

Report to the management board of
European Society for Blood and Marrow Transplantation, Leiden
on the 2020 financial statements

The management board of
European Society for Blood and Marrow Transplantation
LEIDEN

Leiden, 17 May 2021

Dealt by: Mr. S. Natkiel

Financial statements 2020

Dear members of the board,

In accordance with our obligation and responsibility to compile the organization's financial statements, we hereby report on the financial statements for 2020. The financial statements are the responsibility of the organization's Management Board. The financial statements, management board report and other information are included in the appendices to this report.

Please do not hesitate to contact us if you require any further information.

Yours faithfully,
EBMT

Was signed:
Mr. A. Gusi-Puig

Was signed:
Mr. H. Dolstra

Annual reporting

Table of contents

DIRECTORS' REPORT 2020	2
CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2020	20
CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR 2020	21
CONSOLIDATED CASH FLOW STATEMENT FOR 2020	22
ACCOUNTING POLICIES USED FOR THE CONSOLIDATED FINANCIAL STATEMENTS	23
NOTES TO THE CONSOLIDATED BALANCE SHEET	28
NOTES TO THE CONSOLIDATED PROFIT AND LOSS ACCOUNT	35
NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT	39
COMPANY BALANCE SHEET AS AT 31 DECEMBER 2020	40
COMPANY PROFIT AND LOSS ACCOUNT FOR 2020	41
ACCOUNTING POLICIES USED IN PREPARING THE COMPANY FINANCIAL STATEMENTS	42
NOTES TO THE COMPANY BALANCE SHEET	43
NOTES TO THE COMPANY PROFIT AND LOSS ACCOUNT	48
OTHER INFORMATION	51

Total number of pages: 51

Directors' report 2020

1 General information

Statutory Name

European Group for Blood and Marrow Transplantation

Corporate Seat

Maastricht

Legal form

Association with full legal capacity

The EBMT has defined a clear **mission**: *"We are a community of healthcare professionals focused on innovation, research and the advancement of cellular and stem cell-based therapies to save and improve the lives of patients with blood-related disorders."*

The EBMT **vision** for the forthcoming year encompasses: As one of the leading medical and scientific organisations for cellular and stem cell-based therapies, we aim to be the connection between patients, scientific community and other stakeholders to anticipate the future of our field.

Indeed, in the coming years, EBMT should enhance the **scientific output** of the organization by a strong support for the WP activities to explore the potential of the registry, and continue generating high quality retrospective and non-interventional prospective studies, both in the autologous and allogeneic settings.

Needless to say, the EBMT's activities in 2020 were influenced by the ongoing COVID-19 pandemic. Despite the challenges, we have been able to demonstrate a strong commitment to our patients and members

In terms of educational activities, the second edition of the very successful European CAR T Cell Meeting was still performed as an onsite meeting in Sitges, Spain, at the beginning of February 2020, was attended by more than 1,000 professionals. Then after, all successive EBMT meetings and events were obliged to transition to a completely virtual format.

The EBMT managed to adapt rapidly to this unprecedented situation. The 46th Annual Meeting initially planned to be held in Madrid, was first postponed and then finally performed as a completely virtual meeting in late August 2020. It was one of most successful EBMT Annual Meeting's in history with more than 6,000 registered attendees from 89 countries and along the way it revealed the latest developments in stem cell transplantation and cellular therapies. Other successful mid-sized events, all virtual, were organised such as the Midterm Focus Meeting on Non-Malignant Diseases; the 5th International Transplant Course – and the many Working Parties Scientific and Educational Meetings. Visit the "Education" section below for more detailed information.

In this context of the COVID-19 pandemic, the EBMT's strategic decision – taken back in 2019 – to increase the educational activity by developing the E-learning platform, was even more relevant and helpful for our community.

One of the major achievements in 2020 was the launch of the GoCART Coalition together with EHA. It serves to promote and foster patient access to treatments and collaborate with other stakeholders to establish and streamline center qualification, education, data reporting and data access for clinical studies and regulatory purposes. Read more about the GoCART coalition in the dedicated article below.

And in December 2020, we opened another EBMT office in Shanghai, China. We are looking forward to promoting convenient and in-depth exchange between the Chinese haematology community and the EBMT, strengthening multi-centre clinical innovation and cooperation, sharing scientific experience, standards and protocols, and ultimately providing the best treatment and care for patients.

When reading our Annual Report, you will realise that despite the COVID-19 pandemic and the associated challenges that the EBMT faced, 2020 was a year of remarkable progress in our society

We aim to have a functional and professional **Registry**. By the end of 2021 there should be more centres using electronic data entry forms and more staff time allocated to consolidation and quality monitoring tasks.

EBMT is committed to sponsor prospective **clinical trials** with the objective to improve clinical prospects for BMT patients. To this end, the EBMT Clinical Trials Office (CTO) plans to set-up and manage new clinical trials, including PASS, from 2018 to 2024.

In terms of **Education**, we would like to improve the range and quality of the educational events, meetings and resources offered to EBMT members. We aim to improve the EBMT flagship event, the Annual Meeting, but also introduce medium-size meetings, addressing the issue of online educational content and contribute to increasing the reach of the EBMT to further geographical regions.

By the end of 2016, **JACIE** has become the international reference for accreditation both in Europe and in other regions. JACIE will maintain its accreditation activity but introduce new elements including 'First-Step' certification aimed at BMT units in Low to Middle Income countries (LMICs).

The idea will be to create a **Patient and Donor Advocacy** Committee (PDAC) which will lead the Patients, Donors and Families day and would analyse options for collaborations with Patients' Associations, and advocating for patients before the health authorities in order to maintain and promote a high standard of care and high quality research.

In terms of **Funding**, EBMT will continue increasing the partnership between EBMT and pharmaceutical companies and develop new membership perspectives, including new categories (e.g. young physicians). EBMT develops non-earmarked revenues, independently of its source, in order to sustain the growing structure of the EBMT.

Although EBMT is a well-recognized organization with >40 years of existence, continuous **communication** efforts are required to gain greater visibility for its research activities and to allow its stakeholders to better understand what the EBMT is and what it does. Thus, this new Board wants to open towards **sister societies** in order to enter into a close operational cooperation with the aim to identify and support opportunities for high-quality Care, Science and Education in the field of bone marrow and stem cell transplantation.

2 Core and other activities

The European Group for Blood and Marrow Transplantation (EBMT) is a non-profit organisation that was established in 1974 in order to allow scientists and physicians involved in clinical bone marrow transplantation to share their experience and develop co-operative studies. The EBMT is devoted to the promotion of all aspects associated with the transplantation of haematopoietic stem cells from all donor sources and donor types including basic and clinical research, education, standardisation, quality control, and accreditation for transplant procedures.

EBMT members – more than 5,000 physicians, nurses, scientists and other healthcare professionals – participate in a unique collaborative network of peers involved in haematopoietic stem cell transplantation (HSCT) and cellular

therapy research. Membership encompasses approximately 600 centres, from over 70 countries, that perform or are involved in HSCT.

The EBMT holds a central role in performing co-operative studies and disseminating state-of-the-art knowledge: the aim is to increase survival rates and enhance the quality of life of patients with life-threatening blood cancers and diseases.

The EBMT is built on 3 pillars

- Science
- Education
- Patient Care

2.1 Studies

The EBMT coordinates its scientific activities through 10 Working Parties and the Nurses Group:

- **Disease-related:** Acute Leukaemia, Severe Aplastic Anemia, Autoimmune Diseases, Chronic Malignancies, Inborn Errors, Lymphomas
- **Transversal:** Paediatric Diseases, Cellular Therapy and Immunobiology, Infectious Diseases, Transplant-Related Complications and Quality of Life after Stem Cell Transplantation

The Working Parties use data from the EBMT patient Registry to perform three types of studies:

1. **Retrospective data collection studies** using data from the Registry, ad-hoc data collections, and centre-based surveys.
2. **Non-interventional cohort studies** based on prospective patients' registration and data collection. Treatments and medical assessments follow standard hospital protocols.
3. **Interventional studies** (Prospective Clinical Trials) based on a study protocol which determines treatments and medical assessments, including one or more experimental treatment(s).

2.2 The Registry

This is the backbone of the EBMT. The EBMT patient Registry was established in the early 1970's. It is the only data source of its kind in Europe. The data are submitted continuously by approximately 600 centres, including some from outside Europe.

The Registry has data on more than 500,000 HSCT procedures including details on disease, transplant type, donor type and stem cell source. It contains data on patients that have undergone HSCT and also on patients receiving immunosuppressive therapies or other cell therapies. The Registry also offers the possibility to enter donors' follow-up data, which is crucial to ensure maximum donor safety.

The Registry underpins extensive European research that translates into changes in clinical practice and improvements in patient outcome and care.

2.3 The Activity Survey

The Activity Survey measuring trends in transplant activity

In 1990, the EBMT introduced the Activity Survey, a novel tool for assessing the real picture of HSCT in Europe. On an annual basis, all EBMT members and affiliated teams report their number of transplant patients by indication, donor type and stem cell source.

The Activity Survey has evolved into a mandatory self-reporting system and it forms an integral part of the international quality assurance program JACIE.

A second survey on cellular therapies and tissue engineering introduced in 2008 provides an overview of the latest developments in the field of non-HSCT cellular therapies.

2.4 Education and Networking at the Annual Meeting

The EBMT organizes an Annual Meeting attended by more than 5,000 scientists, physicians, nurses, statisticians, data managers, biologists, pharmacists and technicians.

