

2018 ▲ SHV

SHV Holdings N.V.

Head office:

Rijnkade 1
3511 LC Utrecht
The Netherlands
T +31 30 233 8833
F +31 30 233 8304
www.shv.nl
e-mail info@shv.nl

Statutory seat:

Boulevard Gob. N. Debrot 36
Kralendijk
Bonaire

Chamber of Commerce
Utrecht no. 30065974

Chamber of Commerce
Bonaire no. 7111

The Annual Report is published in English.

SHV Annual Report 2018 - Contents

4	SHV at a glance
6	Supervisory Board of Directors
6	Executive Board of Directors
6	Staff
8	Foreword
	Directors' report
10	Vision
	– Delivering the promise
	– Shared values and objectives unite SHV
	– Ethics and Compliance
	– Investing in people
	– Innovation
	– Sustainability
12	Highlights 2018
14	Financial overview 2018
	– Risks
16	Business review 2018
34	Corporate Philosophy
36	SHV History
37	SHV Group Companies

SHV at a glance



SHV is a privately held family company that aims to maintain its strong position in a number of operational activities and selected investment activities. SHV invests for the long term, expands and develops businesses, and provides its customers with excellent value services. All this is possible thanks to a team of dedicated people who are proud to be a part of SHV.

The company was founded in the Netherlands in 1896 following the merger between a number of large coal trading companies. After the general decline in the use of coal as a primary source of energy halfway through the twentieth century, SHV moved into other business areas.

Today, SHV is present in 58 countries on all continents and employs approximately 60,000 people. SHV Groups are active in energy distribution, cash-and-carry wholesale, heavy lifting and transport activities, industrial services, and animal nutrition and aquafeed. As an investor, SHV is involved in the exploration, development and production of oil & gas primarily in the North Sea, and it provides private equity to companies in the Benelux.



Energy distribution

SHV Energy provides low-carbon and clean energy solutions for business and residential customers in over 25 countries across four continents. It is a leading global distributor of LPG and also a significant player in small-scale LNG and sustainable biomass.



Cash-and-carry wholesale

Makro is a focused cash-and-carry wholesaler with 167 stores in South America. Based on strategic choices, Makro distributes food and non-food products with the ambition to become a relevant partner for their customers by improving their buying experience by delivering services that boost the business of their customers.



Heavy lifting and transport

Mammoet is a global market leader specialised in engineered heavy lifting and transport. It provides services to the oil & gas, petrochemical, power generation, civil and offshore sectors.



Industrial services

ERIKS is a multi-product specialist offering a wide range of mechanical engineering components and technical services to all sections of industry. ERIKS has a leading position in its markets in Europe and the USA and also has branches in Asia.



Animal nutrition and aquafeed

Nutreco is a global leader in animal nutrition (Trouw Nutrition) and aquafeed (Skretting) and is active in 37 countries. Its advanced nutritional solutions are at the origin of food for millions of consumers worldwide.



Oil and gas investments

Through industry joint ventures, Dyas invests in the exploration and development of oil & gas fields. Dyas acts as a non-operator, and its primary focus is on the North Sea.



Private equity investments

NPM Capital invests in medium to large sized private companies in The Benelux, as majority or minority shareholder. NPM's equity amounts typically range from € 25-300 million. The companies are characterised by having a strong competitive position and providing growth potential through a scalable business model across geography/sectors or via buy & build. NPM currently has 27 investments.

Supervisory Board of Directors

Mrs A.M. Fentener van Vlissingen, Chairman
R.W.J. Groenink, Deputy Chairman
P.J. Kennedy, Deputy Chairman
W. Dekker
J.M. Etlin
R.J. Frohn (as of April 13, 2018)
Ph.C.O.E.A. von Hammerstein-Loxten
R.J.M.S. Huët
Ms P. Mars Wright
M.L. Mautner Markhof
Mrs M.J. Oudeman

Executive Board of Directors

J.P. Drost, CEO
R. Kandelman
F.F.J. de Ryck
F.J.C. van Lede (as of July 1, 2018)
W. van der Woerd (until April 12, 2018)

Staff

Company Secretary - J. van Klink
Financial and Economic Affairs - C. Dekker
Human Resources - J.C. de Vries



SHV, Utrecht

Foreword

Adapting to a rapidly changing world without losing our own "SHV touch" is an important task for the years ahead.

In 2018, SHV and its Groups spent considerable time and attention on strategic positioning, business transformations, improvement initiatives and development of new services and business models. SHV is progressing in adapting itself for the future, in both commercial and functional areas, while the current business is ongoing. Many changes are prompted by the opportunities that digital technology developments provide, which leads to the need to invest in digital infrastructure. In this changing environment and our changing company, we ensure at the same time that SHV's key strengths, such as exemplary leadership, entrepreneurial spirit, decentralised approach and minimum bureaucracy, are unaffected, and even amplified. Ultimately, this has to lead to growth, as growth is at the heart of continuity towards the next generations.

Operational performance in 2018 was mixed. This was partly caused by factors outside SHV's control, such as macro-economic developments and the weather, but also by the impact of investments needed to adapt our company. While several Groups performed below the previous year, Dyas made a strong contribution to SHV's overall result. At year-end it was announced that Dyas will be entering into a joint-venture with Oranje Nassau Energie. This will mean a 'change that creates opportunities' for the company which was set-up as a greenfield by SHV in 1964, and has over the decades built a prominent and reputable position in the North Sea oil & gas industry.

During the year 2018, the Supervisory Board of Directors was in regular contact with the Executive Board of Directors during several meetings and conference calls. At every Supervisory Board meeting, the Executive Board updated the Supervisory Board about the performance of the Groups in light of their strategic objectives, as well as the main developments in their markets. Ethics and Compliance, as important as ever in the way we conduct our business, was a recurring subject in all our meetings. All significant investment proposals and business development initiatives were discussed by the Supervisory Board, the Executive Board and representatives of the Groups. The updated strategies of several Groups were discussed, as well as important developments in areas such as Information Technology, Risk Management, Human Resources, Innovation and matters of compliance and control.

In June, the Supervisory Board visited ERIKS' operations in the Netherlands and some of their key customers, to learn more about ERIKS' business and its 'co-created' innovations. It was an insightful visit and inspiring to see what ERIKS can do for its customers.

At the Annual General Meeting of Shareholders in April 2018, Mr R.J. Frohn was appointed as member of the Supervisory Board. Given his knowledge of finance and his experience both in a large multinational and in a large family owned company, Mr Frohn is a good addition to the Supervisory Board of Directors.

People are at the heart of SHV and without their efforts we can never be successful. Therefore it was with regret that we received the news that Mr W. van der Woerd, who held special focus on Human Resources as part of his responsibilities on the Executive Board, intended to retire early 2018 for personal reasons. Wouter was, is and will always be very much part of SHV. 'Investing in people' got a new dimension due to all the work he has

done and that will be continued. We sincerely thank him for this and we will miss him as a colleague and as a friend.

