

heijmans

Koninklijke Heijmans Capital Markets Day

22 May 2024



Disclaimer

This presentation has been prepared by and is the responsibility of Royal Heijmans N.V. This presentation is being supplied to you solely for your information and use at the presentation which will be or was held on 22 May, 2024. The information may not be further distributed or passed on to other people or published or reproduced in whole or in part. The information may be subject to updating, completion, revision and amendment and such information may change materially.

This presentation contains certain forward-looking statements relating to the business, financial performance and results of the Royal Heijmans N.V. and the industry in which it operates. These statements are based on Royal Heijmans N.V.'s and its management's current plans, estimates and projections, as well as its expectations of external conditions and events. In particular the words "expect", "anticipate", "predict", "estimate", "project", "plan", "may", "should", "would", "will", "intend", "believe" and similar expressions are intended to identify forward-looking statements. Forward-looking statements are statements of future expectations that are based on current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. Neither Royal Heijmans N.V. nor any of its subsidiaries undertake any obligation to publicly update or revise any forward-looking statement as a result of new information, future events or other information.

No representation or warranty, express or implied, is or will be made by Royal Heijmans N.V., its advisors or any other person as to the accuracy, completeness or fairness of the information or opinions contained in the presentation and any reliance you place on them will be at your sole risk. Without prejudice to the foregoing, neither Royal Heijmans N.V., its associates, its advisors, nor its representatives accept any liability whatsoever for any loss howsoever arising, directly or indirectly, from the use of this presentation or its contents or otherwise arising in connection with this presentation. The presentation does not constitute or form part of, and should not be constructed as, an offer or invitation to subscribe for or purchase any securities.



Programme

- **A strong foundation for the future** | *Ton Hillen*
- **Our strategy 'Together towards 2030'** | *Heleen Herbert*
- **Driving value creation** | *Gavin van Boekel*
- **Wrap up** | *Ton Hillen*
- **Q&A** | *All speakers*
- **Factory tour** | *Marc de Vreede*

Executive Leadership Team



Ton Hillen
CEO



Gavin van Boekel
CFO



Executive Board



Heleen Herbert
Strategy



Marc de Vreede
Building &
Technology



Maarten van Duijn
Property
Development



Bart Smolders
Infrastructure



Job Verkerke
Procurement



Roland de Waal
Risk



Agnes Jongkind
HR

Senior leadership team

Key investment highlights



Tailwind from market trends, combined with long-term relationships with customers & sub-contractors



Strong market position, underpinned by centralised and integral approach



Landbank (#2 biggest in NL) giving access to 30.000 positions, accelerated by conceptual home design and in-factory production



Moving to next S-curve to improve productivity, backed by digitalisation and industrialisation



Significant and increasing part recurring business (in 2023 over 30%), resulting in lower risk and higher margins



Best-in-class risk management combined with robust balance sheet & cash flow generation (solvency 29% in 2023)

Heijmans Value Creation Model



MULTI-STAKEHOLDER MODEL

- Customer
- End-user
- Supplier
- Employees
- Investors
- Planet
- Society at large



STRATEGY TOGETHER TOWARDS 2030

heijmans

Our 12 bold statements

1	By 2030, all our projects must be in line with the most advanced building standards.	7	By 2030, 80% of our partners will use the 'Heijmans' and 'Korabel' sets as a target.
2	In 2030, 80% of our 'heijmans' use the environmental, social and governance (ESG) standards set by our target.	8	By 2030, we have collaborated with partners to deliver at least 10% of our projects as 'green'.
3	By 2030, we aim to CO ₂ in scope 1 and 2 and our absolute emissions in scope 3 are halved (compared to 2019).	9	We will double the contribution per employee in 2030 compared to 2020.
4	By 2030, all of our new ventures score an area total A on the ESG (Environmental, Social and Governance) scale.	10	In 2030, 10% of employees will have completed at least one of our 'heijmans' courses.
5	We will make it a guiding principle in all our projects, business and social goals, to create value for all.	11	In 2030, Heijmans is a more diverse and inclusive organization.
6	In 2030, we only work for clients who have their choice of Heijmans 'Bargain' in our guarantee report.	12	In 2030, 10% of employees will have a role in creating in 2021, a larger number with a competence.



2027 FINANCIAL TARGETS

- Revenue towards € 3bln
- Underlying EBITDA 7-9%
- Considered dividend: 50% of net result in cash (vs. 40% today)



SUPERIOR LONG TERM VALUE CREATION

heijmans

A strong foundation for the future

TON HILLEN

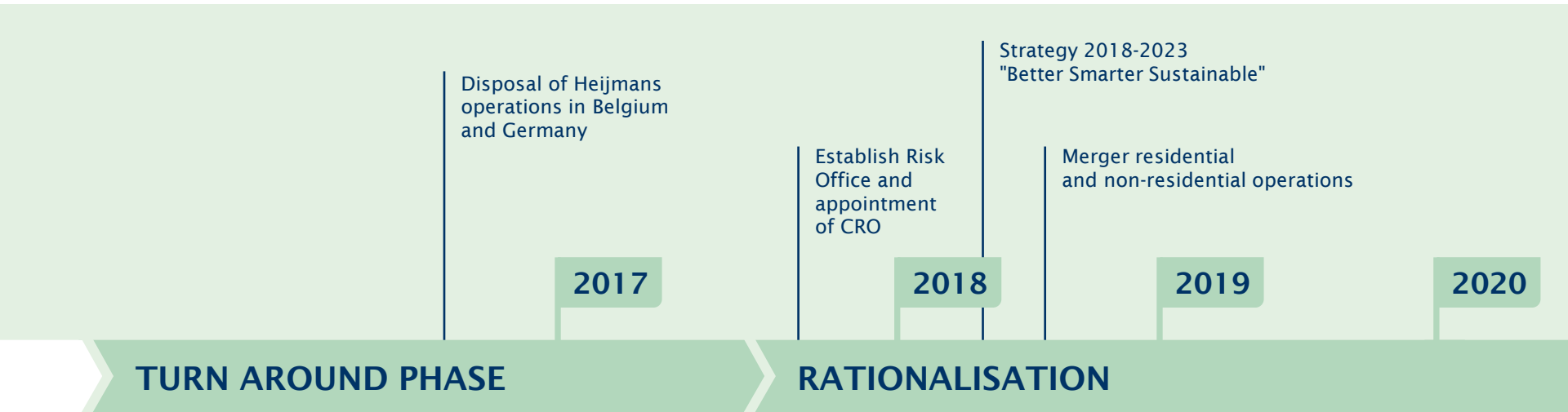




Since 1923

- The Heijmans story started with Jan Heijmans in 1923
- Listed since 1993, whilst maintaining an entrepreneurial and family company mindset
- In 2023, Heijmans received the designation “Royal”

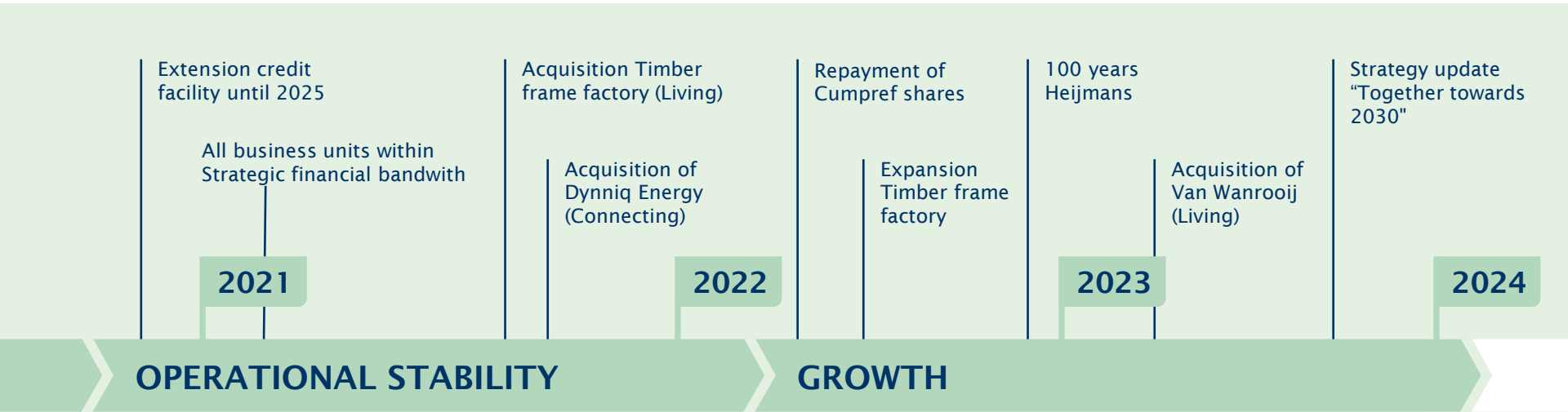
The journey of Heijmans from 2017



- Focus on the core and The Netherlands
- Reduction of strategic land bank positions
- Improve contract, risk & project management
- Focus on margin over volume

