94.601	97.051
Other	9.761	3.696
Grants	-3.084	-3.555
Other income	-6.243	-4.396
Total selling expenses	**560.927**	**547.308**

27. OTHER GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses comprise personnel and accommodation expenses of head offices, IT expenses, other general and administrative expenses.

The % of other general and administrative expenses compared to sales amount to 6,34% for 2024 compared with 6,89% for 2023.

in KEUR	31 December 2024	31 December 2023
Personnel expenses	89.992	92.531
Wage taxes	16.691	12.576
Share based payment	969	1.680
Subcontractors and freelancers	5.205	6.263
Services	82.697	89.518
Depreciations & amortizations	26.058	30.773
Other	329	2.578
Grants	-1.239	-1.744
Other income	-8.014	-5.162
Total other general and administrative expenses	**212.688**	**229.013**

The other income includes capitalized internally generated intangible assets for an amount of 4.111 KEUR (2023: 3.323 KEUR)

28. EXPENSES BY NATURE

The following table provides an overview of the expenses incurred by nature:

2024	Cost of services	Selling expense	Other G&A	Total
Wage taxes	291.204	48.841	16.691	**356.736**
Insurances	7.812	1.014	1.832	**10.658**
Personnel expenses	1.563.960	257.337	90.961	**1.912.259**
Other	9.878	-1	-166	**9.711**
Subcontractors and freelancers	494.008	5.217	5.205	**504.430**
Training	9.528	3.064	1.279	**13.871**
Car leases	23.185	14.639	2.354	**40.178**
Depreciations	40.676	154.497	26.058	**221.231**
External fees	0	9.401	27.968	**37.369**
Provision for risks and charges	-40	351	1.114	**1.426**
Other income	0	-5.044	-3.903	**-8.947**
Housing costs	33.940		6	**33.947**
Travel expense	27.976	6.152	3.265	**37.393**
Rent	0	7.753	1.200	**8.953**
Licenses	634	6.060	16.610	**23.304**
Maintenance	0	5.421	5.535	**10.956**
Energy	0	3.077	463	**3.540**
Publicity & Marketing	0	25.095	17.339	**42.434**
Board remuneration	0	757	253	**1.010**
Administrative and office related expenses	0	11.816	3.508	**15.324**
Bad debt provision	0	8.850	-4	**8.847**
Other taxes	0	910	470	**1.380**
Losses on disposal of fixed assets	0	0	0	**0**
Grants	-3.991	-3.084	-1.239	**-8.314**
Capitalization of internally generated intangibles	0	-1.199	-4.111	**-5.310**
Total	**2.498.771**	**560.927**	**212.688**	**3.272.385**

2023	Cost of services	Selling expense	Other G&A	Total
Wage taxes	285.124	47.605	12.576	345.304
Insurances	7.505	1.145	1.740	10.390
Personnel expenses	1.524.463	249.835	94.211	1.868.509
Other	8.408	3.402	368	12.178
Subcontractors and freelancers	484.752	3.987	6.263	495.003
Training	8.724	4.730	1.565	15.019
Car leases	21.696	15.051	2.250	38.996
Depreciations	31.678	153.084	30.773	215.534
External fees	-25	9.111	39.515	48.600
Provision for risks and charges	-87	-704	-862	-1.654
Other income	-80	-3.624	-1.839	-5.543
Housing costs	34.198	0	0	34.198
Travel expense	29.918	1.976	1.760	33.654
Rent	0	8.639	1.315	9.955
Licenses	205	5.536	11.878	17.619
Maintenance	0	5.346	6.449	11.795
Energy	0	3.095	383	3.478
Publicity & Marketing	0	30.785	16.057	46.843
Board remuneration	0	939	377	1.315
Administrative and office related expenses	0	7.587	6.491	14.078
Bad debt provision	0	3.380	-298	3.081
Other taxes	0	729	290	1.019
Losses on disposal of fixed assets	0	0	2.816	2.816
Grants	-5.698	-3.555	-1.744	-10.998
Capitalization of internally generated intangibles	0	-772	-3.323	-4.095
Total	**2.430.779**	**547.308**	**229.010**	**3.207.097**

29. DEPRECIATION, AMORTIZATION AND IMPAIRMENT OF PP&E AND INTANGIBLE ASSETS

in KEUR	31 December 2024	31 December 2023
Depreciation & impairment of buildings	110	89
Depreciation & impairment of plant, machinery and equipment	530	392
Depreciation & impairment of furniture and vehicles	8.542	7.961
Depreciation & impairment of other PP&E	3.899	4.184
Depreciation & impairment of leased PP&E	84.654	77.636
Depreciation of tangible assets	**97.734**	**90.261**
Amortization & impairment of customer relationships	89.170	91.693
Amortization & impairment of brand names	19.538	19.846
Amortization & impairment of software	14.789	13.733
Amortization and impairment of intangible assets	**123.497**	**125.273**
Total depreciation, amortization and impairment on (in)tangibles	**221.231**	**215.534**
Included:		
Cost of services	40.676	31.678
Tangibles	40.676	31.678
Intangibles	0	0
Selling expenses	154.497	153.084
Tangibles	43.639	41.436
Intangibles	110.858	111.648
General and administrative expenses	26.058	30.773
Tangibles	13.419	17.147
Intangibles	12.639	13.625
Total depreciation, amortization and impairment on (in)tangibles	**221.231**	**215.534**

