First half-year 2022 results
BAM reports €182 million adjusted EBITDA in first half-year

Amsterdam, the Netherlands, 18 August 2022
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Crossover
Sustainable development at Kop Zuidas Amsterdam
Facts and figures Crossover

- **Scheme**: sustainable mixed-use at Kop Zuidas, Amsterdam
- **Developer**: AM / Equity Estate joint venture
- **Contractor**: BAM Wonen
- **Architect**: Team V Architectuur, Amsterdam
- **Programme**:  
  - 12,000 m² office space, 300 m² restaurant; 500 m² social spaces  
  - 120 studios (approximately 25 m² with communal areas; 'starter apartments'; owned by housing corporation Lieven de Key)  
  - 10 owner occupied houses  
  - underground parking: 80 cars; 480 bicycles
- **Construction period**: March 2021 - Q3 2023
- **12 min to Schiphol Airport, 10 min to A'dam City, 5 min Noordzuidlijn, 1 min to ring A10**
Sustainable characteristics

- BREEAM-NL rating: Outstanding
  - WELL certified V2 silver
- High-end office development combined with social (rental) housing with highest BREEAM rating is unique for Netherlands
- Energy neutral (EPC = 0): energy label A+++  
  - All electric building
  - For example: LED lighting, solar panels, energy saving elevators, electric car chargers, occupancy and control for lighting, …
- Stonecycling® WasteBasedBricks® (>60% waste)
- Electric shared cars (WeDriveSolar)
- Green terraces and roof gardens
Key points first half-year 2022

Strong first half-year, based on solid operational performance in both divisions, further de-risking on projects and substantial progress with divestments

- Revenue increased by 2% in Netherlands, UK and Ireland; total revenue declined 8% due to divestments
- Adjusted EBITDA increased 16% to €182m; reflecting 5.5% margin, including €16m positive effect following settlement Museum of the Future (Dubai)
- Strong improvement of net result to €86m, earnings per share of €0.31 (2021: €0.07)
- Liquidity position of €830m, excluding €188m for Wayss & Freytag reported as held for sale
- Capital ratio 17.7% (year-end 2021:14.5%), completion Wayss & Freytag transaction will add 2.3%
- Solid order book of €12.2bn, including €900m impact of divestments
- BAM expects to propose a dividend over the full-year 2022
Strategy 2021-2023: Building a sustainable tomorrow

Focus on profitable growth platform
- Platform for growth
- Manage for value

Continue de-risking
- Market choices
- Avoid disproportionate risk in project portfolio
- Operational excellence in tenders and on projects

Accelerate opportunities for future growth
- Towards process and product leadership
- Lifecycle solutions and selective investments

BAM 2023
- Approximately €5.5 billion revenue
- Stable adjusted EBITDA margin of approximately 5%
- ROCE >10%
- Trade working capital efficiency <10%
- Grow capital ratio to 20%
- Incident frequency <3.5 and zero fatalities
- Maintain CPD A-list ranking (SBTi)
- CO₂ reduction 50% 2030

New target: 2023
Division Netherlands

Alexiatunnel (249 metres), Hilversum, crossing railway line Hilversum - Amersfoort and the HOV track Hilversum - Huizen. The tunnel has two tubes above the other: the lower for motorised traffic, the upper for cyclists and pedestrians – BAM Infra Nederland
Performance division Netherlands

EBITDA improved by 36%, positive contribution of civil engineering

- Revenue declined by 3%, mainly as result of continued selective tendering
- Adjusted EBITDA €97.6m improved by 36% versus H1 2021, reflecting margin of 7.1%
- Home sales 858 (H1 2021: 1,446); sales of at least 2,000 homes expected in full-year 2022
- Non-residential margin impacted by cost inflation and delays
- Civil engineering: positive contribution, good operational performance of regions; Q2 Levvel agreement; Q1 OpenIJ settlement (€16m)
- Order book increased by 5% to €4.6bn

