

Year in Review 2020



LOSBERGER DE BOER



cover:

Francis Scholten

Managing Director Division Rental Projects & Turnkey Solutions

“By encouraging and motivating the team to think beyond the corona restrictions, we have succeeded finding new opportunities in this unique market situation.”

Explanatory note

In this report we present the financial performance and key developments of Losberger De Boer in 2020. The financial statements have been prepared as at 31 December 2020. The figures for 2020 and the comparative figures for 2019 have been prepared in accordance with German Generally Accepted Accounting Principles.

The key financial statements included in this report are derived from the 2020 financial statements of Losberger De Boer Holding GmbH. These financial statements have been audited by Ebner Stolz, who have provided an unqualified audit opinion.





Introduction by the CEO

2020 has had an unprecedented impact on the world in which we live.

The consequences of the COVID-19 pandemic have been exceptional for everyone, both personally and socially, as well as for the economy. As a globally operating organisation, we have experienced this in great depth.

That is why it is senseless to compare the figures of the annual report for 2020 with those of previous years. With our strong presence in the event business, it is clear that Losberger De Boer has suffered damage due to the shutdown of activities in this market following the strict lockdowns that were introduced worldwide due to COVID-19. Yet, our people and our organisation could adapt quickly to those sudden changes in our business environment. The resulting volatility and uncertainty have been impeccably absorbed, and I am particularly proud of our people for that.

“... our business activities has led to the resilient and agile company that we are today.”

Since Losberger and De Boer joined forces in 2017, we have carried out a lot of work that has paid off under difficult circumstances over the past year. We have simplified our organisation by laying down a clear market-oriented structure with four divisions: Rental and Turnkey Projects; Material Sales; Rapid Deployment Systems; and Modular Systems. Due to our timely transition to a company that offers highly integrated temporary and semi-permanent space solutions to its customers, we have been able to adequately move away from a strong pre-COVID events market and more towards the commercial and public solutions markets.

In addition, the financial condition of Losberger De Boer has improved significantly in recent years, which has also happened thanks to the support of our banking consortium. The constructive cooperation, open communication and trust they have expressed in both our management and strategy has contributed strongly to our current solid financial structure with sound liquidity. We managed to maintain that position in 2020 thanks to our swift adaption to the COVID-19

crisis, and by cutting costs without losing our operational excellence. It was therefore a period in which we accelerated the transition of our company and, at the same time, introduced necessary restrictions; for example, by freezing new hires and the postponement of new investments.

Business wise, through our international footprint and the diversification of our service portfolio, we have absorbed the strong decline of the event-related business with the increased demand for temporary modular space solutions for companies. This includes, for example, temporary storage and other commercial space. Additionally, in the public sector we saw an increased demand for temporary solutions for schools, hospitals and COVID-19 test and vaccine centres. With our specialised Rapid Deployment Systems, we have delivered medical and humanitarian solutions – such as emergency hospitals and decontamination structures – world-wide with extreme efficiency, under sometimes difficult circumstances and always under great time constraints.

Under the great pressure of COVID-19, our experience in 2020 was that the emphasis we have placed in previous years on creating clarity in our business activities has led to the resilient and agile company that we are today. We have accomplished this by building a lean and high-quality organisation and by mobilising the expertise and motivation we have available in our various business units. This has given confidence to our clients with whom we have built strong partnerships over the years. It has also strengthened the conviction amongst our financial stakeholders that we are on the right track together and that we, as Losberger De Boer, have shown that the journey we undertake together offers a lot of potential for future growth.

In 2021, step by step, we will again have more opportunities for the realisation of impressive projects in our Event business segment. Although we expect that this will continue to take place on a limited scale, it will provide our customers and our people with new opportunities to organise the wonderful sporting events, exhibitions and company events we all have been anticipating.

Arnout de Hair | CEO



About Losberger De Boer

Losberger De Boer is one of the world's leading suppliers of temporary and permanent modular space solutions. We deliver turn-key solutions with optimal customer service. Our structures and buildings are used for commercial purposes, public use, events, as well as military and humanitarian applications. Losberger De Boer is headquartered in Bad Rappenau, Germany, and

operates 8 production facilities and 20 sales offices globally. The company employs over 900 staff worldwide and is VCA**/SCC**, ISO 9001-2015 and ISO 14001-2015 certified. Losberger De Boer was founded in 1919.