This important forum ensures and encourages dialogues and information exchange, education and scientific productivity.

2.5 Patient, Family and Donor Day

The annual Patient, Family and Donor Day provides a forum for meeting professionals, exchanging experiences and learning from each other.

2.6 Standards and Accreditation

These improving safety and quality in transplant and cellular therapy

The EBMT educational events disseminate new results into the scientific community.

Approximately 15 conferences, workshops and courses, including the ESH-EBMT Training Course on HSCT, are organized every year.

The Joint Accreditation Committee ISCT-Europe & EBMT (JACIE) was established in 1998. It promotes high-quality patient care and laboratory performance in the collection, processing and administration of cellular therapy through a profession-led, voluntary accreditation scheme.

JACIE works continuously with international partner organizations to develop and maintain standards for the provision of quality medical and laboratory practice in HSCT, performs on-site inspections, and accredits those programs that demonstrate compliance with these standards. JACIE also provides training for inspectors and centres, on aspects related to the accreditation process.

2.7 Hematology and HSCT Nursing

The EBMT Nurses Group, representing more than 900 nurses and allied health professionals, is one of the leading groups in the field of hematology and HSCT nursing.

It is dedicated improving the care of patients receiving HSCT and promoting excellence in care through evidence-based practice.

3 Company legal structure

The European Society for Blood and Marrow Transplantation (EBMT) is a non-profit organisation that was established in 1974 in Netherlands in 2 legal entities:

- Association
- Foundation

The Board is the administrative body of the EBMT responsible for all running operations and decisions. Decisions are made by majority voting. The President has the deciding vote if the vote is otherwise tied.

Board members

- President: Nicolaus Kröger
- Treasurer: Harmen Dolstra
- Secretary: John Snowden (till 1 April 2020: Rafael Duarte)
- Authorised representative and Executive director: Andreu Gusi

4 EBMT Governance Platforms

Currently the EBMT consists of 2 units; the Association that will run the EBMT via the Foundation.

- **Board of Association (BA)** - The Board of Association now consists of 8 voting members plus 1 non-voting member (EXCOM= 3, NG Pres=1, + 4 members from the new Scientific Council and the forthcoming congress president (non-voting member).
- **Scientific Council (SC)** - The Scientific Council consists of the WP Chairs elected by the General Assembly and decides which 4 members will sit on the Board of Association.

Within the Foundation, the EXCOM (Executive Board) will maintain its current structure and continue to run the EBMT Business.

The BA is the administrative body of the EBMT. It is responsible for all running operations and decisions that are not due to be taken by the General Assembly. The BA consists of the President, the President-Elect, the Secretary, the Treasurer, the President of the EBMT Nurses Group and four members elected by and from the Scientific Council.

The President of the forthcoming annual EBMT meeting is elected onto the Board for the year preceding the annual meeting as a non-voting member. Decisions are taken by majority voting. The President has the deciding vote if the vote is otherwise tied. Board members will not receive any remuneration, except in cases mentioned in the statutes.

4.1 Working Parties (WP)

The existing Working Parties are divided into two categories.

- **Disease-related:** Acute Leukaemia, Severe Aplastic Anemia, Autoimmune Diseases, Chronic Malignancies, Inborn Errors, Lymphomas
- **Transversal:** Paediatrics, Cellular Therapy and Immunobiology, Infectious Diseases, Transplant-Related Complications and Quality of Life after Stem Cell Transplantation.

4.2 Table Mission, Responsibilities and Members

	Mission	Responsibilities	Members
BA	The Administrative body responsible for defining the strategic direction of the EBMT and running operations and decisions that is not due to be taken by the General Assembly.	<ul style="list-style-type: none"> - Define the Strategic Plan of the EBMT for the approval of the GA - Approves the Plan and Annual Budget - Supervise that the Executive Committee implements the decisions regarding Plans, Budget. 	<ul style="list-style-type: none"> - President, President-Elect, Secretary, Treasurer (EXCOM) - President of the division EBMT Nurses Group - 4 members elected by and from the Scientific Council. - President forthcoming annual EBMT meeting (non-voting member)
SC	The Scientific body responsible to define the scientific and education policy of the EBMT to be approved by the General Assembly	<ul style="list-style-type: none"> - Drafts the scientific and educational policy of the EBMT and prepares it for General Assembly approval - Evaluates regularly the scientific and educational activities of the WPs - Advices the Board on scientific and educational issues 	- 11 WP Chairs
WP	Implement the EBMT Scientific and Educational Policy	<ul style="list-style-type: none"> - Elaborate and manage scientific proposals, supported by the Data Offices and CT - Elaborate and organize educational activities supported by Executive Office - Contribute to the development of definition of guidelines and policies 	WP Members

4.3 Roles and Responsibilities

The four members from the Scientific Council elected to represent the SC within the Board of Association hold different dossiers:

Role	Responsibilities
Scientific Chair	<ul style="list-style-type: none"> - Coordinates and manages the Scientific Council - Represent the Science & Research Portfolio within the Board - He / She is a member of the Scientific Annual Congress Local Organizer Committee
Scientific Co-Chair	<ul style="list-style-type: none"> - Supports the Scientific Chair to coordinate the Scientific Council - Represents the Science & Research Portfolio within the Board

Role	Responsibilities
Registry Board Member	<ul style="list-style-type: none"> - He / She is a member of the Scientific Annual Congress Local Organizer Committee - Represents the board within the Registry Committee - Represents Registry Portfolio within the Board
Educational Board Member	<ul style="list-style-type: none"> - Represents the board within the Educational Committee - Represents Education Portfolio within the Board

4.4 Distribution of Areas

This Table represents the areas assigned to each Platform.

BA & SC	1. EBMT Mission	2. EBMT Vision
BA	1. Strategic Plan 2. Annual Plans 3. Budget Plans 4. Congress Bids 5. Communication Policy	6. Fundraising Policy 7. HR Policy 8. Office Issues 9. Legal Issues 10. Financial Investments
SC	1. Scientific Policy 2. Educational Policy 3. Best & Abstract Process 4. Scientific Annual Congress Program	5. WP Structure 6. Registry Policy 7. Educational Events 8. WP Plans

The EBMT has offices in Barcelona, Leiden, London and Paris, and currently has 91 members of staff working on behalf of the organisation.

5 Policies pursued

In the last years EBMT has developed several Policies in order improve governance and structural stability, in order to reduce the financial risks. We have gained financial stability and provided assurances that the money is spent and allocated according to our Mission. Today, EBMT has mechanisms of control in place that demonstrate clear lines of accountability through transparency, which has resulted in an official audit of the financial statements by third party auditors.

The embedded structure of decision making prevents conflicts of interest and provides a clear segregation of responsibilities.

6 Analysis of developments during the year

The global COVID-19 pandemic and its extensive worldwide impact has also influenced the financial situation of EBMT in 2020. After the coronavirus breakout, a contingency plan was developed to secure staff positions and strategic investments. This has allowed us to build some reserves in order to face present and future uncertainties. We were able to improve the financial figures after closing a fair deal with the Madrid suppliers and hotels after canceling the face-to-face Annual Meeting. Additional aid also came during the last quarter of the year when new study contracts were signed. Moreover, in 2020 the EBMT's Finance Department obtained an "unqualified opinion" from an independent auditor's judgement bureau, affirming that EBMT is maintaining its high standard of modern management, sustaining its financial stability, and spending and allocating money to our mission.

6.1 Spending our financial resources on our missions

Our steady annual income has been used to strengthen our growing organization as a whole. For 2020, the budget needed for management and administration (i.e., Board and Executive Office expenses) increased to 19.2% which allocates 80.8% to our scientific studies, registry, accreditation and education like the 2020 Annual Meeting, E-learning and educational events. Therefore, EBMT remains a very efficient organisation when assessed by international rankings (A according to CharityWatch).

6.2 Continuing with balanced financial roadmap

In 2020, the main challenge we faced was securing all staff positions while further optimising a well-balanced financial COVID-19 contingency plan and roadmap for the future of EBMT. Our goal was to be able to cover all financial challenges in line with our ambitions but also provide a strong backbone for the organisation. Therefore, the EBMT Board decided to partially release its allocated reserves in 2020 to support our organizational roadmap for the next few years which covers the following topics and areas.

6.2.1 Shifting to our virtual meetings

Due to the global COVID-19 pandemic we had to transform our annual face-to-face meeting into a virtual meeting for the health and safety of our delegates. Thanks to the hard work and dedication of the Barcelona office, the first virtual annual meeting was a great success because we were able to maintain the high level of education, the support of our sponsors and the engagement of our delegates. The continued in-house operations of successive EBMT educational events really paid off by increasing EBMT's position and visibility within the virtual arena and by improving financial control.

6.2.2 Adapting the organisational structure

In 2020, we restructured the managerial infrastructure of EBMT into six departments Registry, Clinical Research, Education & Events, Advocacy & Quality of Care, Sales & Development and Support. Each department is led by a department Director whom, together with the Executive Director and Medical Officer, form the EBMT Management Team. Due to the solid financial situation of EBMT, we were able to sustain all staff positions during the COVID-19 pandemic and finance the new, key positions within the transformed EBMT organisational structure. Further streamlining and restructuring the organigram will continue in 2021 in order to increase the efficiency of EBMT.

6.2.3 Creating the sales department

In 2020, we refined the Sales Department in order to improve the processes of setting up memberships, sponsorships, retrospective and prospective studies in collaboration with pharma, institutions and non-profit organisations as well as marketing and communications. Sponsorships and funded studies are a growing segment of the activities of EBMT and an important financial pillar.

