

Minutes

Royal VolkerWessels N.V.

Extraordinary General Meeting of Shareholders held on 17 February 2020

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Location: VolkerWessels head office in Amersfoort, the Netherlands

Minute taker: Barbara Snabilié of Het Notuleercentrum

The attendance register shows that 82.98% of the issued voting capital was represented at the meeting, both in person and by proxy, representing a combined total of 66,383,243 shares, with each share entitled to cast one vote.

1. Opening

The chairman opened the Extraordinary General Meeting of Shareholders of Royal VolkerWessels at 2.00 pm and welcomed everyone to the meeting. Those present included shareholders, the board of the Central Works Council and other attendees. The chairman informed the meeting that the meeting documents had been available since 23 December 2019 and that all legal and statutory requirements for the meeting had been met.

The chairman informed the meeting that the non-independent members of the Supervisory Board Messrs. Holterman and Blok and Ms. Montijn were not present in view of their involvement with Reggeborgh. It would be explained in the course of the meeting that their involvement with Reggeborgh's offer for the shares of VolkerWessels had been kept strictly separate from their role as members of the Supervisory Board of the company. Given that this meeting was solely concerned with the offer, the decision had been taken that they should not attend.

Mr. De Ruiter would expand on the financial results for the 2019 financial year. Along with the offer document from Reggeborgh, the Position Statement and all other information in connection with the offer, this financial information would enable the shareholders to decide whether or not to accept the Reggeborgh offer.

Mr. De Ruiter expanded on the financial results for the 2019 financial year. EBITDA amounted to € 269 million, which was in line with the forecast made in the 2019 nine-month trading update. All divisions made a positive contribution to the result, with the Construction & Real Estate Development, Energy & Telecoms Infrastructure, Germany and United Kingdom segments in particular reporting solid results. As already indicated at the publication of the trading update for the first nine months of the year weather-related issues in particular led to a lower result at the activities in North America.

EBITDA reported by the Dutch Infrastructure segment for 2019 was substantially higher than in the previous year. However, adjusted for the € 39 million charge for OpenIJ in 2018 the results of the Dutch Infra segment fell compared to 2018. To summarise, 2019 was a year of mixed developments. On the one hand progress was made on the OpenIJ project and the new management team started

work at the Dutch Infra segment. On the other hand there was disappointment at the weaker-than-expected performance of the Dutch Infra segment. The continuing issues surrounding nitrogen and PFAS were certainly a contributory factor in this.

The net cash position rose to € 563 million, an increase of € 197 million. In 2019 we realised a further reduction in our strategic working capital of € 40 million, bringing the total reduction over the last three years to € 180 million. The EBITDA margin fell by 10 basis points to 4.1%; this is below our medium-term objective. The decline was due to rising labour costs and lagging results at the Dutch Infrastructure segment, which negatively impacted margin development. At the end of the year the order book remained high at € 8.9 billion, which is in line with 2018 (obviously the order book composition has been structured differently).

The speaker clarified the situation surrounding the sea lock in IJmuiden. At the end of the year completion of the lock had reached around 80%. On balance the loss provision for OpenIJ was increased by € 4 million in 2019 to € 111 million. In the nine-month trading update it was announced that it is expected that the project will be completed with an estimated loss of between € 77.5 million and € 110 million. The project is expected to be completed in the second quarter of 2021.

With regard to nitrogen and PFAS there was increased pressure on margins, particularly in the second half of the year, due to the issues surrounding PFAS and nitrogen deposition in the Netherlands. VolkerWessels has told the press that the issues surrounding nitrogen have probably not been resolved yet. The call for action became loud at the end of the summer and at the end of December the Dutch government announced measures which are a step in the right direction but not nearly enough to get the construction sector back on track. VolkerWessels supports the appeal by building and infrastructural organisation Bouwend Nederland, which is urging the government to take three specific measures. The first is to introduce a sectoral threshold for the construction industry. The sector accounts for 0.6% of the problem but is disproportionately penalised under the current threshold system. The second measure is to take another look at the current threshold for PFAS, which has been increased to 0.8 – in the opinion of VolkerWessels insufficient to relieve matters. The third measure could be to speed up the process of frontloading all repair and maintenance activities given that nitrogen and PFAS are much less of an issue here.

