

## JOINT PRESS RELEASE

### Recommended all cash offer of € 22.20 per share (cum interim dividend) for VolkerWessels by Reggeborgh

- Public offer for VolkerWessels of € 22.20 (cum interim dividend) in cash per share
- The offer price represents a premium of 25.4% over the closing price on 28 October 2019
- Full support for VolkerWessels long-term strategy
- Thorough process by independent members of Supervisory Board
- Management Board and Supervisory Board fully support and unanimously recommend the offer

Amersfoort/Rijssen, the Netherlands, 12 November 2019 – Reggeborgh Holding B.V. and VolkerWessels N.V. reached conditional agreement on a recommended public offer of € 22.20 (cum interim dividend) in cash for all VolkerWessels shares.

Reggeborgh has confirmed its full support for the long-term strategy of VolkerWessels. Both the Management Board and the Supervisory Board of VolkerWessels unanimously recommend the offer. They believe the offer is in the best interest of VolkerWessels and all its stakeholders. This recommendation is based on a thorough process where the independence of the decision making has been carefully safeguarded.

Closing of the transaction is subject to certain conditions. The transaction is expected to close in Q1 2020.

**Henry Holterman, CEO of Reggeborgh Group:**

*“At the time of the IPO, Reggeborgh’s intention was to become a long-term minority shareholder in VolkerWessels over time. However, circumstances have changed to the extent that we are currently in a situation that it is no longer possible to achieve this objective. The European peer group of VolkerWessels has de-rated and share prices of Dutch construction companies suffer from additional pressure as a result of increased uncertainty related to environmental regulations.*

*As such, a further decrease of Reggeborgh’s shareholding has become unrealistic. Notwithstanding these circumstances, we have full confidence in the potential of VolkerWessels. We are of the opinion that making this offer is in the best interest of all stakeholders.”*

**Jan Hommen, Chairman of the Supervisory Board of VolkerWessels:**

*“Immediately upon receipt of the initial offer letter on October 8 we have installed a special committee consisting of the independent members of the Supervisory Board, the Chairman of the Management Board, the CFO and the Company Secretary. Our focus was on safeguarding the interests of all stakeholders involved, as well as on ensuring a full and thorough process. This transaction will allow the company to benefit from a loyal shareholder which has historically proven to be financially committed, long-term focused and respectful to all stakeholders in an industry which we believe will change significantly going forward.”*

**Jan de Ruiter, Chairman of the Management Board of VolkerWessels:**

*“We understand the reasons of our majority shareholder to make an offer for VolkerWessels. Given this reality we have carefully considered and reviewed the interests of the company and all of its stakeholders. For us it is of eminent importance that Reggeborgh underwrites our strategy in which we as management strongly believe. With the full long-term support of Reggeborgh we can continue to fulfill our objectives.”*

**Strategic rationale**

VolkerWessels considers the intended transaction to be a compelling offer for all the company's stakeholders. Reggeborgh fully supports the long-term strategy of VolkerWessels and moreover VolkerWessels will be in a better position to deal with the increasingly challenging market conditions with a long-term shareholder in a private setting. The company will have a strong direct shareholder willing and able to take a long-term view on maintaining and, where possible, enhancing its market position.

**Transaction structure**

The minority shareholders of VolkerWessels will receive a cash consideration of € 22.20 per share (cum interim dividend) which is an increase of € 0.45 per share versus the initial expression of interest.

On 27 November 2019 (record date 21 November 2019) VolkerWessels will pay out an interim dividend of € 0.28 per share. The residual amount of € 21.92 per share will be paid upon completion of the offer.

The total consideration of € 22.20 per share as agreed between Reggeborgh and VolkerWessels represents the following premiums:

- a premium of 25.4% to VolkerWessels' closing price on 28 October 2019 of € 17.70;
- a premium of 30.5% to VolkerWessels' volume-weighted average price for the 1 month up to and including 28 October 2019 of € 17.01;
- a premium of 34.0% to VolkerWessels' volume-weighted average price for the 3 months up to and including 28 October 2019 of € 16.57;
- a premium of 30.9% to VolkerWessels' volume-weighted average price for the 6 months up to and including 28 October 2019 of € 16.95 and;
- a premium of 31.8% to VolkerWessels' volume-weighted average price for the 12 months up to and including 28 October 2019 of € 16.84.