Our history

Friedrich Losberger registered his company in Heilbronn, Germany, in 1919. In 1925, he built his first tent for a travelling circus, which would serve as a stable for the animals. In 1974, the company launched the first aluminium tent construction based on a modular principle. De Boer was one of the first large-scale companies to place an order for these new tent systems. In the decades that followed, Losberger expanded to other countries and continued to launch new products. During this time, the company made several acquisitions, including the assets of Walter S.A., EuroHallen GmbH and Gradinger.

De Boer was founded in 1924 in the rural town of Hensbroek, the Netherlands, by Klaas de Boer, who owned a local bar and a grocery shop and rented out a second-hand Italian circus tent to provide improved accommodation at local fairs. During the 1930s, De Boer bought a sowing machine and started to produce their own tents. In 2005, the de Boer family sold its last remaining shares.

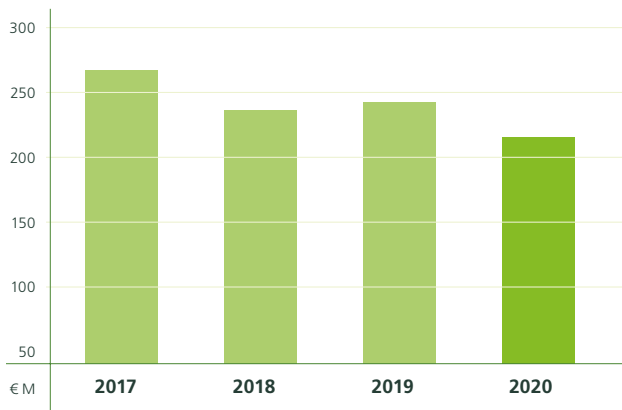
In 2017, Losberger acquired De Boer and the two companies became one under the new brand Losberger De Boer, showcasing the heritage of two of the most established names in the industry.

Committed to your success, we aim to achieve the highest client satisfaction. That is our basis for being an involved, creative and professional partner. We are here to enable you to meet your challenges, and our main drive is to ensure you reach your goals.

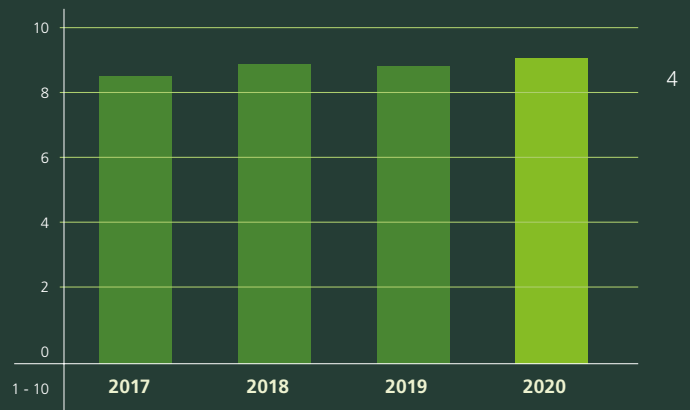
Losberger De Boer, showcasing the heritage of two of the most longstanding names in the industry.