6.2.4 Continuing the CAR T PASS studies

After receiving the qualification opinion from EMA regarding the cellular therapy module of the EBMT Registry, the Board decided to raise manpower to support this initiative, which will collect post-market evidence for safety and efficacy of different commercial CAR T products. Following Novartis, contracts with Kite and Celgene were signed and more companies are likely to follow. The finance support behind these contracts allows for more man-hours to execute these PASS studies and increase the Registry data plus data quality. This registry tool will be helpful for all researchers executing clinical studies with immune effector cells to gather more comprehensive data sets.

6.2.5 EBMT brand positioning and identity

To address our commitment to Cellular therapy within our society, EBMT updated its Mission and Vision and designed a new EBMT logo. For this process we included all the Board Members, the Working Parties, the Nurses Group, the EBMT Staff and also the EBMT Members. And, in the end, there was a mutual agreement and consensus to modify our name, mission, vision as well as our EBMT logo.

6.2.6 Opening a satellite foundation office in Shanghai

The EBMT officially opened a satellite foundation office in Shanghai, China on the 15 of December, 2020. The Shanghai office is the fifth global EBMT office and the only office in the Asia Pacific region.

6.2.7 Updating the EBMT registry

In 2020, we kept working on migrating the Registry data into MACRO all while continuing to enter transplant and cellular therapy data in ProMISe. This project of migrating to a new Registry platform has the highest financial priority. Reserves have been earmarked to cover all expected costs. In addition, reserves are being used and held for any unexpected expenses. Furthermore, the London, Leiden and Paris offices were and are still closely working together on this project under the supervision of the new Registry Director.

6.2.8 Financial conclusion

The ongoing positive financial development of the organisation over the past years has allowed EBMT to further build on its strategic goals and improve its organisation structure. Current highlights include the successful virtual Annual meetings during the COVID-19 pandemic, E-learning opportunities, registry upgrade, new cellular therapy registry, benchmarking system, CAR T PASS studies, staff compensation, information technology innovation, COVID-19 studies and China Foundation office. Despite the financial challenges related to the COVID-19 pandemic, EBMT will be closing the year 2020 with a positive result of 2,258 k€ thanks to our new study contracts and the use of our reserves.

7 Analysis of income and results during the year

EBMT has closed the year with a positive result. The improvement of our financial outcome in the last years is due to:

- better results on the income from the Annual Meeting;
- better funding for the Clinical Trials and WP Studies;
- better results on the income from events.

The EBMT continues to develop and build on its strategy for diversification and retention of resources.

EBMT also works hard to assure its 'non-earmarked' income (Membership, Sponsoring, Annual Meeting) covers the structural cost of the Society (Registry and Management) and investment in non-commercial academic retrospective and educational studies/activities through our Working Parties (WPs).

Our 'earmarked' income comes from Pharma grants, which are allocated to specific studies and educational activities for our Clinical Trials Office and WPs.

EUR 1,000	2020		2019	
EBMT Members donations	650	6%	591	4%
Scientific Sponsors donations	475	5%	703	5%
Annual Meeting Financial Result	4,735	45%	7,749	53%
Results from investments	35	0%	116	1%
Non-earmarked Income	5,895	56%	9,159	63%
Grants for Studies & CT & Education	4,381	42%	4,629	31%
Accreditation (JACIE)	241	2%	867	6%
Earmarked Income	4,622	44%	5,496	37%
Total Income	10,517	100%	14,655	100%

7.1 Financial position on balance sheet date

The solvency of the organisation can be expressed as follows.

Debt ratio

EUR 1,000	2020	Ratio	2019	Ratio
Liabilities	8,740	= 0.37	5,004	= 0.28
Balance total	23,796		17,804	

The debt ratio decreased and means that the organisation's solvency increased, EBMT's solvency becomes stronger. This solvency is qualified as strong as a ratio of 0.70 is considered as common. The organisation strives to have as low liabilities as possible.

The liquidity can be calculated as follows.

Current ratio

EUR 1,000	2020	2019	2018
Gross working capital	22,706	16,786	12,462
Short-term liabilities	8,740	5,004	4,704
Working Capital	13,966	11,782	7,760
Current Ratio	2.6	3.4	2.7

All short-term debts can be paid from the current assets. Management considers a ratio between 1.5 and 2.0 to be a healthy ratio. The ratio of EBMT is good.

7.2 Analysis of the cash flows and financing needs

The cash flow from operation activities decreased with 0.41 million from 3.12 million in 2019 to 2.71 million in 2020.

The balance sheet items with the highest impact can be identified. The receivables for sponsors and other debtors increased 3,566 k€. Pre-paid costs – i.e. for the congress and other educational events to be held in 2020 – decreased 403 k€.

Under liabilities, deferred income (i.e. congress, sponsorship) increased 1,918 k€, accrued cost (i.e. staff, professional fees) increased 661 k€ and other liabilities increased 602 k€. The liabilities Clinical trials and Studies increased 735 k€ due to the phase in which those clinical trials and studies currently are and the timing of invoicing.

7.3 Research and development activities

As aforementioned EBMT has in his main pillars Research through Studies and services. EBMT is investing in its main asset, the Registry.

The board earmarked during the last years, more than 500 k€ per year for structural innovation including Registry. As a result of this strict financial policy we achieved a major financial milestone, which allowed us to embark on the urgently needed new registry. Consequently, our budget for “structural innovation” is, besides dedication to the registry, also for the use of other innovative tools which need a start-up funding such as new educational tools and the needs coming from the middle term investment plan.

7.4 Expectations for the coming reporting year

The development of the Registry upgrade MACRO will continue in 2021/2023. Although there are earmarked reserves for this, the investment will be paid for gradually and in line with the various phases of the development of the database. This investment (developing only) will cost around 750 k€. Additional investments for new functionalities within MACRO will be financed by yearly reservations coming from the net results.

During the development of MACRO, EBMT is expanding the current registry database software in order to meet the contract obligations from PAS-studies. EBMT is expecting to spend over 1.0 m€ of which 0.5 m€ in 2021.

Other investments that are planned for the middle term (with estimation of cost):

- A mobile solution for all accreditation activities (65 k€)
- A new CRM system (100 k€);
- Integration, sharing and storage system (20 k€).

Besides IT solutions, on its mission to improve professionalisation EBMT is eager and planning to invest in human resources as well. The outbreak of the Corona virus did have an impact on the the planning to invest in human resources in 2020. In 2021 the original planning will continue. See paragraph 7.5.2 for measures. As decided by the Board last year, our current IT-investment plan will remain for 2021.

Budget coming reporting year

The initial budget for coming reporting year is as follows.

EUR 1,000	2021
Income	8,663
Costs	9,845
Result	(1,182)
Movements earmarked reserves	(1,186)
Result appropriated for reserves	4

The Board approved the initial budget for 2021. Management determines if an increase or a decrease in income and costs should be foreseen. This is based on signed contracts only and conservative estimations of financial results that can be reliable estimated.

To coop with a possible future setback as structural income of the Annual Congress can be disappointed some year(s), EBMT builds a solid reserve. This should prevent that the continuity of EBMT's activities will be harmed or compromised. Therefore, EBMT will determine, on a yearly basis, what amount would be necessary to dismantle the organization. EBMT monitors the height of the reserves to challenge this.

Other investments from the middle term investment plan will be partial covered by the reserves. EBMT is securing the method of budgeting to reserve money for structural innovation on a yearly basis. For internal purposes EBMT acknowledge earmarked reserves, there are no legal grounds to report these reserves. The movements and heights of these internal reserves can be specified as follows:

Internal reserves

EUR 1,000	Balance 2020	Forecasted 2021	Projection 2021
Working Parties	1,592	(600)	992
Structural innovation	1,124	(11)	1,113
Registry continuous development	800	(276)	524
Project 2020	299	(299)	-
e-Learning	159	-	159
Strategic	26	-	26
Total internal reserves	4,000	(1,186)	2,814

7.5 Analysis of the principal risks and uncertainties

7.5.1 General principal risks and uncertainties

Of course, catastrophic events are unlikely to happen all at the same time. Nevertheless, negative results could lead to a cascade of problematic events. EBMT recognizes risks and uncertainties in the following areas:

1. Uncertain financial results of the Annual Congress;
2. Uncertain macro-economic situation: Cancellation of Sponsors and (temporary) stop of Funding;
3. Complex contract negotiations: Pre-finance activities while waiting for Funding;
4. Technical aging: Lacking support for technical innovation.

As the results of the Annual Congress are expected to maintain its current level in time, EBMT becomes more and more dependent on it. Facing threats such as terroristic attacks or war situations can influence the income of these results while contractual obligations are already in place.

Macro-economic changes can affect the willingness of the Pharmaceutical Industry to be a sponsor. As well as changes in financial climate as government interference or scandals can result in declining sponsor income.

Studies or trials of high importance could ask immediate attention from the Clinical Trial Office or Data Offices. It is possible in such case that EBMT pre-finances the activities before contracts are signed and funds are flowing. In worst case the running project is cancelled if parties cannot agree on terms and conditions within the contract. The amount of the pre-finances would be the risk.

The Registry is the backbone of the organization. Lacking support for technical innovation will mean that the Registry cannot provide adequate data what will harm working processes, breach of contracts etc.

Broaden the activities could lead to (new) tax matters.

It is therefore necessarily that we build enough reserves to challenge these risks and uncertainties, based on a combined number of threats.

