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 Disclaimer All reported data are unaudited

BAM delivers adjusted EBITDA of €278 million in 2021, on track with strategy execution

For the full-year 2021, Royal BAM Group nv reports an adjusted EBITDA of €278 million (a margin of 3.8%) and a revenue of €7.3 billion. All activities contributed to the operational improvement, with the exception of the large contracts division of Dutch Civil engineering. The net result was impacted by non-cash impairments of €82 million, due to changes in Dutch and UK tax laws and the effect of divestments. The liquidity position is strong and the capital ratio improved. The order book remains at a high level. BAM is making good progress with the execution of the new strategy, with continued focus on portfolio restructuring, de-risking and creating a sustainable platform for future growth. For 2022, BAM expects a further improvement of the adjusted EBITDA margin.

- Revenue increased by 7% compared to full-year 2020
- Adjusted EBITDA improved to €278 million (2020: €201 million), an adjusted EBITDA margin of 3.8%
- Strong performance from Dutch Construction and Property, good contributions from United Kingdom and Ireland, and underperformance of large contracts division Dutch Civil engineering
- Net result of €18 million, including non-cash deferred tax charge of €34 million and €49 million impairments, of which €26 million for divestments
- Liquidity position remains strong at €1.3 billion and capital ratio strengthened to 14.5% (year-end 2020: 13.4%), despite repayment convertible bond
- No dividend recommended for 2021, as capital ratio is still below strategic target

Key numbers <i>(in € million, unless otherwise indicated)</i>	Full-year 2021	Full-year 2020	H2 2021	H2 2020
Revenue	7,315	6,809 ¹	3,686	3,701 ¹
Adjusted EBITDA ²	278.4	200.8 ³	121.3	254.8 ³
Adjusted EBITDA ² margin	3.8%	2.9%	3.3%	6.9%
Net result attributable to shareholders	18.1	-122.2	-2.0	112.3
Order book (end of period)	13,200	13,800		
Trade working capital efficiency	-16.9%	-13.9%		
Return on average capital employed	5.6%	-4.2%		

¹ Includes revenues of BAM PPP, which was classified as discontinued operations.

² Result before tax, excluding restructuring costs, impairment charges, pension one-off, interest, depreciation and amortisation.

³ Includes €118 million related to the BAM PPP transaction with PGGM.

Ruud Joosten, CEO of Royal BAM Group:

'BAM made good progress in 2021, with an improved operational, financial and safety performance and strong delivery on the first year of our strategic plan 'Building a sustainable tomorrow'. All our businesses improved their performance, except Dutch Civil engineering where the large contracts division continued to underperform. Our other activities in the Netherlands, United Kingdom and Ireland, performed well, especially our Dutch residential activities which delivered a substantial contribution supported by high demand for new homes. Although we repaid the unsecured subordinated convertible bond, our capital ratio improved.

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We are one year into our three-year strategic plan to create a more predictable, profitable and sustainable company. We have made good progress with de-risking of the Group. We divested several business units including BAM Swiss, BAM Deutschland and BAM Galère in Belgium, with combined annual revenues of approximately €600 million. In addition, this week we announced the divestment of BAM Contractors in Belgium. We are in the final phase of the wind-down of BAM International.

At the same time, we have increased our emphasis on modern and sustainable building methods and invested in industrialised and modular construction capacity. We implemented a new operating model from 1 January 2022, which will drive further operational excellence, knowledge sharing and development of life-cycle solutions.

For the third consecutive year, BAM has been commended for its climate action, achieving a place on CDP's prestigious 'A List' for climate change; we are one of only four European construction companies to achieve this top ranking. We continued to invest to become a more sustainable company, for instance by electrification of our plant and equipment, and support our clients to achieve their decarbonisation and other sustainability goals.

Our order book is supported by good demand for infrastructure improvement, housing and sustainable buildings. At the same time, we continue to face industry-wide pressure in some parts of our supply chain, with added uncertainty regarding energy costs, and high competition to attract and retain skilled employees. Discussions with some of our clients regarding the timing and settlement of some substantial claims are ongoing. Against this background, we are on track to deliver our strategic targets for 2023 and we expect a further improvement of our adjusted EBITDA margin in 2022.'

Business review 2021

Income statement (in € million)	Full-year 2021		Full-year 2020	
	Revenue	Adj. EBITDA	Revenue	Adj. EBITDA
Construction and Property	3,934	161.8	3,695	41.1
Civil engineering	3,344	103.4	2,949	94.3
	7,278	265.2	6,644	135.4
BAM PPP ¹		13.7	53	26.7
BAM International	82	-12.2	153	-102.1
Eliminations and miscellaneous	-45	11.7	-41	140.8 ²
Total Group	7,315	278.4	6,809	200.8
Depreciation and amortisation		-145.4		-159.4
Interest charge		-12.2		-7.1
Restructuring		-6.5		-44.7
Impairments		-48.5		-74.7
Pension one-offs		-		1.2
Result before tax		65.8		-83.9
Income tax		-48.8		-38.5
Non-controlling interest		1.1		0.2
Net result attributable to shareholders		18.1		-122.2

¹ In 2021, BAM PPP's net result from JV BAM PPP with PGGM.

