



GMB Services

GMB Rioleringsstechnieken

GMB BioEnergie

GMB Waterkwaliteit & installaties

GMB Waterveiligheid & constructies

GMB Haven & industrie

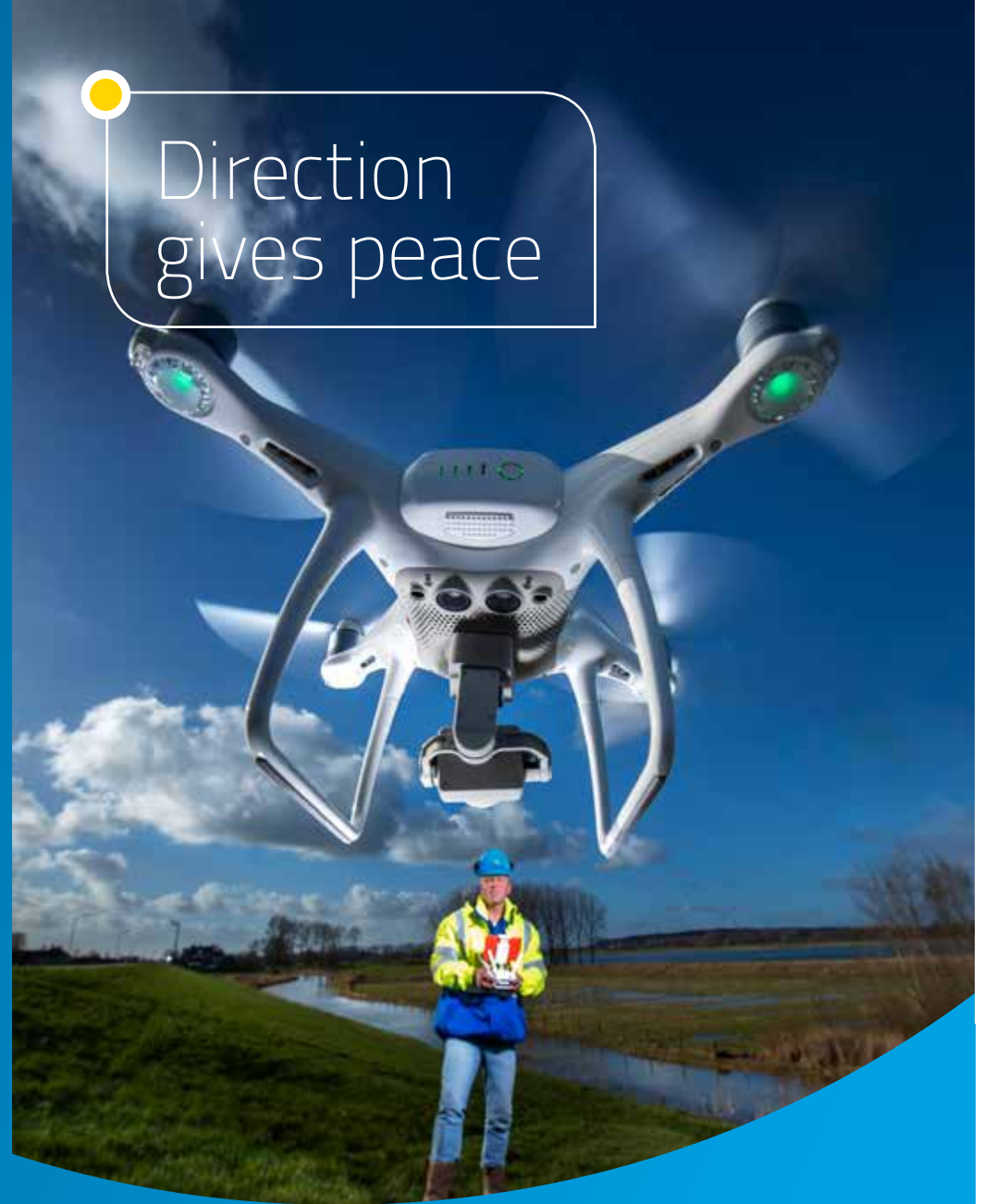
"We put our abilities to full use for improving safety, a cleaner world and efficient use of resources and energy."