30. FINANCE INCOME AND COSTS

in KEUR	Note	31 December 2024	31 December 2023
Finance income			
Interest income on loans to related parties		-680	-44
Interest income on short-term bank deposits		-2.081	-379
Interest income on subleasing		-210	-251
Other		-1.000	-220
Total finance income		**-3.971**	**-893**
Finance expenses			
Interest expense on bank borrowings		196.408	183.236
Depreciation refinancing fees	16	20.276	19.415
Interest expense on finance lease liabilities		12.227	11.130
Interest expenses on loans from related parties		80	43
(Re)financing costs/bank fees	16	6.649	4.385
SWAPS	11	676	5.304
Discount expense earn-out		1.337	6.951
Costs related to commercial finance		6.825	6.872
Costs related to credit insurance		1.911	1.803
Foreign exchange losses, net		54	32
Other		22	980
Total finance expenses		**246.464**	**240.152**
Net finance income/(loss)		**242.493**	**239.259**

Finance expenses include the interest on borrowings from related parties, banks and bonds, refer to note 16.

Refinancing costs and bank fees relate to costs to refinance the bank loans, refer to note 16.

31. EMPLOYEE BENEFIT EXPENSE

Wages, salaries, social security charges and pension charges are included in cost of services for candidates and in personnel expenses for group employees.

in KEUR Personnel expenses	31 December 2024	31 December 2023
Wages & salaries (incl. hired temps)	1.556.846	1.526.454
Wage taxes and social fund	356.309	342.322
Holiday pay	191.428	187.444
Bonuses	66.302	64.001
Disability/sickness contributions	26.555	22.532
Pension costs and group & hospitalization insurance	53.435	47.647
Other personnel expenses	15.958	22.117
Share-based payment	969	1.680
Extra-legal advantage	4.062	2.961
Recuperation of costs from employees	-2.869	-3.348
Total employee benefit expenses	**2.268.995**	**2.213.811**

32. CONTINGENCIES

Contingent liabilities

Several of the Group's companies are involved in a number of legal disputes arising from their day-to-day operations. Management does not consider any of these disputes as likely to result in a cash outflow, nor does it expect the outcome of these procedures to have any material effect on the Group's financial position.

As a result of the Group's multi-jurisdictional operations, it is exposed to a number of different tax risks including, but not limited to, changes in tax laws or interpretations of such tax laws. The authorities in the jurisdictions where House of HR operates may review the Groups direct and indirect tax returns and may disagree with the positions taken in those returns. While the ultimate outcome of such reviews is not certain, the Group has considered the merits of its filing positions in its overall evaluation of potential tax liabilities for both direct and indirect taxes and believes it has adequate liabilities recorded in its consolidated financial statements for exposures on these matters.

House of HR Group B.V. is the parent of the Dutch House of HR corporate income tax group. All Dutch entities where House of HR Group B.V. has a direct or indirect ownership of more than 95% are included in this income tax group. Under the standard conditions, the members of the tax group are jointly and severally liable for any taxes payable by the income tax group. The financial statements of the members of this tax group recognize a corporate income tax liability based on their taxable profit (2:381-2 DCC - DAS 272.8).

Contingent assets

There are no material contingent assets at year-end 31 December 2024.

33. COMMITMENTS

Capital commitments

Significant capital expenditure contracted for at the end of the reporting period but not recognized as liabilities is as follows:

in KEUR Capital commitments	31 December 2024	31 December 2023
Property, plant and equipment	1.048	484
Intangible assets	0	145
Total	**1.048**	**630**

Non-cancellable operating lease commitments

The Group leases land and various buildings under non-cancellable lease agreements, including lease agreements entered into under concession agreements. The typical lease terms vary depending upon which country the lease agreement is entered into. The Group uses the exemption for low value items and short-term contracts for which non-cancellable lease commitments exist at year-end 31 December 2024.

Purchase obligations and commitments

The Group has maintenance and service obligations as per 31 December 2024 for an amount of 467 KEUR.

Other commitments

The Group has other commitments per 31 December 2024 for an amount of 109 KEUR.

34. RELATED-PARTY TRANSACTIONS

The Group is controlled by Bain Capital Private Equity. The remaining shares of the Group are owned by Naxicap, Conny Vandendriessche and current management of the Group.

Local management teams are present at the different groups for which there have been some changes during 2024, mainly relating to transfers within key management team, resulting in the appointment of a new local CEO or CFO at some PowerHouses.