² Includes €118 million related to the BAM PPP transaction with PGGM.

Revenue increased by 7 per cent to €7,315 million in 2021, compared to 2020, despite deconsolidation of BAM PPP, divestment of BAM Deutschland (mid-October) and the wind-down of BAM International. The British pound exchange rate had a positive impact of €68 million. Joint venture revenue, occurring mainly in Germany, is not consolidated in Group revenue and was €476 million (2020: €832 million, including around €440 million revenue for BAM PPP).

Higher revenues combined with improved operational performance and the positive effect of the cost reduction programme initiated in September 2020 resulted in a recovery of adjusted EBITDA to €278 million (2020: €201 million, including €118 million related to the BAM PPP transaction with PGGM). Overall, the adjusted EBITDA margin improved by 0.9 per cent to 3.8 per cent in 2021. All businesses contributed to the improvement of adjusted EBITDA, with the exception of Dutch Civil engineering where results were impacted by underperformance in the large contracts division. The adjusted EBITDA of BAM International improved to negative €12.2 million in 2021 (2020: negative €102.1 million).

The net result for full-year 2021 was impacted by restructuring costs of €6.5 million, mainly for organisational adjustments in Dutch Civil engineering and Belgium, and non-cash impairments totalling €48.5 million (of which €14.1 million in joint ventures). These impairments include €25.9 million related to the intended divestment of BAM Contractors bv and the completed divestments of BAM Galère, both in Belgium, and BAM Deutschland. In addition, there was an impairment of €5.8 million on the AsphaltNu asphalt production joint venture, an impairment of €8.5 million for some property development positions in the Netherlands and a €8.3 million impairment for several other items, including IT systems and equipment of BAM International.

The tax line includes on balance €33.5 million of one-off non-cash tax charges, consisting of 1) the change on tax loss settlement rules in the Netherlands (minus €28 million); 2) the increase in tax rates in the UK and the Netherlands (minus €10 million); 3) recognition of additional deferred tax assets due to improved business forecasts (positive €18.4 million); and 4) non tax deductible operational losses and impairments relating to divestments (minus €13.9 million). The overall effective tax rate in 2021 is 74 per cent; without these items this would have been around 23 per cent.

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Construction and Property

(in € million, unless otherwise indicated)	Full-year 2021	H2 2021	H1 2021	Full-year 2020	H2 2020	H1 2020
Revenue						
Netherlands	1,722	867	855	1,629	856	773
United Kingdom ¹	1,066	515	551	894	502	392
Ireland	497	289	208	399	236	163
Total Platform for growth	3,285	1,671	1,614	2,922	1,594	1,328
Belgium	331	159	172	322	192	130
Germany ²	318	102	216	451	254	197
Total Manage for value	649	261	388	773	446	327
Eliminations and miscellaneous	-	-	-	-	-	-
Total sector	3,934	1,932	2,002	3,695	2,040	1,655
Adjusted EBITDA						
Netherlands	130.2	60.9	69.3	87.2	45.2	42.0
United Kingdom	30.9	9.4	21.5	4.3	18.2	-13.9
Ireland	9.8	5.9	3.9	-5.1	11.7	-16.8
Total Platform for growth	170.9	76.2	94.7	86.4	75.1	11.3
Belgium	2.4	6.8	-4.4	-7.2	2.2	-9.4
Germany	-11.4	-14.7	3.3	-38.1	-16.4	-21.7
Total Manage for value	-9.0	-7.9	-1.1	-45.3	-14.2	-31.3
Eliminations and miscellaneous	-0.1	-	-0.1	-	-	-
Total sector	161.8	68.3	93.5	41.1	60.9	-19.8
Order book ^{1,2}	5.3bn			6.2bn		
Order book growth	-14.6%			0.8%		
TWC efficiency	-17.5%			-16.8%		
Revenue growth	6.5%	-5.3%	21%	9.9%		
Adjusted EBITDA margin	4.1%	3.5%	4.7%	1.1%	3.0%	-1.2%

¹ The British pound exchange rate had a €31 million positive effect on revenues, and a €119 million positive effect on the development of the order book.

² BAM Deutschland was deconsolidated in mid-October 2021, impact on year-end order book circa €850 million.

Revenue for the Construction and Property business line in 2021 grew by €239 million (6 per cent) compared to 2020, driven by the performance in the Netherlands, United Kingdom and Ireland.