www.gmb.eu

info@gmb.eu



Direction gives peace



GMB Management Report 2018

This is how it turned out for GMB

A result to be proud of

The figures confirm that GMB delivered a performance in 2018 that we can pride ourselves on. While GMB Waterveiligheid & constructies spent the year more or less in the pause mode construction wise, the group booked a turnover of 120 million euros with a result of 6.8 million euros before tax; equivalent to that of 2017. This indicates that the growth of the other clusters coincides with strong productivity and good risk management. Direction gives results.

Good prospects

In the course of 2019, the turnover of GMB Waterveiligheid & constructies will start to pick up again. The other clusters have a good working stock and can face the year with confidence. Everything points in the direction of continued growth. For 2019, we conservatively forecast a turnover of 120 million euros with a result of 6.2 million euros.

In 2018
120 million euro
turnover
6.8 million
profit



From the Supervisory Board

First of all, we would like to extend a word of thanks to the management and employees of GMB for their dedication, their involvement and the results they have provided. In 2018, the strategic business plan was consequently followed by targeted action plans. GMB concentrates on its added value and the market recognises which results this can bring. This is reflected in, among other things, the high MEAT scores for tenders and the attractive new contracts with existing and new business partners.

The focus on risk management is noticeably bearing fruit. In addition, the organisation is on the right track to guarantee the safety of people and the environment. GMB is in good shape and will continue to invest across the board in 2019 in order to be able to meet demands in the market - while at the same time being alert to the effects of climate developments - as a guiding and reliable partner.

After eight years of being a member of the Supervisory Board - including four years as chairman - Jan Casteleijn resigned in May 2018. We thank him for his special merits for our company. Daan Sperling was appointed supervisory director in April 2018. Frank Koote was appointed chairman on 1 June 2018.

Frank Koote (chairman) | Kees Wielaart | Daan Sperling

From the Managing Board

Working together brings more success; that awareness has clearly descended upon the market. Customers seek connectivity with specialist partners and work shoulder to shoulder to meet challenges. As a result, we were again granted more orders in 2018 in which good cooperation formed the core of the contact. This development is beneficial to us because it matches the values of GMB and the path GMB is following. That brings peace.

Beneath this quiet surface there are also currents to be alert to. Like the tense labour market; we choose not only to invest in the recruitment of new employees, but also in the growth and motivation of our employees. This is how our HRM policy also brings peace. Looking at GMB as a whole, our decisions taken in previous years have convincingly proven themselves in 2018.

Gerrit-Jan van de Pol | Jan van Middelkoop





GMB Services

The figures

With a turnover of 16 million euros, the targets for 2018 were amply achieved. A good result was achieved, while the year - for the first time - did not contain any major soil remediation. This indicates that the regular disciplines of GMB Services have performed excellently.

In 2018
Strong organisation
Attractive contracts
Focus on safety

Targeted deepening

Now that the strategic direction is fixed and successfully mapped out, organic growth is the motto of GMB Services. In 2018 six professionals were added to the team. In several preparatory and executive disciplines, deepening studies were made to be able to deliver quality and capacity as a multi-technical partner for drinking water companies, regional water authorities and industrial processors of wastewater. This strengthens the positioning of GMB Services in the market.

Steps taken in industry

The last blind spots on the map were filled in: GMB Services now works for all drinking water companies in the Netherlands. Also in industry - the market on which GMB Services focuses its growth pillars - promising steps have been taken in 2018. For example, Tankservice Pernis and Danone are new customers, with appealing multi-technical assignments that can also prove their value as references.