On the subject of safety Mr. de Ruiter focused on the sad fact that VolkerWessels lost one of its employees in a fatal accident in 2019. Needless to say the organisation deeply regretted this accident and had once again reviewed its safety procedures as a result. Focusing on employee safety is a constant process. At group level the injury frequency (IF rate) fell from 4.4 to 4.1.

Finally VolkerWessels had said that it expects financial results for the current financial year to be in line with 2019. The 2019 annual results were on the agenda of the general meeting of shareholders on 16 April 2020.

The chairman requested those present to save any questions about the financial statements for the regular shareholders' meeting on 16 April.

2. Explanation of the recommended cash offer by Reggeborgh Holding BV ('Reggeborgh') for all issued and outstanding shares with a nominal value of EUR 0.01 each in the capital of the Company (the 'Offer')

The chairman outlined a few highlights of the planned transaction. The offer by Reggeborgh includes an offer price of € 22.20 per share. This is the price including the interim dividend of € 0.28 per share already paid in November 2019, meaning that if the offer is declared unconditional a payment of € 21.92 per share will be made. The offer price represents a premium of 25.4% to the closing share price on 28 October 2019 and a premium of 34% to the average share price during the three months leading up to 28 October 2019. Reggeborgh is fully committed to the strategy of VolkerWessels. After a careful process by the Special Committee the independent members of the Supervisory Board and the Management Board declared their full support for the offer and recommended the offer to the minority shareholders. The transaction is expected to be completed in the first quarter of this year.

The speaker expanded on the process and said that the Company had received a letter of interest

from Reggeborgh on 8 October 2019 stating its interest in making an offer for the shares of VolkerWessels of at that time € 21.75 (cum dividend). Immediately after receipt of this announcement consideration was made as to whether a conflict of interest existed in terms of members of the Management Board and the Supervisory Board. In light of this there had been no substantive contact with regard to VolkerWessels with the non-independent Supervisory Board members Holterman, Blok and Montijn since that time. These Supervisory Board members had therefore received no further financial information between 8 October 2019 and 13 February 2020.

After 8 October discussion of the letter of interest had been undertaken by a Special Committee consisting of the three independent Supervisory Board members Messrs. Hepkema, Verhoeven and Hommen, along with Management Board members Messrs. De Ruiters and Van Rooijen and the company secretary Mr. Lampe. The remaining members of the Management Board had been kept informed but had not played a substantive part in the process.

The Special Committee set itself the task of carefully weighing the interests of all VolkerWessels stakeholders in connection with the proposed offer and ensuring a thorough, confidential and structured process. Following the interest expressed by Reggeborgh the Special Committee, together with the legal advisers from Linklaters and the financial advisers from ING, closely studied the offer along with the associated conditions and judged it on its merits. ABN AMRO acted as adviser to the independent members of the Supervisory Board in this process. The process involved examining factors including strategic alternatives and the standalone scenario, along with the risks, challenges and uncertainties associated with these, always with due consideration for the interests of all stakeholders including the minority shareholders.

Various valuation methods were applied as part of this investigation in order to evaluate the level of the proposed offer, such as including analyst forecasts in the analysis, looking at the valuation of similar companies and examining comparable transactions in the sector and the European market. In addition the bank made a discounted cash flow analysis. Following this due diligence investigation the independent members of the Supervisory Board and the Management Board decided, partly on the advice of their legal and financial advisers, that it would be in the interests of the company and its stakeholders to enter into negotiations with Reggeborgh regarding the proposed offer and the associated conditions.

Following unusual fluctuations in the share price the company subsequently issued a press release on 29 October 2019 regarding the proposed offer. At that point negotiations with Reggeborgh were still at an early stage so that there was no certainty as to whether a transaction would go ahead. In the following days the parties continued their negotiations regarding an increase in the offer price from € 21.75 (cum dividend) and the non-financial conditions. On 11 November 2019 (after the market close) ING and ABN AMRO (ABN AMRO as advisor to the independent members of the Supervisory Board) issued their fairness opinion with regard to the valuation of the negotiated offer of € 22.20 (cum dividend), a € 0.45 increase in the offer price. As a result, on 12 November 2019 Reggeborgh and the company issued a joint statement announcing that they had reached conditional agreement on a recommended public offer by Reggeborgh for all issued and outstanding ordinary shares of the company at an increased offer price of € 22.20 (cum dividend) per share in cash. Given that the company had distributed an interim dividend of € 0.28 per share on 27 November 2019 the payment under the offer would equal € 21.92 per share should the offer be declared unconditional.