Adjusted EBITDA of €161.8 million equated to a margin of 4.1 per cent. The activities in the Netherlands, United Kingdom and Ireland delivered a margin of 5.2 per cent, while the activities in Belgium and Germany made a modest negative adjusted EBITDA due to the performance of BAM Deutschland in the second half-year.

The Dutch Construction and Property activities again performed strongly, mainly driven by residential. The exceptional first half-year was followed by a good second half, and **Dutch house sales** for full-year 2021 totalled 2,485 (2020: 2,379). Approximately 75 per cent of the homes were sold to private buyers.

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BAM's total gross investment in property decreased by €91 million to €413 million at the end of 2021, also supported by the divestment of some larger commercial properties in the Netherlands. BAM will continue to invest in new development opportunities, with a focus on Dutch residential and a clear development horizon.

In the United Kingdom, adjusted EBITDA was €30.9 million, equivalent to a margin of 2.9 per cent. The stronger first half year included a positive claim settlement. In Ireland, adjusted EBITDA improved in the second half year following the lifting of Covid-19 restrictions.

The sale of BAM Deutschland to Zech Group and Gustav Zech Stiftung was completed on 15 October 2021. BAM still shares responsibility for some projects. In December BAM announced the divestment of BAM Galère, which has contributed approximately €120 million to revenues in 2021, to the Belgian construction group Thomas & Piron. This transaction was completed on 3 February 2022.

The order book in Construction and Property declined by €0.9 billion (15 per cent) in 2021 to €5.3 billion. Adjusting for the impact of the divestment of BAM Deutschland the order book was unchanged. The order book in the Netherlands reduced by 9 per cent to approximately €2.4 billion, which is a solid level. In the Netherlands, tender negotiations take longer as a consequence of cost inflation. The order book in the United Kingdom grew by €0.5 billion to €1.7 billion, including €119 million due to the stronger British pound, with large project wins in 2021 including the Co-op Live Arena in Manchester, and Space House and 11 Belgrave Road in London.

Market outlook. Client sentiment has generally strengthened since a year ago. Clients have a growing emphasis on de-carbonising, sustainability and building safety which plays to BAM's strong capabilities in these areas. The increasing pressure in the supply chain for materials and employees is leading to cost increases and delays of project awards.

In the Netherlands, high demand in the residential market combined with restricted supply due to delays in permitting means prices for new build homes continue to increase. There is a clear shortage of affordable and sustainable homes. Although BAM is well positioned to supply these homes, the production is highly dependent on the decisions and planning procedures of local and central governments.

In the United Kingdom, the government has committed to significantly increase public investment over the next four years, resulting in a positive outlook for health, justice and education. The government is encouraging modern industrialised construction with Design for Manufacture and Assembly (DfMA) techniques. The private market is a mixed picture, with lower demand in retail and some hesitation in offices, partly offset by logistics and pharmaceuticals. In Ireland, continued strong growth is expected in the key market sectors of residential, data centres, life sciences, hi-tech and logistics. Renewable energy projects are being accelerated to meet the global climate challenges.

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Civil engineering

(in € million, unless otherwise indicated)	Full-year 2021	H2 2021	H1 2021	Full-year 2020	H2 2020	H1 2020
Revenue						
Netherlands	1,243	661	582	1,325	710	615
United Kingdom ¹	1,295	662	633	974	520	454
Ireland	136	75	61	70	47	23
Total Platform for growth	2,674	1,398	1,276	2,369	1,277	1,092
Belgium	295	137	158	233	125	108
Germany	378	203	175	350	208	142
Total Manage for value	673	340	333	583	333	250
Eliminations and miscellaneous	-3	-1	-2	-3	-1	-2
Total sector	3,344	1,737	1,607	2,949	1,609	1,340
Adjusted EBITDA						
Netherlands	-0.3	5.1	-5.4	61.9	58.4	3.5
United Kingdom	41.0	21.7	19.3	23.4	5.0	18.4
Ireland	7.9	5.1	2.8	-1.2	1.2	-2.4
Total Platform for growth	48.6	31.9	16.7	84.1	64.6	19.5
Belgium	21.5	14.0	7.5	9.7	15.4	-5.7
Germany	33.3	18.2	15.1	0.5	29.5	-29.0
Total Manage for value	54.8	32.2	22.6	10.2	44.9	-34.7
Eliminations and miscellaneous	-	-	-	-	-	-
Total sector	103.4	64.1	39.3	94.3	109.5	-15.2
Order book	8.0bn		7,900	7.5bn		
Order book growth	7.0%			17.8%		
TWC efficiency	-16.5%			-10.4%		
Revenue growth	13.4%			0.2%		
Adjusted EBITDA margin	3.1%	3.7%	2.4%	3.2%	6.8%	-1.1%

¹ The British pound exchange rate had a €37 million positive effect on revenues and a €283 million positive effect on the development of the order book.