Key figures

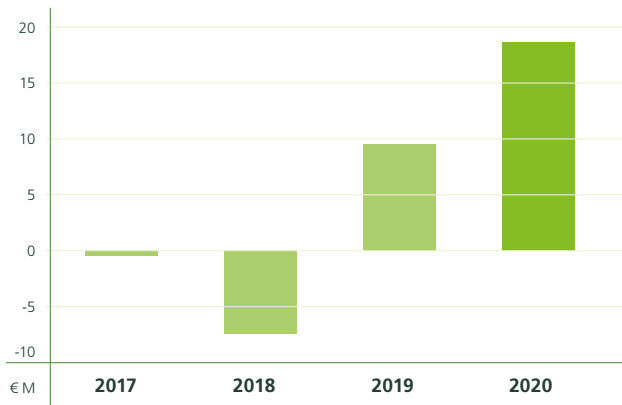
Revenue



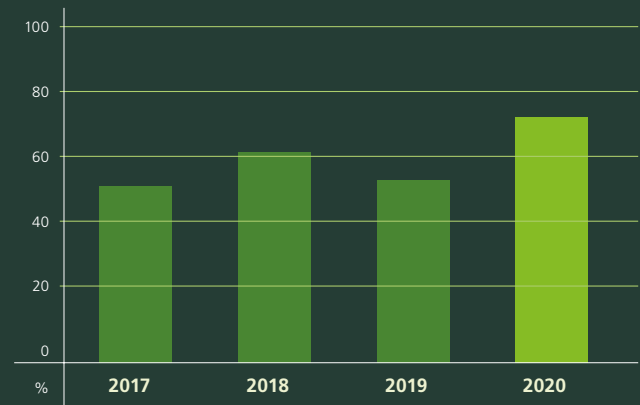
Avg NPS recommendation score



Operational result (EBITDA)



Client Satisfaction – Full Year NPS





“... Losberger De Boer made me feel right at home.”

Elselijn Res

International Project Manager

“Starting at a new company during COVID-19 can be challenging; but Losberger De Boer made me feel right at home.”

Year in Review 2020

Management Board Report

In 2020 Losberger De Boer Group has achieved an excellent result, taking particular interest in the international medical and political environment. Despite the COVID-19 pandemic, in the year in review, LDB Group was able to achieve strong financial results and fully comply with the terms and conditions laid out in the Finance & Restructuring Agreements dated May 2019. In 2019 Losberger De Boer Holding GmbH negotiated a substantial financial restructuring with its banks. This has led to the implementation of a debt-equity swap accompanied by additional bank funds granted to Losberger De Boer in the amount of € 70 million.

International bans and restrictions on events and similar initiatives have caused a decline in revenue and gross profit. However, Losberger De Boer Group has compensated these reductions through stringent cost-related measures, concerning both personnel and operating expenses, which have led to a consolidated Group EBITDA of € 18.7 million compared to € 9.7 million in 2019. Losberger De Boer Group had also acted early to allocate CAPEX efficiently and to successfully safeguard cash to maintain full control over the liquidity position at any time without harming commercial activities. Moreover, the company did not participate in any governmental subsidy programmes, with the exception of short-time work, and did not ask for a further refresh of funds from its lenders, neither from local nor from national authorities respectively.

Although revenue declined by approximately 12% to € 212 million, the company's

commercial and financial development remains aligned with the restructuring plan 2019 - 2022. On one hand, Losberger De Boer Group has suffered from politically driven cancelations of events (e.g. Olympic Games in Tokyo) and industrial investments. On the other hand, the company has been able to support the worldwide fight against COVID-19 by building and delivering mobile hospitals and cooled mortuaries to worldwide customers and organisations in a very short period of time. Realising a huge dome project in the Middle East was further proof of Losberger De Boer's network, (delivery) capabilities and performance in complex, international projects under difficult circumstances. The Superdome project has contributed to a substantial improvement of our reputation in that part of the world. In the year in review, the company has also succeeded in running a stable and profitable container business in Germany, which is now expected to expand to the Benelux.

Excellent result in exceptional times

In 2020, revenue decreased by approximately 12% to € 212 million (2019: € 249 million). The revenue decrease of Losberger De Boer has been caused by the worldwide pandemic, which resulted in bans, restrictions and cancelations of events, exhibitions, fairs and similar initiatives. An even higher drop could be avoided by generating extraordinary business with COVID-19-related mobile hospitals and mortuaries, primarily in the US, UK and Qatar, and by successfully executing an enormous dome project in the Middle East. Moreover, Losberger De Boer Group succeeded in improving profitability of its Container & Light Hall segment primarily by keeping this core business stable, intensifying the group-wide cooperation in sales and by having closed down the loss-making Steal Hall business the previous year.