The following transactions were carried out with related parties:

Sales and purchase of services

The following sales and purchases of services occurred during the period:

in KEUR Sales of services	31 December 2024	31 December 2023
Sales of management services	0	0
Sales of services towards joint ventures	740	612
Sales of services to entities controlled by key management	298	2.214
Sales of services towards the ultimate parent	0	0
Total	**1.038**	**2.826**

in KEUR Purchases of services	31 December 2024	31 December 2023
Purchases of services from joint ventures	671	752
Purchase of management services from joint ventures	0	0
Other purchases from entities controlled by key management	12.365	8.021
Purchases of services from the ultimate parent	4.254	4.796
Total	**17.289**	**13.569**

Purchases from entities controlled by key management are mainly related to rent of branches and/or headquarters.

Key management is considered as the total of:

- Executive management, and
- Members of the Board of Directors of House of HR and its subsidiaries.

All services are billed based upon normal commercial terms and conditions as these that are available to third parties.

The remuneration for the directors amounts to 4.542 KEUR, compared to 4.710 KEUR at year-end 2023.

The following balances remains outstanding at year-end for the sale and purchase of services:

in KEUR Year-end balances	31 December 2024	31 December 2023
Receivables from related parties	**305**	**837**
Joint ventures	297	228
Ultimate parent	7	0
Key management personnel	0	610
Payables to related parties	**1.013**	**3.631**
Joint ventures	286	189
Ultimate parent	192	1.097
Key management personnel	535	2.344

Key management compensation

Key management includes executive management and members of the Board of Directors of the Group and its subsidiaries. The compensation paid or payable to key management for employee services is shown below.

The following amounts for key management compensations have been accounted for throughout the period:

in KEUR Key management compensation	31 December 2024	31 December 2023
Salaries and other short-term employee benefits	27.481	30.883
Termination benefits	2.619	796
Post-employment benefits	0	279
Share-based payment expense	0	0
Total	**30.100**	**31.958**

Loans to related parties

The long-term loans to related parties (325 KEUR at year-end 2024 compared to 225 KEUR at year-end 2023) relate to loan receivables towards Sixie.

At year-end 2024, a short-term loan of 9.039 KEUR was granted to Villa Lux for pre-financing the acquisition of the acquired leaver shares on behalf of Villa Lux. The remaining amount of the short-term loans to related parties amounts to 171 KEUR at year-end 2024 compared to 150 KEUR per 31/12/2023.

Further the Group has loan receivables towards managers of in total EUR 678 KEUR at year-end 2024, compared to 1.243 KEUR at year-end 2023.

Borrowings from related parties

in KEUR Borrowings from related parties	2024	2023
1 January	**1.575**	**1.575**
Acquisition of subsidiaries	0	0
Repayments	0	0
31 December	**1.575**	**1.575**

The borrowings from related parties relate to the shareholders loan of Vialegis, refer to note 16 on borrowings for details on related party borrowings.

Debts to related parties

The debts to related parties amount to 291 KEUR at year-end 2024. The debts to related parties for an amount of 1.608 KEUR per 31 December 2023 was mainly related to the reinvestment of Openium and Verder in Techniek (refer to note 2).

35. AUDIT FEES

in KEUR 2024	PricewaterhouseCoopers Accountants NV	Network outside the Netherlands
Audit fee	971	1.161
Other assignments auditor - within its capacity as auditor	30	96
Special assignments auditor - within its capacity as auditor	0	0
Other non-audit services performed by non-audit associate	0	156
Tax services performed by non-audit associates	15	53

in KEUR 2023	PricewaterhouseCoopers Accountants NV	Network outside the Netherlands
Audit fee	781	1.231
Other assignments auditor - within its capacity as auditor	32	64
Special assignments auditor - within its capacity as auditor	0	8
Other non-audit services performed by non-audit associate	0	63
Tax services performed by non-audit associates	91	40

36. EVENTS AFTER THE REPORTING DATE

Mergers & Acquisitions

As per 1 January 2025, PlussWerk, formerly part of the House of HealthCare, has been transferred to TimePartner, allowing TimePartner to expand its specialization in the qualified technical business.

Per 15 January 2025, Solcom Switzerland GmbH was established. The company is 100% owned by Solcom GmbH.

On 2 February 2025, Logi-Technic SAS was incorporated, which is a 100% subsidiary of House of HR France SAS.

As per 28 January 2025, Covebo, a House of HR PowerHouse and a specialist in operational roles in construction, technology, production, and logistics, has acquired Pro Industry. Pro Industry, originally a Dutch staffing agency, specializes in the process industry and has been active in the Belgian market since 2022, recruiting machine and process operators. Covebo has built a strong reputation in staffing low-skilled operational roles in production and logistics. The addition of Pro Industry now expands our expertise to include skilled operational professions. The acquisition is currently pending approval by the ACM (*Autoriteit Consument & Markt).*

Disposals

On 30 January 2025, Pluss Personalmanagement Pinneberg was dissolved.