BAM's Civil engineering revenue in 2021 grew by €395 million (13 per cent) compared to 2020. This was attributable to the 33 per cent revenue increase in the United Kingdom, also driven by a high activity level on some larger projects including HS2. Revenue in the Netherlands declined by 6 per cent year on year.

Adjusted EBITDA for the business line improved by 10 per cent to €103.4 million, with the sharp deterioration in the Netherlands more than offset by improvement in all other countries.

The adjusted EBITDA of Dutch Civil engineering reflected the underperformance in the large contracts division. A constructive dialogue with a client is ongoing on a major contract under construction. Given the advanced stage of this dialogue the significant financial impact of the envisaged outcome has been incorporated in the results accordingly. This overshadowed the satisfactory performance at the regional and other Dutch infrastructure activities. In the United Kingdom, the adjusted EBITDA contribution further

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improved at a high activity level on some major projects. In Ireland, performance improved in the second half year 2021. The activities in Germany and Belgium had a positive contribution. Adjusted EBITDA in Germany was supported by a small book profit on the divestment of quarry Großtagebau Kamsdorf.

On 3 February 2022, the divestment of BAM Galère was completed, which had contributed approximately €100 million to revenues in 2021. Furthermore, BAM has announced the divestment of BAM Contractors on 15 February 2022. After completion of this transaction, which is expected in the second quarter, BAM is no longer active in the Belgian civil engineering market.

The order book increased by €0.5 billion (7 per cent) to €8 billion in 2021. In the Netherlands, the order book grew by 7 per cent, despite BAM's decision not to tender for several large projects. The order book in the United Kingdom increased by €237 million (6 per cent), mainly driven by a positive foreign exchange rate. New orders included framework agreements for which actual orders will be placed subsequently. Ireland was stable.

Market outlook. In the Netherlands, market circumstances for smaller and medium sized projects are generally stable although there are ongoing challenges due to constraints on the availability of raw materials and higher prices. However, it is becoming evident that nitrogen will have an impact on already awarded projects and will lead to postponement of road projects coming to the market. The market for digital services is promising and BAM is well positioned to benefit. The new Dutch Government is likely to increase budgets for maintenance and road safety.

In the United Kingdom, the continued use of framework contracts by BAM Nuttall's strategic clients offers them an expedient route to market, aligns with the Constructing the Gold Standard document published in December 2021 and fits with BAM Nuttall's de-risking objectives. Clients are putting great emphasis on meeting carbon targets, and early involvement in a project's business planning stage is essential for delivering realistic reductions. Infrastructure market sentiment in Ireland remains strong. In Germany, the development of the market is stable.

BAM PPP

BAM PPP completed its first year under the new ownership structure of 50:50 ownership with Dutch pension fund PGM. BAM's share of the net result for 2021 was €13.7 million. The joint venture had a positive year and has a healthy pipeline of prospects and active bids. In 2021 the BAM PPP consortium was selected as the preferred bidder for the first project within a larger Belgium school building programme which will see 40 schools procured through public-private partnerships. BAM PPP also, at the request of the client, divested a UK Healthcare project to the client ahead of the 2025 contractual end date. At year-end 2021 there were 41 operational projects (2020: 41) with a further 6 under construction (2020: 7) and one at preferred bidder stage, making 47 PPP projects in total (2020: 48). BAM PPP has active projects at various stages of procurement across its home markets, is pursuing selective PPP projects in targeted new markets and is engaged in investment opportunities in the digital infrastructure and energy transition markets.

BAM International

BAM International reported an adjusted EBITDA of negative €12.2 million (2020: adjusted EBITDA negative €102.1 million). BAM is in the final phase of the wind-down of BAM International and most projects have been completed. BAM International is in discussion regarding the final settlement of two projects in the Middle East.

Strategy execution

Key performance indicators for profit, people and planet

	2021	2020	Target 2023
Adjusted EBITDA margin	3.8%	2.9%	App. 5%
Revenue	€7.3bn	€6.8bn	App €5.5bn
Return on average capital employed ¹	5.6%	-4.2%	>10%
Trade working capital efficiency ²	-16.9%	-13.9%	< -10%
Capital ratio ³	14.5%	13.4%	Towards 20%
Incident Frequency ⁴	4.5	5.3	<3.5
CPD A-list	Yes	Yes	Maintain rating
			Target 2021
CO2 emission (tonnes/€m)	14.4	16.7 ⁵	16.3 ⁵
Construction and office waste (tonnes/€m)	11.6	14.6	16.4

¹ Rolling year EBIT divided by the average capital employed.

² The average four quarters' trade working capital divided by rolling year revenue.

³ Capital base (shareholder equity plus subordinated convertible bond) divided by total assets.

⁴ The total number of industrial accidents leading to absence from work per million hours worked.