Mr F.J.C. van Lede, who previously held several positions within Makro and SHV Energy, was appointed to the Executive Board at the Annual General Meeting of Shareholders in April 2018.

I thank all colleagues for the dedication and efforts made for SHV in 2018. We all do this together and that makes me proud of you! Thank you.

Utrecht, March 12, 2019

On behalf of the Supervisory Board of Directors,

A.M. Fentener van Vlissingen
Chairman

Vision

SHV's firm foundations, entrepreneurial spirit and wealth of experience provide a solid base for continued growth. As our operations expand, we take care to remain close to our customers. Therefore, decentralisation is fundamental to our way of doing business.

Over the years, SHV has demonstrated its capacity to continuously change. By establishing ourselves as a leading player in our individual markets and by striving to stand out from the crowd, we continue to build and maintain a solid company.

Delivering the promise

Good operational performance combined with a successful long-term investment strategy is important to the future of SHV. Investments are made to develop our existing activities. SHV seeks to expand organically and through acquisitions. New business activities are explored and developed, bringing challenges and opportunities. SHV's shareholders share the company's long-term view and accept the risks that come with new ventures.

Shared values and objectives unite SHV

SHV is shaped by its people, who all share SHV's values and business objectives. SHV's culture reflects its professionalism, entrepreneurship and reliance on common sense. Mutual respect and trust provide the basis for sound working relationships between all our people, who are encouraged to take responsibility for their work and are stimulated to be entrepreneurial. Knowing that SHV people are capable of meeting the challenges of today gives us confidence in the future of this company.

Ethics and Compliance

SHV is committed to achieving the highest standards of Ethics and Integrity. We believe in acting with integrity, in line with policies and the law. Every day all of us pay, in many ways, attention to the importance of doing business in a compliant and ethical way and in line with the culture of SHV. A culture of shared values where SHV has never tolerated and never will tolerate unethical behaviour.

Investing in people

SHV believes that its people make all the difference. Our people embody SHV's values, support our culture and build the company's success. SHV understands that a long-term people strategy is needed to instill among its employees a long-term commitment to the business. This is why SHV prefers to promote its people from within. SHV invests in its people by offering challenging careers with real responsibilities. This is complemented with specific training and development programmes aimed at growing our current and future leaders.

Innovation

For over 120 years, SHV has constantly adapted to changing market circumstances with innovative solutions and business models, finding new ways to grow. Currently, the world is changing at a faster pace than ever before, with new technologies on the rise and consumer behaviour changing rapidly. This means SHV needs to innovate at a faster pace, too.

Our objective is to innovate close to our customers and embed innovation deep within all the Groups. We aim to achieve this by a generic, overall approach with one "innovation language" to enable cross-Group cooperation and the exchange of best practises, while at the same time taking into account the differences in industries and market maturity. This continuous focus on innovation enables us to stay ahead in the markets in which we operate.

Sustainability

Sustainability is an inherent part of SHV, given that it is a family-owned company with a tradition of sustainable growth. In today's world, sustainability is a license to operate and is non-negotiable when considering the generations to come. Our approach to sustainability goes further than reusing, renewing and recycling. Our objective is to truly integrate sustainability into the way SHV conducts its business, targeting those areas where we can have the most impact.

A key element of our approach consists of materiality assessments, that provide insights in the relative importance of specific environmental, social and governance issues inside our Groups. These insights enable us to integrate sustainability into our strategy and the way of doing business.

Highlights 2018

Looking back, 2018 was a year with many activities and projects aimed at further improving and upgrading the organisation.

The world proved a volatile place to operate in and the global environment showed a mixed picture of positive economic circumstances and geopolitical tensions. The growth of the world economy was approximately 3%, having a positive impact on unemployment rates and general industrial activity. However, various factors had a negative impact on local economies and the performance of SHV, such as the uncertainties on the outcome of the Brexit negotiations and the trade disputes between the USA and China. The economic situation in South America remained difficult as 2018 was still immersed in political and economic turmoil affecting most of the countries. Warm weather and volatile oil & gas prices also had impact on the results of certain Groups.

The continuously changing operating circumstances require a constant attention on strategy. Following the update of the overall SHV strategy, "Focus on delivering the promise", the strategies of the Groups have been discussed and further refined. Based on the outcome of these discussions, the execution of the strategic development and delivery agenda is part of the regular meetings between Group management, the Executive Board and ultimately the Supervisory Board.

A significant event that took place at SHV was the agreement on the merger of the activities of Dyas and Oranje Nassau Energie (ONE) into a new company that will be called ONE-Dyas. This merger will create a combination that will be stronger and even better positioned to operate in the current, fast changing oil & gas markets. For over 50 years, Dyas has been a valuable part of SHV and a governance structure has been agreed to ensure a continuous involvement. The transaction is subject to certain regulatory approvals and closing is expected to take place in the first half of 2019.

On an operational level, the Groups showed a mixed performance. SHV Energy's volumes were impacted by warm weather in Europe and supply disruptions in Brazil but net customer creation was again higher than last year. The performance of Makro was impacted by intensified competition, especially in Brazil. Mammoet faced a late cyclical business environment putting pressure on sales and margins. The order book showed signs of improvement and results and cash flows were positive. ERIKS showed a sales growth versus last year but experienced pressure on margins. At Nutreco, Trouw Nutrition saw overall strong volume growth and Skretting experienced increased competition in salmonid due to vertical integration of customers. Demand for shrimp feed was strong, with overall higher volumes. Dyas showed a strong performance as a result of better volumes and prices. NPM Capital reported higher results compared to last year, excluding the capital gain on the sale of Vanderlande Industries in 2017, mainly as a result of dividends received from participations. Overall, income from operations was € 629 million.

During the year, many acquisition proposals of the Groups were discussed during meetings with the Executive Board. Several acquisitions were concluded such as two density acquisitions in the US by Pinnacle Propane, that was acquired by SHV Energy in 2017. At the beginning of the year, SHV Energy acquired the remaining 30% of Liquigas from its Italian partner of more than 30 years, gaining full ownership of Liquigas. Dyas sold its Dutch assets and the greater Stella area licenses and associated infrastructure interests.

Within the fast changing requirements of our business environments we continued to further raise our activities aimed at ensuring that we conduct our business legally, with integrity and honesty. The Ethics & Compliance functions within the Groups have been further strengthened and further aligned with today's standards of internal controls. To increase awareness, a new company wide campaign of Speak Up, the SHV confidential whistleblowing line in existence since 2011, took place throughout the whole of SHV with communication materials being made available to some 4,000 locations worldwide. The investigation by the Dutch Public Prosecutor into alleged non-compliance with laws and regulations is ongoing.

Having good and dedicated people is another essential element to remain successful in the years to come. The internal succession pipeline for senior executive levels was strengthened and additional focus has been given to the development of emerging talents. Furthermore, actions have been taken to increase diversity of management in terms of gender and nationality. In addition, the performance management and leadership development programs have been improved.