- De-risking the portfolio
- Addressing legacy issues
- Appointment of senior leadership team

The journey of Heijmans from 2017



OPERATIONAL STABILITY

- Operational turnaround complete
- Extension of credit facility
- Benefits of margin over volume
- Growing orderbook
- Increased financial result predictability

GROWTH

- Acquisition of Van Wanrooij
- Expansion timber frame factory
- Movement towards collaborative contracting (fe two stage)
- Focus on long-term relationships
- Strategy update to move to next S-curve

Reflections on strategy cycle 2017-2023

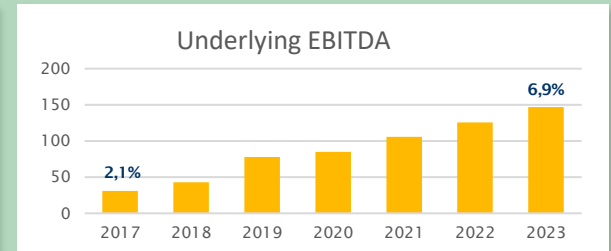
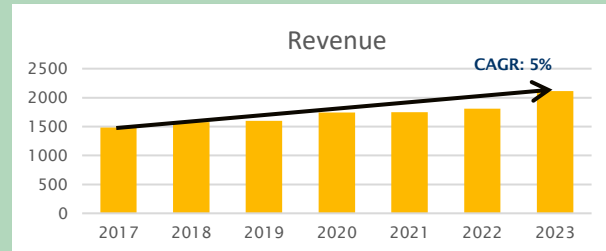
House in shape

- Focus on The Netherlands
- Margin over volume
- Stick to our capabilities
- Risk management
- B2B indexed contracts
- Predictability of results

Ready for tomorrow

- Van Wanrooij acquisition
- Dynniq Energy acquisition
- Housing factory operational
- Refocus on PMC's

Financial results



- Revenue increased from € 1.5bln to € 2.1bln
- Underlying EBITDA margin increased 480bps to 6,9%
- Cash flow generation of € 525mln over the period

Bold statements: 69% achieved

BETTER

- Certified on Safety Culture Ladder level 4
- eNPS score +35 vs. +6 Dutch national average

SMARTER

- 81% of projects digitised (BIM)
- Generative AI platform for datacenter design

SUSTAINABLE

- CO₂ reduction vs 2019
 - 37% scope 1 & 2
 - 15% scope 3
- 70% asphalt recycling

Key figures (Actual 2023)



**leading home
developer**
#2 biggest Dutch
landbank



€ 2.1 bln
Revenue
>30% recurring*



€ 2.8bln
Order book



€ 147mln (6,9%)
Underlying EBITDA

Key player in:

- Housing market
- Technical services
- Asset management
- Energy grid expansion
- High water protection



>5.000
Employees



€ 60mln
Net result



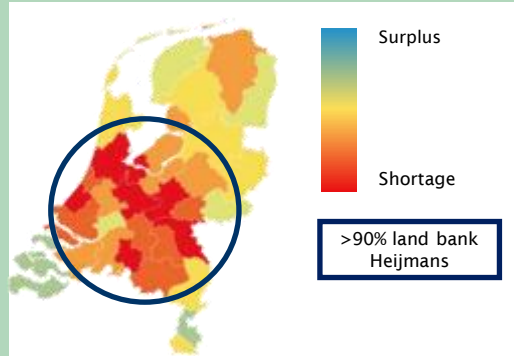
29%
Solvency

The Dutch Construction Sector



The Dutch Construction Sector: market opportunities

Trends



Housing shortage

Need for 1 million new homes by 2030 on back of population growth and decreasing household occupancy

100.000 new homes annually

- Well positioned given increased landbank
- Acquisition and expansion Housing factory

Opportunities



Our strength

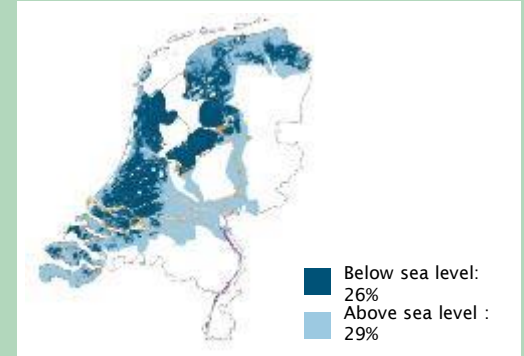


State of Dutch infrastructure

Large part of Dutch infrastructure was built in 1960/1970 and is now end of life or not built for current intensity of use

State budget € 3bln annually & increasing

- All essential disciplines under one roof
- Ability for digital twins and modular approach



Flood prone

With rising sea & river levels 55% of The Netherlands is at risk of flooding requiring continued prevention and maintenance

State budget € 400mln per year

- Expertise and strong position in high water protection
- Ability to balance water variation over a year in urban areas

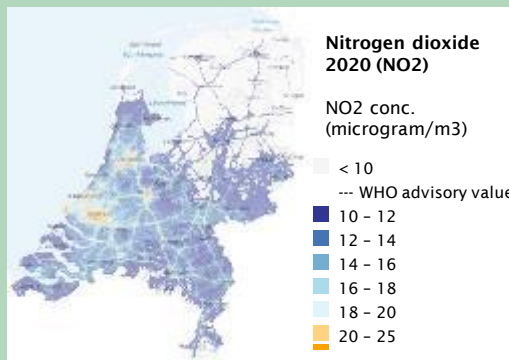
The Dutch Construction Sector: market opportunities

Trends



Opportunities

Our strength

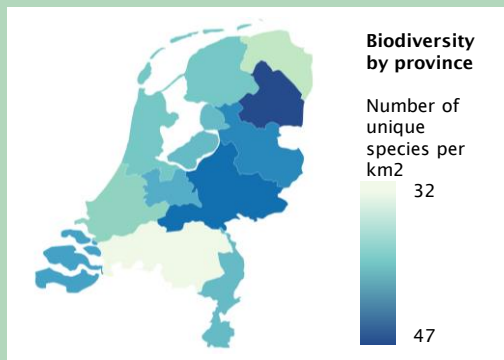


CO₂ footprint

National plans at best 75% of targeted ambition. Requires industry to come with new solutions and building methods

NL target 55% reduction by 2030 vs 1990

- € 20mIn investment annually in electrical equipment
- In-house capability for Aeries calculations

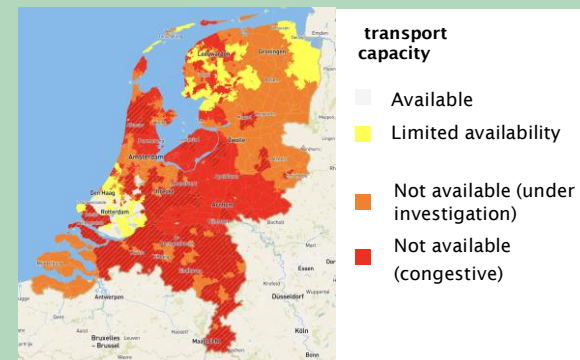


State of Biodiversity

Reduction of 85% of biodiversity in the Netherlands over last 100 years, being faster & quicker than the rest of Europe