⁵ Historic data and target adjusted for deconsolidation asphalt plants. Asphalt plans no longer in targeted scope but in included in scope 3.

BAM is well on track to realise its strategic targets set for 2023. In 2021 the profitability increased, while the balance sheet total reduced and the average capital employed declined. As a result of the improved adjusted EBITDA margin in combination with substantial lowering of average capital employed, the return on average capital employed recovered to 5.6 per cent. Also the capital ratio increased, despite the repayment of the €120 million unsecured subordinated convertible bond. Revenue in 2021 included operating companies BAM Deutschland (€318 million) and BAM Galère (€200 million), which were divested in October 2021 and February 2022 respectively. Trade working capital efficiency developed favourably to -16.9 per cent (2020: -13.9 per cent).

Ensuring a safe working environment is BAM's top priority and there were no fatalities in 2021. BAM continues its efforts to increase safety, not only through guidelines and instructions, but especially by giving it consistent management attention and emphasising the behavioural aspects. Continued focus on lowering the incident frequency remains a top priority.

For the third consecutive year, BAM has been commended for its climate action, achieving a place on CDP's prestigious 'A List' for climate change. BAM continues to invest in decarbonisation initiatives, like the electrification of plant and equipment, and in solutions which support clients in achieving their sustainability targets.

Financial review

Cash flow ¹

(in € million)	Full-year 2021	Full-year 2020
Cash flow from operations ²	222	24
Working capital	142	504
Provisions and Pensions	-44	86
Cash flow from Operating Activities	320	614
Cash flow from Investing Activities	-166	60
Cash flow from Financing Activities	-661	295
Increase/decrease in cash position	-507	969
Cash and cash equivalents beginning period	1,789	854
Change in assets and liabilities held for sale	-42	-6
Exchange rate differences, other changes	45	-28
Cash and cash equivalents	1,285	1,789

¹ Based on the IFRS cash flow statement.

² Net result for the period adjusted for depreciation and amortisation, impairment charges and other non-cash elements.

In 2021, the improved operational performance resulted in a robust cash flow from earnings. Cash flow from working capital was €142 million positive. The receivables declined, while BAM continued to respect the payment conditions of the supply chain. Overall, trade working capital efficiency further improved to minus 16.9 per cent (2020: minus 13.9 per cent). The positive cash flow from working capital included the repayment of approximately €115 million of Covid-19 deferred VAT and salary tax payments, of which €99 million accelerated. The cash outflow for provisions and pensions of €44 million mainly related to a cost reduction programme initiated September 2021, progress on the execution of underperforming projects and pension payments.

Cash flow from investing initiatives included the negative impact of €94 million related to the divestment of subsidiaries. Cash flow from financing initiatives was €661 million negative, mainly due to the repayment of the €400 million RCF and €120 million for the unsecured subordinated convertible bond.

As a consequence of the divestment process of the Belgian companies BAM Galère (completed 3 February 2022) and BAM Contractors (announced 15 February 2022) these assets and liabilities are reported under assets held for sale, which had a negative cash impact of €42 million. The exchange rate of the British pound had a positive effect of €45 million.

Financial position

(x € million)	31 December 2021	31 December 2020
Cash position	1,285	1,789
Interest-bearing debt	-66	-635
Net (debt) / cash before lease liabilities	1,219	1,154
Lease liabilities	-215	-294
Net (debt) / cash	1,004	860
Shareholders' equity	654	583
Capital base	654	702
Balance sheet total	4,496	5,225
Capital ratio	14.5%	13.4%
Capital employed	1,273	1,959
Return on average capital employed	5.6%	-4.2%

Year-end 2021, BAM's liquidity position was €1.3 billion. This was after repaying €400 million revolving credit facility (RCF), €120 million convertible bond, the accelerated repayment of €115 million of Covid-19 deferred VAT and salary tax payments and the negative effect of divestments of approximately €130 million. At year-end 2021, the remaining deferred VAT and salary tax payments are €120 million. Overall, interest bearing debt declined by €569 million. The cash position was supported by the solid cash flow of earnings and a positive working capital development.

The decline of lease liabilities is explained by the divestment of BAM Deutschland, reclassification of two Belgian companies as assets held for sale and relatively limited number of new rental agreements for office space.

BAM's capital ratio improved to 14.5 per cent compared to 13.4 per cent at year-end 2020. Shareholders' equity increased by €70 million, mainly due to actuarial gains (€28 million), the positive exchange rate effect (€22 million) and net result (€18 million). The capital base of BAM declined due to the repayment of the remaining €120 million unsecured subordinated convertible bond. The negative effect of the lower capital base on the capital ratio was more than compensated by a €729 million decline in the balance sheet total. This is explained by the repayment of the RCF and the subordinated unsecured convertible bond, the Covid-19 deferred VAT and salary tax payments of debt, and the divestment of BAM Deutschland. This development was partly offset by a higher cash position due to improved trade working capital.