Despite the international health crisis, Gross Profit amounted to € 97 million leading to a Gross Margin of 45% which is fully in line with expectations from the restructuring phase. Due to a combination of personnel cost savings (salary, headcount and other worker-related initiatives) across all business units, short-time labour initiatives in various countries and a variety of other cost-cutting measures, Losberger De Boer Group reduced personnel and operating expenses significantly from € 106.1 million in 2019 down to € 77.1 million in 2020. A strict focus on productivity and cost management finally led to a consolidated EBITDA of € 18.7 million (2019: € 9.7 million).

Free cash flow was positive again in the year in review. As a consequence of the pandemic, Losberger De Boer Group also took some actions regarding Working Capital management as well as reduced respectively re-allocated CAPEX (investments) accordingly.

By the end of 2020, Losberger De Boer's order book and liquidity situation looked promising, which has earned the company a good start to 2021. This notwithstanding, the on-going pandemic continues to result in postponements and cancelations of profitable events and industrial solutions.

Market developments

Losberger De Boer delivers temporary and permanent space solutions for events, commercial, public, civil protection and defence use, through four divisions: Rental Projects & Turnkey Solutions; Material Production & Sales; Rapid Deployment Systems; and Modular Systems. Despite the onset of the pandemic, Losberger De Boer succeeded in generating a higher than expected volume of new orders in the period of April to December 2020. At the start of the lockdown in March 2020, previously contracted net orders throughout the Group reached an expected level. The crisis has clearly led to a change in the project portfolio with the majority of the impact falling on Losberger De Boer's event businesses.

“Despite the onset of the pandemic Losberger De Boer succeeded in generating a higher than expected volume of new orders”



*“... we have really
come together as
a company over
the past year.”*

Rüdiger Stipp

Managing Director Modular Systems

“The challenges from to the pandemic crisis resulted in significant teamwork and team cooperation within the group. Although we were often working from home, we have really come together as a company over the past year.”



Losberger De Boer has adapted its structures to support healthcare professionals

Division Rental Projects & Turnkey Solutions

With over a hundred years of experience in providing custom space solutions for events, commercial space and public space, Losberger De Boer is one of the world's leading suppliers of bespoke event venues, hospitality buildings and support structures, as well as professional advice and the commitment to turn its customers' events into memorable experiences.

Although many international events, sporting events, trade fairs and exhibitions were stopped or postponed in 2020, Losberger De Boer was still able to realise multiple projects in its Rental Projects division. Substantial contributions were made by the successful realisation of the Jeddah Dome project in Saudi Arabia and by the broad range of projects initiated to support the fight against the COVID pandemic like hospitals, vaccination centres and test centres in Belgium, United Kingdom, the Netherlands and Germany.

By far, the largest project was the successful realisation of the Jeddah Superdome in Saudi Arabia. With a diameter of 210 metres and offering a covered area of almost 35,000 m² and a surface area of almost 40,000 m², this massive venue has claimed the Guinness World Records™ titles for both the world's largest geodesic dome and the largest dome with a continuous roof. It is a multi-purpose event space and will play an integral role in the Jeddah Season events programme. From live shows, concerts and sporting events to brand activations and exhibitions, the dome will host some of the Kingdom's stand-out events.

Since the start of the COVID pandemic, Losberger De Boer has adapted its structures to support healthcare professionals. The company's buildings have been used worldwide as triage centres, emergency hospitals and test sites. Europe's first temporary large vaccination centre for the COVID-19 vaccine injections has been erected in Recklinghausen, Germany. This large-scale vaccination facility has been designed and built by Losberger De Boer in close collaboration with healthcare professionals.

Within two weeks, the company had built a 1,900 m² centre where 2,000 people were vaccinated each day. The building was one of the largest vaccination locations in the entire Nordrhein-Westfalen region, home to 18 million people, and a blueprint for short-term, mass roll-out of temporary vaccination centres.

Other examples of project support that Losberger De Boer has provided to hospitals, national and local governments, the United Nations, and various NGOs – such as the Red Cross – during 2020 include temporary medical facilities to expand their healthcare capacity quickly and keep pace with the rapid spread of the virus. Losberger De Boer has designed and built a wide variety of temporary medical facilities, such as triage centres, quarantine tents, hospital wards and temporary morgues.