€ 20bIn available on EU-level

- Frontrunner with programs like NLGreenlabel & Natuurladder
- Track record integrating nature-based solutions in projects (f.e. A12VEG)



Energy grid congestion

Currently waiting times for grid connection can exceed 10 years, hindering economic expansion and sustainability goals

More than € 160bIn in next 10 years

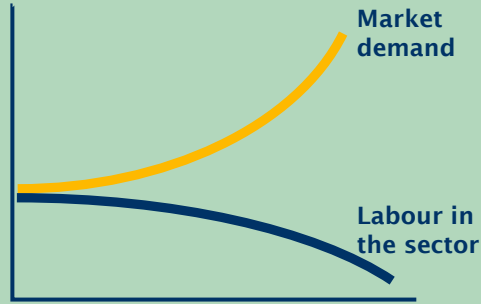
- 10+ year partner Tennet for grid expansion
- Ability for energy storage, usage reduction and peak shaving

The Dutch Construction Sector: sector trends

Trends



Our strength



Labour shortage

Work in construction sector increasing vs labourpool reducing, on back of retirement and lower inflow



Project complexity

Given increased bustle & number of stakeholders, more experts needed to successfully acquire & deliver projects



- Environment & planning act
- The Water Framework Directive
- Nitrogen policy and Aeries calculations
- CSRD
- Nearly Zero emission buildings
- Quality Assurance Act
- Chain Liability Act

Increased regulation

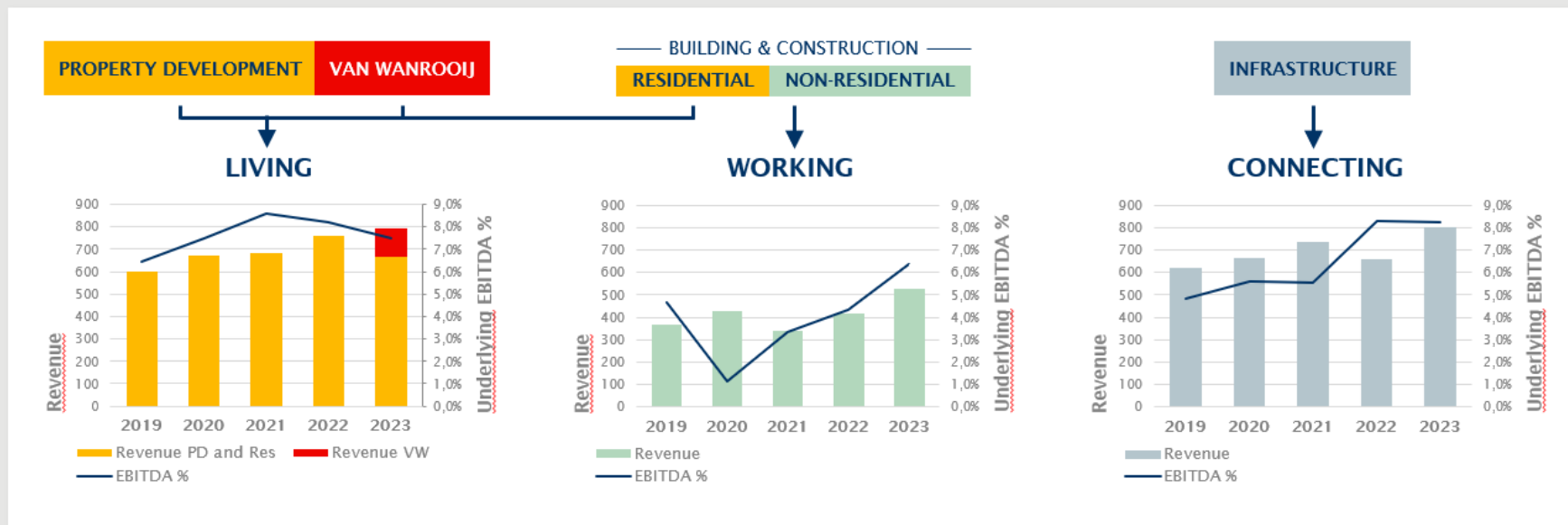
Government & European regulations increasing, leading to increased workload & burden of proof on industry players

Tackling these sector dynamics requires resources (people, diversified & multidisciplinary competencies, funds), that are more easily addressable for large industry players like Heijmans

Redefining the business segments



Reframed model for growth and focus



Activities:

Initiate, develop, build, renovate, transform and sell mainly residential properties

Key value drivers:

- Strong landbank (30.000 positions)
- Long standing relationships with local government and housing corporations
- Mass customisable housing from own factory
- Holistic view on area to underpin wellbeing and sustainability

Living

Route 13 - 99	←
Verpleegafdeling 4 - 13	←
Onderwijs en onderzoek	←
Personeelsrestaurant	←
Lift	←
Hoofdingang	↑

Activities

Design, construct, transform, maintain and operate buildings with high-quality electrical and mechanical installations

Key value drivers:

- Many 1 on 1 relationships / projects
- Strong technical services backbone; recurring business
- Deep expertise in government buildings, airports, hospitals, datacentres and universities

A photograph of a modern, brightly lit hallway. In the foreground, a person with white hair is sitting on a curved wooden bench, looking towards a large indoor plant in a silver pot. The hallway is long and clean, with people walking in the distance. The ceiling has recessed lighting, and the walls are white. The word "Working" is overlaid in large yellow letters on the right side of the image.

Working

Connecting

Activities

Design, construct, renovate and sustainable maintaining of public space and (energy) infrastructure

Key value drivers:

- Integral innovative approach
- Strong focus on more sustainable production process
- Deep expertise in fields of road construction, expanding energy grid and high-water protection
- Increasing portion of revenue from multiple year maintenance contracts (recurring business)
- Healthy risk reward attitude and dare to say no

Decomposition business segments

Revenue
2023

Underlying EBITDA
2023* (%)

Main
PMC's

Living

€ 791 mln

€ 59mln
(7,5%)

- Develop, sale and construct new homes
- Construct homes for external customers
- Renovate

Working

€ 527mln

€ 33mln
(6,3%)

- Technical services (constructive, electrical and mechanical)
- Both construct and renovate buildings

Connecting

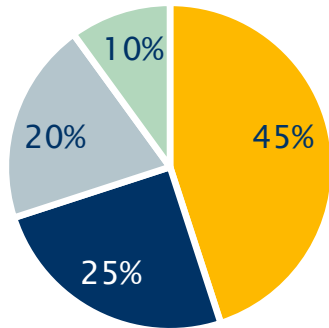
€ 800mln

€ 66mln
(8,3%)

- Asset management
- Automation of infrastructure
- Energy grid expansion
- Roads and civil engineering (including water)

* Excl. Holding costs € 12mln; Living contains 4 months Van Wanrooij

Living (Revenue 2023 € 791 mln)



- Development, sale and construction (suburban)
- Development, sale and construction (urban)
- Construction for 3rd parties
- Recurring Business

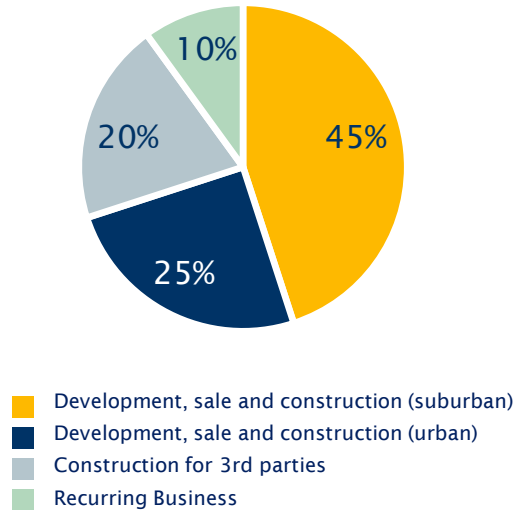
Develop, sale and construct (suburban; largely standalone homes)

- 100% own development and construction
- Average time from acquisition to home sale: 5-7 years (land ownership)
- Average time to build: 1 year
- ≈20.000 positions in current landbank
- Target %-sold more easily reached
- Slight risk profile, primarily duration of investments in landbank
- High growth scenario 2027