Growth in construction teams

The demand from regional water authorities and drinking water companies for cooperation in construction teams for smaller projects continues. This is in line with the ambitions and the development of GMB Services. We are convinced that we can offer the customer more value for money by working in a construction team. In order to be able to do this decisively, predictably and safely, the company safety culture and the recruitment of qualified employees are high on the agenda in 2019.



Good prospects

The outlook for 2019 continues along the line of our multi-technical partnership. At the end of 2018, there were several blanket order contracts with various regional water authorities and drinking water companies, a maintenance contract with Danone and a solid working stock of other large and smaller projects.



GMB Rioleringstechnieken

The figures

How the peace of strategic direction can lead to peak pressure in the agenda: for GMB Rioleringstechnieken this was 2018 in a nutshell. The full-time deployment of the third uv unit resulted in a record turnover of 17 million euros. With a good result despite an unworkable winter period.

In 2018
50 kilometres of relining; a record
Extension of management team
More professionals

Manageable growth

After a number of years of dynamic growth, 2018 was the year for consolidation. Marking time to create a foundation for the organisation to build on in the coming years. New professionals were recruited and introduced in order to guarantee sufficient capacity for the current production. We appointed a supervising manager and an operational manager; responsible for operations including operational personnel management, which means that we also work systematically on our capacity in the long run.

planned for January 2020. This year we want to increase our staffing in order to be able to efficiently man this expansion.

New depot

Adjacent to our building in Kampen, we purchased a plot of land for the construction of a new depot in 2020. This allows us to organise logistics processes more efficiently and to store our liner sets in a standard way under good climatic conditions.

High productivity

Our state-of-the-art and comprehensive renovation formula resulted in high productivity. In 2018 we renovated more than 50 kilometres of sewerage: another record. The glass fibre pit renovation that was introduced last year also found success in the market. In 2019 we will invest in an installation (pressure / injection unit) with which, among other things, we can connect the inlets to the liner in a watertight manner; fast - and with an environmentally protective unique product. The purchase of the fourth UV unit is



A promising 2019

In the Netherlands there are still many steps to take in the area of sewer renovation. At the end of 2018 the working stock was better than ever; in addition, there is work deriving from the blanket order contracts with municipalities. For next year we expect an equivalent turnover as in the peak year 2018.



GMB BioEnergie

The figures

The turnover increased from 23.6 million to 24.3 million euros and a good result underlines the fact that we have taken the right direction. 2018 showed a stable and high productivity with an excellent yield.

Space gives peace

GMB BioEnergie is stable and productive at all locations; against the background of constant innovation, this is an applaudable performance. In 2018, space was made for growth. Preparations were made for new constructions and renovation. In particular, air treatment will be further improved. The permit for this has been applied for. New long-term cooperation agreements were made with a number of large customers. That gives peace.

Innovation gives energy

In Zutphen, the new dewatering building was put in to operation, increasing the dewatering capacity from 275,000 to 400,000 tons per year; allowing for growth. A second major event was the installation and commissioning of 10,000 solar panels on the roofs of company buildings; good for 2.3 million kilowatt hours of renewable energy for our own operations. In Zutphen we will place another 12,000 solar panels in 2020; in Tiel, we will install solar panels for our own energy consumption in 2019. The machine pools in Zutphen and Tiel were upgraded with a number of innovations and a total upgrade according to the most recent CE machine guidelines.

In 2018

Record production
Many innovations
Ready for France

Our bio granulate Tradiphos, produced from sludge from communal wastewater treatment plants and compliant with strict French standards, will be introduced this year as a certified fertiliser product in French agriculture. The Tiel plant was fully equipped in 2018 for the production of Tradiphos. We also conducted studies into the sales opportunities for bio granules on the United Kingdom market; the first encounters give a positive impression.

The fermentation of the BIR in Lichtenvoorde was again stable and productive; the heating network was expanded to the care organisation Antoniushoeve and an annex of the town hall. Regional water authority Limburg extended the contract with the fermentation plant Venlo; this shows confidence in a good result.