Subsequently Reggeborgh formally launched the offer with the issue of the offer memorandum on 23 December 2019, with the Management Board publishing the Position Statement on the same date. The offer memorandum was approved by the Netherlands Authority for the Financial Markets (AFM). The tender period commenced on 24 December 2019 and barring extension was set to end at 5.40 pm on 28 February 2020. The offer by Reggeborgh was supported and unanimously recommended by the independent members of the Supervisory Board and the Management Board.

The speaker described the offer as fair and persuasive for all stakeholders. Given increasingly challenging conditions in the market including the issues surrounding nitrogen, PFAS/PFOS, digitalisation and industrialisation, the Management Board and the independent members of the Supervisory Board could understand the opinion of the majority shareholder that VolkerWessels would benefit from a long-term shareholder in a private setting. Reggeborgh supports the existing long-term strategy of VolkerWessels and has indicated that this will not be changed.

The composition of the Management Board would remain unchanged. However, assuming acceptance and settlement of the offer, following the Annual General Meeting of Shareholders on 16 April 2020 the Supervisory Board would be reduced to three members, including one independent member, namely Mr. Verhoeven. The other members of the Supervisory Board would be Messrs. Holterman and Blok, with Messrs. Hepkema and Hommen and Ms. Montijn stepping down.

Reggeborgh also committed to maintaining the size and structure of the VolkerWessels workforce as well as its asset level. Furthermore the Central Works Council of the company had been informed and was asked to issue an opinion on the offer. The Central Works Council subsequently issued a positive opinion on 12 December 2019 which was published on the website. For further information the speaker referred to the company's Position Statement which could be found on the corporate website along with the other offer documents.

The chairman invited those present to ask questions about the offer by Reggeborgh.

Mr. Stevense (Stichting Rechtsbescherming Beleggers – Dutch foundation for the legal protection of investors) said it was a pity that the three Supervisory Board members with connections to Reggeborgh were absent, meaning he was unable to put any questions to them. He expressed surprise at the stated premium of 34% over the average share price during the three-month period up to 28 October 2019 and 25.4% over the closing share price on 28 October 2019, noting that the offer price was lower than the IPO price. He noted that at that time the risk management was in order; the profit margins were higher than at other contracting firms; there was a focus on local/regional projects; the order book was well filled; and initially nothing was known about the issues surrounding nitrogen and PFAS. He pointed to the commotion which had arisen over the share price development and the absence of announcements about claims in relation to the sea lock in IJmuiden. He asked how large the claims were expected to be. He expressed his displeasure at the attention going to the stakeholders and said that the small shareholders would lose out if the share price were to fall below the IPO level when VolkerWessels delisted.

Mr. Stevense reacted to the aforementioned thorough process to evaluate the offer and the discussion with the Management Board. He said he did not believe that the Management Board had not been informed and that there had been no contact with the Supervisory Board. Finally he asked about the recent offer for NIBC and Reggeborgh's involvement in it.

The chairman responded by saying that the process followed had been completed with due care and that close attention was paid in advance as to whether any conflicts of interest existed among the Supervisory Board and the Management Board which people should be aware of and which could be relevant to proper consideration of the offer. No such conflicts of interest had been found and any semblance of conflict of interest had been avoided. The committee which had been set up had been able to operate independently, the Reggeborgh people who sat on the Supervisory Board were immediately excluded from all information and all deliberations until information was made public on 13 February 2020.