Mergers

The following mergers are scheduled:

- Pluss Personalmanagement Berlin GmbH and Pluss Personalmanagement GmbH within the PowerHouse House of HealthCare as of 19 February 2025;
- Redmore Werving & Selectie and Talent&Pro NL within the PowerHouse Redmore, expected by 31 March 2025;
- Locumpluss and Locumcare within the PowerHouse House of HealthCare, expected in Q2 2025.

Segment reporting

There are no changes or upcoming changes in the segment reporting.

Related parties

There are no changes or upcoming changes in the related parties.

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COMPANY FINANCIAL STATEMENTS

Company balance sheet – before allocation of profit

in KEUR	note	31 December 2024	31 December 2023
ASSETS		**273.279**	**751.101**
NON-CURRENT ASSETS		**273.068**	**750.688**
Investments accounted for using the equity method	2	273.068	750.688
CURRENT ASSETS		**211**	**413**
Other receivables		6	6
Cash and cash equivalents		205	407
EQUITY AND LIABILITIES		**273.279**	**751.101**
EQUITY		**272.875**	**750.851**
Share capital and share premium	4	1.121.437	1.120.962
Other reserves	4	-1.897	-4.287
Retained earnings	4	-365.878	-293.565
Unappropriated result	4	-480.787	-71.293
Treasury shares	4	0	-966
LIABILITIES		**404**	**250**
CURRENT LIABILITIES		**404**	**250**
Trade and other payables		109	250
Other current liabilities		295	0

Company profit and loss account

in KEUR	note	2024	2023
Other general and administrative expenses		**-1.103**	**-1.816**
Total operating expenses		**-1.103**	**-1.816**
Other gains & losses			**-1.816**
Operating profit/(loss)		**-1.103**	**-1.816**
Finance income		**909**	**0**
Finance expense		0	0
Net finance income/(loss)		**909**	**0**
Share in profit/loss of equity accounted investments	2	**-480.592**	**-69.345**
Profit/(loss) before taxes		**-480.787**	**-71.162**
Net profit/(loss) of the period		**-480.787**	**-71.162**

NOTES TO THE COMPANY BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

House of HR Holding B.V. ("HOHR" or "The Company"), is a private limited liability company, incorporated as per 17 May 2022, incorporated and existing under Dutch law, having its official seat in Amsterdam, the Netherlands and its office address at Flight Forum 40, 5657 DB Eindhoven, the Netherlands and registered with the Trade and Company Register (Kamer van Koophandel) under number 86426346.

The profit and loss statement is prepared for the period 1 January 2024 – 31 December 2024.

The Company's financial statements have been prepared in accordance with Part 9, Book 2 of the Dutch Civil Code. In accordance with sub 8 of article 362, Book 2 of the Dutch Civil Code, the Company's financial statements are prepared based on the accounting principles of recognition, measurement and determination of profit, as applied in the consolidated financial statements. These principles also include the classification and presentation of financial instruments, being equity instruments or financial liabilities.

Foreign currency has been translated, assets and liabilities have been valued, and net income has been determined, in accordance with the accounting principles for the valuation of assets and liabilities and determination of profit in note 2 of the consolidated financial statements.

House of HR Holding B.V. is a holding company with zero employees in 2024 and in 2023.

1. FINANCIAL ASSETS

Investments in consolidated subsidiaries are entities over which the Company has control, i.e. the power to govern the financial and operating policies, generally accompanying a shareholding of more than 50% of the voting rights. Subsidiaries are recognized from the date on which control is transferred to the Company or its intermediate holding entities. They are derecognized from the date that control ceases.

The Company applies the acquisition method to account for acquiring subsidiaries, consistent with the approach identified in the consolidated financial statements. The consideration transferred for the acquisition of a subsidiary is the fair value of assets transferred, liabilities incurred to the former owners of the acquiree and the equity interests issued by the Company. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in an acquisition are measured initially at their fair values at the acquisition date, and are subsumed in the net asset value of the investment in consolidated subsidiaries. Acquisition related costs are expensed as incurred.

Investments in consolidated subsidiaries are measured at net asset value. Net asset value is based on the measurement of assets, provisions and liabilities and determination of profit based on the principles applied in the consolidated financial statements. When an acquisition of an investment in a consolidated subsidiary is achieved in stages, any previously held equity interest is remeasured to fair value on the date of acquisition. The remeasurement against the book value is accounted for in the income statement.

When the Company ceases to have control over a subsidiary, any retained interest is remeasured to its fair value, with the change in carrying amount to be accounted for in the income statement. When parts of investments in consolidated subsidiaries are bought or sold, and such transaction does not result in the loss of control, the difference between the consideration paid or received and the carrying amount of the net assets acquired or sold, is directly recognized in equity.

2. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The Company is the sole shareholder of House of HR Topco B.V. (Flight Forum 40, 5657 DB Eindhoven, the Netherlands), incorporated as per 27 June 2022.

