

Title of the document	Financial report
Name of the legal entity	Coöperatieve Circle Economy U.A.
Date of adoption of the financial statements	16 November 2021

Title of the document	Financial report
Name of the legal entity	Coöperatieve Circle Economy U.A.
Start date of the period concerning the financial statement	1 January 2020
End date of the period concerning the financial statement	31 December 2020
Financial statements adopted (Y/N)	Yes
Date of adoption of the financial statements	16 November 2021
Date of deposit	16 November 2021

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## INDEX

Annual report.....	2
Document and entity information.....	2
Entity information.....	2
Document information.....	2
Financial statements.....	4
Company financial statements.....	4
Balance sheet.....	4
Notes to the financial statements.....	4
General notes.....	4
General accounting principles.....	5
Accounting principles.....	5
Balance sheet.....	7
Other notes.....	8
Signing of the financial statements.....	8

## Annual report

## Document and entity information

### Entity information

Name of the legal entity	Coöperatieve Circle Economy U.A.	2020
Legal form of the legal entity	Private limited liability company	
Registered office of the legal entity	Amsterdam	
Registration number at the Chamber of Commerce	52051048	
Business names	Circle Economy	
Classification of the legal entity based on the legal size criteria	Small	
Street name NL	Mauritskade	2020
House number NL	64	
Postal code NL	1092AD	
Place of residence NL	Amsterdam, The Netherlands	

### Document information

Title of the document	Financial report	2020
Start date of the period concerning the financial statement	1 January 2020	
End date of the period concerning the financial statement	31 December 2020	
Start date of the previous period concerning the financial statement	1 January 2019	
End date of the previous period concerning the financial statement	31 December 2019	
Reporting period different than annual (Y/N)	No	
Basis of preparation	Commercial	
Presentation currency of the document	Euro	
Date of preparation of the financial statements	15 July 2021	
Financial statements adopted (Y/N)	Yes	

Title of the document	Financial report
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Date of adoption of the financial statements	16 November 2021

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2020

## Financial statements

### Company financial statements

#### Balance sheet

		31 December 2020	31 December 2019
Balance sheet before or after appropriation of results	After profit appropriation		
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment		€ 20,827	€ 26,576
Financial assets		€ 8,106	€ 5,099
Total of non-current assets		€ 28,933	€ 31,675
<b>Current assets</b>			
Construction contracts (assets)		€ 122,681	€ 161,746
Receivables		€ 366,178	€ 268,021
Cash and cash equivalents		€ 185,801	€ 278,603
Total of current assets		€ 674,660	€ 708,370
Total of assets		€ 703,593	€ 740,045
<b>Equity and liabilities</b>			
<b>Equity</b>			
Other reserves		€ 156,741	€ 44,108
Undistributed profit		€ -61,197	€ 112,633
Total of equity		€ 95,544	€ 156,741
Current liabilities		€ 608,049	€ 583,304
Total of equity and liabilities		€ 703,593	€ 740,045

## Notes to the financial statements

### General notes

### General notes

#### Description of the most important activities of the entity

The activities of Coöperatieve Circle Economy U.A., having its legal seat at Amsterdam primarily consist of providing to the need of its members regarding the exchange of knowledge, expertise and financing of working according to the principles of the circular economy.

Title of the document	Financial report
Name of the legal entity	Coöperatieve Circle Economy U.A.
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#### **Description of the location of the actual activities**

## **Estimates**

#### **Disclosure of estimates**

In applying the principles and policies for drawing up the financial statements, the directors of Coöperatieve Circle Economy U.A. make different estimates and judgments that may be essential to the amounts disclosed in the financial statements. If it is necessary in order to provide the transparency required under Book 2, article 362, paragraph 1, the nature of these estimates and judgments, including related assumptions, is disclosed in the notes to the relevant financial statement item.

## **General accounting principles**

## **General accounting principles**

#### **Description of the accounting standards used to prepare the financial statements**

The financial statements have been prepared in accordance with Title 9, Book 2 of the Netherlands Civil Code. Assets and liabilities are generally valued at historical cost. If no specific valuation principle has been stated, valuation is at historical cost. In the balance sheet, income statement and the cash flow statement, references are made to the notes. Previous yearThe valuation principles and method of determining the result are the same as those used in the previous year, with the exception of the changes in accounting policies as set out in the relevant sections.

## **Accounting principles**

## **Accounting principles applied to the valuation of assets and liabilities**

#### **Policy of property, plant and equipment**

Other fixed assets are valued at historical cost or production cost including directly attributable costs, less straight-line depreciation based on the expected future life and impairments.

#### **Policy of financial assets**

Other receivables presented under financial assets include issued loans and other receivables as well as purchased loans that will be held to their maturity date. These receivables are initially measured at fair value and subsequently carried at amortised cost. If loans are issued at a discount or premium, the discount or premium is recognised through profit or loss over the maturities of the loans using the effective interest method. Also transaction costs are included in the initial valuation and recognised through profit or loss as part of the effective interest method. Impairment losses are deducted from amortised cost and expensed in the income statement.