7.5.2 Specific actual risks, uncertainties and measures

The Corona virus has its impact on the public life and worldwide industry. Governmental measures and human behavior effects the timing and way we offer our services to individuals, hospitals and businesses. It was expected that the situation would have a negative effect on our result of 2020. It did have impact, but not as much as we expected it to be. Due to the uncertainty of the extent and duration of the situation it is difficult to quantify the financial impact. We continue monitor all our activities and take measures where necessary.

Health risk

We have implemented precautionary measures regarding the coronavirus outbreak based on the recommendations of official health authorities, such as the World Health Organization (WHO) and RIVM in the Netherlands. In this way we try to achieve a minimal health risks to our employees, suppliers and customers.

Market risk

Due to the crisis, we notice a reduction in our educational and accreditation activities. In order to avoid a total collapse of the demand we have focused and speeded up our e-learning development and activities, and offering a virtual annual congress to our members. Our sponsors have supported the annual congress on an acceptable level.

Credit risk

We have not noticed significant movements in the terms of payment and expect no increase of doubtful debts.

Liquidity risk

To control our liquidity risk, we reduced the speed of implementing our strategic plan. We have frozen our human resources plan for those business units that experiencing a reduction in activities. Cost reduction related to the activities will also support to reduce the risk.

7.6 Outline of the willingness to hedge or not hedge risks and uncertainties

EBMT operates according to internal rules regarding financial risks and tries to avoid each risk that could have impact on the equity of the organization.

In general EBMT's risk appetite can be indicated as low.

7.7 Measures taken to control the principal risks and uncertainties

In order to mitigate aforementioned risks, the organisation has taken internal measures.

EBMT operates each year following a budget which is approved by the board. All activities that take place are comprised within the budget. New activities are brought to the board first for approval. The board will only approve these activities when funding is recognized. Periodically budget follow up takes place and analyses are performed to see if operations are in line with the budget.

Results of the Annual Congress are thoroughly estimated and followed up during the year in order to monitor the course of this result. Risks caused by external factors which cannot be influenced by the organization are disregarded. This also applies to the macro-economic changes that could affect sponsor decisions.

To minimize the risk of pre-financing studies EBMT intends to get agreements signed first before the start of delivering services. As the contract parties mostly are well known and financial solvent this risk is qualified as low. There also is a risk of loss-making trials. In such unexpectedly cases EBMT proactively contacts the contract party to discuss additional funding once a possible loss is detected.

As part of the strategy plan EBMT is building the Registry together with a global firm. In that way we ensure ourselves to have a solid partner with a good reputation and reduce the risk of discontinuity of any kind.

7.8 Expected impact if principal risks materialize

As the result of the Annual Congress is one of the most important ones for funding EBMT's activities its impact when materializing the risk would be high. The highest impact would appear if cancellation of the congress happens just before the event. In that situation almost all costs have been paid for and/or contractually obliged to pay. Almost no income will exist because of sponsor pull back and reimbursement of registration fees. At that point the maximum risk would be, based on a virtual meeting, 1.0 m€ (in-person meeting: 3.0 m€).

7.9 Risks and uncertainties that had a significant impact on the entity during the past financial year

During the past financial year it became clear that the annual congress could not take place in the traditional way. This meant a transition from a congress in-person to virtual congress. This had financial consequences for around 300 k€ additional costs which should be qualified as significant. Management qualifies such risks as significant if the impact is higher or equal to 5% of the net result.

7.10 Current or planned improvements to the entity's risk management system

If occur, new activities will be examined for tax issues and if necessary, the current tax control framework will be changed accordingly. During 2020 nothing new occurred.

8 Remuneration policy

As a non-profit organization and written in our bylaws the EBMT Board Members are volunteers and cannot get any remuneration for their services and activities. EBMT Board Members expenses for travel meetings (Hotels, Transport) are covered.

9 Corporate social responsibility

EBMT has stopped printing the Annual Congress Handbook (5,000 books of 500 pages) and also stopped entering Medical Data by paper and started Centres to enter Medical Data on-line.

EBMT undertakes studies to improve patient care without any commercial interest. The objective is to cover the scope of those diseases in which the Industry has non-financial interests.

As a responsible employer, EBMT offers its staff competitive salaries in the non-profit sector with a flexible balance between family and professional activities. Also, with few resources EBMT takes care of the training needs of its staff.

10 Key figures and ratios

10.1 Summary

The year 2020 was, in spite many challenges, a financially good year that ended with a net result of 2,257 k€. The net result decreased 1,901 k€.

10.2 Financial resources

EBMT's income identifies the following types of income.

EUR 1,000	2020		2019	
EBMT Members donations	650	6%	591	4%
Scientific Sponsors donations	475	5%	703	5%
Annual Meeting Financial Result	4,735	45%	7,749	53%
Results from investments	35	0%	116	1%
Non-earmarked Income	5,895	56%	9,159	63%
Grants for Studies & CT & Education	4,381	42%	4,629	31%
Accreditation (JACIE)	241	2%	867	6%
Earmarked Income	4,622	44%	5,496	37%

EUR 1,000	2020		2019	
Total Income	10,517	100%	14,655	100%

10.3 Source of income

The source of income is a breakdown of the consolidated income divided in the categories Industry-income and Non-industry-income. It indicates the importantness of the sources.

Source of Income	Industry	Non-industry
Scientific Sponsors donations	4.5%	0.5%
EBMT Members donations	0.0%	6.2%
Annual Meeting	38.2%	6.7%
Grants for Studies, Clinical Trials & Education	40.0%	1.0%
Accreditation (JACIE)	0.0%	2.3%
Results from investments	0.0%	0.7%
Total	82.6%	17.4%

The highest contribution of one single organization is 12.5% of the total income.

10.4 Destination of resources

Destination of resources

EUR 1,000	2020		2019	
Scientific Studies	2,294	28%	2,375	23%
EBMT Registry	731	9%	863	8%
Annual Meeting	1,349	16%	4,020	38%
Educational Activities	1,787	22%	1,672	16%
Standards & Accreditation	512	6%	643	6%
Total Mission Cost	6,673	81%	9,573	91
Management & Administration	1,586	19%	924	9%
Total Expenditure	8,259	100%	10,497	100%

Management & Administration grow mainly due to increased human resources.

2020 Financial statements

of

European Society for Blood and Marrow Transplantation

Registered office:

Effective place of business:

Address:

Maastricht

Leiden

Rijnsburgseweg 10
2333 AA LEIDEN

Consolidated balance sheet as at 31 December 2020

(after appropriation of the net result)

A s s e t s

(in euros)

	2020	2019
Fixed assets		
Tangible fixed assets (1)	128,678	107,988
Financial fixed assets (2)	961,991	910,592
	<u>1,090,669</u>	<u>1,018,580</u>
Current assets		
Receivables (3)	5,739,862	2,467,219
Cash at bank and in hand (4)	16,965,961	14,318,194
	<u>22,705,823</u>	<u>16,785,413</u>
Total assets	<u><u>23,796,492</u></u>	<u><u>17,803,993</u></u>

E q u i t y a n d l i a b i l i t i e s

Group equity (5)	15,056,459	12,799,629
Current liabilities (6)	8,740,033	5,004,364
	<u>23,796,492</u>	<u>17,803,993</u>
Total equity and liabilities	<u><u>23,796,492</u></u>	<u><u>17,803,993</u></u>

Consolidated profit and loss account for 2020

(in euros)	2020	Budget'20	2019
Revenues			
Corporate Sponsors (7)	474,791	400,000	700,209
Memberships (8)	649,884	600,000	591,425
Annual Congress (9)	4,735,032	7,910,000	7,748,819
Clinical Trials and Studies (10)	3,251,959	1,055,000	3,334,717
Accreditation fees (11)	241,027	1,018,000	864,622
Grants and Target Sponsoring (12)	(8,836)	0	271,968
Educational Events (13)	1,080,375	550,000	1,012,905
Other Revenues (14)	57,090	5,000	14,127
Financial Income (15)	68,839	5,000	116,042
Total revenues	10,550,161	11,543,000	14,654,834
Operating expenses			
Direct Cost (16)	2,272,473	4,807,500	5,298,152
Working Parties (17)	686,125	231,000	491,478
Staff Costs (18)	4,384,135	5,949,400	3,695,585
Housing Costs(19)	153,603	183,400	147,628
Professional fees (20)	343,226	340,700	367,517
General Costs (21)	115,204	170,050	134,411
Information and Communications			
Technology (22)	194,944	772,500	234,050
Governance (23)	101,864	220,000	115,777
Financial Expenses (24)	41,757	0	12,224
Total operating expenses	8,293,331	12,674,550	10,496,822
Net result	2,256,830	-1,131,550	4,158,012
Distribution of the result			
Addition other reserves	2,256,830		4,158,012

Consolidated cash flow statement for 2020

(in euros)

	2020	2019
Cash flow from operating activities		
Operating profit/(loss)	2,256,830	4,158,012
Adjustments for:		
depreciation and amortization	39,954	27,829
Changes in working capital:		
movements in receivables	(3,272,643)	(1,274,371)
movements in current liabilities	3,735,669	300,775
movements in securities	(51,399)	(92,171)
	<u>411,627</u>	<u>(1,065,767)</u>
Cash flow from operating activities	2,708,411	3,120,074
Cash flow from investing activities		
Additions to tangible fixed assets	(60,644)	(71,390)
Net cash flow/ Increase in cash at bank and in hand	<u><u>2,647,767</u></u>	<u><u>3,048,684</u></u>

Accounting policies used for the consolidated financial statements

General

The organization prepared the consolidated financial statements in accordance with the Dutch Accounting Standard 640 (RJ 640). The financial statements were prepared on 17 May 2021.