Main movements noted during 2024 and 2023 relate to:

in KEUR	2024	2023
1 January	**750.688**	**806.977**
Capital contribution	**1.672**	**15.778**
Allocation of the share in profit/(loss)	**-480.592**	**-69.345**
Movement in non-controlling interests	**834**	**-2.852**
Additions	**905**	**0**
Other movements	**-439**	**130**
31 December	**273.068**	**750.688**

NOTES TO THE COMPANY BALANCE SHEET
AND PROFIT AND LOSS ACCOUNT CONTINUED

3. CASH AND CASH EQUIVALENTS

Cash at bank and in hand are freely disposable. The fair value approximates the book value.

4. SHAREHOLDERS' EQUITY

in KEUR	Attributable to owners of the company					
	Share capital and share premium	Treasury shares	Other reserves	Retained earnings	Unappropriated result	TOTAL
Balance at 1 January 2024	**1.120.962**	**-966**	**-4.287**	**-364.858**	**0**	**750.851**
Net profit/(loss) of the period	0	0	0	0	-480.787	**-480.787**
Total comprehensive income	**0**	**0**	**0**	**0**	**-480.787**	**-480.787**
Transactions with owners in their capacity as owners:						**0**
Capital increase, net of transaction costs	1.360	0	0	0	0	**1.360**
Capital decrease	0	0	0	0	0	**0**
Acquisition of treasury shares	0	0	0	0	0	**0**
Sale of treasury shares	0	86	0	0	0	**86**
Purchase of non-controlling interests	0	0	837	0	0	**837**
Employee share schemes	0	0	969	0	0	**969**
Exchange differences on translation of foreign operations	0	0	583	0	0	**583**
Other movements	-884	880	0	-1.020	0	**-1.024**
Total transactions with owners	**475**	**966**	**2.390**	**-1.020**	**0**	**2.811**
Balance at 31 December 2024	**1.121.438**	**0**	**-1.897**	**-365.878**	**-480.787**	**272.875**

in KEUR	Attributable to owners of the company					
	Share capital and share premium	Treasury shares	Other reserves	Retained earnings	Unappropriated result	TOTAL
Balance at 1 January 2023	**1.104.712**	**-884**	**-3.376**	**-293.565**	**0**	**806.887**
Net profit/(loss) of the period					-71.162	**-71.162**
Total comprehensive income	**0**	**0**	**0**	**0**	**-71.162**	**-71.162**
Transactions with owners in their capacity as owners:						
Capital increase, net of transaction costs	16.967	0	0	0	0	**16.967**
Capital decrease	-774	0	0	0	0	**-774**
Acquisition of treasury shares	57	-82	0	0	0	**-25**
Sale of treasury shares	0	0	0	0	0	**0**
Purchase of non-controlling interests	0	0	-2.852	0	0	**-2.852**
Employee share schemes	0	0	1.680	0	0	**1.680**
Exchange differences on translation of foreign operations	0	0	262	0	0	**262**
Other movements	0	0	0	-131	0	**-131**
Total transactions with owners	**16.250**	**-82**	**-911**	**-131**	**0**	**15.126**
Balance at 31 December 2023	**1.120.962**	**-966**	**-4.287**	**-293.696**	**-71.162**	**750.851**

The authorized share capital and share premium of the Company as per 31 December 2024 is 1.122.322 KEUR and consists of 1.116.727 thousand shares. The following movements in the shareholders' equity were noted:

Share capital and share premium	Ordinary shares	Cumulative preferred shares	PowerHouse shares	in KEUR	in thousand shares
1 January 2024	**22.017**	**1.095.491**	**3.455**	**1.120.962**	**1.116.460**
28/02/2024 - French vesting of grants	-24	0	24	**0**	5
03/07/2024 - Capital increase	10	476	547	**1.032**	0
13/09/2024 - French vesting of grants	-4	0	4	**0**	1
20/12/2024 - Capital increase	0	327	0	**327**	262
31/12/2024 - Treasury shares	-12	-566	-307	**-885**	0
31 December 2024	**21.987**	**1.095.728**	**3.723**	**1.121.437**	**1.116.727**

Share capital and share premium	Ordinary shares	Cumulative preferred shares	PowerHouse shares	in KEUR	in thousand shares
1 January 2023	**22.011**	**1.078.536**	**4.165**	**1.104.712**	**1.100.583**
30/03/2023 - Mover event	2	84	0	**86**	83
13/07/2023 - Capital increase	3	15.846	47	**15.896**	14.911
13/07/2023 - Purchase treasury shares	1	45	11	**57**	0
20/07/2023 - Capital decrease	0	-6	-768	**-774**	-8
22/11/2023 - Capital increase	0	985	0	**985**	891
31 December 2023	**22.017**	**1.095.491**	**3.455**	**1.120.962**	**1.116.460**

The following types of shares exist as per 31 December 2024:

- Class A, B, C, D and E ordinary shares
- Class A, B, C, D and E cumulative preferred shares 12%
- Group and PowerHouse shares

The holders of ordinary shares are entitled to all distributions, and to all liquidation surplus (if any) of the Company subject to the priority right of the cumulative preferred shares as well as the group preferred entitlement and PowerHouses preferred entitlement of the Group and Powerhouse shares (it being specified however that the Group and PowerHouse shares shall not be entitled to any distribution before the occurrence of an exit).