Division Material Production & Sales

The sales of event tents has been impacted considerably by the pandemic in 2020, however, the sales of turnkey commercial buildings remained stable while the sale of materials for pandemic applications has seen a significant increase.

Together with our customer Much Leichtbauhallen, Losberger De Boer delivered a turnkey solution for Munich, Germany's MTU Aero Engines: a canteen for their employees. This canteen – 110 m long, 30 m wide and more than 5 m high – has been built according to EC1 building regulations for permanent buildings and consists of a fully insulated building including kitchen area, restaurant area and terrace.

In spring 2020, Samaritan's Purse brought emergency relief to New York City families impacted by the COVID-19 outbreak. Samaritan's Purse is a well-known evangelical Christian humanitarian aid organisation that provides aid to people in physical need as a key part of its Christian missionary work.

Losberger De Boer has been supporting Samaritan's Purse in their various missions around the world for many years now. The company regularly provides them with rapid-deployment, TAG Wide inflatable tents, which are particularly well suited for emergency accommodations and hospitals as they can be inflated in mere minutes and thus offer instant relief and extended shelter for populations in distress. Losberger De Boer has contributed by supplying Samaritan's Purse with an Emergency Field Hospital, which was assembled in New York City's Central Park.

Division Rapid Deployment Systems

Losberger De Boer has provided a wide range of rapidly deployable products that are designed for use by military and humanitarian organisations, or for use in emergency situations. The company has its own division that specialises in

Rapid Deployment products for both public and military use. These products are all instantly available and can be delivered and deployed when every second counts. Solutions include, to name a few, emergency hospitals, decontamination tents and base camps, as well as shelters and storage space for military expeditions or businesses in an emergency situation.

When the whole world was first engulfed by the COVID-19 pandemic, emergency situations cropped up everywhere and additional space was needed for triage, isolation, special care and many other applications. Thanks to Losberger De Boer's stock of high-quality inflatable tents and through the strong relationship with Hospitainer, which specialises in the design and supply of containerised medical solutions, the Group managed to deliver multiple isolation and treatment facilities around the world. From Central Park in New York City to the shores of Romania and beyond.

In France, Losberger De Boer built the first-ever paint booth for jet fighter aircrafts from a P16 modular shelter by incorporating an adjustable and mobile horizontal wind tunnel system from the

paint lines of airliners. In close collaboration with the French Air Force, the company has delivered a custom-built modular structure that has been equipped with reversible air conditioning, dryers, a respite heating system and an air filtration system. This has enabled the Rafale jet fighters to be painted under ideal conditions and in compliance with environmental regulations all year round.

For Thiess, one of the largest mining service providers in the world, Losberger De Boer had been requested to design a truck shop to support their copper extraction operations in the Atacama Desert, in the heart of Chile's mining area. The Atacama has a harsh climate and is the driest non-polar desert on earth. In mining, the transportation of soil between the extraction site and the mineral processing warehouse requires the use of huge haul trucks. The site supervisors reached out to Losberger De Boer because they couldn't source facilities that could provide all the specific features required for truck maintenance in terms of size (each truck is approximately 15 m long, 7 m high and 9 m wide), load capacity, bridge crane compatibility and quick installation.





“... we managed to establish our entire communication online and continued the project successfully”

Julia Bösing

SAP Stream Lead Production

“In our international SAP project, we were hit hard by the travel restrictions. However, we managed to establish our entire communication online and continued the project successfully. The past year has again shown us how important it is for us to be flexible and able to adapt to all circumstances, in any project.”

Division Modular Systems

Losberger De Boer develops tailor-made space solutions for short- and long-term commercial and public space uses. To support business needs for temporary additional space, the structures are quick-build, scalable and relocatable to guarantee maximum flexibility. The applications offer sufficient flexibility to optimise business processes or keep operations going during renovation or transitional periods.

In Germany, Losberger De Boer has designed and built an approximately 1,000 m² two-storey new building with offices and social rooms for the Deutsche Bahn in Koblenz, DB Netz AG. The high-quality, fully equipped building was delivered turn key.