During December 2019 the outbreak of the Corona virus started in the region Wuhan, China. This virus reached Europe half of February 2020. In order to keep this virus under control, the Dutch (and all other European) government have taken various measures. Comparable measures were taken in the rest of the world. The impact of the outbreak of the Corona virus are to be considered as events after the balance sheet date, which does not provide additional information about the factual situation on balance sheet date and therefore have not been processed in the financial statements 2020.

The situation that emerged in 2020 will have a significant impact on the national and international economy. This has implications for EBMT as well. The activities that are most affected by the current situation are as follows:

- Educational events that are organized as face to face meetings. Some of those will be postponed or cancelled, other events will be organized as virtual meetings. Postponing and cancelation will have a negative impact on our income.
- The date of the annual congress is moved from March 2020 to March 2021. This might have a negative impact on the net result of 2021 as the congress 2021 will be virtual only, similar to 2020.
- Accreditation activities are put on hold until it is possible again to travel and allowed to visit the centres. This will have a negative impact on our income.

Above mentioned reductions in activities will lead to a decrease of income in 2020 and 2021. EBMT has a strong financial position that can bear an expected negative result. One of the measures we took is to introduce a contingency plan that controls our growth plan. At this moment it is hard to predict the how the Corona crisis will impact our activities for the rest of 2021. This is caused by the great uncertainty in the way the Corona virus will spread with its impact, the restrictive measures and duration and effectivity of these measures.

Group activities

The European Society for Blood and Marrow Transplantation (EBMT) is a non-profit organisation that was established in 1974 in order to allow scientists and physicians involved in clinical bone marrow transplantation to share their experience and develop co-operative studies. The EBMT is devoted to the promotion of all aspects associated with the transplantation of haematopoietic stem cells from all donor sources and donor types including basic and clinical research, education, standardisation, quality control, and accreditation for transplant procedures.

Judgements and estimates

The management of the group makes various judgments and estimates when applying the accounting policies and rules for preparing the financial statements. When applicable, the principal judgments and estimates, including underlying assumptions, are set out in each of the below mentioned accounting policies.

Equity interests

Ultimate parent company

The European Society for Blood and Marrow Transplantation, the Association, Maastricht, is the ultimate parent company of Stichting European Society for Blood and Marrow Transplantation and includes the financial data of Stichting European Society for Blood and Marrow Transplantation in its consolidated financial statements.

Basis of consolidation

The consolidated financial statements include the financial data of the Association (The Society) and Foundation of the European Society for Blood and Marrow Transplantation (EBMT) at 31 December 2020. As head of the this group the Society is the entity which exercise control in the foundation. Within the EBMT organisation there is an organizational connection, central management and an economic unit. This financial statement is fully consolidated and are determined in accordance with consistent accounting policies.

Foreign currency translation

The consolidated financial statements are prepared in euros, the functional and presentation currency of the company. Each entity in the group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions denominated in foreign currencies are initially carried at the functional exchange rates ruling at the date of transaction. Monetary balance sheet items denominated in foreign currencies are translated at the functional exchange rates ruling at the balance sheet date. Non-monetary balance sheet items that are measured at historical cost in a foreign currency are translated at the functional exchange rates ruling at the date of transaction. Non-monetary balance sheet items that are measured at current value are translated at the functional exchange rates ruling at the date of valuation.

Exchange differences arising on the settlement or translation of monetary items denominated in foreign currencies are taken to the profit and loss account.

Offsetting

Assets and liabilities are only offset in the financial statements if and to the extent that:

- An enforceable legal right exists to offset the assets and liabilities and settle them simultaneously.
And
- The positive intention is to settle the assets and liabilities on a net basis or simultaneously.

Financial instruments

Financial instruments include both primary financial instruments, such as receivables, securities and payables, and derivative financial instruments.

All purchases and sales of financial assets made according to standard market conventions are recognized as at the transaction date, being the date on which the group enters into a binding agreement.

Tangible fixed assets

Tangible fixed assets in use by the company

Tangible fixed assets in use by the organization are carried at the cost of acquisition or production net of accumulated depreciation and, where applicable, accumulated impairment losses. Tangible fixed assets carried at cost do not include capitalized interest charges.

Tangible fixed assets are depreciated on a straight-line basis over their estimated useful economic lives, taking into account the residual value, as follows:

- Other tangible fixed assets are depreciated in five years.

If the expected depreciation method, useful economic life and/or residual value are subject to changes over time, they are treated as a change in accounting estimate.

Costs of major maintenance are recognized under cost when incurred and if the recognition criteria are met. The carrying amount of the components to be replaced will be regarded as a disposal and taken directly to the profit and loss account. All other repair and maintenance costs are taken directly to the profit and loss account

Retired tangible fixed assets are carried at the lower of cost and their fair value less costs.

A tangible fixed asset is derecognized upon sale or when no further economic benefits are expected from its continued use or sale. The gain or loss arising on the disposal is taken to the profit and loss account.

Financial fixed assets

Securities

Securities are initially recognized at fair value plus directly attributable transaction costs, with the exception of securities carried at fair value with changes recognized through profit or loss.

After initial measurement, securities forming part of the trading portfolio are carried at fair value, without any deduction for transaction costs incurred on disposal. Gains and losses arising from changes in the fair value are taken to the profit and loss account.

After initial measurement, other listed securities (shares and bonds) not forming part of the trading portfolio are carried at fair value. Gains and losses arising from fair value changes are taken to the profit and loss account.

Dividends received are taken to the profit and loss account.

Current receivables

Receivables not forming part of the trading portfolio are initially measured at fair value and subsequently carried at amortized cost less a provision for doubtful debts where necessary.

Cash at bank and in hand

Cash at bank and in hand includes cash in hand and bank balances. It also includes deposits if these are effectively at the group's free disposal, even if interest income may be lost.

Classification of equity and liabilities

A financial instrument or its separate components are classified in the consolidated financial statements as liability or as equity in accordance with the substance of the contractual agreement underlying the financial instrument. In the organization financial statements, a financial instrument is classified in accordance with the legal reality. Interest, dividends, gains and losses relating to a financial instrument, or part of a financial instrument, are included in the financial statements in accordance with the classification of the financial instrument as liability or equity.

Provisions

A provision is formed if the group has a legal or constructive obligation as at the balance sheet date if it is probable that an outflow of resources will be required to settle the obligation and the amount of the liability can be reliably estimated. The amount of the provision is determined based on a best estimate of the amounts required to settle

the liabilities and losses concerned at the balance sheet date. Provisions are carried at non-discounted value, unless stated otherwise.

If third-party reimbursement of expenses required to settle a provision is probable, the reimbursement is recognized as a separate asset.

Pension provisions

Dutch pension plans

Contributions payable to the pension plan administrator are recognized as an expense in the profit and loss account. Contributions payable or prepaid contributions as at year-end are recognized under accruals and deferred income, and prepayments and accrued income, respectively.

A provision is formed for liabilities other than the contributions payable to the pension plan administrator if, as at the balance sheet date, the group has a legal or constructive obligation towards the pension plan administrator and/or to its own employees, if it is probable that settlement of these liabilities will entail an outflow of resources and if a reliable estimate can be made of the amount of the liabilities. The provision for additional liabilities to the pension plan administrator and/or the employees is based on a best estimate of the amounts required to settle these liabilities concerned at the balance sheet date. The provision is carried at present value if the effect of the time value of money is material (with the discount rate before taxation reflecting the market interest rate for high-quality corporate bonds).

A pension receivable in respect of surpluses available at the pension plan administrator is recognized if the group controls the surplus, if it is probable that it yields future economic benefits for the group and if it can be reliably determined. A pension surplus is calculated using the same method as is used for provisions.

Taxes

Current taxes

The activities of EBMT have been investigated on the possibility of tax obligations. The general conclusion is that, due to tax exemptions, no taxation should be applied on the results of EBMT. No taxation is recognized under the current liabilities nor in the profit and loss account.

Current liabilities

On initial recognition, current liabilities are carried at fair value less directly attributable transaction costs (in the case of financial liabilities not carried at fair value through profit or loss).

Leasing

Assessing whether an agreement contains a lease is based on the substance at the inception date of the agreement. The agreement is regarded as a lease if the fulfillment of the agreement depends on the use of a specific asset, or on whether the lease contains the right of use of a specific asset.

Income

General

Gross operating income represents net turnover, other operating income, and other external charges. Net turnover represents the proceeds from the supply of services, net of VAT, discounts, et cetera.

Services

If the result of a transaction relating to a service can be reliably estimated and the income is probable to be received, the income relating to that service is recognized in proportion to the service delivered.

Stage of completion is based on the costs incurred in providing the services up to the balance sheet date in proportion to the estimated costs of the total services to be provided.

Royalties

Royalties are recognized in the profit and loss account according to the accrual principle, provided the income can be measured and the income is probable to be received.

Dividend

Dividends are recognized in the profit and loss account if the group is entitled to them and the dividends are probable to be received.

Grants related to income

Grants related to income are recognized in the profit and loss account in the year in which the granted expenditure is incurred, in which the loss of income is recognized or in which the operating loss is incurred.

Expenses

General

Expenses are determined with due observance of the aforementioned accounting policies and allocated to the financial year to which they relate. Foreseeable and other obligations as well as potential losses arising before the financial year-end are recognized if they are known before the financial statements are prepared and provided all other conditions for forming provisions are met.