**Full support and recommendation**

Since the initial expression of interest from Reggeborgh, a special committee consisting of Jan Hommen, Sietze Hepkema and Frank Verhoeven (all independent members of the Supervisory Board of VolkerWessels), Jan de Ruiter (VolkerWessels' Chairman of the Management Board), Jan van Rooijen (VolkerWessels' CFO) and Thomas Lampe (VolkerWessels' Company Secretary) was formed. VolkerWessels has appointed ING Corporate Finance as financial advisor and Linklaters as legal advisor. The special committee has consulted frequently with its financial and legal advisors to carefully evaluate the intended offer the considerations underlying the key decisions and resolutions in connection therewith, as well as the latest developments.

The Management Board and the independent members of the Supervisory Board fully and unanimously support the offer and recommend that VolkerWessels' shareholders accept the offer and vote in favour of the resolutions relating to the offer at the upcoming extraordinary general meeting of VolkerWessels, to be held during the offer period. In their decision making, the boards have taken the interests of all stakeholders, including the minority shareholders, into full consideration. The boards have concluded that the offer is fair to the shareholders of VolkerWessels from a financial point of view and in the best interests of VolkerWessels, the sustainable success of its business and clients, employees, shareholders

and other stakeholders. The boards have reached this conclusion having given due and careful consideration to the strategic, financial and social aspects and consequences of the proposed transaction.

ING Bank N.V. has issued a fairness opinion to the Management Board and independent members of the Supervisory Board and ABN AMRO Bank N.V. has issued a fairness opinion to the independent members of the Supervisory Board, and both have opined that the intended offer is fair to the shareholders of VolkerWessels from a financial point of view and that the price payable under the Asset Sale and Liquidation (as defined below) is fair from a financial point of view to VolkerWessels. The full text of the fairness opinions will be included in VolkerWessels position statement to be published in advance of the extraordinary general meeting.

The individual board members holding VolkerWessels shares have agreed to tender their shares under the offer.

### **Conditions**

The commencement of the offer is subject to the satisfaction or waiver of pre-offer conditions customary for a transaction of this kind, including:

- no material breach of the merger protocol having occurred
- no material adverse effect having occurred
- the AFM having approved the offer memorandum
- no superior offer (as set out below) having been announced or made
- trading in the Shares on Euronext Amsterdam not having been suspended or ended as a result of a listing measure (*noteringsmaatregel*) by Euronext Amsterdam
- no notification having been received from AFM stating that one or more investment firms will not be allowed to cooperate with the Offer
- no order, stay judgment or decree having been issued prohibiting the making of the offer and/or related transactions
- Reggeborgh having received executed copies of resignation letters from the resigning members of the Supervisory Board
- no amendment or withdrawal of the recommendation of the Management Board or Supervisory Board

If and when made, the consummation of the offer will be subject to the satisfaction or waiver of the following offer conditions customary for a transaction of this kind, including:

- minimum acceptance level of at least 95% of the shares, which will be reduced to 85% in the event that the VolkerWessels shareholders have adopted the Asset Sale and Liquidation resolution at the extraordinary general meeting
- no material breach of the merger protocol having occurred
- no material adverse effect having occurred
- no superior offer (as set out below) having been announced or made
- no third party mandatory offer having been announced or made
- trading in the Shares on Euronext Amsterdam not having been suspended or ended as a result of a listing measure (*noteringsmaatregel*) by Euronext Amsterdam
- no notification having been received from AFM stating that one or more investment firms will not be allowed to cooperate with the offer
- no order, stay judgment or decree having been issued prohibiting the making of the offer and/or related transactions

- no revocation or amendment of the recommendation by the Management Board or the Supervisory Board

The offer conditions will have to be satisfied or waived ultimately on 30 June 2020.

### **Exclusivity and Superior Offer**

VolkerWessels has entered into customary undertakings not to solicit third party offers. VolkerWessels and Reggeborgh may terminate the merger protocol in the event an unsolicited bona fide third-party offeror makes an offer which, in the reasonable opinion of the Management Board and the independent members of the Supervisory Board, is on balance more beneficial offer than the offer, is in cash or liquid securities and is binding on the offeror. In the event of such a superior offer, Reggeborgh will be given the opportunity to match such offer. If Reggeborgh indeed so matches the offer then the third-party offer may not be accepted and the merger protocol may not be terminated by VolkerWessels.