One voting right shall be attached to each ordinary share and cumulative preferred share at a General Meeting, except that the class A ordinary shares and the class A cumulative preferred shares in the Company's capital each carry the right to cast two votes a General Meeting.

The other movement in equity relates to the remeasurement of the net defined benefit liability (asset). Reference is made to the Group Consolidated financial statements, note 3 section 'Employee Benefits' for detailed information

The number of shares held is as follows (in thousand shares):

		French vesting of grants	Capital increase	French vesting of grants	Capital increase	
Class	1 January 2024	28 February 2024	3 July 2024	13 September 2024	20 December 2024	31 December 2024
Cum. Pref shares A	547.627	0	0	**0**	**0**	**547.627**
Cum. Pref shares B	125.558	0	0	**0**	**0**	**125.558**
Cum. Pref shares C	99.996	0	0	**0**	**0**	**99.996**
Cum. Pref shares D	192.055	0	0	**0**	**257**	**192.312**
Cum. Pref shares E	128.847	0	0	**0**	**0**	**128.847**
Ordinary shares A	11.176	0	0	**0**	**0**	**11.176**
Ordinary shares B	2.562	0	0	**0**	**0**	**2.562**
Ordinary shares C	2.041	0	0	**0**	**0**	**2.041**
Ordinary shares D	3.920	0	0	**0**	**5**	**3.925**
Ordinary shares E	2.629	0	0	**0**	**0**	**2.629**
PowerHouse Abylsen	0	5	0	**1**	**0**	**5**
PowerHouse Avanti	10	0	0	**0**	**0**	**10**
PowerHouse Cohedron	6	0	0	**0**	**0**	**6**
PowerHouse Continu	4	0	0	**0**	**0**	**4**
PowerHouse Covebo	2	0	0	**0**	**0**	**2**
PowerHouse Group	0	0	0	**0**	**0**	**0**
PowerHouse Redmore	3	0	1	**0**	**0**	**4**
PowerHouse SOLCOM	10	0	0	**0**	**0**	**10**
PowerHouse TMI shares	3	0	0	**0**	**0**	**2**
PowerHouse TimePartner shares	10	0	0	**0**	**0**	**10**
Total number of shares	**1.116.460**	**5**	**0**	**1**	**262**	**1.116.727**

NOTES TO THE COMPANY BALANCE SHEET
AND PROFIT AND LOSS ACCOUNT CONTINUED

Class	1 January 2023	Mover event 30 March 2023	Capital increase 13 July 2023	Capital decrease 13 July 2023	Capital increase 22 November 2023	31 December 2023
Cum. Pref shares A	542.306	0	5.321	0	0	**547.627**
Cum. Pref shares B	125.558	0	0	0	0	**125.558**
Cum. Pref shares C	99.996	0	0	0	0	**99.996**
Cum. Pref shares D	182.184	580	9.291	0	0	**192.055**
Cum. Pref shares E	128.473	-499	0	0	873	**128.847**
Ordinary shares A	11.067	0	109	0	0	**11.176**
Ordinary shares B	2.562	0	0	0	0	**2.562**
Ordinary shares C	2.041	0	0	0	0	**2.041**
Ordinary shares D	3.718	12	190	0	0	**3.920**
Ordinary shares E	2.622	-10	0	0	18	**2.629**
PowerHouse Avanti shares	10	0	0	0	0	**10**
PowerHouse Cohedron shares	7	0	0	-1	0	**6**
PowerHouse Continu shares	6	0	0	-2	0	**4**
PowerHouse Covebo shares	6	0	0	-3	0	**2**
PowerHouse Group shares	0	0	0	0	0	**0**
PowerHouse Redmore shares	5	0	0	-2	0	**3**
PowerHouse SOLCOM shares	10	0	0	0	0	**10**
PowerHouse TMI shares	3	0	0	-1	0	**3**
PowerHouse TimePartner shares	10	0	0	0	0	**10**
Total number of shares	**1.100.583**	**83**	**14.911**	**-8**	**891**	**1.116.460**

The preference shares are held by

- Villa Lux Holdco SARL (holding 547.627.305 cum. Pref. Shares A) ; directors are Anthony O'Dea Padraic, Hennebaut Alexis, Daniel Gomez Lerma, Youssef Salha
- Villa Dutch InvestCo B.V. (holding 192.311.674 cum. Pref. Shares D); directors are Edwin van den Elst, Henk Buitink, Jeroen de Bruijn, Jeroen Ekkel, Matthias Boyer Chammard, Rika Coppens, Noël de Vries, Youssef Salha
- HR II Fonds professionnel de capital investissement (holding 125.558.279 cum. Pref. Shares B). Director is Eric Aveillan.
- PMhome Maatschap (holding 99.995.517 cum. Pref. Shares C). Director is Conny Vandendriessche.
- Villa German Investco 1 GmbH & Co. KG (holding 62.448.046 cum. Pref. shares E). Director is Roger Lothmann, via Villa German Verwaltung GbmH.
- Stichting Administratiekantoor Villa Dutch Holdco Stichting (holding 42.333.323 cum. Pref. shares E); directors are Rika Coppens and Youssef Salha
- Villa German Investco 3 GmbH & Co. KG (TP MPP KG; holding 10.271.669 cum. Pref. shares E), director is Roger Lothmann
- Rola Holding GmbH (holding 10.211.936 cum. Pref. shares E), director is Roger Lothmann
- Villa German Investco 2 Gmbh & Co. KG (Zaquensis MPP KG; holding 3.581.824 cum. Pref. shares E), director is Roger Lothmann