The SHV Sustainability Platform, with representatives from all Groups, met several times during the year, exchanging knowledge and best practises. The Groups have taken further steps to integrate sustainability in their business strategies and the sustainability reporting was further improved. SHV Energy, Makro, ERIKS and Nutreco have published a Sustainability Report. Important steps were taken in defining an overall SHV Sustainability vision and ambition that will be linked to the UN Sustainable Development Goals and will be completed in 2019.

The project to make innovation an integral part of the day-to-day business that was started in 2017, made good progress during the year. All Groups now have dedicated Innovation leaders and several innovation teams are exploring and designing new ways of improving customer relations, optimising processes and design innovative concepts that can provide a competitive advantage. The SHV overall vision and ambition to make innovation continuous in the groups with involvement that is deep and wide throughout the organisation with a standardised approach, will be included in the regular meetings of SHV and the Groups.

Looking ahead, the same global developments that had an impact in 2018, will also be the topics for SHV in 2019. Predicted economic growth rates are lower for 2019 and the ongoing uncertainties on the outcome of the Brexit, the trade disputes between the USA and China and the resulting slowing down of the economic growth in China will have an impact but at this time it is difficult to predict to what extent. The ongoing strategic adjustments of the business and the continuous focus on strengthening and streamlining the organisation should enable SHV to face up to these challenges and make use of the opportunities that the different market circumstances undoubtedly also will offer.

Financial overview 2018

In 2018, SHV's income amounted to € 515 million (2017: € 1,264 million). The decrease compared to last year was mainly explained by the substantial capital gain on the divestment of Vanderlande Industries by NPM Capital in 2017.

Net sales in 2018 amounted to € 20.1 billion, an increase of 1.0% compared to last year (2017: € 19.9 billion). Adjusted for foreign currency translation effects, sales increased 9.2%. Sales were impacted by currencies that, on average, devaluated against the euro, mainly the Brazilian real, the Argentina peso, the Turkish lira and the Venezuelan bolivar. On balance, the adverse currency effect on sales was € 1.5 billion.

Income from operations was € 629 million, an increase compared to 2017 (€ 519 million), which was mainly caused by lower exceptional items amounting to € 27 million negative (2017: € 206 million negative), as a result of lower pension obligations and a release of the provision special risks, which were partly offset by various reorganisations and impairments.

Adjusted for exceptional items and negative foreign currency translation effects of € 25 million, the operational performance of the SHV Groups varied. SHV Energy reported higher sales and volumes while margins were slightly below 2017. Higher costs, related to new business initiatives and acquisitions, led to lower results. Makro performed below last year, mainly due to continuing challenges in Brazil and facing a hyperinflation environment in Venezuela and Argentina. Due the late cyclical nature of its business, Mammoet reported lower sales in most regions, especially in large projects. Operational performance was positive but decreased compared to 2017. The operational performance of ERIKS was below last year due to margin pressure. The like-for-like sales increased compared to 2017. Nutreco performed slightly below last year, whereas the improved performance of Trouw Nutrition was offset by lower performance in Skretting. Dyas' operational performance improved compared to last year due to higher oil & gas prices and higher production.

In 2018, net income was positively impacted by the income from participations at NPM Capital due to received dividends during the year. This result was below the very strong result of 2017 when Vanderlande Industries was divested. The divestment of the Dutch assets of Dyas had a positive effect on the financial income, partly offset by the year-end revaluation of derivatives that relate to the hedging of LPG. The effective tax rate increased from 14.7% to 24.5%, mainly as a result of lower tax exempted capital gains compared to 2017.

The operational cash flow of € 0.8 billion was mainly driven by the contribution of SHV Energy, Nutreco and NPM Capital. Working capital increased by € 293 million. The investment cash flow amounted to € 1.1 billion (2017: € 1.1 billion). In 2018, divestment proceeds amounted to € 242 million, including the Dutch assets of Dyas.

A total of € 719 million was invested in operational fixed assets, mainly in oil & gas fields by Dyas, gas cylinders and tanks by SHV Energy, heavy lifting and transport equipment by Mammoet and production facilities by Nutreco. NPM Capital invested in Ploeger Oxbo, one of the biggest world-wide manufacturers of specialised harvesting equipment for different crops, and made further investments in both Picnic, an online supermarket with free home delivery, and Suitsupply, a globally active company in design, production and sales of formal menswear. In addition, NPM Capital made several smaller investments in other existing participations. The shareholding in Dagelijks Leven, a chain of nursing homes, was divested.

At the end of 2018, SHV's Group equity amounted to € 6.4 billion (2017: € 6.4 billion). A large part of shareholders' equity is invested in countries with currencies other than the euro. The total negative effect of converting these currencies into euro amounted to € 85 million. Total liquidity amounted to € 1.2 billion, and the net debt position was € 504 million.

The return on shareholders' equity was 8% (2017: 20% which included the substantial capital gain on Vanderlande Industries).

	2014	2015	2016	2017	2018
Results, in millions of euro					
Net sales	14,906	18,149	18,630	19,871	20,068
Income from operations	685	788	713	519	629
Income	523	746	701	1,264	515
Amortisation and depreciation	505	706	660	770	766
Income taxes	228	130	142	223	172
Dividend	276	287	287	289	289
Cash flows, in millions of euro					
Changes in working capital	90	349	92	(296)	(293)
Operational cash flow	1,172	1,609	1,630	1,864	806
Investment cash flow	(1,256)	(3,426)	(1,207)	(1,107)	(1,089)
Financing cash flow	(520)	(457)	(366)	(285)	(141)
Financial position, in millions of euro					
Shareholders' equity	6,597	5,015	5,537	6,279	6,258
Equity of the Group	6,763	5,182	5,696	6,449	6,362
Total assets	12,053	12,431	13,114	13,819	13,279
Ratio information					
Income as a percentage of shareholders' equity	8%	15%	13%	20%	8%
Equity of the Group as a percentage of total assets	56%	42%	43%	47%	48%
Current assets in relation to short-term liabilities	2.31	1.36	1.31	1.47	1.36
Employees, at December 31					
Nominal number	48,500	60,800	60,300	60,100	59,000
Amounts per share					
Income	71.91	102.56	96.41	173.83	70.75
Dividend	38.00	39.50	39.50	39.75	39.75

Risks

Risks and uncertainties affect all business environments. Risk-taking is an essential part of business and a precondition for achieving adequate returns. The risk environment in which SHV operates, creates value and generates income is determined by both manageable risks and a number of external risks that are beyond SHV's control. The manageable risks include

commercial, operational, financial, tax, compliance, regulatory and information technology risks, and the ability to recruit and retain employees.

The risks SHV faces, change constantly as the internal and external dynamics of the operating environments of the Groups change, especially in the continued uncertain and volatile global economic environment. To the extent possible, the likelihood and impact of possible events on SHV's business are regularly evaluated by means of risk assessments. Taking into account the competitive environment, it is essential for SHV management to continue to devote attention and to take a proactive approach to internal and external developments and their consequences for the businesses in which SHV operates. Furthermore, an area requiring constant attention from all the Groups remains the challenge of recruiting, developing and retaining qualified and talented people to ensure ongoing successful performance as well as providing a safe working place. SHV has developed and rolled out a Business Support Framework (BSF) throughout the organisation. This BSF contains SHV's minimum control standards, and this framework is instrumental in supporting the monitoring of risks.