<table>
<thead>
<tr>
<th>(x € million)</th>
<th>H1 2022</th>
<th>H1 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction and Property</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>964</td>
<td>997</td>
</tr>
<tr>
<td>Result</td>
<td>56.4</td>
<td>75.2</td>
</tr>
<tr>
<td>Civil engineering</td>
<td>436</td>
<td>441</td>
</tr>
<tr>
<td>Other, eliminations and miscellaneous</td>
<td>-16</td>
<td>-15</td>
</tr>
<tr>
<td>Total division Netherlands</td>
<td>1,384</td>
<td>1,423</td>
</tr>
<tr>
<td></td>
<td>97.6</td>
<td>72.0</td>
</tr>
</tbody>
</table>

- Trade working capital efficiency:
  - Construction and Property: H1 2022 -15.9%, FY 2021 -14.5%
- Revenue growth:
  - Construction and Property: H1 2022 -3%, FY 2021 3%

- Adjusted EBITDA margin:
  - Construction and Property: H1 2022 7.1%, FY 2021 5.1%

*Order book*: 4,590 (H1 2021: 4,388), growth 5%

1 Includes BAM Energie & Water and BAM Telecom.
Performance division United Kingdom and Ireland

Stable performance and high activity level in UK Civil engineering

- Revenue increased by 7% versus H1 2021, also supported by high activity level on some larger civil projects
- Adjusted EBITDA €48m, reflecting 3.1% margin
- Construction UK impacted by supply chain issues on some larger contracts, Civil engineering UK showed solid performance supported by high activity level
- Satisfactory contribution of BAM Ventures (property UK, Ritchies (geotechnical), facility management, site solutions and EV charging solutions)
- Result BAM Ireland includes €3m for share of Museum of the Future settlement
- Order book: -7%, including -€167m exchange rate effect

<table>
<thead>
<tr>
<th></th>
<th>(x € million)</th>
<th>H1 2022</th>
<th>H1 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction UK</td>
<td></td>
<td>512</td>
<td>22.0</td>
</tr>
<tr>
<td>Civil engineering UK</td>
<td></td>
<td>609</td>
<td>19.4</td>
</tr>
<tr>
<td>Ventures UK (including property)</td>
<td></td>
<td>108</td>
<td>6.0</td>
</tr>
<tr>
<td>Ireland</td>
<td></td>
<td>351</td>
<td>5.9</td>
</tr>
<tr>
<td>Other, eliminations and miscellaneous</td>
<td></td>
<td>-31</td>
<td>-5.6</td>
</tr>
<tr>
<td>Total division UK and Ireland</td>
<td></td>
<td>1,549</td>
<td>47.7</td>
</tr>
<tr>
<td>Trade working capital efficiency</td>
<td></td>
<td>-18.1%</td>
<td></td>
</tr>
<tr>
<td>Revenue growth 1</td>
<td></td>
<td>7%</td>
<td>41%</td>
</tr>
<tr>
<td>Adjusted EBITDA margin</td>
<td></td>
<td>-3.1%</td>
<td>3.3%</td>
</tr>
<tr>
<td>Order book</td>
<td></td>
<td>6,109</td>
<td></td>
</tr>
<tr>
<td>Order book growth</td>
<td></td>
<td>-7%</td>
<td></td>
</tr>
</tbody>
</table>

1 The British pound exchange rate had a positive effect of €37 million effect on revenue and a negative effect of €167 million on the order book.
Financial review

Cloongullane Bridge (83 metres) on the N26 near Swinford, Ireland, over the River Moy – BAM Contractors Ltd
Solid operational performance and net result of €86 million in first half-year 2022