Position gives confidence

The under-capacity for sludge processing in Germany is expected to generate more demand for our processing capacity. This is nicely in step with, among other things, the construction of three new tunnels in Zutphen. On the basis of these developments, the stable performance, the cooperation with a number of large customers and the prospects abroad, we are looking forward to 2019 with great confidence.



GMB Waterkwaliteit & installaties

The figures

2018 ended with a turnover of 35 million euros. This puts us on course of the strategic business plan. We achieved good results on a large number of projects. Unfortunately, we also had projects that showed a loss. The low return on the construction of wwtp Utrecht weighed so heavily on the annual result that we achieved weak figures - but still a positive result.

Organisation

Direction gives peace. We notice that we are well on our way to being the key integral water quality contractor in the Netherlands, this is also recognised by our customers. We focus on multidisciplinary projects with a robust quality share and cooperation with customers. In order to limit the risks, the degree of complexity in a project is compared to the available knowledge and skills within the organisation.

Construction teams

Projects such as the construction of a water buffer and a cooling water system for the Microsoft data centre fit our growth ambitions in the industrial market. This also applies to projects in construction teams, which challenge us to make the added value of multidisciplinary cooperation tangible. In 2018 we were regularly invited to construction team projects and everything indicates that this trend will continue. Construction teams often require a lot of work in the preliminary phase; in 2019 we want to devise a good balance between invested time and billable hours.



In 2018
Utilising construction knowledge
Safety awareness
Short lines
Selective choice tenders

Performance guarantee year Utrecht

No shortage of challenges. The completion of wwtp Utrecht is planned for April 2019, after which the performance guarantee period of one year commences, this is followed by operating the installation for 9 years. The outlook creates confidence, but staying constantly alert remains the motto. In addition there is also, among others, the renovation of the drinking water pumping station Andijk; this is a large construction team project that can provide us with a lot of work during construction.



Good expectations

Last year the contract for the construction of wwtp Leidsche Rijn was granted. We will design and renovate three pumping stations in the Bath-Moerdijk wastewater pressure pipeline and more projects may be expected. The outlook is good; for 2019 we expect a turnover of 33 million euros.



GMB Waterveiligheid & constructies

The figures

Because we made many tenders in anticipation of work that will be assigned in 2019 and 2020 and that construction projects were largely on hold, we achieved a turnover of 5 million euros in 2018. This only partially covered operating costs, resulting in a negative result.

In 2018
Few projects
in progress
Organisation at strength
Focus on
partnership

Planned tendering

The direction is clear to us: in 2018 we deliberately tendered for a maximum of two large projects that suit us well and also for a number of smaller projects. This way we keep risks manageable and we get the best out of ourselves in cooperation with our clients, consortium- and other partners. The contract for the dike reinforcement Wolferen Sprok has been awarded to our consortium; we are entering the planning phase together with the customer and our partners.

Strengthen capacity

The motto for 2019 is to keep an overview of the market. Direction gives peace. Refrain from being over-eager when tendering so that we will not become overloaded during implementation. The real size of projects only becomes clear when the plans have been developed. Just as in 2018, we will also take on new professionals in 2019, so that together with our consortium partners we can confidently handle the approaching peaks.

Planning studies

In 2018 we did exploration work for the dike improvement in Gorinchem-Waardenburg. The assignment appears larger than initially thought; the De Graaf Reinald alliance is charting the consequences. In the meantime we are working on the planning study. For a number of our people it is new to include the political considerations in the planning as well as the technical aspects. Decision-making can also take longer than we are used to. It is important that we remain ourselves in the planning phase, so that we can live up to our promises during the implementation.



Moderate turnover in 2019

There is already a good working stock for the longer term and if we continue to tender on the same successful footing, the outlook is very bright. The first new work will commence in the course of this year; we expect a modest turnover of 15 million euros for 2019.



GMB
Haven & industrie

The figures

If the chosen direction manifests itself anywhere in resounding figures, it is at GMB Haven & industrie. In the wake of the many projects for regular customers, the projected turnover of 22 million euros was amply achieved; this excellent result exceeded expectations.