Reconciliation Group consolidated equity

Group consolidated equity as per 31 December 2024 amounts to 279.907 KEUR. The difference compared to the stand-alone equity of the Company relates to the outstanding non-controlling interests of 7.032 KEUR.

5. EVENTS AFTER BALANCE SHEET DATE

The events after balance sheet date are included in note 36 of the Consolidated financial statements.

6. COMMITMENTS AND CONTINGENCIES NOT INCLUDED IN THE BALANCE SHEET

House of HR Group is the parent of the Dutch House of HR corporate income tax group. All Dutch entities where House of HR Group B.V. has a direct or indirect ownership of more than 95% are included in this income tax group. Under the standard conditions, the members of the tax group are jointly and severally liable for any taxes payable by the income tax group. The financial statements the members of this tax group recognize a corporate income tax liability based on their taxable profit (2:381-2 DCC - DAS 272.8).

7. PROPOSAL APPROPRIATION OF RESULT

The management of the Company proposes to appropriate the result as follows: The loss for the period 2024 in the amount of 480.787 KEUR will be fully added to the other reserves.

This proposal needs to be approved by the General Meeting and has therefore not yet been recognized in the financial statements 2024 of the Company.

8. OTHER

Audit fees are included in notes 35 to the consolidated annual accounts. Director's remuneration as per year-end 2024 and year-end 2023 amounts to EUR 0.

The Company is a holding entity, having no internal employees and no branches.

Amsterdam, 26 March 2025

Christophe Patrick M. Jacobs van Merlen

Director

Conny Vandendriessche

Director

Daniel Masata

Director

Eric Aveillan

Director

Youssef Salha

Director

Matthias Boyer Chammard

Director

Rika Coppens

Director

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INDEPENDENT AUDITOR'S REPORT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS 2024

Our opinion

In our opinion:

- the consolidated financial statements of House of HR Holding B.V. together with its subsidiaries ('the Group') give a true and fair view of the financial position of the Group as at 31 December 2024 and of its result and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union ('EU') and with Part 9 of Book 2 of the Dutch Civil Code;
- the company financial statements of House of HR Holding B.V. ('the Company') give a true and fair view of the financial position of the Company as at 31 December 2024 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements 2024 of House of HR Holding B.V., Amsterdam. The financial statements comprise the consolidated financial statements of the Group and the company financial statements.

The consolidated financial statements comprise:

- the consolidated balance sheet as at 31 December 2024;
- the following statements for 2024: the consolidated income statement, statement of comprehensive income, changes in equity and cash flows; and
- the notes to the financial statements, including material accounting policy information and other explanatory information.

The company financial statements comprise:

- the company balance sheet as at 31 December 2024;
- the company profit and loss account for the year then ended; and
- the notes, comprising a summary of the accounting policies applied and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is IFRS Accounting Standards as adopted by the EU and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code for the consolidated financial statements and Part 9 of Book 2 of the Dutch Civil Code for the company financial statements.

The basis for our opinion

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

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

Independence

We are independent of House of HR Holding B.V. in accordance with the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (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).

Information in support of our opinion

We designed our audit procedures with respect to fraud and going concern and the matters resulting from that, in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in support of our opinion, such as our findings and observations related to the audit approach fraud risk and the audit approach going concern was addressed in this context, and we do not provide separate opinions or conclusions on these matters.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of House of HR Holding B.V. and its environment and the components of the internal control system. This included the board of directors' risk assessment process, the board of directors' process for responding to the risks of fraud and monitoring the internal control system. We refer to section 4 of the director's report for the board of directors' fraud risk assessment.

We evaluated the design and relevant aspects of the internal control system with respect to the risks of material misstatements due to fraud and in particular the fraud risk assessment, as well as the code of conduct, whistleblower procedures, incident registration and investigation protocols, amongst other things. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness of internal controls designed to mitigate fraud risks.

We asked members of the board of directors as well as finance management, the internal audit department and directors of the powerhouses whether they are aware of any actual or suspected fraud. This did not result in signals of actual or suspected fraud that may lead to a material misstatement.