SHV's profitability is further influenced by several other external risk factors. Geopolitical risks exist, for instance, where countries are having trade disputes or where the company owns assets in politically unstable countries, which are further compounded by potential problems related to terrorism, social unrest and the scarcity of vital resources. SHV operates in numerous countries, and as a result it has to deal with different legislation and regulations. This, together with the existence of differing business ethics in each country, results in an inherent increased risk that (local) legislation and regulations may not be fully complied with. It is therefore essential to maintain a well embedded ethics and compliance culture throughout the company. Governmental interference in business, changes in legislation, the continuing inequitable enforcement of regulations, and sudden changes in taxation and levies in several jurisdictions further add to risk and related costs. Populist government measures may also bear down on business. External risk factors also include economic factors such as inflation, changes in interest rates or commodity prices, sovereign debt crises, exchange rate policies and financial markets developments. On top of that, digital developments and cybercrime pose additional risks. For more information, please consult the Risk Management Paragraph in the Financial Statements.

Business review 2018

SHV is a privately held company consisting of a number of operational activities and selected investment activities. SHV is active in energy distribution, cash-and-carry wholesale, heavy lifting and transport activities, industrial services, and animal nutrition and aquafeed. As an investor, SHV is involved in the exploration, development and production of oil & gas primarily in the North Sea, and it provides private equity to companies in the Benelux.

SHV operates globally and is decentrally organised to ensure that its diversified businesses can operate close to the customers and maintain loyal customer relationships. SHV aims to achieve growth in each of its activities through operational performance and acquisitions.



SHV Energy, Tessenderlo

SHV Energy

SHV Energy provides decentralised, low-carbon and clean energy solutions for business and residential customers in over 25 countries across four continents. It is a leading global distributor of LPG and also a significant player in small-scale LNG and sustainable biomass.

In Europe and the USA, SHV Energy is committed to providing energy solutions for homes and businesses in rural areas beyond the gas grid. In these areas, there is widespread use of the most highly polluting fuels such as coal and heating oil. Consumers switching from those fuels to LPG and LNG can bring about a significant reduction in emissions of carbon dioxide and particulate matter.

In Asia and Brazil, SHV Energy provides clean fuel for businesses, residential and commercial customers spanning all sections of society. In many of these countries, cooking with LPG is beginning to replace solid fuel stoves, which are known to be a major source of pulmonary illnesses in these areas. In Asia, existing petrol and diesel vehicles are increasingly converting to LPG and LNG, a trend that is welcomed in particular by urban communities concerned about the worsening levels of air pollution.

SHV Energy recognises its responsibility as a global market leader in the LPG and LNG industry and to help people to switch from polluting oil and solid fuels. This was defined in the strategic programme "Advancing Energy Together", launched in 2016. During the year several targets were set for each of the local business units and sustainability Key Performance Indicators, using a new business intelligence tool, were implemented. In addition, a first global sustainability report was published that includes SHV Energy's global ambitions and a section with so-called impact stories, describing local initiatives and successes.

Continuous efforts are aimed at increasing the safety focus throughout the organisation. The reporting on Lost Time Injuries improved enabling better follow-up. Over 250 key employees were trained on safety and a global safety workshop was attended by people from all the business units.

In 2018, SHV Energy was the first company in the world that was able to supply BioLPG to both industrial and domestic customers in six countries. A team of dedicated professionals is focused on building up the level of knowledge and is constantly looking for new projects and sourcing possibilities.

Net customer creation, not only an important indicator of organic growth, but also instrumental in reducing the overall carbon impact by attracting new industrial and domestic customers that switch from heating oil to LPG or LNG, achieved a record year with 10,000 customers, of whom over 50% related to heat conversion.

To further support organic growth, the focus has been on initiatives to operate more efficiently as a Group and to make optimal use of possible synergies between the operating companies. The closing of a filling plant in France and the transfer of the activities to Belgium was part of creating cross border synergies in order to optimise the supply chain. Furthermore, a global procurement team went into full operation to fast track activities and to create savings by benefitting from economies of scale and reducing indirect expenditure on items such as gas tanks. A cross company centre of excellence was opened where, supported by a digital interface, lead generation for all business units takes place.

A new, centrally operating innovation team is focusing on transformational innovations and new, disruptive business models. Telemetry, measuring the level of gas in tanks and cylinders, was further developed as part of the optimisation of the logistical process. The digital distribution concept for selling LPG that is tested in Brazil showed further promising growth. Several functionalities were added and the services were expanded to several Brazilian cities.

During the year, SHV Energy took an active approach towards acquisitions and several transactions were concluded. Following the acquisition of Pinnacle Propane as a first step on the US market in 2017, potential acquisitions were reviewed resulting in two density acquisitions in the area, strengthening its local position and adding volume. In China, a LPG company was acquired, adding customers and volume to the existing business in the Guangdong area. The agreement with the existing partner in Liquigas in Italy to acquire full ownership was closed early 2018. Smaller transactions took place in Turkey and Poland. Further opportunities in core markets are being reviewed.

Despite the warm weather, volumes in 2018 were slightly higher in Europe and Asia, mainly as the result of the strategic focus on customer creation and acquisitions. Supply disruptions in Brazil and the weak economy in Turkey had a negative effect on volumes. Overall, SHV Energy posted healthy results, impacted by costs made in relation to newly launched business initiatives and acquisitions.

Makro

Makro is a cash-and-carry wholesaler that offers quality food and non-food products at competitive prices to professional customers. These include small and medium-sized retailers, the hotel and catering industry, and the institutional market. Makro's ambition is to be the preferred provider of food solutions to professional customers. Makro aims to transform itself from a purely cash-and-carry company selling through stores to an omni-channel company with sophisticated IT systems to support better service to its customers. With the opening of two new stores in Peru, Makro in 2018 operated 167 stores in South America: 74 stores in Brazil, 22 stores in Argentina, 37 stores in Venezuela, 14 stores in Peru and 20 stores in Colombia.

As in 2017, the countries in which Makro is active all experienced volatile economic and political circumstances which had a direct impact on the business. Overall competition in the cash-and-carry market is very strong, adding to the challenging market environment.

In Brazil, the economy showed a gradual growth revival with unemployment rates dropping, higher investments and a general positive business sentiment. However, deflation was still considerable. The management team continued with the implementation of a detailed plan covering all aspects of the business in order to improve performance. However, the recovery is slower than expected. Several marketing campaigns focussed on brand awareness and value propositions were launched and showed the first positive signs. A regional buying structure was implemented allowing more proximity to customer and regional demands, while also facilitating more efficient procurement.

The Argentinian economy had a difficult time, battered by the turmoil in financial markets with interest rates peaking above 50%, a sharp depreciation of the peso and hyper inflation, causing consumer confidence to drop. A new management team has driven a change

makro

ENTRADA



Makro, Venezuela

towards an improved commercial mindset, team alignment and operational improvements. The construction of two new stores was started.