Develop, sale and construct (urban; largely apartments)

- Joint development with corporations/municipalities
- Average time to develop: 2-3 years
- Average time to build: 3 years
- Typically, no long-term investment in landbank. Currently ≈10.000 positions
- General rule: start construction at 70% sold
- Slight risk profile, primarily unsold homes & complexity construction
- High growth scenario 2027

Living (Revenue 2023 € 791 mln)



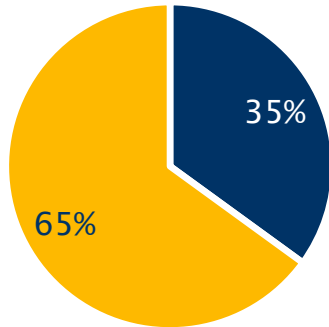
Construction for 3rd parties

- Construct new homes for 3rd parties
- Varied range of types of homes
- For investors and housing corporations
- No sales risk; solely construction
- Low risk profile
- Moderate growth scenario 2027

Recurring Business

- Renovate & improve sustainability
- Increasing need to renovate and make existing homes more sustainable
- Long term partnerships with housing corporations
- 100% of revenue from contracts below € 20mln
- Low risk profile
- High growth scenario 2027

Working (Revenue 2023 € 527mIn)



■ Projects
■ Recurring business

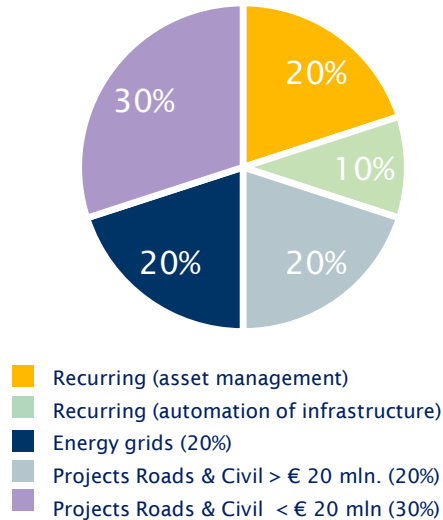
Projects ■

- Construct, renovate & transform buildings
- 50% of projects awarded based on long-term relationships
- Key customers: Government, Schiphol, Universities, Hospitals
- 90% of revenue from contracts > € 20mIn, of which 2 project contracts > € 100mIn
- Projects lead to maintenance contracts (recurring business)
- Moderate risk profile
- Moderate growth scenario 2027

Recurring Business ■

- Technical Services (constructive, electrical and mechanical)
- Long term partnerships with solid customers
- Key customers: Government, Schiphol, ASML
- 40% of revenue from contracts > € 20mIn
- Low risk profile
- High growth scenario 2027

Connecting (Revenue 2023 € 800mln)



Recurring Business (30%)

- Asset management and Automation of infrastructure
- Long term partnerships with solid customers
- Key customers: Government, Schiphol, Vitens, Tennet
- 50% of revenue from contracts > € 20mln
- Low risk profile
- High growth (Asset management); Moderate growth (Automation) scenario 2027

Projects (70%)

- Energy grid expansion, Roads and civil engineering (incl. water)
- Projects are primarily awarded on added value (instead of price)
- Movement towards collaborative contracting, for example two stage contracts
- Key customers: Government, Schiphol, Vitens, Tennet
- 20% revenue from contracts > € 20mln
- Moderate risk profile
- High growth (Energy grid); Low growth (Roads and civil engineering) scenario 2027

heijmans

Our Strategy 'Together towards 2030'

HELEEN HERBERT



Strategic rationale "Together towards 2030"

Reaping market opportunities requires a solve for societal challenges



In a small, densely populated country multiple, complex challenges appear to be mutually exclusive



Requiring innovative and multi-dimensional solutions

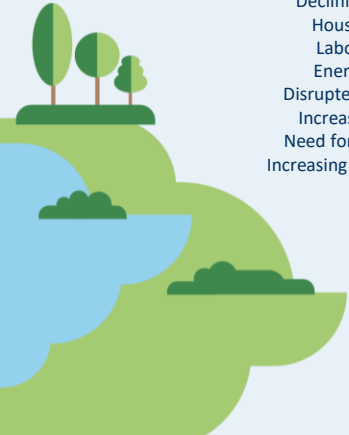


A movement that requires co-creation together with value chain partners

Our strategy house

Our country is facing a number of major societal challenges such as:

- Climate change
- Declining biodiversity
- Housing shortage
- Labour shortage
- Energy transition
- Disrupted water balance
- Increasing loneliness
- Need for social cohesion
- Increasing ageing population



We are

Creators of the healthy living environment

Our yellow heart

We are creators. We add something to the world. We always do so with respect for people and nature. We like to help. We take care of each other and make sure things get done. Now and in the future.

This is what we are aiming for

The Netherlands is coming to a standstill in the face of major societal challenges. These are complex and call for direction and connection. We feel committed to the future of the Netherlands. Hence we are taking a step forward. As frontrunner we bridge contradictions and define solutions to these challenges. Thereby Heijmans ensures that people can live, work and connect comfortably.

Our strategy

WHAT
WELL-BEING



We make people happier

WHAT
SUSTAINABILITY



We give more than we take

HOW
CONNECTION



Together we take the biggest possible step forward

HOW
PRODUCTIVITY



We work smarter and get more done

WHO
TEAM



We inspire with surprising talents

Our basis

SAFETY | VALUE CREATION | QUALITY | RISK MANAGEMENT

Our DNA

COLLABORATION | OWNERSHIP | RESULT-ORIENTED

Our ambition in five strategic pillars

WHAT
WELL-BEING



We make people happier

WHAT
SUSTAINABILITY



We give more than we take

HOW
CONNECTION



Together we take the biggest possible step forward

HOW
PRODUCIBILITY



We work smarter and get more done

WHO
TEAM



We inspire with surprising talents

WHAT: defines our requirements for a healthy living environment

HOW: defines our conditions to deliver the WHAT

WHO: defines the competences we need

Our 12 bold statements (ambitions)*

- 1 By 2030, all our projects score an A-label in the yet-to-be-developed Wellbeing Monitor.
- 2 In 2030, 80% of our 'neighbours' rate the (environmental) communication during our operations with an 8 or higher.
- 3 By 2030, we emit no CO₂ in scope 1 and 2 and our absolute emissions in scope 3 are halved compared to 2019.
- 4 By 2030, all of our area solutions score an area label A (NL Greenlabel) or step 5 on the Nature Ladder.
- 5 We use water as a guiding principle in all our projects, focusing on water quality, quantity and safety..
- 6 In 2030, we only work for clients who base their choice of Heijmans (largely) on our qualitative input.
- 7 In 2030, 80% of our partners will rate the cooperation with Heijmans with an 8 or higher.
- 8 By 2030, we have collaborated with partners to deliver at least 10 successful innovations
- 9 We will double the contribution per employee in 2030 compared to 2020.
- 10 In 2030, 80% of Heijmans employees experience that they are getting the best out of themselves.
- 11 In 2030, Heijmans is a more diverse and inclusive organisation.
- 12 In 2030, 50% of employees will have a role not existing in 2020. (Larger variation skills & competencies)