The Group was well within the limits of all its recourse banking covenants as at 31 December 2021; the recourse leverage ratio was minus 8.5 (≤ 2.5), the recourse interest coverage ratio was 19.1 (≥ 4.0) and the recourse solvency ratio was 21.1 per cent (≥ 15 per cent). Solvency for covenants differs from the capital ratio, since it is based on IFRS as applied by the Group for the year 2019, amongst others excluding IFRS 9 and, with regard to IFRS 16, it has been agreed to leave all leases out of scope for covenant testing. Further, the covenant calculations exclude all direct equity effects resulting from derivatives and pensions.

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Dividend proposal

BAM's policy is to pay out 30 to 50 per cent of the net result for the year subject to considering the balance sheet structure supporting the strategic agenda and the interests of the shareholders. In 2021 BAM repaid the remaining unsecured convertible bond, which lowered the capital base by €120 million. Taking into account that BAM has the ambition to improve the capital ratio towards 20 per cent by 2023 (end 2021: 14.5 per cent) no dividend over 2021 will be proposed.

Foreign exchange translation

The closing rate of the pound sterling against the euro changed from 1.11 as at 31 December 2020 to 1.19 as at 31 December 2021. The average exchange rate of the pound sterling versus euro was 1.16 in 2021 compared to 1.13 in 2020.

Risks and uncertainties

As indicated in the annual report for the 2021 financial year, there is a Group-wide focus on risk management in the primary process, in order to improve predictability and performance. The Group's risk management system does not imply avoidance of all risks. Instead it aims to identify opportunities and threats and manage them. More effective risk management will enable BAM to undertake larger commitments in a well-controlled environment. The risks that can have a material impact on the Group's results and its financial position are described in detail in the annual report for the 2021 financial year. Other risks, including those regarding the Covid-19 pandemic, or risks that are either not currently known or currently considered non-material could prove to have an effect (material or otherwise) in due course on the markets, objectives, revenue, results, assets, liquidity or funding of the Group.

Executive Board, Royal BAM Group nv

Ruud Joosten, CEO

Frans den Houter, CFO

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Live video webcast

The Executive Board of Royal BAM Group will present the full-year results 2022 on 17 February 2022 during an (English) analyst meeting at 10.00 a.m. CET. The meeting can be followed via live video webcast (www.bam.com).

Key dates

24 February 2022	Publication annual report 2021
13 April 2022	Annual General meeting (Bunnik, 2 p.m. CET)
5 May 2022	Trading update first quarter 2022
18 August 2022	Publication half-year results 2022
3 November 2022	Trading update first nine months 2022

Further information

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Regulated information

This press release contains information that qualifies or may qualify as inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

Forward looking statements

This press release contains 'forward-looking statements', based on currently available plans and forecasts. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future, and BAM cannot guarantee the accuracy and completeness of forward-looking statements.

These risks and uncertainties include, but are not limited to, factors affecting the realisation of ambitions and financial expectations, exceptional income and expense items, operational developments and trading conditions, economic, political and foreign exchange developments and changes to IFRS reporting rules.

BAM's outlook, in line with these forward-looking statements, merely reflects expectations of future results or financial performance and BAM does not make any representation or warranty in that respect. Statements of a forward-looking nature issued by the company must always be assessed in the context of the events, risks and uncertainties of the markets and environments in which BAM operates. These factors could lead to actual results being materially different from those expected, and BAM does not undertake to publicly update or revise any of these forward-looking statements.

Declaration in accordance with the Dutch Financial Supervision Act

In accordance with their statutory obligations under Article 5:25d(2)(c) of the Dutch Financial Supervision Act, the members of the Executive Board declare that, in so far as they are aware:

- the full-year financial report provides a true and fair reflection of the assets and liabilities, the financial position and the result generated by the Company and by companies included in the consolidated accounts; and
- the full-year report by the Executive Board provides a true and fair overview of the information required pursuant to Article 5:25d(8) and (9) of the Dutch Financial Supervision Act.

Bunnik, the Netherlands, 17 February 2022

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1. Condensed consolidated income statement

(x € million)	Full-year 2021	Full-year 2020
Revenue	7,315.3	6,768.2
Operating result before depreciation, amortisation and impairment charges, restructuring costs and share of result of investments in associates and joint ventures	228.3	62.9
Depreciation and amortisation charges	-59.8	-60.1
Depreciation right-of-use assets	-85.6	-98.8
Impairment charges	-48.5	-74.8
Restructuring costs	-6.5	-44.7
Share of result of investments in associates and joint ventures	50.1	-5.8
Operating result	78.0	-221.3
Finance income	3.9	8.2
Finance expense	-16.1	-23.8
Total finance income and expense	-12.2	-15.6
Result before tax	65.8	-236.9
Income tax	-48.8	-35.1
Net Result from continuing operations	17.0	-272.0
Result from discontinued operations	-	149.6
Net Result	17.0	-122.4
Attributable to:		
Non-controlling interests	-1.1	-0.2
Shareholders of the Company	18.1	-122.2
	17.0	-122.4
Earnings per share:		
Net result attributable to shareholders of the company (basic)	0.07	-0.45
Net result attributable to shareholders of the company (diluted)	0.07	-0.45