Losberger De Boer has realised a new day-care center for the city of Zwenkau, south of Leipzig, within a few months. The day-care centre for up to 91 children and adolescents has been built on 1,000 m². A bright, spacious, clearly structured group of sanitary and relaxation rooms could be created on two floors with a view of the nearby lake. A passenger elevator has been integrated for barrier-free access. Due to the high degree of prefabrication of the individual room modules, the building could be completed within five months.

Market-oriented organisation with four divisions

In 2019 and continuing into 2020, Losberger De Boer has legally and operationally anchored its organisation in four divisions: Rental Projects & Turnkey Solutions; Material Production & Sales; Rapid Deployment Systems; and Modular Systems. This has created a clear organisational structure which is closely linked to the day-to-day operations. In addition, the management structure per division has been set up so that the divisions are managed along these lines. In view of the various activities within the Group, the organisation will benefit due to increased transparency and more direct management of the individual businesses.

2021 will also see the completion of a group-wide SAP IT integration process that has been started in

2020. The completely renewed ERP system will provide management information, enabling up-to-date insight into the company's operational and financial performance and contributing to the quality of reporting.

Sustainability – improving our carbon footprint

As an industry leader, we have been recognised as the first to use a formal environmental management system. Losberger De Boer is ISO 14001 certified, which underlines our commitment to minimising both our carbon footprint and the ecological impact associated with our business operations. This system has been adapted and updated continuously to achieve the best possible results.

Our structures themselves are over 95% recyclable, the main components being aluminium, PVC and glass. When a project has been completed, the materials will be re-used in a new structure. After completing their lifespan, all base parts are returned to the manufacturer to be used again in the creation of new materials.

“We continuously innovate and re-think our structures and components, to make them even more sustainable”

We continuously innovate and re-think our structures and components, to make them even more sustainable. Recently, for instance, we have switched to using recycled car dashboards for the blocks we use to elevate our base plates, as opposed to using newly produced plastic.

As another recent example to further reduce our carbon footprint, our engineers have come up with a way to make the floors of our structures significantly lighter. This also means we need fewer trucks and, as they are less heavily loaded, those trucks will use less fuel. On top of that, our new floors, which utilise composite to great effect, use less wood and have a lifespan that is three times longer than traditional wooden floors.

2021: solid further development of the Group

Despite the fact that the COVID pandemic will also impact our business in 2021, Losberger De Boer Group remains confident about this year. The RPTS and RDS business areas are intensively involved in large projects from major international customers. However, it remains to be seen how the pandemic-related bans and restrictions

on business activities will continue to affect the earnings development of the Losberger De Boer Group.

The Group is also facing new challenges. Material and transport prices are rising continuously and the same applies to lead and delivery times. Resource availability is under great pressure, and, looking at the anticipated economic recovery, these changing parameters will remain major areas of attention for management.

This year prestigious projects will highlight the competences of our Group. A good example is the delivery to the NSPA (NATO Support and Procurement Agency) of 650 tents and equipment for use as office and accommodation facilities in large deployable camps. Continued use of testing and vaccination centres is expected for the remainder of the year. Events activities will pick back up, promising a busy second half of the year, both for the rental and sales divisions, for events such as HUSUMWind 2021 and Matexpo 2021. The recovery of the economy is boosting interest in the expansion of commercial space, both sales and rental, such as the auditorium space at the Technical University of Dortmund.

The Management Board is confident that we can further strengthen the financial and operational condition of Losberger De Boer Group this year. We have a lean and efficient organisation structure with four divisions, with a strong focus on our markets and customers. Project and risk management combined with strict cost control will remain key topics for management. We can realise multiple synergies in the areas of sales, production, logistics and administration. Completed by a consequent execution of the initial restructuring plan as of 2019, the company is again well positioned for profitable sustainable growth.

Bad Rappenau, July 2021

Management Board

Mr A.T. de Hair Chief Executive Officer

Mr D. Simons Chief Financial Officer



“My team and I are proud on the many positive things we have carried out.”