### Income statement

<table>
<thead>
<tr>
<th>Division</th>
<th>2022 H1 (€ million)</th>
<th>2021 H1 (€ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Division Netherlands</td>
<td>97.6</td>
<td>72.0</td>
</tr>
<tr>
<td>Division United Kingdom and Ireland</td>
<td>47.7</td>
<td>47.3</td>
</tr>
<tr>
<td>Germany, Belgium and International</td>
<td>24.5</td>
<td>11.0</td>
</tr>
<tr>
<td>Invesis 1</td>
<td>16.0</td>
<td>9.1</td>
</tr>
<tr>
<td>Eliminations and miscellaneous</td>
<td>-3.8</td>
<td>17.7</td>
</tr>
<tr>
<td><strong>Total adjusted EBITDA</strong></td>
<td><strong>182.0</strong></td>
<td><strong>157.1</strong></td>
</tr>
<tr>
<td>Adjustment items 2</td>
<td>-1.1</td>
<td>-0.2</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>-61.6</td>
<td>-73.4</td>
</tr>
<tr>
<td>Impairments</td>
<td>-12.0</td>
<td>-10.6</td>
</tr>
<tr>
<td>Interest charge</td>
<td>1.6</td>
<td>-7.5</td>
</tr>
<tr>
<td><strong>Result before tax</strong></td>
<td><strong>108.9</strong></td>
<td><strong>65.4</strong></td>
</tr>
<tr>
<td>Income tax</td>
<td>-24.1</td>
<td>-45.6</td>
</tr>
<tr>
<td>Non-controlling interest</td>
<td>0.9</td>
<td>0.3</td>
</tr>
<tr>
<td><strong>Net result attributable to shareholders</strong></td>
<td><strong>85.7</strong></td>
<td><strong>20.1</strong></td>
</tr>
</tbody>
</table>

1 Invesis is the net result from BAM’s 50 percent equity stake in the PPP joint venture with PGGM.
2 Restructurings and pensions.

- New operating model, introduced 1 January 2022
- Adjusted EBITDA of €182m, 16% higher versus H1 2021
- Germany, Belgium and International includes €13m following settlement Museum of the Future (Dubai)
- BAM PPP JV contributed €16m to net result, of which €14m due to positive changes in fair values of hedge instruments
- Impairments of €12m, includes write-down equipment, goodwill, revaluation of property positions and divestments
- Positive interest charge, mainly due to repayment RCF and convertible bond in 2021
- Net result of €86m, sharp improvement versus first half 2021, earnings per share of €0.31 (2021 H1 €0.07)
Cash flow

Cash flow from operations of €152 million in first half-year 2022

- Cash flow from operations of €152m
- Working capital development in line with seasonal pattern, substantial advanced payments in H1 2021
- TWC efficiency stable at 16.6%
- Cash flow from investing activities of €87m mainly relates to regular capital expenditure and includes net outflow of €40m due to divestments
- Change in assets and liabilities held for sale relate to announced divestment Wayss & Freytag and the completed divestments of BAM Galère and BAM Contractors
- Overall, cash and cash equivalents declined by €455m during H1 2022

<table>
<thead>
<tr>
<th>(x € million)</th>
<th>2022 H1</th>
<th>2021 H1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flow from operations</td>
<td>152</td>
<td>127</td>
</tr>
<tr>
<td>Working capital</td>
<td>-272</td>
<td>-22</td>
</tr>
<tr>
<td>Provisions and pensions</td>
<td>-27</td>
<td>-43</td>
</tr>
<tr>
<td>Cash flow from operating activities</td>
<td>-147</td>
<td>62</td>
</tr>
<tr>
<td>Cash flow from investing activities</td>
<td>-87</td>
<td>-52</td>
</tr>
<tr>
<td>Cash flow from financing activities</td>
<td>-56</td>
<td>-588</td>
</tr>
<tr>
<td>Increase/decrease in cash position</td>
<td>-290</td>
<td>-578</td>
</tr>
<tr>
<td>Cash and cash equivalents beginning period</td>
<td>1,285</td>
<td>1,789</td>
</tr>
<tr>
<td>Changes in assets and liabilities held for sale</td>
<td>-146</td>
<td>-</td>
</tr>
<tr>
<td>Exchange rate differences, other changes</td>
<td>-19</td>
<td>29</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>830</td>
<td>1,240</td>
</tr>
</tbody>
</table>