Economic growth in Colombia was gradually firming up, as investment has been supported by low interest rates, and consumption has picked up as declining inflation supports household real income. At Makro Colombia, focus was on affirming Makro's positioning while hard discount formulas, that directly compete with the Makro store, continued its fast pace of expansion.

In Peru, economic indicators were positive, driven by higher employment and investments. However, competition is increasing rapidly and the recovery of private consumption is slower than expected. Nevertheless, Makro Peru performed well and the organisation continued to build on its strong market position. A new basic store format with an adjusted assortment and a lower cost structure was developed. Two of these stores were opened during the year and the model is further improved with new openings planned for 2019.

In Venezuela, the economy remains trapped in an extreme hyperinflationary-recessionary environment, with economic activity plunging nearly 30% year-on-year. Within these market circumstances with limited possibilities and hyperinflation, Makro performed as best as it could, with the safety of its people as its main priority.

Makro Food Service targets larger food professional customers using an e-commerce platform with a value proposition of personal attendance, a specialised assortment and a delivery service. In 2018, Makro Food Service further developed the business model in order to establish a proven food delivery concept, focusing on specific customer segments and regions.

Innovation is an important factor in staying ahead of competition and therefore Makro Group is investing in a systematic innovation approach that will lay the foundation for future growth through a "learning by doing" approach, by training the employees and create awareness of the role that innovation plays in improving the business. During 2018, four initiatives have been started and over 350 people were trained.

The quality of reporting on sustainability Key Performance Indicators has improved with the instalment of hydrometers in the stores and the strengthening of waste management. Further steps have been taken to embed sustainability in the governance and decision making process. All countries published sustainability reports. Throughout 2018, the HR teams were strengthened and the succession management concept and methodology was improved.

In local currency, Makro's total sales increased with 13% with month over month improvement since the second half of the year, however declined by 13% in euro terms. Makro Brazil continued to face challenges to achieve higher sales and margins. Makro Colombia and Makro Peru realised a strong increase in sales. The lower results of Makro were partly compensated by the sale of idle land and the recuperation of tax credits in Brazil.

Mammoet

Mammoet supports its customers by improving their construction efficiency and optimising the uptime of their plants and installations. To that end, it provides solutions for lifting, transporting, installing and decommissioning large and heavy structures. Mammoet serves



Mammoet, Schiedam

the so-called heavy industries like oil & gas, petrochemical, offshore, power generation and civil engineering. Mammoet operates in the project, maintenance and rental market and works across the globe on all continents.

The markets are highly competitive with strong dynamics and powerful economic interests. The logistical challenges in heavy industries are continuously increasing. Remote locations, harsh climates and a strong emphasis on environmental protection require smart and safe solutions. In addition, within existing plants, the maintenance challenges tend to intensify as facilities become congested over time, whereas the quest for economies of scale drives up the size and weight of components. A growing population increases the need for new infrastructure or the renovation of existing facilities. All these developments intensify the need for smart approaches and innovations, which can be driven by innovation in Mammoet's equipment, software or processes. Mammoet believes that its activities significantly help customers in their need for increased productivity and continuity through creative engineering, careful planning and safe execution.

Mammoet's results depend on the developments of the industries it operates in and, to a lesser extent, on the general economic climate. The heavy lift & transport market is late cyclical and was therefore still affected by the lack of investments in the oil & gas industry and its sub-segments such as petrochemical and offshore due to the low oil price between 2014 and 2016. These market circumstances also led to increased competition as well as the delay of large projects in key markets.

To be able to adjust to the changing market dynamics and to prepare for the expected recovery of the operating environment, a new strategy was defined, "Reshape to Win". Within this strategy, the focus will be on optimising the business through improved project management, operational excellence and enhanced commercial effectiveness. The project portfolio in the core regions will have a better balance, and next to the petrochemical industry will also serve the civil market and renewable energy sector. In addition, activities in the day rental of assets and maintenance of plants will be expanded. First steps were taken to concentrate contract and project management in the regional hubs to have a better fit with local requirements.

In addition, several programs were started to reduce overhead costs and to improve procurement. In the regions action plans were developed to maximise utilisation of assets and to reduce working capital.

Investing in value adding innovations has always been an important factor for Mammoet in staying relevant as a business partner and to keep ahead of competition. A newly appointed dedicated Market Development and Innovation Director and respective support team facilitates innovation in a more structured way. The team is in the process of assessing and developing a wide variety of innovations, with several projects expected to become viable business propositions in the years to come.

Mammoet's sustainability performance is another important element of retaining its position as the market leader for engineered heavy lifting and transport. To advance the sustainability performance in the most effective way the implementation of an integrated approach was started. A sustainability roadmap with Key Performance Indicators and targets that are linked to the UN Sustainable Development Goals was prepared and based on these new targets, measures will be put in place to achieve these goals.

A settlement agreement for the New York Wheel project was terminated by the counterparty in October. Arbitration proceedings with regard to the Amuriyah project in Iraq were started.

Mammoet achieved positive results, albeit at lower margins. This was caused by the oversupply in the market, where larger projects are yet to recover from the drop in the oil price between 2014 and 2016.

ERIKS

ERIKS is an international industrial service provider, a multi-product specialist offering a wide range of high-quality mechanical engineering components and associated technical and logistics services.

ERIKS currently has branches in 18 countries, with presence in Europe, the United States and South-east Asia. Its 7,500 skilled people worldwide serve customers in their original equipment manufacturing (OEM) or maintenance, repair and overhaul operations (MRO). A thorough understanding of the industry in which its customers operate enables ERIKS to make a positive contribution to their business operations. If required, ERIKS can integrate into its customers' businesses to establish an even closer and more responsive working relationship.

Technical know-how is ERIKS' main strength. Over the last 78 years, the company has built up vast knowledge in the areas of Sealing and Polymer & Engineered Plastics, Flow Control, Industrial and Hydraulic Hoses & Gaskets, Power Transmission and Tools and Maintenance and Safety.

In general, ERIKS' business is dependent on the level of industrial production in the countries in which it operates, especially with regard to original equipment manufacturers. The maintenance, repair and overhaul market segment is less cyclical than the original equipment manufacturing segment, but still influenced by the general economic climate. These business risks are partly mitigated by the fact that ERIKS' activities are split between the two segments as well as by ERIKS' geographical spread.

ERIKS' strategy of "Unlocking Our Potential" is aimed at creating a strong platform for future growth as a multi-product specialist focussed on medium and large customers, with ERIKS transitioning from a product supplier to a solutions provider. ERIKS' final goal is to create solutions for cost reductions and improved product performance for its industrial customers through a pro-active approach. This approach includes the digitalisation of the specialised services which ERIKS has to offer.