Toni Mildner

Team Leader Aluminum Production

Looking back to 2020, we were facing a difficult time, which also forced us to take short-time work. Due to the strong solidarity, reliability and loyalty in the entire group, we got through 2020 together very well. My team and I are proud on the many positive things we have carried out.

LOSBERGER DE BOER



"2020 has had an unprecedented impact on the world in which we live. As a globally operating organisation, we have experienced this in great depth. Open communication and building trust with all our stakeholders remain key in adapting and helping us find answers to these immense challenges."





LOSBERGER DE BOER

Head Office

Losberger De Boer Holding GmbH

Gottlieb-Daimler-Ring 14,
74906 Bad Rappenau
Germany

t +49 7066 9800

e info@losbergerdeboer.com

i www.losbergerdeboer.com

Offices

Belgium

Losberger De Boer Tenten NV
Industrieterrein Kanaal Noord 1303
3960 Bree

t +32 8 946 07 99
e sales.be@losbergerdeboer.com

France

Losberger De Boer Bachmann RDS SAS
58A rue du Dessous des Berges
75013 Paris
France

t +33 1 46 72 42 69
e contacts@losbergerdeboer.com

Germany

Losberger GmbH
Gottlieb-Daimler-Ring 14,
74906 Bad Rappenau
Germany
t +49 7066 980 0
e info@losbergerdeboer.com

Losberger De Boer GmbH
Internationaler Zeltverleih
Liebigstraße 2
45663 Recklinghausen
Germany
t +49 2361 3008 0
e vermietung@losbergerdeboer.com

Losberger Modular Systems GmbH
Ruhrorter Straße 2 – 6
68219 Mannheim
Germany
t +49 621 8444 4
e info-lms@losbergerdeboer.com

Renz Handels- und Logistik GmbH
Im Unteren Ried 26
75382 Althengstett
Germany
t +49 7051 967730
e info@renz-container.com

Netherlands

Losberger De Boer International BV
PO Box 446, 1800 AK Alkmaar
Laanenderweg 11
1812 PW Alkmaar
The Netherlands
t +31 72 5400444
e international@losbergerdeboer.com

Losberger De Boer Structures B.V.
Laanenderweg 11
1812 PW, Alkmaar
The Netherlands
t +31 72 5400444
e info.nl@losbergerdeboer.com

Qatar

Losberger De Boer Trading
and Contracting L.L.C.
Zone 39, Street 840, Bldg. No. 60
Al Mirqab Building, 2nd Floor, Room No. 26,
Al Mirqab Al Jadeed St. Fereez Al Nasser
P.O. Box 18920, Doha
State of Qatar
t +974 4450 3489
e qatar@losbergerdeboer.com

Saudi Arabia

Losberger De Boer Saudi
for Contracting LLC
Centria – 406,
4th Floor Centria Mall Office Building,
Olaya Street , Riyadh
Kingdom of Saudi Arabia
t +966 54 716 4909
e middleeast@losbergerdeboer.com

Spain

De Boer Estructuras España SLU
Calle Pau Claris 172, 3º 1ª
08037, Barcelona
Spain
t +34 93 481 52 52
e iberia@losbergerdeboer.com

United Arab Emirates

International Interface Works LLC
C2 Tower, 10th Floor,
King Abdullah Al Saud Street Al Bateen,
P.O. Box 146 127, Abu Dhabi
United Arab Emirates
t +971 2 406 94 07
e middleeast@losbergerdeboer.com

International Interface Works LLC
Marina Plaza, Dubai Marina,
29th floor, office P62,
P.O. Box 37275, Dubai
United Arab Emirates
t +971 4 512 4123
e middleeast@losbergerdeboer.com

United Kingdom

De Boer Structures (UK) Ltd
Castle Park, Boundary Rd, Brackley
Northamptonshire NN13 7ES
United Kingdom
t +44 1280 846500
e sales.uk@losbergerdeboer.com

United States of America

Losberger U.S. LLC
285 Bucheimer RD Suite A
Frederick, MD 21701
USA
t +1 301 6828000
e usa@losbergerdeboer.com