Interest

Interest is allocated to successive financial reporting periods in proportion to the outstanding principal. Premiums and discounts are treated as annual interest charges so that the effective interest rate, together with the interest payable on the loan, is recognized in the profit and loss account, with the amortized cost of the liabilities being recognized in the balance sheet. Period interest charges and similar charges are recognized in the year in which they fall due.

Consolidated cash flow statement

The cash flow statement has been prepared in accordance with the indirect method.

Cash and cash equivalents consists of cash at bank and in hand. The securities are non-highly liquid investments.

Interest received and paid, dividends received and profits tax are included under cash flows from operating activities.

Notes to the consolidated balance sheet

Tangible fixed assets (1)

Movements in tangible fixed assets were as follows:

(in euros)	Other fixed operating assets
	<hr/>
Balance at 1 January 2019:	
Cost	133,456
Accumulated depreciation and impairments	(69,029)
	<hr/>
Carrying amount at 1 January 2019	64,427
Additions	71,390
Depreciation	(27,829)
	<hr/>
Carrying amount at 31 December 2019	<u>107,988</u>
Balance at 31 December 2019:	
Cost	204,846
Accumulated depreciation and impairments	(96,858)
	<hr/>
Carrying amount at 31 December 2019	<u>107,988</u>
	Other fixed operating assets
	<hr/>
Balance at 1 January 2020:	
Cost	204,846
Accumulated depreciation and impairments	(96,858)
	<hr/>
Carrying amount at 1 January 2020	107,988
Additions	60,644
Depreciation	(39,954)
	<hr/>
Carrying amount at 31 December 2020	<u>128,678</u>
Balance at 31 December 2020:	
Cost	265,490
Accumulated depreciation and impairments	(136,812)
	<hr/>
Carrying amount at 31 December 2020	<u>128,678</u>

Financial fixed assets (2)

Other securities

Other securities includes listed securities of € 961,991 (2019: € 910,592). Changes in the value of listed securities included in the profit and loss account amount to € 46,563 (2019: € 114,484). The securities are stated at market value.

Current receivables (3)

(in euros)

	2020	2019
Membership receivables	126,145	23,236
Sponsors and other debtors receivables	4,834,340	1,268,111
Other amounts receivable	55,892	48,915
Prepayments and accrued income	723,485	1,126,957
Total	5,739,862	2,467,219

A provision for doubtful membership receivables is applied in 2020 for an amount of € 132,137 (2019: € 67,006).

Other amounts receivable can be broken down as follows:

(in euros)

	2020	2019
Value Added Tax receivable	32,582	24,985
Pension and Social security contributions receivable	977	1,597
Other receivables	22,333	22,333
Total	55,892	48,915

Prepayments and accrued income can be broken down as follows:

(in euros)	2020	2019
Interest receivable	38	567
Income to invoice	3,799	124,784
Prepaid Staff expenses	1,380	7,339
Prepaid ICT expenses	40,312	15,914
Prepaid Professional fees	10,000	12,487
Prepaid General expenses	3,427	4,019
Prepaid Accreditation expenses	19,026	-
Prepaid Educational Events expenses	51,720	102,612
Prepaid Annual Congress expenses	593,783	849,384
Prepaid Clinical Trial and Studies expenses	-	200
Other prepayments	-	9,651
Total	723,485	1,126,957

Cash at bank and in hand (4)

(in euros)	2020	2019
Cash in hand	1,860	615
Cash at bank	16,964,101	14,317,579
Total	16,965,961	14,318,194

The cash at bank is at the group's free disposal.

Group equity (5)

Equity

(in euros)	2020	2019
Group equity January 1	12,799,629	8,641,617
Movements earmarked reserves	-	(3,382,092)
Movements other reserves	-	3,382,092
Appropriation of the net result	2,256,830	4,158,012
Group equity December 31	15,056,459	12,799,629

The group equity can be specified as follows:

	Earmarked reserves	Other reserves	Total Equity
Balance at 1 January 2019	3,382,092	5,259,525	8,641,617
Movements 2019	(3,382,092)	3,382,092	-
Result appropriation for 2019	-	4,158,012	4,158,012
Balance at 31 December 2019	<u>-</u>	<u>12,799,629</u>	<u>12,799,629</u>
Balance at 1 January 2020	-	12,799,629	12,799,629
Movements 2020	-	-	-
Result appropriation for 2020	-	2,256,830	2,256,830
Balance at 31 December 2020	<u>-</u>	<u>15,056,459</u>	<u>15,056,459</u>

The earmarked reserves have been serving solely internal purposes. The reserves will be presented in the future as other reserves until the group has legal obligations to introduce earmarked reserves again.

Current liabilities (6)

(in euros)	2020	2019
Trade creditors/suppliers	655,313	474,156
Value Added Tax payable	233,723	22,027
Other taxes and social security charges	193,502	136,465
Pension-related liabilities	-	-
Other liabilities	1,771,543	1,035,336
Accruals and deferred income	5,885,952	3,336,380
Total	<u>8,740,033</u>	<u>5,004,364</u>

Other liabilities can be broken down as follows:

(in euros)	2020	2019
Clinical Trials and Studies pre-received funding	<u>1,771,543</u>	<u>1,035,336</u>

Accruals and deferred income can be broken down as follows:

(in euros)	2020	2019
Deferred income Annual Congress	2,374,981	1,845,589
Deferred income Accreditation	990,729	364,147
Deferred income Corporate Sponsors	1,407,500	320,346
Deferred income Educational Events	107,920	410,261
Deferred income Other	35,419	57,798
Accrued Event costs	597,116	-
Accrued Staff costs	225,613	199,908
Accrued Professional fees	118,096	107,071
Accrued ICT costs	11,200	17,001
Accrued General costs	4,203	5,781
Accrued Clinical Trials and Studies costs	3,181	3,600
Other costs payable	9,994	4,878
Total	5,885,952	3,336,380

Financial instruments

General

The information included in the notes for financial instruments is useful in estimating the extent of risks relating to both on-balance sheet and off-balance sheet financial instruments.

The group's primary financial instruments, not being derivatives, serve to finance the group's operating activities or directly arise from these activities. The group's policy is not to trade in financial instruments for speculation purposes.

The principal risks arising from the group's financial instruments are credit risks, liquidity risks, cash flow risks and price risks, which comprise foreign exchange, interest rate and market risks.

The group's policy to mitigate these risks is set out below:

Foreign exchange risk

The group is exposed to foreign exchange risks arising from purchase and sales transactions denominated in a currency (British pound/ US dollar) other than the group's presentation currency. The group's policy is not to hedge foreign exchange risks.

Credit risk

The group trades only with parties which are commonly known as creditworthy (Industry). The group's credit risk is minimal.

Liquidity risk

The group manages liquidity risk through the contract policy. Investments in human resources or in the structure of the organization (i.e. ICT-tools, software development, leasing) depends on the direct funding from the contracts related to those items. Close interim monitoring apply to these contracts.

Interest rate and cash flow risks

Interest rate risk is the risk of the fair value of future cash flows from financial instruments fluctuating due to changing market interest rates. The risk of market rate fluctuations run by the group is of no significance as there are no long-term receivables and liabilities which bear such a risk.

Arrangements and commitments not shown in the balance sheet

Operating leases- group as lessee

The group has concluded operating leases relating to premises as lessee. The future minimum lease payments can be broken down as follows:

(in euros)	2020	2019
with a term of less than 1 year	150,764	150,764
with a term of 1 to 5 years	88,998	164,678
with a term of more than 5 years	-	-
Total	239,762	315,442

Total lease payments of € 148,160 (2019: € 142,429) are included in the profit and loss account for 2020.

Legal claim

There are no legal claims or awareness of any legal claims coming up at the moment of reporting.

Other commitments not shown in the balance sheet

The group's contractual commitments for licenses totaled € 198,354 at 31 December 2020 (2019: € 115,512).

The group's contractual commitments for database development totaled € 109,368 at 31 December 2020 (2019: € 109,368).

The group's contractual commitments for services totaled € 65,990 at 31 December 2020 (2019: € 50,000).

The group's contractual commitments for cancelation fees for hotels and venue totaled € - at 31 December 2020 (2019: € 707,063).

Notes to the consolidated profit and loss account

Corporate Sponsors (7)

The corporate sponsors decreased by 32% (2019 : increased by 149%) compared to the previous year. The number of corporate sponsors decreased from 25 to 18.

Memberships (8)

The number of centres in 2020 is 597 (2019: 568) and individuals in 2020 is 173 (2019: 99). A provision for doubtful debts effected the membership income negatively with an amount of € 57,276 in 2020 (2019: € 43,487)

Annual Congress (9)

The congress took place in August/September 2020 and was virtual (2019: March in Frankfurt). The inhousing process of the congress is still ongoing and is expected to be completed in 2022.

Clinical Trials and Studies (10)

Clinical Trials and Studies are performed in the offices Leiden and Paris. During 2020 the number of requests coming from the Industries for short-term studies decreased that resulted in an decrease of study income. On the other hand, two long term Clinical Trials started and some other reached the preparation or set-up phase.

Accreditation fees (11)

The number of accreditations that took place in 2020 was 17 (2019: 71). Due to the pandemic this activity stopped in March and could not start up again during 2020. It resulted in a decrease of income.