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. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We identified the following fraud risks and performed the following specific procedures:

Identified fraud risks	Our audit work and observations
Risk of management override of controls Management is in a unique position to perpetrate fraud because of management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. That is why, in all our audits, we pay attention to the risk of management override of controls in: • The appropriateness of journal entries and other adjustments made in the preparation of the financial statement; • Estimates; and • Significant transactions, if any, outside the normal course of business for the entity. We pay particular attention to tendencies due to possible interests of management.	Our audit work included, amongst others, the following procedures: Where considered appropriate to our audit, we evaluated the design and implementation of the internal control measures that are intended to mitigate the risk of management override of controls and assessed the effectiveness of the measures in the processes of generating and processing journal entries and making estimates. We performed our audit procedures primarily substantive based. We selected journal entries based on unusual revenue account combinations and credit entries on cost accounts. We conducted specific audit procedures for these entries. These procedures include, amongst others, inspection of the entries to source documentation. We also paid particular attention to consolidation and elimination entries. We did not identify any significant transactions outside the normal course of business. We also performed specific audit procedures related to important estimates of management, including amongst others the valuation of goodwill. We have involved specialists in the testing of the valuation of goodwill. We specifically paid attention to the inherent risk of bias of management in estimates. Our audit procedures did not identify any material misstatement in the information provided by management in the financial statements. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to management override of controls.

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INDEPENDENT AUDITOR'S REPORT CONTINUED

The risk of fraudulent financial reporting due to overstating revenue When identifying and assessing the risks of material misstatements due to fraud, risk of fraud in revenue recognition is a presumed significant risk (in accordance with the accounting standards ISA 240). Management receives bonuses, of which the size partly depends on the financial results achieved. In this context, management has been given specific targets for revenue growth and EBITDA. The risk of fraud in revenue recognition relates to the incentive for management to recognise revenue in a manner to realise its goals. Therefore, we concluded that the risk of fraud in revenue recognition relates to unusual journal entries to increase revenues (existence/occurrence).	Our audit work included, amongst others, the following procedures: Where considered appropriate to our audit, we evaluated the design and implementation of the internal control system related to revenue reporting and in the processes for generating and processing journal entries related to revenue. We analysed the management incentive plan to identify incentives that potentially trigger fraudulent journal entries in revenue. We performed our audit procedures primarily substantive based. We instructed the local teams to use data analysis to identify revenue transactions that do not follow the standard business process and performed risk-based testing on those particular transactions. This included, amongst others, postings which involve account combinations which are not consistent with our understanding of the revenue process. We also paid particular attention to consolidation and elimination entries. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to the existence and occurrence of the revenue reporting.

We incorporated an element of unpredictability in our audit. We reviewed lawyer's letters and correspondence with regulators. During the audit, we remained alert to indications of fraud. Furthermore, we considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance with laws and regulations.

Audit approach going concern

As disclosed in section 2 in the directors' report,the board of directors performed their assessment of the entity's ability to continue as a going concern for at least 12 months from the date of preparation of the financial statements and has not identified events or conditions that may cast significant doubt on the entity's ability to continue as a going-concern (hereafter: going-concern risks).

Our procedures to evaluate the board of directors' going-concern assessment included, amongst others:

- considering whether the board of directors' going-concern assessment included all relevant information of which we were aware as a result of our audit, such as the monitor of performance and strategy execution. We inquired with the board of directors regarding the most important assumptions underlying its going-concern assessment and considered whether events or conditions that may cast significant doubt on the entity's ability to continue as a going concern were identified;
- analysing the financial position as at balance sheet date to assess whether events or circumstances exist that may lead to a going-concern risk;
- evaluating the board of directors' current budget including cash flows for at least twelve months from the date of preparation of the financial statements taken into account current developments in the industry such as macroeconomic circumstances and developments in laws and regulations, and all relevant information of which we were aware as a result of our audit;
- analysing whether the current and the required financing has been secured to enable the continuation of the entirety of the entity's operations, including compliance with relevant covenants;
- performing inquiries of the board of directors as to its knowledge of going-concern risks beyond the period of the board of directors' assessment.

Our procedures did not result in outcomes contrary to the board of directors' assumptions and judgements used in the application of the going-concern assumption.

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REPORT ON THE OTHER INFORMATION INCLUDED IN THE IFRS FINANCIAL STATEMENTS

The IFRS financial statements contains other information. This includes all information in the IFRS financial statements in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains all the information regarding the directors' report and the other information that is required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The board of directors are responsible for the preparation of the other information, including the directors' report and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code.

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Responsibilities of the board of directors

The board of directors are responsible for:

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

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

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high but not absolute level of assurance, and is not a guarantee that an audit conducted in accordance with the Dutch Standards on Auditing will always detect a material misstatement when it exists.

Misstatements may arise due to fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Amsterdam, 28 March 2025
PricewaterhouseCoopers Accountants N.V.

Original signed by

A.G.J. Gerritsen RA

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APPENDIX TO OUR AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS 2024 OF HOUSE OF HR HOLDING B.V.

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, amongst other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors.
- Concluding on the appropriateness of the board of directors' use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/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 and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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