Internal direction

Consolidation pays off. That conclusion is justified now that we have been performing better for a number of years on the basis of three fixed pillars: wind turbines, regular customers and targeted new customers. In 2018 we improved on that. We defined per pillar which type of customers and assignments we include in that category. This resulted in more internal clarity and an even better targeted organisation, allowing us to respond more accurately to requests from our customers.

More construction team

After the reallocation of the occupants in the Waalhaven area, the assignments are now being released. Commissioned by the Port of Rotterdam Authority, we will take on extensive civilian works for, among others, RST and RSC. It is striking that more and more clients are embracing the effective cooperation in a construction team. These include REKO, for who we are building the foundations for their second thermal cleaning installation; besides being a considerable project it is also a challenging project.

Wind turbine specialist

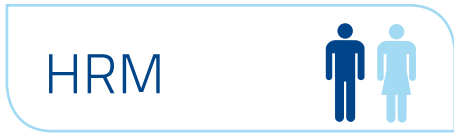
The work for Windpark Krammer is as good as completed. Due to adjustments in the planning, the financial settlement still has to be finalised; the quality of our work has been well received by the client. The name of GMB is resounding more and more audibly in this market. We built many wind turbine foundations in 2018; for both large and smaller projects in Zeeland and the domestic market. For SIF we are building the foundation for the prototype of a new type of offshore monopile wind turbine: an innovation with a potential that suits us well.



Good prospects

The construction team cooperations for several wind farms and orders for regular clients in the Waalhaven result in a working stock of 20 million euros for 2019.

In addition, there are many tender requests and tenders still outstanding. In brief; good prospects.



Working at GMB

In 2018 a great deal of attention was given to communicating with the labour market. We built a 'working at' website, started working more actively with social media and held a campaign to introduce students to GMB. Working at GMB was also put in the spotlight at trade fairs and business network days.

Welcome

At the end of 2018 GMB had 371 employees: 20 more than in 2017. We managed to fill many of the large number of vacancies. Our flexible workforce was also expanded. As an investment in the future, nine apprentice and trainee workplaces were made available. We believe it is important that new employees become acquainted with GMB from the beginning. Our introduction programme has been finely tuned to accommodate this.



Certifications

After preparations, audits and optimisations in 2017, our ISO certifications 9001 and 14001 were updated to the 2015 editions in the spring of 2018. GMB Waterkwaliteit en installaties obtained the VCA certificate Petrochemistry. GMB Services received a new BRL certificate for concrete repairs.

Personal development

For the motivation of our employees it is essential that they permanently feel at home at GMB. That is why personal development interviews, focused on competencies, have been introduced. A GMB competence library has been especially developed for this purpose.

Education

In 2018, extensive attention was paid to education and training sessions. For example, many employees attended internal training courses in personal leadership, collaboration and LEAN management.

Absenteeism

Due to some long-term illnesses and relatively many cases of flu, absenteeism rose to 4 percent. For 2019 we are aiming to reduce this to 3.5 percent.

Absenteeism:



Working safely

In 2018 we commissioned a pre-audit safety scale. The score showed that we have taken good steps in the area of safety organisation, awareness and culture. After the implementation of a number of optimisations, the certification audit for level 3 of the Safety Culture Ladder will be carried out at the end of 2019.

Safety statement

After holding surveys among employees in 2016 and 2017, we defined our safety values in 2018. These are also included in the new safety statement for employees and managers. The values and the statement are part of the



Security and privacy

2018 was largely dominated by data security and our further implementation of MS Azure Rights Management. This allows us to establish and comply with secured and locked procedures for internal and outgoing documents and e-mail traffic. In addition, we took firm steps within the General Data Protection Regulation. The protection of personal data was secured in the vast majority of our data sources, systems and processes; At the end of 2018 we were well on the way to full GDPR compliancy.