Grants and Target Sponsoring (12)

The grant for development of e-Learning continued. A part of the grant for the EBMT Handbook (2019) was lowered due to the level of cost what is reflected in the negative amount of the total amount of grants. The income is related to the costs involved for these projects.

Educational Events (13)

The number of organized educational events for external participants in 2020 was 9 (2019: 12). Some events were cancelled and some postponed to 2021.

Other Revenues (14)

Other revenues exist of use of the EBMT brand and royalties.

Financial Income (15)

The financial income exist of results from financial fixed assets (securities) and bank interest. An amount of € 27,202 negative is to be considered as unrealized (2019: € 93,018 positive).

Direct Cost (16)

(in euros)	2020	Budget'20	2019
Annual Congress	1,348,795	3,780,000	4,019,744
Clinical Trials and Studies	116,640	220,000	286,459
Accreditation	75,435	327,000	248,043
Educational Events	731,603	480,500	743,906
Total	2,272,473	4,807,500	5,298,152

Working Parties (17)

(in euros)	2020	Budget'20	2019
Autoimmune Diseases	31,119	16,000	9,487
Acute Leukaemia	4,684	16,000	50,003
Chronic Malignancies	186,853	16,000	61,607
Therapy and Immunobiology	(15,175)	32,000	3,597
Infectious Diseases	77,457	16,000	38,789
Inborn Errors	53,327	16,000	29,158
Lymphoma	72,440	16,000	44,214
Nurses Group	23,439	55,000	51,623
Paediatric Diseases	107,496	16,000	84,556
Severe Aplastic Anaemia	38,460	16,000	34,215
Transplant Complications	106,025	16,000	84,229
Total	686,125	231,000	491,478

The working parties budgets only includes the fixed budget. Support given for additional working party studies are only recognized when they occur. The amount involved is presented under Staff Costs.

Staff Costs (18)

(in euros)	2020	Budget'20	2019
Wages and salaries	3,123,755	3,632,000	1,976,600
Hired staff	734,916	903,000	1,347,139
Pension Premiums	246,602	250,000	135,346
Social Security charges	724,486	885,000	491,864
Education and Training	16,791	83,000	26,043
Insurances	50,803	41,100	31,055
Commuting	66,582	65,000	52,383
Travel and Accommodation business trips	28,272	76,300	84,051
Other staff costs	10,438	14,000	19,826
Sub Total	5,002,645	5,949,400	4,164,307
Supported by Working Parties	(618,510)	0	(468,722)
Total	4,384,135	5,949,400	3,695,585

Workforce

The average number of staff (in FTEs) employed by the group in 2020 was 82.8 (2019:67.0), broken down by contracts as follows:

	<u>2020</u>	<u>2019</u>
Employees with EBMT contract	70.0	53.0
Employees hired from third parties	12.8	14.0
Total manpower	<u>82.8</u>	<u>67.0</u>

The average number of staff (in FTEs) employed by the group by geographic location can be broken down as follows:

	<u>2020</u>	<u>2019</u>
England	9.9	11.2
France	14.4	11.3
Italy	1.8	2.9
Netherlands	32.2	24.5
Spain	24.5	17.1
Total manpower	<u>82.8</u>	<u>67.0</u>

Housing Costs (19)

(in euros)	<u>2020</u>	Budget'20	<u>2019</u>
Rent offices	148,160	177,400	142,429
Cleaning, insurance, maintenance	5,443	6,000	5,199
Total	<u>153,603</u>	<u>183,400</u>	<u>147,628</u>

Professional fees (20)

(in euros)	<u>2020</u>	Budget'20	<u>2019</u>
Auditor Services	55,772	50,000	49,140
Advisors and Consultants	247,181	58,500	115,724
Tax Services	-	30,000	32,045
Legal Services	19,389	75,000	56,653
Payroll Services	10,884	30,700	53,955
Supporting Services	10,000	81,000	60,000
Other Services	-	15,500	-
Total	<u>343,226</u>	<u>340,700</u>	<u>367,517</u>

General Costs (21)

(in euros)	2020	Budget'20	2019
Office Costs	17,439	24,400	21,036
Marketing and Communication	45,836	71,000	53,457
Meeting arrangements, Representation	6,091	19,700	21,816
Bank charges	5,077	13,500	4,466
Other general costs	807	8,250	5,807
	75,250	136,850	106,582
Depreciation tangible fixed assets	39,954	33,200	27,829
Total	115,204	170,050	134,411

Information and Communications Technology (22)

(in euros)	2020	Budget'20	2019
Licenses and hosting	83,875	360,300	86,479
Database development Registry	73,635	288,000	130,000
App development	443	100,000	739
Website development	22,467	5,000	884
Telecommunications	14,524	19,200	15,948
Total	194,944	772,500	234,050

Governance (23)

(in euros)	2020	Budget'20	2019
Travel and accommodation Board	39,876	95,000	74,038
Travel and accommodation Committees	2,940	25,000	16,027
Other Governance costs	59,048	100,000	25,712
Total	101,864	220,000	115,777

Financial Expenses (24)

(in euros)	2020	Budget'20	2019
Management fees bank	39,690	0	5,605
Exchange differences	2,067	0	6,619
Total	41,757	0	12,224

Notes to the consolidated cash flow statement

Breakdown of cash and cash equivalents

(in euros)

Cash and cash equivalents of the group at 31 December 2019	<u>14,318,194</u>
Balance sheet movements in cash and cash equivalents in 2020	<u>2,647,767</u>
Cash and cash equivalents of the group at 31 December 2020	<u>16,965,961</u>

The cash and cash equivalents are at the group's free disposal.

Balance sheet movements in cash and cash equivalents in 2020 can be broken down as follows:

(in euros)

Cash flow from operating activities in 2020	2,708,411
Cash flow from investing activities in 2020	<u>(60,644)</u>
Total cash flow movements in 2020	<u>2,647,767</u>

Notes to cash flows (25)

Additions to tangible fixed assets on the cash flow statement only include additions for which cash payments were made in 2020. There were no additions to tangible fixed assets under finance leases.

Company balance sheet as at 31 December 2020

(after appropriation of the net result)

A s s e t s

(in euros)

	2020	2019
Fixed assets		
Tangible fixed assets (26)	-	-
Financial fixed assets (27)	957,039	910,592
	<u>957,039</u>	<u>910,592</u>
	957,039	910,592
Current assets		
Receivables (28)	13,702,502	11,217,755
Cash at bank and in hand (29)	6,343,135	8,902,413
	<u>20,045,637</u>	<u>20,120,168</u>
	20,045,637	20,120,168
Total assets	<u><u>21,002,676</u></u>	<u><u>21,030,760</u></u>

E q u i t y a n d l i a b i l i t i e s

Equity (30)

Earmarked reserves	-	-
Other reserves	20,758,802	20,934,804
	<u>20,758,802</u>	<u>20,934,804</u>
	20,758,802	20,934,804
Current liabilities (31)	243,874	95,956
	<u>243,874</u>	<u>95,956</u>
Total equity and liabilities	<u><u>21,002,676</u></u>	<u><u>21,030,760</u></u>

Company profit and loss account for 2020

(in euros)	2020	Budget'20	2019
Revenues			
Memberships (32)	649,884	600,000	591,425
Annual Congress (33)	31,320	0	7,748,819
Grants and Target Sponsoring (34)	-	0	3,000
Financial Income (35)	52,346	5,000	116,042
Total revenues	733,550	605,000	8,459,286
Operating expenses			
Direct Cost (36)	141,646	0	4,019,744
Working Parties (37)	686,125	231,000	491,478
General Costs (38)	1,053	0	1,550
Governance (39)	57,686	120,000	115,777
Financial Expenses (40)	23,042	0	5,590
Total operating expenses	909,552	351,000	4,634,139
Net result	(176,002)	254,000	3,825,147
Distribution of the result			
Addition other reserves	(176,002)		3,825,147

Accounting policies used in preparing the company financial statements

Basis of preparation

The company financial statements have been prepared in accordance with the Dutch Accounting Standard 640 (RJ 640). The financial statements were prepared on 17 May 2021.

For the accounting policies, please refer to the accounting policies of the consolidated financial statements.

Notes to the company balance sheet

Tangible fixed assets (26)

Movements in tangible fixed assets were as follows:

(in euros)	Other fixed operating assets
	<u> </u>
Balance at 1 January 2019:	
Cost	4,534
Accumulated depreciation and impairments	(4,534)
	<u> </u>
Carrying amount at 1 January 2019	-
Additions	-
Depreciation	-
	<u> </u>
Carrying amount at 31 December 2019	<u> </u>
Balance at 31 December 2019:	
Cost	4,534
Accumulated depreciation and impairments	(4,534)
	<u> </u>
Carrying amount at 31 December 2019	<u> </u>
	Other fixed operating assets
	<u> </u>
Balance at 1 January 2020:	
Cost	4,534
Accumulated depreciation and impairments	(4,534)
	<u> </u>
Carrying amount at 1 January 2020	-
Additions	-
Depreciation	-
	<u> </u>
Carrying amount at 31 December 2020	<u> </u>
Balance at 31 December 2020:	
Cost	4,534
Accumulated depreciation and impairments	(4,534)
	<u> </u>
Carrying amount at 31 December 2020	<u> </u>

Financial fixed assets (27)

Other securities

Other securities includes listed securities of € 957,039 (2019: € 910,592). Changes in the value of listed securities included in the profit and loss account amount to € 46,563 (2019: € 114,484). The securities are stated at market value.