He expressed his regret concerning the share price development; the Wessels family and Reggeborgh had ultimately intended to withdraw from the stock market and become minority shareholders but had not succeeded in this because of various rapid developments. At the end of the day the family made its own choice and the speaker expressed his understanding for this. He described the family as respectful towards the strategy, the stakeholders and everyone involved with the business. He responded that many people were disappointed about the price. If you were to extrapolate the return on shares purchased at 23 December 2019 you would currently get an amount of € 34.30 including the dividends paid. A similar investment in other Dutch construction companies would produce a result of € 14.96. Compared to the sector as a whole the speaker said that this was not a bad investment. He said the sector was under enormous pressure and that this was reflected in the market valuation.

Mr. De Ruiten said that discussions were ongoing with the client and insurers regarding the sea lock in IJmuiden. The work had reached 80% completion with 20% still remaining. The completion date is expected to be in the second quarter of 2021. In connection with the offer by Reggeborgh efforts have been made to be as transparent as possible and to indicate a range within which the project is likely to end up. The loss provision currently stands at € 111 million and the managerial target for the final

project result is estimated at -€77.5 million in the best-case scenario and -€ 110 million in the worst-case scenario. This was communicated in mid-November at the publication of the nine-month trading update.

The chairman said he was unable to answer the question about the offer for NIBC and referred Mr. Stevense to Reggeborgh.

Mr. Stevense referred to a bankruptcy in South Korea connected to the claims relating to the sea lock and noted that this had had an impact on the OpenIJ project. The chairman replied that as yet there was no question of a bankruptcy, a legal discussion was ongoing with the supplier of the doors of the sea lock. The OpenIJ consortium had drawn on a bank guarantee, the supplier had appealed against this and had lost the case in court. There were claims back and forth regarding the doors and no progress to report on this. He confirmed that this was having an impact on the project.

Mr. Den Ouden (Dutch Investors' Association VEB) noted that the independent members of the Supervisory Board and the Management Board had looked at various scenarios and strategies and had compared the outcome with the proposed offer. He asked for information on what strategies had been looked at and what the risks and outcomes of this were. Was the possibility considered of an independent investigation into whether there might be another interested party? If so, what had come out of that or why had nothing come out of that? If not, why had this not been done? The Position Statement refers to the original IPO and the management time spent in connection with the listing. Why did the perception towards a listing change? Large investments can pose a risk and the majority shareholder would be able to indicate that small shareholders bear a share of the risk. Or were there profit opportunities that the majority shareholder would like to benefit from and could it be that this had led to a degree of insider information?

The chairman replied that the independent members of the Supervisory Board together with ING and the Management Board had looked at strategies including a standalone scenario and continuing with a third party. The practical feasibility and risks of these and the chances of success had been investigated. If there had been a third party who wanted to make an offer there had been various opportunities for this at a much earlier stage. It was known that there was a majority shareholder that wanted to try to sell shares and become a minority shareholder. If someone had wanted to do this the transaction would still have been subject to permission from the majority shareholder.

The speaker said that VolkerWessels had not instigated its own search but had asked the relevant banks to investigate this, and the joint conclusion had been reached that there was virtually no chance of success at that time. Time spent on the IPO was not the most relevant argument and played a limited role. What was important was that the building industry and construction world was facing huge changes in terms of climatology, digitalisation, innovation, prefabrication and industrialisation. This required major investments which could involve large capital expenditure in a stock market environment and the stock market tends to take a rather dim view of this in a short-term perspective. In that situation it was more practical to have a long-term shareholder with a broader perspective. If VolkerWessels had seen the profit opportunities in the analyses these would have been highlighted. The speaker believed that the price being offered was an accurate reflection of the business and that the offer by Reggeborgh deserved the unanimous support of VolkerWessels.

Mr. Den Ouden referred to the fairness opinion of ING, which stated in a letter that it had acted as financial adviser to the Management Board and the independent members of the Supervisory Board and that its fee was dependent on the deal going ahead. With ING having an interest in the offer succeeding, how independent could the fairness opinion of ING be said to be? The chairman replied that two different fees were involved, Mr. Den Ouden said that these concerned the same deal and that this affected the independence of the fairness opinion. The chairman noted that it was standard for these transactions to be performed in this way. Mr. Den Ouden refuted this, referring to various conditional deals that have been made, for example an asset sale in the event that more than 85% but less than 95% of shares were tendered. Reggeborgh originally had an interest of 72% and now held over 75% and that meant that fewer than half of small shareholders needed to tender their shares to enable the procedure to go ahead. He said that it was not very seemly for the percentage to have been set so low and asked for more information about the percentage. Had the chairman asked critical questions about this of whoever had launched the offer? Would the remaining independent Supervisory Board member really be able to represent shareholders who did not wish to tender their shares?