Central database

We are now converting the data from all our sources and systems into one data warehouse that is only accessible to authorised GMB employees. From this central database they have at every location, complete up-to-date data

'Awareness Without Accidents' (Zó Veilig) programme, which we will also integrate into the Management Care System in 2019, with which we will promote safety even more.

Quality, Occupational Health & Safety and Environment close to the workplace (QHSE)

From our central QHSE departments, our QHSE employees always operated within their own clusters-in addition to the GMB-wide activities. In 2019 the QHSE department will be decentralised and the business offices of the clusters will have their own QHSE employee. These will be close to the work floor so that

for project and financial reports, 24/7. This promotes an efficient and fast way of working and helps us prevent imperfections in reports.

The New Way of Working

All GMB branches were given new presentation tools that are equipped for the New Way of Working. For example, smartboards were replaced by touchscreens with facilities for wireless presentation. The entrance halls of our branches were installed with TV screens for narrowcasting: the TV-newspaper with news for our visitors and employees about our projects and current events.

Cloud training

Working in the cloud is the future, but it works differently to what we are used to. Our employees therefore received training in working with MS Office 365: Outlook, Sharepoint, OneDrive and OneNote.

they can respond even better to demands and developments.

Accidents with absenteeism

The number of accidents resulting in absenteeism increased in 2018 compared to 2017. This can be explained by the increased activities and thus the use of labour, but it is unacceptable and it encourages us even more to focus heavily on our safety programme.

IF-index





For more than half a century GMB has dedicated itself to water quality, flood protection and a sustainable, circular economy. Together with our customers, consortium partners and chain partners, we anticipate social developments. In this way, we are working on a cleaner world, improved safety and an efficient use of raw materials and energy.

People

The development and safety of our employees is paramount. You have already seen this in HRM and QSHE. GMB also wants to be social and of value to society. GMB employees can submit spending proposals for our social support fund. In 2018 we supported, among others, the Present West Betuwe Foundation, the Hartekind Foundation, the SIA Foundation and two providers of foster care. We also donated safety shoes and tools to the social workshop Het Lijsternest.

Partners of two of our employees travelled to Tanzania and Malawi for food supply, education, health care, reception of and support for (orphaned) girls. In Ghana we made a neglected

wastewater treatment plant operational again in the city of Tamale. We also installed a small sewerage system for more than 6,000 people.

Planet

10,000 solar panels were installed and put into use on the roofs of company buildings in Zutphen; good for 2.7 megawatts of energy that are used for business operations. In 2020 phase 2 will follow for another 12,000 panels and 3 megawatts of energy. In Tiel we expect to install and use 5,200 solar panels this year with a yield of 1.5 megawatts.

We also support the climate agreement with investments in two hybrid cranes and a sustainable aggregate. This year we introduced our bio granulate fertiliser Tradiphos to French agriculture, with which we can assist the transition agenda to a circular economy.

Profit

Together with the Meekenesch swimming pool, the Antoniushoeve care facility and a branch of the town hall were also connected to the free heating system of the BIR in Lichtenvoorde.



Balance sheet

Assets (rounded off x 1,000 in euro)	2018	2017
Intangible fixed assets	10	16
Tangible fixed assets	48,881	45,072
Financial fixed assets	1,002	1,470
Inventory	4,618	503
Accounts receivable	15,064	18,110
Liquid assets	13,880	9,035
Total assets	83,455	74,206

Liabilities (rounded off x 1,000 in euro)	2018	2017
Group equity	42,336	38,462
Provisions	3,588	3,886
Long term liabilities	13,612	7,731
Construction work in progress	0	987
Short term liabilities	23,919	23,140
Short term liabilities	83,455	74,206



Net group result (x 1,000 in euro's)