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2. Condensed consolidated statement of comprehensive income

(x € million)	Full-year 2021	Full-year 2020
Net result for the period	17.0	-122.4
<i>Items that may be reclassified to the income statement, net of tax</i>		
Cash flow hedges	0.3	94.6
Exchange rate differences	22.0	-10.7
<i>Items that will not be reclassified to the income statement, net of tax</i>		
Remeasurements of post-employment benefit obligations	27.4	-1.9
Other comprehensive income	49.7	82.0
Total comprehensive income, net of tax	66.7	-40.4
Attributable to:		
Non-controlling interests	-1.1	-0.2
Shareholders of the Company	67.8	-40.2
	66.7	-40.4

3. Condensed consolidated statement of changes in equity

(x € million)	Full-year 2021	Full-year 2020
As at 1 January	584.7	633.9
Net result for the period	17.0	-122.4
Cash flow hedges	0.3	94.6
Remeasurements of post-employment benefit obligations	27.4	-1.9
Exchange rate differences	22.0	-10.7
Other comprehensive income net of tax	49.7	82.0
Total comprehensive income	66.7	-40.4
Dividends paid (including non-controlling interests)	-	-0.1
Other changes	2.0	-8.7
Total change	68.7	-49.2
Position as at period-end	653.4	584.7

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4. Consolidated statement of financial position

(x € million)	31 December 2021	31 December 2020
Property, plant and equipment	198.2	253.1
Right-of-use assets	210.0	293.4
Intangible assets	346.4	334.5
PPP receivables	14.7	11.2
Investments in associates and joint ventures	252.9	256.1
Other financial assets	78.1	69.5
Employee benefits	98.4	55.1
Deferred tax assets	86.8	106.2
Non-current assets	1,285.5	1,379.1
Inventories	430.1	517.6
Trade and other receivables	1,238.8	1,495.3
Income tax receivable	3.6	15.3
Derivative financial instruments	0.5	0.7
Cash and cash equivalents	1,284.7	1,789.3
Current assets	2,957.7	3,818.2
Assets held for sale	252.7	27.2
Total assets	4,495.9	5,224.5
Share capital and premium	839.3	839.3
Reserves	-77.5	-99.7
Retained earnings	-108.2	-156.2
Equity attributable to the shareholders of the Company	653.6	583.4
Non-controlling interests	-0.2	1.3
Total equity	653.4	584.7
Borrowings	25.9	429.0
Lease liabilities	146.5	207.4
Derivative financial instruments	-	0.2
Employee benefits	86.3	113.7
Provisions	117.0	133.3
Social security and other taxes	110.6	183.6
Deferred tax liabilities	24.4	13.7
Non-current liabilities	510.7	1,080.9
Borrowings	39.1	205.7
Lease liabilities	69.3	86.5
Trade and other payables	2,871.7	3,044.3
Derivative financial instruments	0.7	0.5
Provisions	93.0	193.7
Income tax payable	10.9	7.4
Current liabilities	3,084.7	3,538.1
Liabilities held for sale	247.1	20.8
Total equity and liabilities	4,495.9	5,224.5
Capital base	653.6	702.1