### **Certain funds**

Reggeborgh shall fund the offer through a combination of its own cash reserves and third-party debt financing. Reggeborgh has entered into binding debt financing documentation with a consortium consisting of Van Lanschot and NIBC with the ability to draw down debt for an aggregate amount of € 400 million.

### **Employees and governance**

All existing employee rights will be fully respected. The required employee consultation will take place.

Reggeborgh will maintain the current governance structure. After successful completion of the offer, the current Management Board will remain in place. The proposed Supervisory Board will consist of three members, of which one independent member, who for one year post closing will have a veto on certain matters set forth in the merger protocol.

### **Acquisition of 100%**

VolkerWessels and Reggeborgh acknowledge the importance for Reggeborgh to acquire 100% of VolkerWessels.

If Reggeborgh acquires at least 95% of the shares, it is intended that VolkerWessels' listing on Euronext Amsterdam will be terminated as soon as possible. In addition, Reggeborgh will commence statutory squeeze-out proceedings.

The parties agreed that if Reggeborgh, after the post-closing acceptance period, holds less than 95% but at least 85% of the shares, it may acquire the entire business of VolkerWessels at the same price as the offer price pursuant to an asset sale, combined with a liquidation of VolkerWessels, to deliver such consideration to the remaining VolkerWessels shareholders (the "Asset Sale and Liquidation"). The Asset Sale and Liquidation is subject to VolkerWessels extraordinary general meeting approval. The boards have agreed to unanimously recommend to the shareholders to vote in favour of the Asset Sale and Liquidation.

Reggeborgh may utilize all other available legal measures in order to acquire full ownership of VolkerWessels' outstanding shares and/or its business in accordance with the terms of the merger protocol.

**Timetable**

Reggeborgh expects to submit a request for review and approval of its offer memorandum with the AFM at short notice and to publish the offer memorandum after approval, in accordance with the applicable statutory timelines.

The transaction does not require approval from the competition authorities as there will be no change of control given Reggeborgh's current majority stake in VolkerWessels.

VolkerWessels will hold the extraordinary general meeting at least six business days prior to the closing of the offer period in accordance with Section 18 Paragraph 1 of the Decree to inform the shareholders about the offer and to adopt certain resolutions that are conditions to the consummation of the offer.

Based on the required steps and subject to the approval of the offer memorandum, VolkerWessels and Reggeborgh anticipate that the offer will close in Q1 2020.

**Purchases outside the offer**

Reggeborgh reserves the right to purchase VolkerWessels shares outside the offer. Any such purchases will be published via the website of the AFM (register Managers' Transactions MAR 19).

**Advisors**

ING is acting as financial advisor and Linklaters is acting as legal advisor to VolkerWessels in connection with the transaction. ABN AMRO has acted as independent financial advisor to the independent members of the Supervisory Board.

Kempen is acting as financial advisor to Reggeborgh and Allen & Overy LLP is acting as legal advisor to Reggeborgh. NIBC is acting as financial advisor to the shareholders of Reggeborgh.

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**Analyst meeting**

VolkerWessels will comment on the announcements during an analyst meeting with moderated call on 12 November 2019 at 11.30 CET . You can download the presentation on: [www.volkerwessels.com](http://www.volkerwessels.com) => Investor Relations => Financial Information. You can follow the meeting by dialling: 0031-20-531 5867 (international numbers available via this [link](#)).

*Please dial in five minutes prior to commencement.*

### **About VolkerWessels**

Koninklijke VolkerWessels is a leading integrated and diversified listed construction group with a “think global, act local” mind-set. VolkerWessels’ operating model combines a local sales and client focus with a control and support structure at divisional level that optimises scale and expertise across its operating companies.

VolkerWessels operates primarily in the Netherlands, the United Kingdom, North America and Germany. Operationally, its business is organised in six segments. In the countries in which VolkerWessels operates it has over 120 local operating companies, which have national and regional offices and management.

### **About Reggeborgh**

Reggeborgh is an internationally active investment company owned by the Wessels family, with a wide variety of investments. Reggeborgh currently owns approx. 64% of the VolkerWessels shares.

### **Disclaimer**

*This is a joint public announcement by VolkerWessels and Reggeborgh pursuant to section 4 paragraphs 1 and 3, section 5 paragraph 1 and Section 7 paragraph 4 of the Netherlands Decree in Public Takeover Bids (“Besluit openbare biedingen Wft”) and contains inside information as meant in the European Market Abuse Regulation (596/2014).*

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