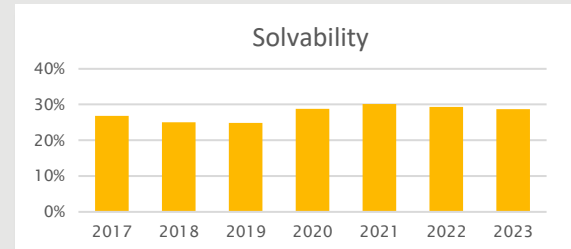
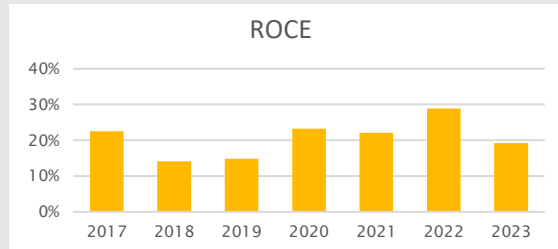
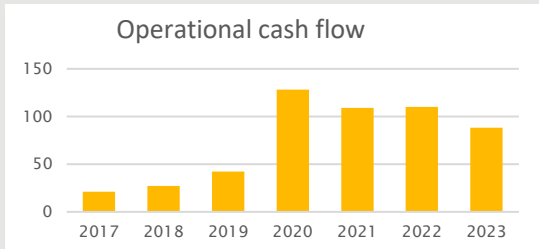
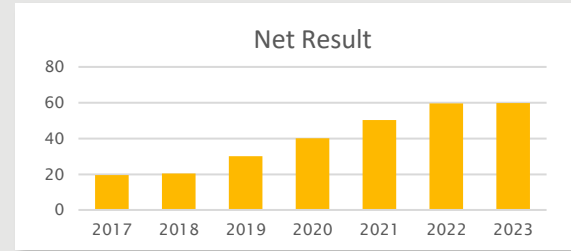
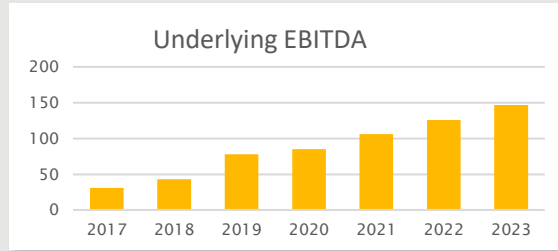
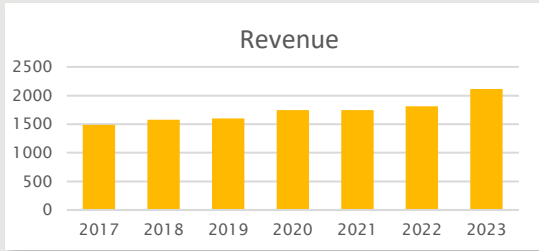
**The full information about these non-financial bold statements can be found in the appendix.*

Driving value creation

GAVIN VAN BOEKEL



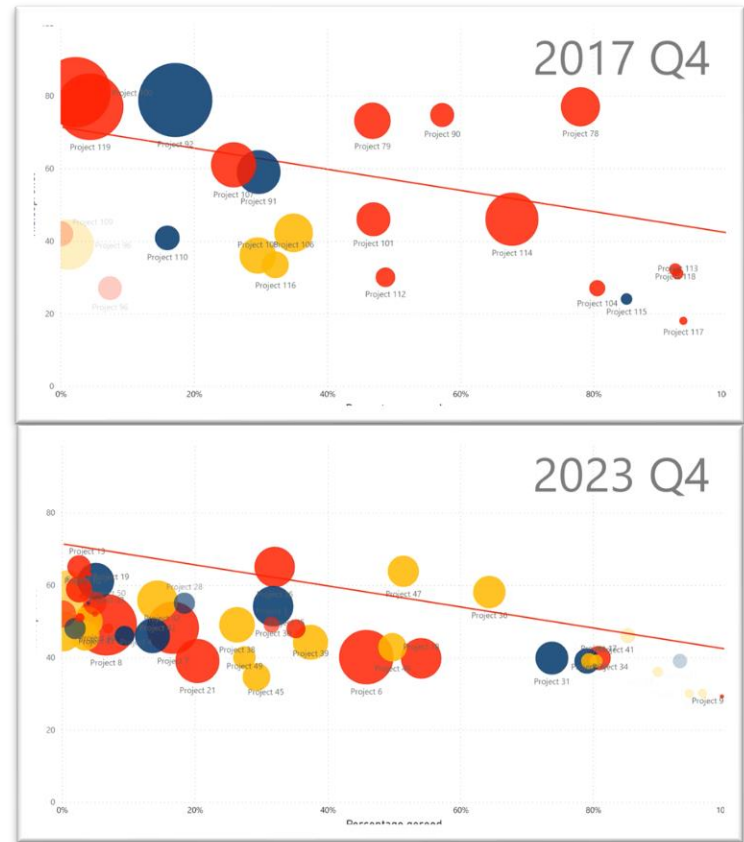
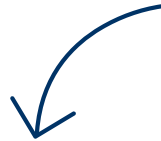
Consistently predictable performance



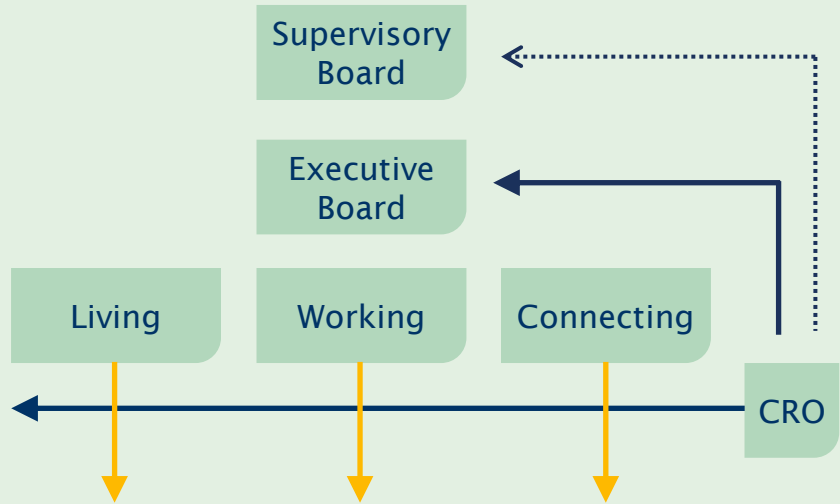
- 2023 cash flow impacted by Van Wanrooij acquisition
- ROCE 2023 influenced by Van Wanrooij acquisition

Built a solid foundation

- Focus on core competencies
- Margin over volume
- Risk function as fundamental backbone
- Re-focus Heijmans to The Netherlands only
- Risk/reward trade-off
- Dare to say no



Figures are a representation of one of the tools used within Risk management at Heijmans. All material projects are assessed from tendering to completion and a risk score is given based on 10 criteria. A score of 80-90 is very high, 20-30 is very low. In the graphs the risk score is on the vertical axis and the projects move from inception (left) to completion (right). Projects should normally be positioned below the red line. Size of bubble is project value.



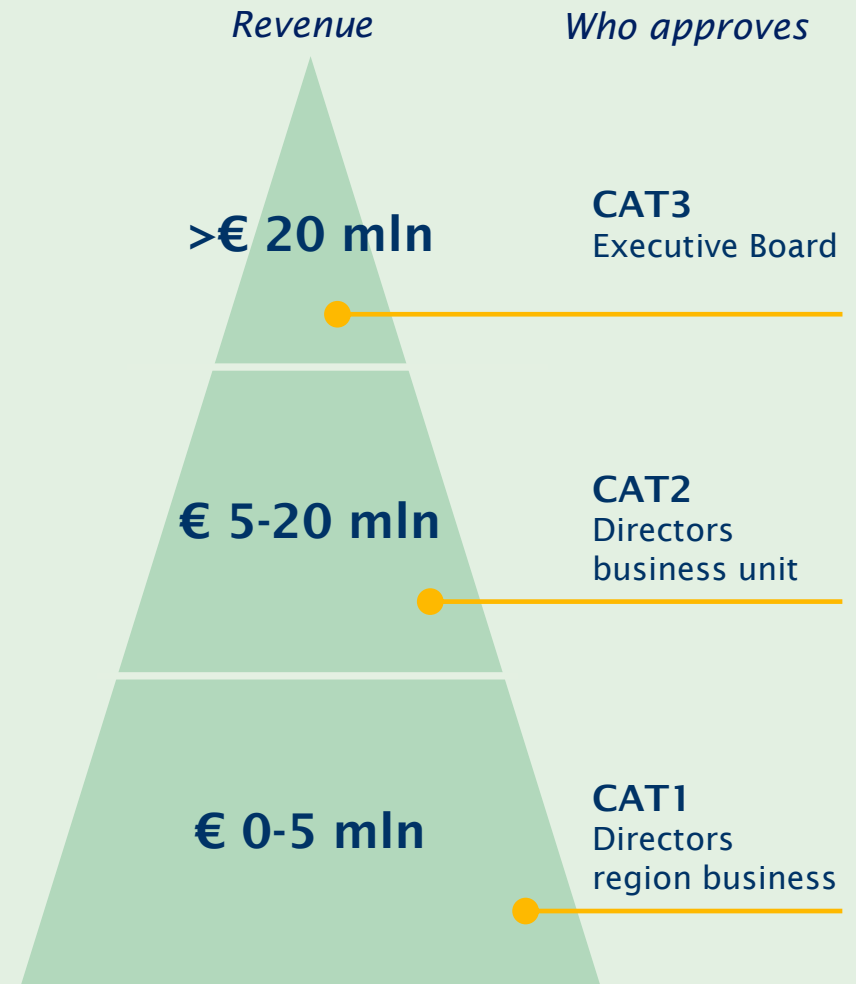
- Business stream management responsible for operation
- CRO independent of operations across the business with specific focus on risk management