Title of the document	Financial report
Name of the legal entity	Coöperatieve Circle Economy U.A.
Date of adoption of the financial statements	16 November 2021

#### **Policy of construction contracts**

Work in progress commissioned by third parties comprises the balance of project costs realised, profit attributed, and if applicable, recognised losses and instalments already invoiced. Work in progress is separately presented in the balance sheet under current assets. If it shows a credit balance, this will be presented under current liabilities.

#### **Policy of receivables**

Receivables are initially valued at the fair value of the consideration to be received, including transaction costs if material. Receivables are subsequently valued at the amortised cost price. Provisions for bad debts are deducted from the carrying amount of the receivable.

Provisions deemed necessary for doubtful accounts are deducted. These provisions are determined by individual assessment of the receivables.

#### **Policy of cash and cash equivalents**

Cash at banks and in hand represent cash in hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities. Cash at banks and in hand is carried at nominal value.

#### **Policy of current liabilities**

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received, taking into account premiums or discounts, less transaction costs. This usually is the nominal value.

Payments received from clients for their assignment and have not been used at the end of the year are regarded as pre-received funds.

## **Accounting principles for the determination of the result**

#### **Accounting principles for determining the result**

The result is the difference between the realisable value of the services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

#### **Policy of revenue recognition**

##### **Government subsidies NOW**

Operating subsidies are recognised as income in the income and expenditure statement in the year in which the subsidised costs were incurred or income was lost or when there was a subsidised operating deficit. Income is recognised when it is probable that it will be received.

#### **Policy of gross operating result**

Contract revenues and expenses are recognised by reference to the stage of completion of contract activity where the outcome of the construction contract can be estimated reliably, otherwise revenue is recognised only to the extent of recoverable contract costs incurred.

#### **Policy of expenses of employee benefits**

Salaries, wages and social security contributions are charged to the income statement based on the terms of employment, where they are due to employees and the tax authorities respectively.

Pensions

Title of the document	Financial report
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Date of adoption of the financial statements	16 November 2021

Coöperatieve Circle Economy U.A. applies the liability approach to account for all pension schemes. The premium payable during the reporting year is recorded as an expense.

The contributions are recorded as personnel costs from the date that they become payable. Prepaid contributions are reported as accrual if this results in a repayment or a reduction in future payments. Contributions that are not yet paid are included as a liability in the balance sheet.

#### **Policy of amortisation of intangible assets and depreciation of property, plant and equipment**

Tangible fixed assets are depreciated over their estimated useful lives as from the moment that they are ready for use.

Future depreciation is adjusted if there is a change in estimated future useful life.

Gains and losses from the occasional sale of property, plant or equipment are included in depreciation.

#### **Policy of interest expenses and related expenses**

Interest expenses are recognised on a pro rata basis, taking account of the effective interest rate of the assets and liabilities to which they relate. In accounting for interest expenses, the recognised transaction expenses for loans received are taken into consideration.

#### **Policy of income tax expense**

Tax on the result is calculated based on the result before tax in the income statement, taking account of the losses available for set-off from previous financial years (to the extent that they have not already been included in the deferred tax assets) and exempt profit components and after the addition of non-deductible costs. Due account is also taken of changes which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

## Balance sheet

### Receivables

#### Breakdown

	31 December 2020	31 December 2019
Total of receivables	<u>€ 366,178</u>	<u>€ 268,021</u>

### Equity

### Textual disclosure

#### **Disclosure of equity**

The result after tax amounted to € -61,197 is allocated to the reserves.

## Off-balance sheet commitments

## Textual disclosure

### Description of the nature of the contingent arrangements

Office rent agreements For the rent of the office at Mauritskade 64 in Amsterdam a rent agreement has been signed. The office rent is amounting to € 70,677 per year will be valid until March 31, 2022. After the expiration of the said period, this agreement is continued for subsequent periods of one year. The service costs amounts to € 20,034 per year.

## Other notes

## Average number of employees

## Breakdown

	2020	2019
Total of average number of employees over the period	<u>0</u>	<u>0</u>

## Textual disclosure

### Disclosure of average number of employees during the period

During 2020, on average 48,00 employees were employed on a full-time basis (2019: 43,8).

## Signing of the financial statements

### Name of managing, supervisory directors and representative H.H.F.

Wijffels

Type of director	Current supervisory director
Location of signing by managing and supervisory directors	Amsterdam
Signed by director (Y/N)	Yes

### Name of managing, supervisory directors and representative L.E.M. Vet

Type of director	Current supervisory director
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Title of the document	Financial report
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Location of signing by managing and supervisory directors	Amsterdam
Signed by director (Y/N)	Yes

**Name of managing, supervisory directors and representative M.E. Lopes-Cardozo**

Type of director	Current managing director
Location of signing by managing and supervisory directors	Amsterdam
Signed by director (Y/N)	Yes

**Name of managing, supervisory directors and representative R.J.A.M. Van Ogtrop**

Type of director	Current supervisory director
Location of signing by managing and supervisory directors	Amsterdam
Signed by director (Y/N)	Yes