The chairman replied to clarify that Reggeborgh had started out with a 64% stake and currently held 75%, the tender period would run until 28 February, there was still time for more shares to be tendered. A stake of over 85% would mean that over half of small shareholders had tendered their shares. It had been stipulated that the independent Supervisory Board member would hold a veto position for a period of one year in a number of areas based on strategy; governance including the treatment of minority shareholders; staff. Mr. De Ruiter added by way of clarification that Reggeborgh's equity stake amounted to 75% and that included shares they already had and have subsequently added to. The bank had indicated that VolkerWessels would only hear on 28 February how many shares had been tendered.

Mr. Dekker said it was a shame that VolkerWessels will be disappearing from the stock market again so quickly at a share price that is slightly lower than the IPO price. He noted that at one point the VolkerWessels share price rose rapidly in the space of a few days without any logical explanation based on external factors. He recalled an offer back in 2003 which involved hassle about fluctuations in the share price and misuse of insider knowledge. Whilst there is little that Supervisory Board members could do about that, it was bad for the shareholders. He said it was incomprehensible that the AFM had not stepped in to cancel transactions before that point. As far as he was concerned it was a point for concern and he expressed his hope that there would be a close examination of how this was possible. He would like to see some compensation for this development. The chairman responded that he shared the frustration on this point, he believed that all necessary measures that could have been taken were taken almost as completely as possible, and he outlined these measures. VolkerWessels would be very interested to find out what had happened, the AFM was currently conducting an investigation.

Mr. Tiemstra asked how ING had calculated the present offer. Independent adviser Van Slingerlandt came up with a considerably higher calculation of the share price and had made the same calculation before the offer was launched. He said the distribution of an interim dividend was a shame, he would have preferred to have seen this included in the offer price, which would have benefited the shareholders rather than the tax office. A share's valuation is based on past information and projected results in the future.

The chairman responded that this had been considered, in fact before an offer came into play. It was hardly possible to retract an announcement. Institutional investors did not have a problem with it. Mr. de Ruiter commented that shareholders abroad do not pay taxes. The chairman said that Reggeborgh had made the calculation, VolkerWessels together with the banks had evaluated whether the offer was fair. A discounted cash flow analysis had been applied based on the banks' expectations. The conclusion was that the offer is fair.

Mr. Tiemstra said he would like to see the discounted cash flow analysis. He said that it is uncommon for an offer to be lower than the IPO price. He expected the -0.5% interest rate to produce value on the stock exchange. The chairman responded by saying that the calculations were not allowed to be published.

3. Conditional sale and liquidation of assets:

(a) Conditional approval for the sale of assets (as defined in the explanatory notes) as required pursuant to article 2:107a of the Dutch Civil Code ('DCC')

(b) Conditional resolution regarding (i) dissolution of the Company and appointment of the members of the Management Board (as defined in the explanatory notes) as liquidators of the Company in accordance with article 2:19 DCC and (ii) appointment of Reggeborgh as custodian of the books and records of the Company in accordance with article 2:24 DCC

The chairman explained that this agenda item involved voting on two matters: conditional approval for the sale of assets and liabilities; and the conditional resolution to dissolve the company and appoint the members of the Management Board as liquidators of the company and to appoint Reggeborgh as custodian of the books and records of the company. These topics would be explained as a single item after which a vote would be held on both topics.

Reggeborgh and the company agreed that if in the event the offer was declared unconditional the number of shares obtained by Reggeborgh was no less than 85% but no more than 95% of the issued and outstanding share capital of the company – the asset sale range – Reggeborgh could decide to proceed with the acquisition and liquidation of the company's assets. However, this would require a resolution by the shareholders' meeting to approve this sale and liquidation of assets. To execute this asset/liability transaction all assets of Royal VolkerWessels NV would be transferred to a Reggeborgh entity by means of a transfer of the shares in the intermediate holding companies for the Dutch and the international activities, i.e. VolkerWessels Nederland and VWS International.