Solvability in %

Profit and loss account

Revenue and expenditure (rounded off x 1,000 in euro)	2018		2017	
Net turnover	103,430		110,169	
Change in inventory of finished projects and construction work in progress	5,164		3,357	
Other operating income	127		113	
Total operating income		108,721		113,639
Costs of raw materials and consumables, subcontracted outsourcers work, and other external charges	53,667		67,436	
Personnel expenses	27,767		25,340	
Depreciations	4,635		4,060	
Other operating expenses	16,509		15,750	
Total operating expenses		102,578		112,586
Operating result		6,143		1,053
Result of consortium works		947		6,350
Financial revenue and expenses		-318		-342
Result before taxes		6,772		7,061
Taxes		-1,387		-1,413
Result of participating interests		-6		8
Net group performance		5,379		5,656

Key indicators

	2018	2017	2016	2015	2014	2013
Turnover*	108,721	113,628	107,403	119,858	125,408	131,355
Turnover ratio TP	1.30	1.53	1.39	1.64	1.78	1.78
Profit margin	5.65%	0.93%	3.09%	3.12%	2.72%	-1.42%
Net group performance*	5,379	5,656	6,862	4,080	2,102	-1,806
Profitability TP	8.5%	10.0%	10.6%	8.1%	4.9%	-2.0%
Balance sheet total	83,454,748	74,206,488	77,303,022	73,230,464	70,441,440	73,836,569
Solvency	50.73%	51.83%	47.11%	41.76%	41.40%	36.70%

* Rounded off x 1,000 in euro

Turnover

Rounded off x 1,000 in euro	2018	2017	2016	2015	2014	2013
GMB Civiel	51,767	60,717	56,292	72,582	77,397	88,819
GMB BioEnergie	24,345	23,554	24,395	25,284	24,187	22,104
GMB Services	16,344	14,262	13,206	11,148	12,463	12,002
GMB Riolerings technieken	17,134	15,827	13,510	10,359	10,493	10,051
Other including eliminations	-869	-721	0	485	868	-1,621
Total turnover excluding consortiums	108,721	113,639	107,403	119,858	125,408	131,355
Turnover from consortiums	11,006	27,771	27,437	26,901	25,550	47,323
Turnover including consortiums	119,727	141,410	134,840	146,759	150,958	178,678

Turnover excluding combinations	2018	2017	2016	2015
GMB Civiel	47%	53%	52%	62%
GMB BioEnergie	22%	21%	23%	19%
GMB Services	15%	13%	12%	10%
GMB Riolerings technieken	16%	14%	13%	9%
Total	100%	100%	100%	100%

Total excluding combinations	108.7	113.6	107.4	119.9
------------------------------	-------	-------	-------	-------

Turnover including combinations	2018	2017	2016	2015
GMB Civiel	52%	62%	62%	69%
GMB BioEnergie	20%	17%	18%	16%
GMB Services	14%	10%	10%	8%
GMB Riolerings technieken	14%	11%	10%	7%
Total	100%	100%	100%	100%

Turnover including combinations	119.7	141.4	134.8	146.8
---------------------------------	-------	-------	-------	-------



Looking ahead

Positioning

In 2018 we commissioned a survey of our identity. We find it important to test whether the image we have of ourselves corresponds to who we are. Being authentic is the basis of our thinking and doing; this is a prerequisite for internal involvement and promotes sustainable cooperation with customers, consortium partners and chain partners. The study resulted in an update of our positioning; in mid-2019 we will introduce the new slogan that expresses the core of GMB.

Consciously safe

One of the most important themes of our organisation must not be lacking in this preview: safety. In 2019 the 'Zo Veilig' programme will start and our certification will take place for Safety Scale Level 3. Prevention of accidents has to do with ownership: employees who feel responsible for the safety of themselves and their colleagues and who also act in that way. We will continue to invest in this awareness.



Circular in 2030

In 2018 we saw an increase in social urgency on the theme of climate change. The climate showed an erratic face and the call for measures began to take on an alarming tone. GMB endorses the need to take clear action. This year we have set the goal of full circularity in 2030. In this context, we are not only focussing on more sustainable and renewable energy, but also on reducing the use of raw materials.