This digital transformation was given further shape by the establishment of ERIKS Digital. The first implementations of digital customer solutions took place, with the launch of a unified and enhanced e-commerce platform to facilitate digital sales and enable back office efficiencies. In addition the introduction of a Customer Gateway, a digital interface for large customers to have better access to the whole portfolio of ERIKS' business and services, was prepared for several countries. The creation of a multi-country platform based on future proof technologies is the first step towards Smart Asset Management. Based on requirements of the business, additional digital solutions are being developed.

Further progress was made with the integration of the operating companies in the different geographies to increase customer focus and proximity, as part of the new organisational

Constructie



ERIKS, Antwerp

structure. In Germany, construction of a central distribution centre started, enabling more efficient supply to the customer. The distribution centre will replace over 10 existing distribution centres and will service not only the German market but also parts of Belgium and the Netherlands. Non-core activities in Poland and Germany were divested.

Working as "One ERIKS" and sharing the same, entrepreneurial culture throughout the organisation is a strong foundation to support the strategy. This also means working in a consistent manner while interacting with customers, effectively sharing resources, know-how, capabilities and innovations and living according to the same values. The harmonisation of the ERP systems in the UK was completed and further progress was made with the roll-out in Continental Europe. In the USA, the kick-off for the OneERP program took place. In addition, most companies in the USA were rebranded to ERIKS North America. Next steps were taken to optimise the product portfolio to offer customers a clear product proposition, and procurement was further centralised to enhance coordinated buying.

In a highly competitive labour market for technically skilled personnel, several initiatives were taken to position ERIKS as an attractive employer, such as its involvement in the Hyperloop project of the Technical University of Delft. In addition, management development programmes were further improved focusing on the leadership challenges in ERIKS' business environment.

Innovation is one of the key success principles to secure future growth and is focussed on a products and services level as well as on supply chain solutions. To further embed innovation into the organisation, a process to optimise idea generation was tested, a customer design week was organised and a programme for training talent on innovation was started. The ERIKS Brain was developed from an idea into an actual communication app that allows real time access for customers to the ERIKS knowledge at product and component level and will be fully operational in 2019.

ERIKS published its third Sustainability Report in 2018. A Group wide sustainability survey was conducted, major findings were shared and next steps were defined. A new materiality assessment was prepared and will be conducted early 2019. A strong focus on safety and a company wide Safety Campaign as well as a Global Safety Week improved performance with the number of Lost Time Incidents substantially reduced. A concept for a central way of reporting Total Cost of Ownership was further developed, enabling ERIKS to track the savings that ERIKS delivers to customers related to sustainability, such as CO2 reduction and energy savings.

ERIKS' sales were higher than last year, mainly as a result of the good performance in the USA, driven by the positive developments in the upstream oil & gas market. The weak British pound, the uncertainties about the outcome of the Brexit and the trade disputes between the USA and China resulted in cost increases at suppliers, impacting margins. The lower operating result was more than compensated by the capital gain on the divestment of non-core activities.

Nutreco

Nutreco is a leading global company in animal nutrition and aquafeed. Nutreco's advanced feed solutions are at the origin of food for millions of consumers worldwide. Quality, innovation and sustainability are guiding principles, embedded in the Nutreco culture from research and raw material procurement to products and services for livestock farming and



Nutreco, Deventer

aquaculture. Nutreco's experience of over 100 years gives it a rich heritage of knowledge and expertise for building its future. Nutreco is present in 37 countries with its two global company brands – Trouw Nutrition (animal nutrition) and Skretting (aquafeed) – and has sales in over 90 countries.

Nutreco is positioned at the critical junction between the surging demand for proteins and supplies that are struggling to keep up. Its success depends on a strong and well-spread customer base with a healthy, growing livestock. In order to distinguish itself from its competitors, Nutreco constantly needs to innovate. Furthermore, it is key for Nutreco to ensure the availability of sustainable raw materials. Feed and food safety can be endangered when raw materials do not meet rigorous quality and safety standards or when errors in manufacturing processes occur. For Nutreco, therefore, quality and safety standards and controls are of the utmost importance to ensure feed-to-food safety.

Following the implementation of the new organisational structure in 2017, a strategic review has been conducted for all parts of the company on how to drive growth in the future. This resulted in "Ambition 2022" with specific plans for Trouw Nutrition, Skretting and Nutreco Corporate on how to become a digitally-enabled, farm focused solution provider as opposed to being merely a feed supplier. Both Trouw Nutrition and Skretting will support farmers to find smart ways to feed, house and handle animals, create a healthy environment and prevent illnesses. Digital solutions will continuously provide farmers with tailored advice and support, enabling them to make even better decisions regarding optimal farm management. Nutreco Corporate will support growth through five key focus areas: governance, people, feed to food quality and safety, sustainability and innovation.

In line with the overall SHV approach to truly embed innovation in the organisation and make it part of the day-to-day business a structural approach was taken to foster innovation within and across the company. A first result was the roll-out of NutriOpt, a hand held scanning device for on site, raw feed material that is linked to a nutritional database where the data are processed and sent back to the farmer with recommendations for improving feed performance. A second initiative is related to the development of digital solutions for more efficient feeding management in livestock farming.

To further fuel the innovation pipeline of Trouw Nutrition and Skretting, NuFrontiers was founded in 2017, to invest in start-ups and scale-ups, innovative projects and companies in the value chain as well as alternative proteins. In 2018, the first investments were realised. A share was taken in Internet-of-things start-up Eruvaka to help shrimp farmers increase productivity and a joint venture operation was set up for the breeding and distribution of superior quality shrimp in Ecuador. In addition a project with start-up Kiverdi to convert CO₂ into protein for use in aquaculture feed using bacterial bio processing was started.

Nuterra is the foundation of Nutreco's approach to sustainability with a focus on community development, Anti Microbial Resistance and innovative business development. Community Development Projects aim to provide local communities with a sustainable livelihood with Nutreco providing knowledge and support on how local farmers can improve their business. Nutreco community development projects in Indonesia, Zambia and Nigeria are currently touching the lives of over 400 families. In 2018, two new projects were started in Vietnam and Brazil serving small scale dairy farmers. The aim is to improve production efficiency and product quality by technology transfer of best practises and offering nutritional solutions, thus increasing the farmers income.

In Ecuador, progress was made with the construction of the world's largest and state-of-the-art shrimp feed plant that will source 100% of its energy from hydroelectric power. The plant will become operational in 2019.

Volumes and net sales grew on a like-for-like basis versus last year. This was further strengthened by the full-year acquisition effect of Hi-Pro Feeds in Canada and the USA, which is now integrated in Trouw Nutrition. The strong competition in the salmonid business put pressure on margins that could not be offset by the high demand and higher margins for shrimp feed. The result was below last year, especially due to restructuring costs in Brazil, the United Kingdom and Spain.

Dyas

Dyas is an active, non-operating minority partner and investor in projects involved in the exploration, development and production of oil & gas. With strong technical and financial capabilities, Dyas aims to grow its reserves base within a solid portfolio of oil & gas assets. To achieve this, the company prefers to pursue investments in material exploration and development. Its involvement in projects often spans a large part of the asset life cycle, and many of Dyas' investments have remained in its portfolio for up to 20 years. Dyas has a compact organisation with the flexibility to respond quickly to opportunities and challenges.