In return for the transfer of the assets Reggeborgh would pay a purchase price equal to the offer price per share (€ 21.92), multiplied by the number of shares issued (80 million). The part of this total amount relating to the shares that Reggeborgh will hold post-settlement would be paid in the form of a loan note. The amount relating to shares which have not been tendered would be paid to the company in cash.

Following the transfer of the assets and liabilities to Reggeborgh and payment of the purchase price the company would be dissolved and its assets settled. Shareholders who did not tender their shares would then receive the offer price per share net of interest and subject to tax deduction. This was because as opposed to shares which have been tendered, liquidation payments are subject to dividend tax. Reggeborgh would receive the loan note in return. Following liquidation the process of delisting from Euronext Amsterdam would be put in motion. Once settlement had been completed the company would cease to exist. The proposed resolutions were under the suspensive conditions that the offer is declared unconditional and the asset sale range is reached.

The chairman invited those present to ask questions.

Mr. Den Ouden (Dutch Investors' Association VEB) gave an explanation of vote on agenda items 3a, 3b and 4. The holding of shares was made very unattractive by the procedure under which the guarantees for the minority shares were, in his opinion, too limited. The VEB would therefore be voting against.

Mr. Tiemstra asked whether it was correct that there were two options to choose between: € 21.92, or € 21.92 with 15% dividend tax deduction. The chairman replied that settlement against the tax refund might be possible.

Mr. Stevense (Stichting Rechtsbescherming Beleggers) said he would be voting against.

The notary announced that all resolutions on the agenda could be adopted by an ordinary majority, for which a total of 33,191,622 votes was required at this meeting.

The chairman explained how the voting system and voting devices worked before proceeding with a vote on a test question. The voting worked properly and the meeting proceeded with the actual vote.

The chairman proceeded with the vote on the conditional approval of the asset sale.

The item was put to the vote and the resolution was adopted by 99.96% of the votes.

The chairman proceeded with the vote on dissolution of the company and the appointment of the members of the Management Board as liquidators of the company and the appointment of Reggeborgh as custodian of the books and records of the company.

The item was put to the vote and the chairman noted that the resolution was adopted by 99.44% of the votes.

4. Conditional conversion of the Company from a public limited company (naamloze vennootschap – NV) to a private company (besloten vennootschap – BV) with limited liability, and amendment of the articles of association of the Company (the 'Articles of Association')

The chairman announced that following the delisting of VolkerWessels from Euronext Amsterdam Reggeborgh intended to proceed with the conversion of the company to a private company with limited liability. The shareholders would be asked to decide on this conversion and the amendment of the articles of association in accordance with the proposal to amend the articles of association.

The decision would take place on condition that the offer had been declared unconditional, settlement had been completed and the shares had been delisted from Euronext Amsterdam. The conversion and amendment of the articles of association would take place as soon as possible after delisting. A draft of the articles of association as they will read after amendment could be found on the VolkerWessels website. The articles of association would be changed in order to put the change in legal structure into effect. VolkerWessels would become a private company instead of a public limited company. The reason for the change was that a private company is better suited to a concentrated ownership in a private setting. For example the articles of association could be structured in a more flexible way with fewer company-law related formalities, for example making for a quicker decision-making process. Very little else would change in terms of the substance of the articles of association, with for example the two-tier board structure remaining fully in place in the new situation.

The proposal on the agenda also provides for each member of the Management Board as well as employees of Allen & Overy in Amsterdam to be authorised to execute the notarial deed for the legal conversion as well as the amendment to the articles of association.

The chairman invited those present to ask questions.

There being no questions or comments the item was put to the vote and the chairman concluded that the resolution to convert the public limited company to a private company with limited liability, an amendment to the articles of association and the granting of authorisation was adopted by 99.98% of the votes.

5. Any other business

The chairman invited those present to ask any questions. No one took advantage of the opportunity.

6. Closing

The chairman closed the meeting at 3.08 pm and thanked those present for attending.

Comments in response to these minutes can be emailed to tlampe@volkerwessels.com up until three months after the publication date of these minutes, after which the minutes will be adopted by the chairman and the secretary.