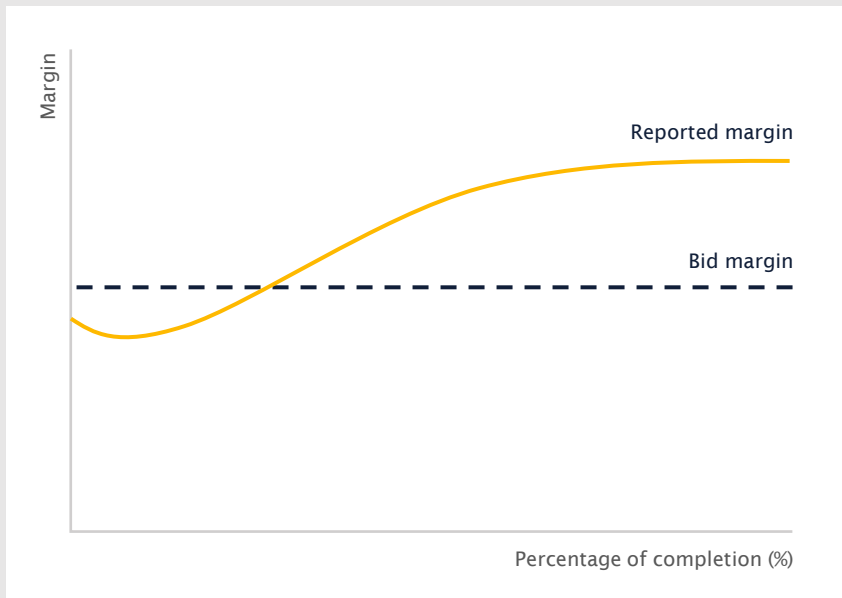
Risk Governance

- The Risk Office consists of employees with a long track record in operational projects, rather than risk experts
- The highest risk projects are discussed with the Executive Board and Chief Risk Officer (CRO)
- Quarterly risk report is independently drafted by CRO (no management override)
- CRO report is discussed quarterly with Supervisory Board

Risk Office (CRO)

- Risk category methodology
 - ✓ CAT3: highest risk category
 - ✓ CAT2: medium risk category
 - ✓ CAT1: low risk category
- Risk Office is always involved in CAT3; go / no go decision by Executive Board
- Risk is involved in partner selection process before start of new tenders
- Risk Office is involved in project selection, commercial stage, final bid, project start-up, project execution and project evaluation
- Clear tender framework for all projects types is in place. Going beyond these boundaries automatically implies project is risk-wise reclassified one level up





Risk & Heijmans: rules of the game

- Project financial opportunities are not valued in the P&L
- Risks are financially accounted for in the P&L at 'impact times likelihood'
- Clear tender framework with risk/reward trade-off in place
- No profit will be taken during first 20% of project or 2 years for service contract for category 3 projects

Heijmans Value Creation Model



MULTI-STAKEHOLDER MODEL

- Customer
- End-user
- Supplier
- Employees
- Investors
- Planet
- Society at large



STRATEGY TOGETHER TOWARDS 2030

heijmans

Our 12 bold statements

1	By 2030, all our projects must be linked to the circular economy and building resilience.	7	By 2030, 80% of our partners will use the 'Heijmans' and 'Circular' labels as a condition for doing business.
2	In 2030, 80% of our 'Heijmans' will be environmental, social and governance (ESG) leaders.	8	By 2030, we have collaborated with partners to deliver at least 10% of our projects in a circular way.
3	By 2030, we will be CO ₂ neutral and our absolute emissions in scope 1 and 2 will be 50% lower compared to 2019.	9	We will double the contribution per employee in 2030 compared to 2020.
4	By 2030, all of our new ventures will be area-led & 50% of our new ventures will be area-led & 50% of our new ventures will be area-led & 50% of our new ventures will be area-led.	10	By 2030, 100% of our employees will be trained in digital skills.
5	We will make it a guiding principle in all our projects, business and social impact, to create value for all stakeholders.	11	By 2030, Heijmans is a more diverse and inclusive organization.
6	By 2030, we will only work for clients who have their choice of Heijmans 'Bargain' in our guarantee report.	12	By 2030, 100% of our employees will have a role in creating value in 2030. A larger number will be competent.



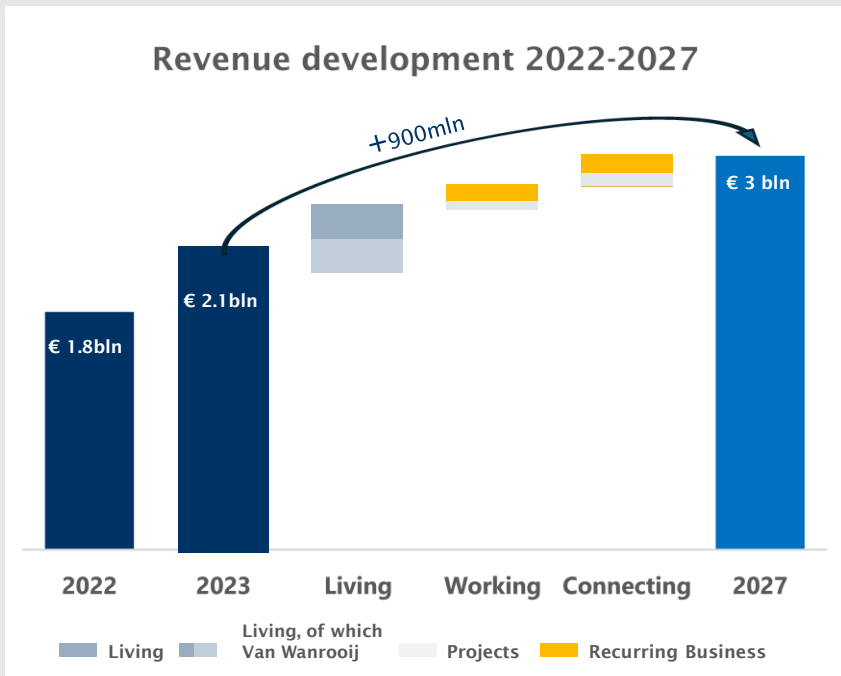
2027 FINANCIAL TARGETS

- Revenue towards € 3bln
- Underlying EBITDA 7-9%
- Considered dividend: 50% of net result in cash (vs. 40% today)



SUPERIOR LONG TERM VALUE CREATION

Revenue development 2022-2027



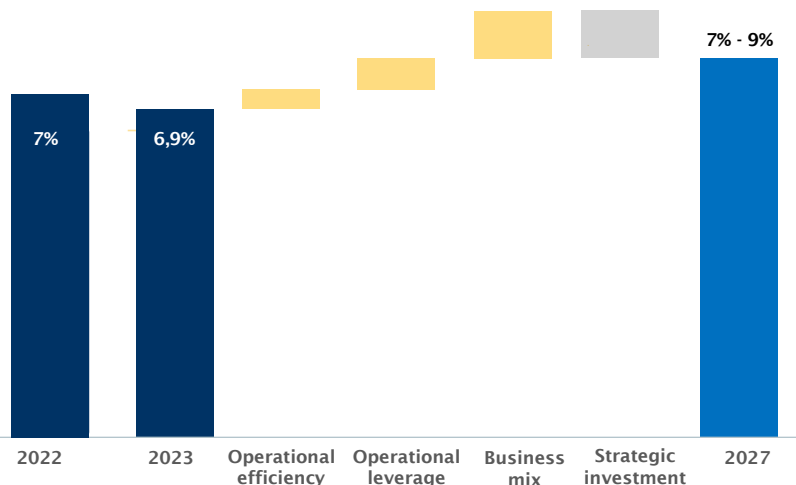
Roadmap towards 2027

Revenue

Key drivers:

- Market trends support growth ambition
- Substantial part of growth stems from recurring business, leading to higher margin at decreasing risk profile
- Increased complexity in customer demand
- Demand outpaces supply in construction, leading to increased bargaining power

Underlying EBITDA margin development 2022-2027

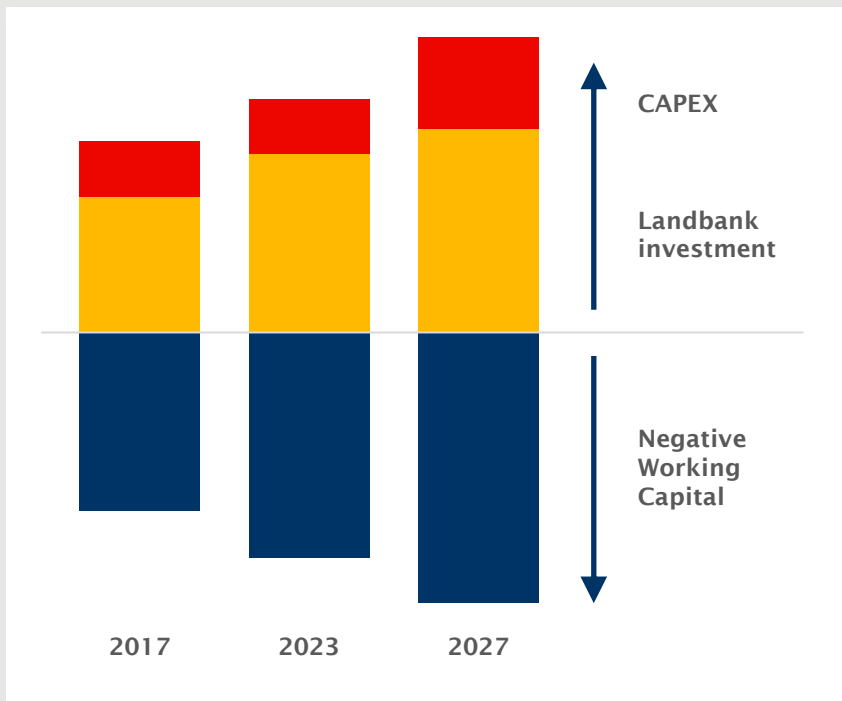


Roadmap towards 2027

Underlying EBITDA

Key drivers:

- PMC mix: accelerating growth in Living, recurring business and energy grid expansion
- Labour productivity
- Operational leverage / cost efficiency
- Further risk / reward optimisation
- Strategic investment to fund move to next S-curve



Contracting units provide the group with capital

Benefit of combination of Heijmans business units:

- Working and Connecting business models typically have negative working capital
- Negative working capital is used for landbank investments for Living and CAPEX funding

Capital allocation strategy

1

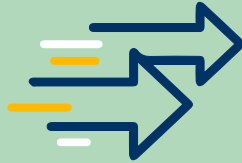


INVEST TO GROW

In line with strategic priorities:

- Digitalisation, modularisation, industrialisation
- Landbank
- Electrical equipment

2



INVEST TO ACCELERATE

- Selective growth through M&A

3



STRONG BALANCE SHEET

- Net cash again ultimately in 2026
- Liquidity for business / seasonality

4



DIVIDEND POLICY*

- 50% of net result
- Cash dividend

* To be addressed in an Annual General Meeting.

heijmans

Wrap up

TON HILLEN



Heijmans Value Creation Model



MULTI-STAKEHOLDER MODEL

- Customer
- End-user
- Supplier
- Employees
- Investors
- Planet
- Society at large



STRATEGY TOGETHER TOWARDS 2030

heijmans

Our 12 bold statements

1	By 2030, all our projects meet an A label in the environmental building database.	7	By 2030, 80% of our partners will use the 'Heijmans' and 'Korabel' sets as a target.
2	In 2030, 80% of our 'heijmans' use the environmental, social and governance (ESG) standards set by us or higher.	8	By 2030, we have collaborated with partners to deliver at least 100 green buildings.
3	By 2030, we are in CO ₂ in scope 1 and 2 and our absolute emissions in scope 1 are halved (compared to 2019).	9	We will double the contribution per employee in 2030 compared to 2020.
4	By 2030, all of our new releases score an area label A in the 'GreenStar' survey on the Green Building Council.	10	By 2030, 10% of employees will have completed at least one green building course or challenge.
5	We use water as a guiding principle in all our projects, focusing on water quality, quantity and safety.	11	In 2030, Heijmans is a more diverse and inclusive organization.
6	In 2030, we only work for clients who have their choice of Heijmans 'Bargain' in our guarantee report.	12	In 2030, 10% of employees will have a role not existing in 2020. A larger number will be competent.



2027 FINANCIAL TARGETS

- Revenue towards € 3bln
- Underlying EBITDA 7-9%
- Considered dividend: 50% of net result in cash (vs. 40% today)



SUPERIOR LONG TERM VALUE CREATION

Key investment highlights



Tailwind from market trends, combined with long-term relationships with customers & sub-contractors



Strong market position, underpinned by centralised and integral approach



Landbank (#2 biggest in NL) giving access to 30.000 positions, accelerated by conceptual home design and in-factory production



Moving to next S-curve to improve productivity, backed by digitalisation and industrialisation



Significant and increasing part recurring business (in 2023 over 30%), resulting in lower risk and higher margins



Best-in-class risk management combined with robust balance sheet & cash flow generation (solvency 29% in 2023)

Contact Details

HEIJMANS N.V.
PO Box 2
5240 BB Rosmalen, The Netherlands
www.heijmans.nl
<http://twitter.com/HeijmansNL>

CONTACT:
Bart Boleij
Investor Relations Heijmans
+31 73 543 5482
bboleij@heijmans.nl

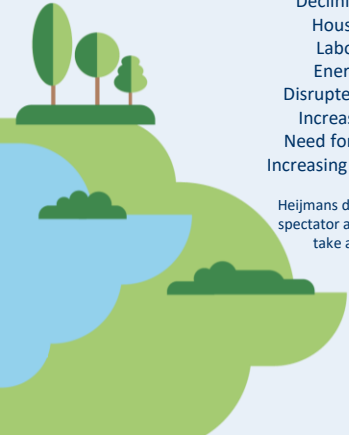
DISCLAIMER

This presentation has been prepared by and is the responsibility of Royal Heijmans N.V. This presentation is being supplied to you solely for your information and use. The information may not be further distributed or passed on to other people or published or reproduced in whole or in part. The information may be subject to updating, completion, revision and amendment and such information may change materially.

This presentation contains certain forward-looking statements relating to the business, financial performance and results of Royal Heijmans N.V. and the industry in which it operates. These statements are based on Royal Heijmans N.V.'s and its management's current plans, estimates and projections, as well as its expectations of external conditions and events. In particular the words "expect", "anticipate", "predict", "estimate", "project", "plan", "may", "should", "would", "will", "intend", "believe" and similar expressions are intended to identify forward looking statements. Forward-looking statements are statements of future expectations that are based on current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. Neither Royal Heijmans N.V. nor any of its subsidiaries undertake any obligation to publicly update or revise any forward-looking statement as a result of new information, future events or other information.