Dyas' results are dependent on the operational performance of its assets, the price of crude oil, the price of natural gas and the exchange rates of the US dollar and the British pound. Being a non-operator, Dyas depends on the capabilities and efficiency of the various operators with whom it co-invests. Where necessary, however, Dyas will seek to influence the operator to alter plans or make improvements.

Most significant development for Dyas in 2018 was the agreement on the merger of the activities of Dyas and Oranje Nassau Energie (ONE) into a new company that will be called ONE-Dyas. ONE-Dyas will be a prominent North Sea focused independent operator, with 2019 oil & gas production of some 35,000 boe/day, with an experienced technical and entrepreneurial team, building further on the track record of both ONE and Dyas. This position will enable ONE-Dyas to pursue further growth opportunities, by leveraging portfolio synergies and cross learnings and by continuously optimising the portfolio that is currently well balanced between oil & gas, as well as operated and non-operated. The combination aspires to grow its North Sea focused business and will have readily available sources of financing to fund the growth ambitions. Oranje Nassau Holding, parent company of ONE, will own 51% of the shares in ONE-Dyas and SHV 49%. The current CEO of Dyas will be appointed as CEO of ONE-Dyas. The transaction is subject to certain regulatory and joint-venture partner approvals and completion is expected to take place in the first half of 2019.

Sustainable environmental performance is a key topic for Dyas, and the focus on sustainability is part of Dyas' day-to-day business. The aim is to build and maintain a portfolio of oil & gas assets that is demonstrably more sustainable than the average in the basins in which Dyas invests. The company aims to achieve more sustainable operations by actively facilitating the sharing of knowledge and best practices between all Dyas operators. Dyas monitors the environmental impact of each asset in its portfolio and assesses the environmental impact of new investment opportunities. During 2018, the yearly risk assessment addressed the environment and sustainability at each producing and development asset, including the emission data.



Dyas, Utrecht

Operational safety and active safety management is in place in all the joint ventures that Dyas is involved in and the relevant statistics are frequently reported and reviewed. As with sustainability, Dyas actively encourages its joint ventures to share knowledge and best practices related to safety. In 2018, a limited number of incidents occurred that have all been investigated, duly reported to local authorities and extensively discussed in relevant joint venture meetings. Where applicable, lessons learned were shared with other operators within the Dyas portfolio.

As part of a strategic review to enhance the quality of the Dyas asset portfolio, earlier in the year agreement was reached on the sale of the Dutch assets to RockRose Energy, a London based independent non-operator and on the sale of the Greater Stella Area licenses and associated infrastructure interests to Ithaca, a North Sea independent operator. The new Dyas organisation in Norway has been established and is actively looking for growth opportunities, resulting in the first acquisition of licenses.

Oil & gas prices were volatile during 2018, with lows at \$50/bbl and highs of \$85/bbl caused by the mixed signals in anticipation of supply disruption and an increase in stock build. USA crude output still increased throughout the year, although only slightly. Demand at the end of the year was approximately 100 million/bbl a day.

Dyas' results were higher compared to last year driven by higher oil & gas prices and higher volumes and the capital gains on the divestments in the Dutch assets and the interests in Stella. The reserve replacement ratio was 130%, as 11.6 million barrels of oil equivalent were added to the portfolio during 2018, compared to the 8.4 million barrels of oil equivalent produced in the year. Additionally, 12.3 million barrels of oil equivalent were added to Dyas' resource funnel.

NPM Capital

NPM Capital invests private equity with amounts ranging from € 25-300 million in companies that have an above-average growth potential through a scalable model across geography/ sectors or via buy & build. NPM aims to be a long-term investment partner that is committed to creating sustainable value with the companies it invests in.

NPM is focused on "Building Better Businesses Together" and as such works closely with the management teams of its participations, acting as a sparring partner. NPM's participations, of which several are family businesses, have a clear growth or development strategy, have sustainable competitive advantages and are run by dynamic, strong and committed management teams.

NPM makes prudent use of leverage to finance its participations and is flexible in choosing the timing of its divestment. NPM's results are mainly determined by the success and subsequent sale of the companies in which it has invested. The economic and financial climate in any given period has an influence on the performance of the participations, the opportunities for investing and exiting participations and the possible need for impairments.

NPM views Corporate Social Responsibility as a source of value creation and encourages the companies in its portfolio to proactively address associated challenges. Doing business fairly is a key feature of socially responsible entrepreneurship. For NPM and its portfolio companies, principles of sound business practices and compliance with legislation are standard operating principles.



NPM Capital Amsterdam

In 2018, the Dutch economy was in good shape and the Dutch M&A market continued to grow. The all time high availability of capital and the favourable terms of debt financing resulted in transaction values that were far above the ten year average. However, the Brexit, interest rates and other uncertainties gave reason for caution.

NPM's strategy for value creation is focused on intensive cooperation with the participations during the ownership by NPM and on selling to buyers that have a long term, strategic fit for the participation. To further strengthen the cooperation, attention was given to intensify the ratio of investment team employees per participation.

In 2018, the sale of a number of portfolio companies was completed. Divestments include Dagelijks Leven, a chain of nursing homes and Synbra, active in the field of thermal and technical insulation products. The intended sale of Iddink Group, an educational service provider to Sanoma Learning is still subject to approval from the Dutch competition authorities (ACM). The merger between NL Healthcare and Bergman Clinics was approved by the ACM, creating a private healthcare provider with 52 facilities and 1,500 employees.

Investments in 2018 were made in Ploeger Oxbo, one of the biggest worldwide producers of specialised harvesting equipment for different crops, in Mybrand as an add-on to Conclusion and in WEKA, as an add-on to the Outdoor Life Group. Additional investments were made in Picnic, an online supermarket with free home delivery, and Suitsupply, a globally active company in design, production and sales of formal menswear.

During the year, sustainability was further embedded into NPM's investment process and portfolio management. Environmental, Social and Governance (ESG) scans were performed at several portfolio companies. The second phase of the sustainability programme was rolled out and participations are preparing next steps in their sustainability efforts.

NPM Capital reported higher results compared to last year, excluding the capital gain on the sale of Vanderlande Industries in 2017, mainly as a result of dividends received from participations.

Special thanks

All the Groups faced different market circumstances in the countries where they are active. Some with a positive impact on performance, other with a negative one. Within these operating surroundings, our 60,000 colleagues dedicate their best efforts to realise the best results possible. As always, there were many projects and strategic actions initiated that had to be implemented and executed and we are impressed by the way everybody responds to these challenges. Innovation is really becoming part of the day-to-day business and it is embraced by many with lots of new thoughts and ideas being submitted and further developed. Without this dedication of all that are part of SHV, we would never be where we are today and we want to sincerely thank them for that.

Utrecht, March 12, 2019

On behalf of the Executive Board of Directors,

J.P. Drost
CEO

Corporate Philosophy

Being part of SHV

SHV is a decentralised company. Great trust is placed in our people in the field. This decentralisation provides an excellent opportunity for individual development. Mutual respect and trust provides the basis for a feeling of fulfilment at work.