5. Condensed consolidated statement of cash flows

(x € million)	Full-year 2021	Full-year 2020
Net result from continuing operations	17.0	-272.0
Result from discontinued operations	-	149.6
Net result	17.0	-122.4
Adjustments for:		
Income tax	48.8	38.5
Depreciation and amortisation charges	59.8	60.1
Depreciation of right of use assets	85.6	99.2
Impairment charges	48.5	74.7
Result on sale of PPP projects	-	-18.3
Result on sale of discontinued operations	-	-118.2
Result on sale of property, plant and equipment	-7.3	-3.5
Share of result of investments in associates and joint ventures	-50.2	-5.7
Finance income and expense	12.2	7.2
Interest received	3.6	14.2
Dividends received from investments in associates and joint ventures	34.8	19.8
Changes in provisions and pensions	-44.3	86.0
Changes in working capital (excluding cash and cash equivalents)	141.9	503.6
Cash flow from operations	350.4	635.2
Interest paid	-25.9	-23.8
Income tax received / (paid)	-0.4	-8.5
Net cash flow from ordinary operations	324.1	602.9
Investments in PPP receivables	-4.2	-19.1
Repayments of PPP receivables	0.3	30.5
Net cash flow from operating activities	320.2	614.3
Investments in non-current assets	-110.9	-127.2
Disposals and repayments of non-current assets	39.8	33.0
Net proceeds from sale of subsidiaries	-94.4	
Sale of PPP projects	-	72.9
Net proceeds from sale of discontinuing operations	-	81.7
Net cash flow from investing activities	-165.5	60.4
Proceeds from borrowings	34.9	435.9
Repayments of borrowings	-609.5	-38.7
Repayments of principal amount of lease liabilities	-87.5	-97.9
Dividends paid (including non-controlling interests)	-	-0.1
Other financing activities	-	-5.0
Net cash flow from financing activities	-662.1	294.2
Change in net cash and cash equivalents	-507.4	968.9
Cash and cash equivalents at beginning of the year	1,788.9	854.0
Change in cash and cash equivalents in assets and liabilities held for sale	-42.3	-6.2
Exchange rate differences on cash and cash equivalents	45.5	-27.8
Net cash position at period-end	1,284.7	1,788.9
Cash and cash equivalents	1,284.7	1,789.3
Bank overdrafts	-	-0.4
Net cash position at period-end	1,284.7	1,788.9
Of which in joint operations:	394.8	305.7

6. Segment information

(x € million)	Full-year 2021		Full-year 2020	
Revenue and results	Revenue	Result	Revenue	Result
Construction and Property	3,970	150.5	3,757.8	-49.6
Civil engineering	3,390	102.5	3,039.0	82.9
Public Private Partnerships (PPP)	-	13.7	52.7	144.9
Eliminations and miscellaneous	-45	11.7	-40.1	22.6
Adjusted EBITDA	7,315	278.4	6,809.4	200.8
Depreciation and amortisation		-145.4		-159.4
Interest charge		-12.2		-7.1
Restructuring		-6.5		-44.7
Impairments		-48.5		-74.7
Pension one-offs		-		1.2
Result before tax		65.8		-83.9
Income tax		-48.8		-38.5
Net result for the period		17.0		-122.4
Non-controlling interests		1.1		0.2
Net result attributable to shareholders		18.1		-122.2

In 2020, revenue and results from BAM PPP are classified as discontinued operations in the condensed consolidated income statement. The reconciliation between the net result from discontinued operations and continuing operations to total net result is as follows:

(x € million)	Full-year 2020	
Revenue and results	Revenue	Result
Public Private Partnerships (PPP)	52.7	26.7
Transfer of BAM PPP shares to PGGM		118.2
Eliminations and miscellaneous	-11.5	-
Adjusted EBITDA	41.2	144.9
Depreciation and amortisation		-0.3
Interest charge		8.4
Result before tax from discontinued operations		153.0
Income tax		-3.4
Net result for the period from discontinued operations		149.6
Net result from continuing operations		-272.0
Net result for the period		-122.4

Revenue and results of BAM International as included in the segment information above can be detailed as follows:

(x € million)	Full-year 2021		Full-year 2020	
Revenue and results	Revenue	Result	Revenue	Result
Construction and Property	35.9	-11.3	62.7	-89.3
Civil engineering	45.7	-0.8	90.0	-12.9
Adjusted EBITDA	81.6	-12.1	152.7	-102.2
Depreciation and amortisation		-6.1		-8.3
Interest charge		-1.8		0.1
Restructuring		1.3		-12.8
Impairments		-3.2		-
Pension one-offs		-		-
Result before tax		-21.9		-123.2

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7. Figures per ordinary share with par value of €0.10

(x €1, unless indicated otherwise)	Full-year 2021	Full-year 2020
Net result attributable to shareholders of the company (basic)	0.07	-0.45
Net result attributable to shareholders of the company (diluted)	0.07	-0.45
Cash flow (net result plus depreciation, amortisation and impairment charges)	0.78	0.41
Equity attributable to shareholders of the company	2.39	2.13
Highest closing share price	3.03	2.68
Lowest closing share price	1.61	1.03
Closing share price at period-end	2.69	1.71
Number of shares ranking for dividend (x 1,000)	273,296	273,296
Average number of shares ranking for dividend (x 1,000)	273,296	273,296
Number of shares ranking for dividend diluted (x 1,000)	273,296	298,144
Average number of shares ranking for dividend diluted (x 1,000)	284,461	299,124

8. Explanatory notes to the full-year 2021 Financial Statements

The financial summaries on pages 13 to 18 inclusive are drawn from the unaudited financial statements of Royal BAM Group nv for 2021 (the 'financial statements'). An unqualified auditor's opinion on these financial statements is expected on 23 February 2022. The financial summaries must be read in conjunction with the unaudited financial statements from which they are derived. The financial statements will be available on the company's website (www.bam.com) in digital format by 24 February 2022 at the latest.