1 Based on the IFRS cash flow statement.
Financial position

Capital ratio further improved to 17.7 per cent

<table>
<thead>
<tr>
<th>(x € million)</th>
<th>2022 H1</th>
<th>2021 FY</th>
<th>2021 H1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash position</td>
<td>830</td>
<td>1,285</td>
<td>1,240</td>
</tr>
<tr>
<td>Interest-bearing debt</td>
<td>-45</td>
<td>-66</td>
<td>-96</td>
</tr>
<tr>
<td>Net cash position (excl. leases)</td>
<td>785</td>
<td>1,219</td>
<td>1,144</td>
</tr>
<tr>
<td>Lease liabilities (IFRS 16 impact)</td>
<td>-193</td>
<td>-215</td>
<td>-261</td>
</tr>
<tr>
<td>Net cash (incl. leases)</td>
<td>592</td>
<td>1,004</td>
<td>883</td>
</tr>
<tr>
<td>Capital ratio</td>
<td>17.7%</td>
<td>14.5%</td>
<td>13.2%</td>
</tr>
<tr>
<td>Return on average capital employed</td>
<td>8.7%</td>
<td>5.5%</td>
<td>11.7%</td>
</tr>
</tbody>
</table>

• Net cash position reduced by €434m to €785m
  - €272m working capital
  - €146m related to changes in assets held for sale

• Capital base increased to €756m (FY 2021: €654m)
  - Net income (€86m), increase hedges reserves (€19m) actuarial gains (€15m), negative impact exchange rates (€19m)

• Capital ratio of 17.7% (FY 2021: 14.5%)
  - Strong improvement net result in first half 2022
  - Shortening of the balance sheet
  - Completion Wayss & Freytag transaction in Q3 will add 2.3%

• Remaining Covid-19 deferred VAT and salary tax payments €118m
Flow

Innovative housing concept
Flow

• Innovative housing concept of BAM Wonen.
• High-quality, affordable homes with wood as a sustainable basis: natural, circular and future-proof.
• Need for affordable and sustainable new-build homes. Flow offers solution: off-site production (in BAM’s own production facility) and modular approach with wood result in short construction times (up to 75%).
• Standardised processes: digitisation, robotisation and industrialisation, delivering homes that are sustainable, affordable and preserving their value.
Looking ahead

Revitalisation of high-specification office and mixed-use space at 25 Cannon Street, London – BAM Construct UK
Order book and market trends

Solid order book, BAM well positioned while market conditions are mixed

- Total order backlog €12.2bn, stable in H1 2022 if adjusted for effect divestments
- Continued focus on contracts with a healthy risk/reward balance
- Business climate and consumer confidence have declined in recent months and continued industry-wide pressure in the supply chain, cost inflation and high competition to attract and retain employees
- BAM is able to mitigate most of these headwinds through sourcing arrangements, contract terms and pricing
- Ample market opportunities supported by demand for decarbonisation, critical infrastructure and sustainable buildings, where we have proven market-leading capabilities
Outlook 2022

• BAM is on track with the execution of the strategy to de-risk the portfolio and reinforce the financial position
• BAM is committed to realise the 2023 strategic targets
• ‘For 2022, BAM expects to deliver an adjusted EBITDA margin of at least 4 per cent, excluding the anticipated result of approximately €50 million on the Wayss & Freytag divestment.’
Key points first half-year 2022

Strong first half-year, based on solid operational performance in both divisions, further de-risking on projects and substantial progress with divestments

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- Capital ratio 17.7% (year-end 2021:14.5%), completion Wayss & Freytag transaction will add 2.3%
- Solid order book of €12.2bn, including €900m impact of divestments
- BAM expects to propose a dividend over the full-year 2022
### Annex: Pro-forma full-year 2021 results new division structure

(x million unless otherwise indicated) | Full-year 2021
---|---
**Division Netherlands** |  
Construction and Property | 2,015 | 144.8  
Civil engineering | 950 | -15.0  
Other, eliminations and miscellaneous | -33 | 10.0  
**Total division Netherlands** | 2,932 | 139.8  

**Division United Kingdom and Ireland** |  
Construction UK | 988 | 28.0  
Civil engineering UK | 1,234 | 29.9  
Ventures UK (including property) | 194 | 13.9  
Ireland (construction, property, civil engineering) | 633 | 17.7  
Other, eliminations and miscellaneous | -56 | -0.3  
**Total division United Kingdom and Ireland** | 2,993 | 89.2  

**Germany Belgium and International** |  
Invesis | - | 13.7  
Other, eliminations and miscellaneous | -4 | 2.6  
**Total Group** | 7,315 | 278.4  

1 Includes BAM Energie & Water and BAM Telecom.
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