SHV's most important values are integrity and loyalty.

Integrity means being honest, genuine and totally open in communications about all matters which concern the company. Good news may travel slowly, bad news should travel quickly. Loyalty means putting the best effort into working for the company and its progress and success.

Based on the integrity and loyalty of its employees, SHV wishes to continue to grow both for the benefit of the shareholders, the employees and for the well-being of the society and environment in which we live and work.

Growth through performance

SHV optimises its business, eyes are always kept open for opportunities. Everyone works as a team for better results. Hierarchy and bureaucracy are kept to a minimum. Shareholders are not looking for inflated quarterly or annual results, but for sustainable profit growth. Shareholders accept the risks of new endeavours.

Go for niche and market share

By looking for niche markets, SHV will not go for general trends or fashions. The company will establish itself as a leading participant in relevant markets.

Invest in people

People are the heart of the success of the company. Investing in employees means:

- trusting people
- giving people responsibility
- encouraging creativity and initiative
- coaching and training people
- rewarding excellence

It is important to motivate by example, smile and find contentment in the job. It is important not to blame people. Everybody makes mistakes. To blame is to be negative. If integrity and loyalty are undisputed, a mistake might be the start of better management.

Manage change

Change is everywhere and everything changes. It is important not to be blind or deaf to change. Change creates opportunities.

Change should be analysed, discussed and evaluated with one another, and it must be seen as a challenge.

Change is the oxygen for the company, it must be managed with understanding and wisdom.

Look for the unusual

The unusual is interesting. The unusual challenges intellect and creative spirit. At all levels employees are invited to look for the unusual and see how it can help SHV. This is essential for success. The unusual may be exactly what can differentiate the company.

Listen, learn and react

No one knows everything, we all know something. By listening to other people's ideas and thoughts horizons are widened.

To listen before speaking is to learn. Wise men and women benefit from the knowledge of others. Only after listening and learning one should decide to react. Never forget that to do nothing is also a decision.

Keep things simple

Life only seems to be complicated. Technicalities are complicated, good business is not. Choices and decisions are difficult at times, not complicated. It helps to put thoughts on any subject on a single piece of paper – it helps clarify the mind.

SHV History

Coal Trading Association SHV is a family-owned company that was founded in 1896, when eight Dutch coal traders established the Steenkolen Handels-Vereeniging in Utrecht, the Netherlands. Since then, the company has grown into a diversified multinational by constantly innovating and by adapting to the changing business environment.

Innovation in coal activities In the early 20th century, SHV was a key player in the Dutch coal distribution market, back when coal was a major source of energy. One of SHV's earliest innovations was an elevator transporter used in bunkering vessels that could handle 1,200 tons of coal per hour – a remarkable capacity back in 1908. Furthermore, SHV was the first company to use onshore bridges for loading and unloading coal.

Trading in oil products After the Second World War, demand for coal declined as oil became increasingly important. In response, SHV started to move from trading and distributing coal in the Netherlands to supplying oil, oil products and Liquefied Petroleum Gas (LPG) throughout Europe under the brand names PAM and Calpam.

Wide diversification In the 1960s, the Dutch coal market collapsed after the discovery of huge natural gas reserves in the northern part of the Netherlands. In response, SHV expanded its operating base by entering several new markets, including technical installation, construction, shipping, technical equipment trading and various formulas in the distribution of consumer goods. In 1968, SHV opened its first Makro cash-and-carry wholesale store in Amsterdam. Later, SHV established Dyas as an oil and gas investment company and acquired a metals recycling company in the USA.

Focus on Energy and Makro Diversification came to a halt in the 1980s when SHV refocused on trading in energy and consumer goods. The company's LPG distribution activities and Makro stores were consolidated and expanded internationally. SHV also acquired LPG activities and opened Makro stores in various countries in Eastern Europe, South America and Asia.

Expanding SHV's base More recently, SHV divested its Makro activities in Europe and Asia as well as its metals recycling activities. SHV was strengthened by acquiring NPM Capital, a private equity company; Mammoet, a specialist heavy lifting and transport company; and ERIKS, an industrial service provider. In 2015, SHV added Nutreco, a leading player in animal nutrition and fish feed, as its seventh Group company.

Although the face of SHV has changed over time, the entrepreneurial spirit that has shaped the company throughout the years still flourishes today.

SHV Group Companies

As per March 1, 2018

SHV Energy

Zuidtoren
Taurusavenue 19
2132 LS Hoofddorp
The Netherlands
T +31 23 555 5700
F +31 23 555 5701
info@shvenergy.com
www.shvenergy.com

Makro

Rua Carlos Lisdegno Carlucci 519
05536-900 São Paulo - SP
Brazil
T +55 11 3745 2814
www.makro.com

Mammoet Holding B.V.

Van Deventerlaan 30-40
3528 AE Utrecht
P.O. Box 10000
3505 AA Utrecht
The Netherlands
T +31 010 204 2424
F +31 88 650 2340
info@mammoet.com
www.mammoet.com

ERIKS N.V.

Mariaplaats 21
3511 LK Utrecht
P.O. Box 19108
3501 DC Utrecht
T +31 30 369 0100
info@eriks.com
www.eriks.com

Nutreco N.V.

Stationsstraat 77
3811 MH Amersfoort
P.O. Box 299
3800 AG Amersfoort
The Netherlands
T +31 088 053 2405
F +31 033 422 6105
corpcomm@nutreco.com
www.nutreco.com

Management

B. Gräber
Mrs M. Groeneveld-Klunder
P.F. van Holten
M. Kossack
Mrs A.M.H. Schöningh
S.J. Wijdeveld

Management

R. Laughlin
T.P. Cunnen
M. Falcão
Mrs D. Rainha Ribeiro

Management

P.C. van Gelder
J.A. Kleijn
M.W. Roelants
C. Voormolen

Management

S.M. Franken
J.A.A. In 't Velt
E.C. Otto
R.H.M. Sonnevile
F.J. Cuypers

Executive Committee

R. Koremans
Mrs Th.Log Bergjord
V. Halseth
J.H. Wakkerman
H. de Wildt

Dyas Holding B.V.

Rijnkade 1
3511 LC Utrecht
P.O. Box 2065
3500 GB Utrecht
The Netherlands
T +31 30 233 8434
F +31 30 233 8418
dyas@shv.nl
www.dyas.nl

NPM Capital N.V.

Breitnerstraat 1
1077 BL Amsterdam
P.O. Box 7224
1007 JE Amsterdam
The Netherlands
T +31 20 570 5555
F +31 20 470 6454
mails@npm-capital.com
www.npm-capital.com

Management

R.J. Baurdoux
J.A.B. Hoonhorst
N. van Ooijen
P.J. Waaijer
A.C. van der Weijden

Management

B.P. Coopmans
N.J.M. Kramer
J.R. Ruigrok
J.K. Terpstra



SHV Holdings N.V.
Rijnkade 1
3511 LC Utrecht
The Netherlands