Current receivables (28)

(in euros)	2020	2019
Membership receivables	126,145	23,236
Sponsors and other debtors receivables	117,667	323,618
Other amounts receivable	13,458,652	10,848,196
Prepayments and accrued income	38	22,705
Total	13,702,502	11,240,460

A provision for doubtful membership receivables is applied in 2020 for an amount of € 132,137 (2019: € 67,006).

Other amounts receivable can be broken down as follows:

(in euros)	2020	2019
Current account Foundation EBMT	13,452,059	10,823,211
Value Added Tax receivable	6,593	24,985
Total	13,458,652	10,848,196

No interest (2019: 0%) was charged on the current account balances with the group company.

Prepayments and accrued income can be broken down as follows:

(in euros)	2020	2019
Interest receivable	38	567
Prepaid Annual Congress expenses	-	12,487
Other prepayments	-	9,651
Total	38	22,705

Cash at bank and in hand (29)

(in euros)	2020	2019
	<hr/>	<hr/>
Cash in hand	-	-
Cash at bank	6,343,135	8,902,413
	<hr/>	<hr/>
Total	<u>6,343,135</u>	<u>8,902,413</u>

The total amount in cash at bank is at the entity's free disposal.

Equity (30)

(in euros)	Earmarked reserves	Other reserves	Total
	<hr/>	<hr/>	<hr/>
Balance at 1 January 2019	1,279,886	15,829,771	17,109,657
Movements 2019	(1,279,886)	1,279,886	-
Result appropriation for 2019	-	3,825,147	3,825,147
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2019	<u>-</u>	<u>20,934,804</u>	<u>20,934,804</u>
	<hr/>	<hr/>	<hr/>
Balance at 1 January 2020	-	20,934,804	20,934,804
Movements 2020	-	-	-
Result appropriation for 2020	-	(176,002)	(176,002)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2020	<u>-</u>	<u>20,758,802</u>	<u>20,758,802</u>

The earmarked reserves have been serving solely internal purposes. The reserves will be presented in the future as other reserves until the group has legal obligations to introduce earmarked reserves again.

Current liabilities (31)

(in euros)	2020	2019
	<hr/>	<hr/>
Trade creditors/suppliers	157,302	83,193
Value Added Tax payable	67,316	-
Accruals and deferred income	19,256	12,782
	<hr/>	<hr/>
Total	<u>243,874</u>	<u>95,975</u>

Accruals and deferred income can be broken down as follows:

(in euros)	2020	2019
Deferred income Other	8,500	2,215
Accrued Professional fees	3,500	9,000
Accrued General costs	-	163
Other costs payable	7,256	1,404
Total	19,256	12,782

Financial instruments

General

The information included in the notes for financial instruments is useful in estimating the extent of risks relating to both on-balance sheet and off-balance sheet financial instruments.

The organization's primary financial instruments, not being derivatives, serve to finance the organization's operating activities or directly arise from these activities. The organization's policy is not to trade in financial instruments for speculation purposes.

The principal risks arising from the organization's financial instruments are credit risks, liquidity risks, cash flow risks and price risks, which comprise foreign exchange, interest rate and market risks.

The organization's policy to mitigate these risks is set out below:

Foreign exchange risk

The organization is exposed to foreign exchange risks arising from purchase and sales transactions denominated in a currency (British pound/ US dollar) other than the organization's presentation currency. The organization's policy is not to hedge foreign exchange risks.

Credit risk

The organization trades only with parties which are commonly known as creditworthy (Industry). The organization's credit risk is minimal.

Liquidity risk

The organization manages liquidity risk through the contract policy. Investments in human resources or in the structure of the organization (i.e. ICT-tools, software development, leasing) depends on the direct funding from the contracts related to those items. Close interim monitoring apply to these contracts.

Interest rate and cash flow risks

Interest rate risk is the risk of the fair value of future cash flows from financial instruments fluctuating due to changing market interest rates. The risk of market rate fluctuations run by the organization is of no significance as there are no long-term receivables and liabilities which bear such a risk.

Arrangements and commitments not shown in the balance sheet

Legal claim

There are no legal claims or awareness of any legal claims coming up at the moment of reporting.

Other commitments not shown in the balance sheet

The organization's contractual commitments for cancelation fees for hotels and venue totaled € - at 31 December 2020 (2019: € 707,063).

Notes to the company profit and loss account

Memberships (32)

The number of centres in 2020 is 597 (2019: 568) and individuals in 2020 is 173 (2019: 99).

A provision for doubtful debts effected the membership income negatively with an amount of € 57,276 in 2020 (2019: € 43,487)

Annual Congress (33)

The congress activities are no longer part of the activities of the Society. Results presented are settlements from previous year(s).

Grants and Target Sponsoring (34)

In 2020 there were no grants or other funds from sponsors.

Financial Income (35)

The financial income exist of results from financial fixed assets (securities) and bank interest. An amount of € 27,202 negative is to be considered as unrealized (2019: € 93,018 positive).

Direct Cost (36)

(in euros)

	2020	Budget'20	2019
Annual Congress	141,646	0	4,019,744

Working Parties (37)

(in euros)

	2020	Budget'20	2019
Autoimmune Diseases	31,119	16,000	9,487
Acute Leukaemia	4,684	16,000	50,003
Chronic Malignancies	186,853	16,000	61,607
Therapy and Immunobiology	(15,175)	32,000	3,597
Infectious Diseases	77,457	16,000	38,789
Inborn Errors	53,327	16,000	29,158
Lymphoma	72,440	16,000	44,214
Nurses Group	23,439	55,000	51,623
Paediatric Diseases	107,496	16,000	84,556
Severe Aplastic Anaemia	38,460	16,000	34,215
Transplant Complications	106,025	16,000	84,229
Total	686,125	231,000	491,478

The working parties budgets only includes the fixed budget. Support given for additional working party studies are only recognized when they occur.

General Costs (38)

(in euros)	2020	Budget'20	2019
Other general costs	1,053	0	1,550

Governance (39)

(in euros)	2020	Budget'20	2019
Travel and accommodation Board	39,876	95,000	74,038
Travel and accommodation Committees	2,940	25,000	16,027
Other Governance costs	14,870	0	25,712
Total	57,686	120,000	115,777

Financial Expenses (40)

(in euros)	2020	Budget'20	2019
Management fees bank	23,149	0	5,590
Exchange differences	(107)	0	-
Total	23,042	0	5,590

Signatories to the financial statements

Leiden, 17 May 2021

Management board:

Was signed
Mr. N.M. Kröger
(President)

Was signed
Mr. H. Dolstra
(Treasurer)

Was signed
Mr. J.A. Snowden
(Secretary)

Other information

Proposed appropriation of the positive result for 2020

The Management board proposes to add the positive result for 2020 to the (other) reserves.

The consolidated net result for 2020 of € 2,256,830 will be appropriated as follows.

(in euros)

Supplement to other reserves	2,256,830
Net positive result	<u>2,256,830</u>

The proposed adjustments for the reserves required to be held by law and under the Articles of Association have already been included in the financial statements in the distributed result.

Events after the balance sheet date

There are no events after the balance sheet date which do provide additional information on the actual situation at the balance sheet.

Auditors



To the board of directors of
Stichting European Society for Blood and Marrow
Transplantation

Baker Tilly (Netherlands) N.V.
Fascinatio Boulevard 260
PO Box 8545
3009 AM Rotterdam
Netherlands

T: +31 (0)10 253 59 00
F: +31 (0)10 253 59 99

rotterdam@bakertilly.nl
www.bakertilly.nl

Reg.no.: 24425560

INDEPENDENT AUDITOR'S REPORT

A. Report on the audit of the financial statements 2020 included in the annual report

Our opinion

We have audited the consolidated and statutory financial statements 2020 of the European Society for Blood and Marrow Transplantation, based in Maastricht.

In our opinion, the accompanying consolidated and statutory financial statements give a true and fair view of the financial position of the European Society for Blood and Marrow Transplantation as at 31 December 2020 of its result for 2020 in accordance with the Guideline for annual reporting 640 Not-for-profit organizations of the Dutch Accounting Standards Board.

The financial statements comprise:

1. the consolidated and statutory balance sheet as at 31 December 2020
2. the consolidated and statutory profit and loss account for 2020; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

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

We are independent of the European Society for Blood and Marrow Transplantation in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics). We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

B. Report on the other information included in the annual report

In addition to the consolidated and statutory financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- the directors' report;
- other information as required by annual reporting 640 Not-for-profit organizations of the Dutch Accounting Standards Board.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by annual reporting 640 Not-for-profit organizations of the Dutch Accounting Standards Board.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of annual reporting 640 Not-for-profit organizations of the Dutch Accounting Standards Board and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The board of directors is responsible for the preparation of the directors' report in accordance with the Guideline for annual reporting 640 Not-for-profit organizations of the Dutch Accounting Standards Board and other information as required by the Guideline for annual reporting 640 Not-for-profit organizations of the Dutch Accounting Standards Board. .

C. Description of responsibilities regarding the financial statements

Responsibilities of the board of directors for the financial statements

The board of directors is responsible for the preparation and fair presentation of the financial statements in accordance with the Guideline annual reporting 640 Not-for-profit organizations of the Dutch Accounting Standards Board. Furthermore, the board of directors is responsible for such internal control as the board of directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board of directors is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board of directors should prepare the financial statements using the going concern basis of accounting, unless the board of directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The board of directors should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;
- Concluding on the appropriateness of the board of directors use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Rotterdam, 17 May 2021

Yours sincerely,

Was signed

drs. H.J. van den Burg RA