

## First nine months 2021 trading update

### BAM reports third quarter adjusted EBITDA of €66 million, outlook reiterated

Royal BAM Group nv reports for the first nine months of 2021 an adjusted EBITDA of €223 million versus an adjusted EBITDA of €38 million in the same period of 2020. In the third quarter there was a strong performance from Dutch Construction and Property, and a satisfactory contribution from most other activities. The large contracts division of Dutch Civil engineering continues to underperform. The order book of €13.5 billion remains high. BAM is making good progress with its new strategy: a continued focus on rebalancing of the portfolio, further de-risking, increasing profitability and creating a sustainable platform for future growth. For 2021, BAM reiterates the outlook of an adjusted EBITDA margin of around 3.5 per cent.

- Revenue increased by 11% to €5.3 billion and above pre-Covid level of first nine months 2019
- Adjusted EBITDA: €223 million in first nine months (margin of 4.2%), €66 million in third quarter
- Divestment BAM Deutschland completed in October
- Cash position mainly reduced by assets held for sale BAM Deutschland, remains solid at €1 billion
- Capital ratio improved by 0.7% to 13.9% in third quarter
- Strong order backlog of €13.5 billion, with improving risk profile

| Key numbers<br>(in € million, unless otherwise indicated) | 9 months<br>2021 | 9 months<br>2020 | Full year<br>2020 |
|---|------------------|------------------|-------------------|
| Revenue   | 5,360            | 4,830            | 6,809             |
| Adjusted EBITDA <sup>1</sup>                              | 223.3            | 37.5             | 200.8             |
| Adjusted EBITDA <sup>1</sup> margin                       | 4.2%             | 0.8%             | 2.9%              |
| Order book (end of period)                                | 13,500           | 13,300           | 13,800            |
| Trade working capital efficiency                          | -16.4%           | -12.9%           | -13.9%            |

<sup>1</sup> Before restructuring costs and pension one-offs.

### Ruud Joosten, CEO of Royal BAM Group:

'BAM's financial result in the third quarter of 2021 reconfirms the further improvement of our operational performance. The Dutch Construction and Property activities continued to perform strongly. Further de-risking the large contracts division of Dutch Civil engineering continues to be a high priority. Our activities in the United Kingdom and Ireland delivered a satisfactory contribution.

We made further progress with the execution of our strategy 'Building a sustainable tomorrow', which we launched in February. In the third quarter we announced the divestment of BAM Deutschland and we are also progressing with the divestment of other activities in our managing for value markets. Last week we commenced the further expansion of our production capacity for modular homes in the Netherlands. The new production facility is expected to be operational in 2023 and has a capacity of approximately 1,000 affordable and sustainable timber frame homes and façade elements for 1,200 additional homes per year.

Our order book remains solid and we have a healthy pipeline of opportunities, also driven by public stimulus programmes in the United Kingdom and Ireland and high demand for sustainable solutions and for new homes in the Netherlands. Against this background we are on track to deliver our strategic targets for 2023.'

Press release of 4 November 2021, page 2 of 2

### Outlook 2021

BAM is making good progress, operationally and strategically. Discussions with clients regarding the timing and settlement of some substantial claims are ongoing and there is industry-wide supply chain pressure. BAM reiterates the full year outlook of an adjusted EBITDA margin of around 3.5 per cent.

### Business review first nine months 2021

The contribution of the business line Construction and Property was the main driver of the strong recovery of Group adjusted EBITDA results in the first nine months. In the Netherlands, BAM sold 1,787 homes, an increase of 7 per cent versus the comparable period last year. In the third quarter the contribution of the other platform for growth activities in the United Kingdom and Ireland was satisfactory. Belgium, which is managed for value, had a positive result, while Germany was loss making. The divestment of BAM Deutschland was completed in October.

The contribution of the business line Civil engineering was below the level in the third quarter of 2020, which included a positive claim settlement in Belgium. In Civil engineering in the Netherlands the continued underperformance of the large contracts division was compensated by the good result of the other Dutch infra activities. The other platform for growth markets, the United Kingdom and Ireland, and the manage for value activities in Belgium and Germany, contributed well.

At BAM International, the wind-down is progressing and the remaining order backlog is €24 million versus €39 million at the end of the first half-year 2021.

### Financial position

Trade working capital remained at a good level. The cash position at the end of the third quarter reduced mainly as a result of excluding cash from assets held for sale of BAM Deutschland, and remained solid at €1 billion. Supported by the positive result the capital ratio improved by 0.7 per cent to 13.9 per cent compared to the first half-year.

### Live audio webcast

On 4 November 2021, at 10.00 hrs CET, there will be a conference call in English for analysts. This can be followed via live audio webcast ([www.bam.com](http://www.bam.com)).

### Next event

17 February 2022                      Publication of annual results 2021

### Further information

- analysts: Michel Aupers, [michel.aupers@bam.com](mailto:michel.aupers@bam.com), +31 (0)30 659 87 07;
- press: Niels van Dongen, [niels.van.dongen@bam.com](mailto:niels.van.dongen@bam.com), or Arno Pronk, [arno.pronk@bam.com](mailto:arno.pronk@bam.com), +31 (0)30 659 86 23.