No representation or warranty, express or implied, is or will be made by Royal Heijmans N.V., its advisors or any other person as to the accuracy, completeness or fairness of the information or opinions contained in the presentation and any reliance you place on them will be at your sole risk. Without prejudice to the foregoing, neither Royal Heijmans N.V., its associates, its advisors, nor its representatives accept any liability whatsoever for any loss howsoever arising, directly or indirectly, from the use of this presentation or its contents or otherwise arising in connection with this presentation. The presentation does not constitute or form part of, and should not be constructed as, an offer or invitation to subscribe for or purchase any securities.

heyjans



Our country is facing a number of major social issues such as:

- Climate change
- Declining biodiversity
- Housing shortage
- Labour shortage
- Energy transition
- Disrupted water balance
- Increasing loneliness
- Need for social cohesion
- Increasing ageing population

Heijmans does not want to be a spectator and wait and see. We take a step forward.

We are

Creators of the healthy living environment

Our yellow heart

We are makers. We add something to the world. We always do so with respect for people, animals and nature. We like to help. We take care of each other and make sure things get done. Now and in the future.

This is what we are aiming for

The Netherlands is coming to a standstill in the face of major social issues. These complex challenges call for direction and connection. Because we feel involved in the future of the Netherlands, we want to play a prominent role in this playing field. We are taking a step forward and making the shift to sustainable leader. Heijmans ensures that people can live, work and connect comfortably.

Our strategy

WHAT WELL-BEING	WHAT SUSTAINABILITY	HOW CONNECTION	HOW MAKABILITY	WHO TEAM
				
We make people happier	We give more than we take	Together we take the biggest possible step forward	We work smarter and get more done	We inspire with surprising talents

Our basis

SAFETY | VALUE CREATION | QUALITY | RISK MANAGEMENT

Our DNA

COLLABORATION | OWNERSHIP | RESULT-ORIENTED

Our 12 bold statements

1

In 2030, all our projects score an A label in the Wellness Monitor, which has yet to be developed. In this way, 80% of the users (end users & environment) feel that that Heijmans' interventions make a positive contribution to their well-being.



2

In 2030, 80% of our 'neighbours' rate the (environmental) communication during our operations with an 8 or higher.



3

In 2030, we have no scope 1 and 2 CO₂ emissions and our absolute emissions in scope 3 are halved compared with 2019. By 2040, the latter will be reduced to 0. As early as 2030, we aim for a positive CO₂ balance by intrinsically managing the impact of stored and avoided CO₂.



4

We leave it better than we found it: in 2030, all our area solutions score an area A label (NL Greenlabel) or step 5 on the Nature Ladder.

NB Ambition is to integrate the Nature Ladder into NL Greenlabel.



5

We use water as a guiding principle in all our projects. That way, we contribute to restoring water quality, improving the water balance, ensuring water safety and eliminating unnecessary (drinking) water consumption.



6

In 2030, we have no scope 1 and 2 CO₂ emissions and our absolute scope 3 emissions are halved compared with 2019. By 2040, the latter will be reduced to 0. As early as 2030, we aim for a positive CO₂ balance by intrinsically managing the impact of stored and avoided CO₂ in scope 4.



7

In 2030, 80% of our partners will give their cooperation with Heijmans a rating of 8 or higher.



8

By actively collaborating with start-ups and knowledge institutions, we come up with ground-breaking solutions. By 2030, we will have produced at least 10 successful innovations from such collaborations.



9

By harnessing the power of digitalisation and manufacturing technology, we will double the contribution per employee by 2030 compared to 2020.



10

In 2030, 80% of Heijmans employees feel that they are getting the best out of themselves.



11

By 2030, Heijmans is a diverse and inclusive organisation.



12

In 2030, 50% of Heijmans employees will have a role that did not exist in 2020.



Van Wanrooij – improved outlook

Guidance 21/6

Latest outlook

Short-term

- €30 mln. - €40 mln. underlying EBITDA per year before PPA impact e.g .:
 - ✓ Sales 1,000 homes per year (gross)
 - ✓ Build 600 homes per year (net)
- Cash flow positive from closing

- €30 mln. - €50 mln. underlying EBITDA per year after PPA impact, based on:
 - ✓ Sales 750-1,000 homes per year (net)
 - ✓ Build 600 homes per year (net)
- Cash flow positive from closing
- Impact PPA: €15 mln. - €25 mln. per year

(Medium term

- €50 mln. - €70 mln. underlying EBITDA per year before PPA impact , based on:
 - ✓ Sales 1,500 houses per year (gross)
 - ✓ Build 600 homes per year (net)
- Heijmans will remain conservatively financed after the acquisition and expects a net cash position again around 2026

- €50 mln. - €70 mln. underlying EBITDA per year after PPA impact, based on:
 - ✓ Sales 1,000-1,250 houses per year (net)
 - ✓ Build 600 homes per year (net)
- Heijmans will remain conservatively financed after the acquisition and expects a net cash position again around 2026
- Impact PPA: gradually decreases from € 15 mln. to zero

PPA impact Van Wanrooij - opening balance

Acquisition price as of 5/9/2023 (including interest and settlements)	€296.8 mln.
Book value of equity as of 5/9/2023 (after IFRS conversion)	-/- €107.0 mln.
Purchase price > to be allocated	€189.8 mln.
Items subject to valuation/revaluation:	
Intangible: Order book for construction activities	-/- €6.4 mln.
Equipment: Upgrade stock position to market value	-/- €142.1 mln.
Deferred tax (related to revaluation of land) and provision	+ €49.5 mln.
Remainder: goodwill	€90.8 mln.

Goodwill: annual impairment test required at the level of cash generating unit Van Wanrooij

PPA impact Van Wanrooij - profit and loss account

		5/9/23 - 31/12/23	2024 (outlook)
Onderliggende EBITDA voor impact PPA/acquisitie		€31 mln.	€50 - €70 mln.
Release fair value step up PPA	-/-	€11 mln.	€15 - €25 mln.
Underlying EBITDA		€20 mln.	€30 - €50 mln.
Staff retention bonus	-/-	€ 2 mln.	€5 mln.
EBITDA (reported)		€17 mln.	x
Amortization order book	-/-	€2 mln.	€4 mln.

- Turnover in 2024 is expected to be approximately €300 million
- Fair value step up follows from the accounting upgrade of the development portfolio to market value as of September 5 by € 142 million. This increases the cost price and therefore reduces profitability as the 14,000 homes are transported
- No impact on cash: cash generating capacity therefore higher than expected net profit
- NB. The fair value step up in 2024 corresponds to roughly €20,000 - €25,000 per transported home / highly dependent on the profitability of the homes to be transported

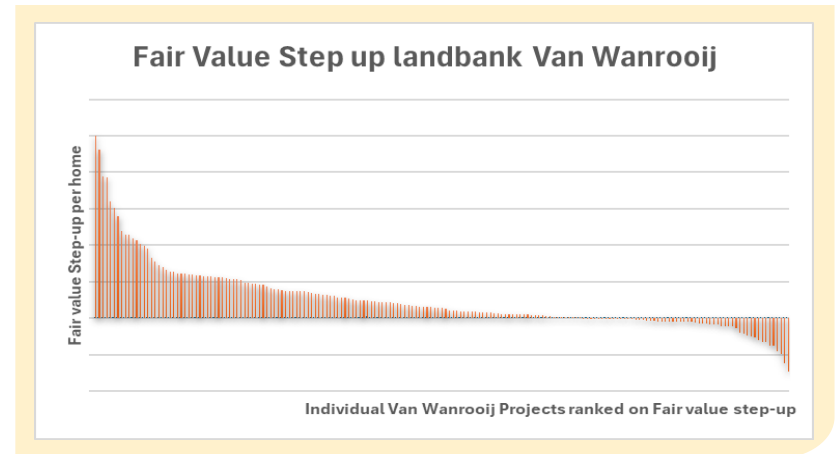
Volatility in landbank fair value step up

The precise P&L impact of the landbank fair value step up for the upcoming years cannot be precisely pinpointed due to:

1. Impact dependent on # of homes sold

- Revaluation of the Van Wanrooij landbank at September 5th 2023 has led to an increase of the land costs per home
- Hence the total annual impact of the fair value step up is dependant on the number of homes sold in a year

2. Impact dependent on which project is sold



PPA Impact Van Wanrooij – Fair Value step-up

