

First quarter 2023 trading update

BAM reports €58 million adjusted EBITDA in first quarter

Royal BAM Group nv reports an adjusted EBITDA of €58 million in the first quarter 2023, reflecting an adjusted EBITDA margin of 4.0 per cent. BAM's order book and cash position remain solid and the capital ratio further improved. Despite the headwinds created by the uncertain macro-economic and geopolitical situation, the Group remains on track with the execution of its strategy and is aiming to deliver a performance towards the 2023 strategic targets.

- Revenue in division Netherlands and division UK and Ireland increased by 4%; total revenue declined by 6% due to divestments in 2022
- Adjusted EBITDA of €58 million (Q1 2022: €97 million, included €16 million settlement sea lock IJmuiden, €11 million revaluation of hedge instruments, and €10 million from divested companies)
- Liquidity position of €0.7 billion, despite higher trade working capital
- Capital ratio further improved to 22.6% (year-end 2022: 21.2%)
- Order book maintained at solid level of €10 billion

Key financials (in € million, unless otherwise indicated)	First quarter 2023	First quarter 2022	Full-year 2022
Revenue	1,451	1,549	6,618
Adjusted EBITDA ¹	57.9	97.3	350.2 ²
Adjusted EBITDA ¹ margin	4.0%	6.3%	5.3%
Order book (end of period)	9,953	12,383	10,038
Trade working capital efficiency	-15.0%	-16.9%	-15.8%

¹ Adjusted EBITDA defined as result before interest, tax, depreciation and amortisation, excluding restructuring costs, impairment charges and pension one-offs.

² Including €52 million result on the Wayss & Freytag Ingenieurbau transaction.

Ruud Joosten, CEO of Royal BAM Group:

'In the first quarter 2023, BAM delivered an adjusted EBITDA margin of 4.0 per cent. The contribution of the division Netherlands was lower, reflecting the continued impact of supply chain issues and delays at some non-residential projects, and the weaker residential market. The performance of the division United Kingdom and Ireland improved versus the comparable period last year.

We continue to make good progress with our three-year strategic plan, including a high focus on our culture and people programmes. In January 2023 the Group presented its new sustainability strategy, based on six key themes. We consider sustainability as a prime driver for BAM's future business and its ability to create long-term value.

Our order book is maintained at a good level of €10 billion and we continue to focus on contracts with a healthy risk/reward balance. We see attractive market opportunities supported by demand for decarbonisation, critical infrastructure and sustainable buildings, where we have proven market-leading capabilities. Industry-wide pressure within supply chains, cost inflation and challenges to retain staff are ongoing.

Press release of 5 May 2022, page 2 of 3

BAM is in good shape to benefit from its strong market positions and structural growth opportunities. Despite the headwinds created by the uncertain macro-economic and geopolitical situation, the Group remains on track with the execution of its strategy and is aiming to deliver a performance towards the 2023 strategic targets.'

Business review first quarter 2023

The result of the division Netherlands declined compared to the same period last year, specifically related to some non-residential projects in the Netherlands and Denmark due to continued inflation, supply chain issues and delays. After the strong performance in the last quarter of 2022, BAM's residential activities had a slow start with 180 homes sold (Q1 2022: 580). Based on the project pipeline, BAM expects higher home sales during the coming quarters, although below the level of 2022 (2,028 homes). Energy, water and telecom solutions continued to grow. The operational performance of civil engineering further improved; the result in the comparable period last year had been supported by the settlement of sea lock IJmuiden (€16 million). Recent project wins include the headquarters of the unit The Hague of the national police and rail improvement works between Den Bosch and Vught.

The division United Kingdom and Ireland realised a satisfactory performance and had a higher contribution versus the comparable period last year supported by the divestment of an office development. In the United Kingdom, the March 2023 government budget confirmed continued investments in infrastructure and energy projects. Also the outlook for core markets in education, leisure and health care remains attractive. Ireland offers good opportunities to grow the backlog. Recently, civil engineering UK was re-appointed for the Collaborative Delivery Framework of the Environment Agency for projects to mitigate climate change and reduce its impact whilst protecting against coastal erosion and flooding.

The activities in Belgium were satisfactory in the first quarter of 2023. The Invesis joint venture had a modest positive contribution; the result in the comparable period last year included €11 million due to positive changes in the fair value of hedge instruments.

Financial review

BAM's capital ratio further improved to 22.6 per cent at the end of the first quarter 2023, compared to 21.2 per cent at year-end 2022. The liquidity position remains solid at €0.7 billion (full-year 2022: €0.8 billion), including the cash outflow for trade working capital due to lower pre-payments on larger lump sum contracts, in line with BAM's strategic portfolio management, and the sharp increase of interest rates.

Investigation Dutch authorities

The Dutch Fiscal Information and Investigation Service (FIOD) and the Dutch Public Prosecutions Office (Openbaar Ministerie) have informed BAM International that it is the subject of an investigation into suspicions relating to potential fraud and corruption at some already completed projects. The timing and possible outcome of the investigation are uncertain. Therefore, the potential adverse financial impact of the outcome of the investigation, if any, cannot be reliably estimated at this time but could possibly be material. BAM is fully cooperating with the investigation and taking appropriate steps in connection with the investigation, including an internal review of the relevant projects. In July 2020, BAM announced its intention to wind down BAM International. Meanwhile all projects of BAM International have been completed.

Live audio webcast

On 4 May 2022, at 10.00 hrs CET, there will be a conference call in English for analysts. This can be followed via a [live audio webcast](#).

Press release of 5 May 2022, page 3 of 3

About Royal BAM Group

Royal BAM Group nv designs, builds and maintains high quality, sustainable buildings, homes, and infrastructure for public and private sector clients. Using the latest industry innovations, our 13,500 employees reduce the carbon footprint of the built environment, whilst delivering increased well-being and social value to the communities we serve. The Group supports clients through two main divisions (Netherlands, and United Kingdom and Ireland) and a PPP business (Invesis). Royal BAM Group nv is listed on the Amsterdam Euronext exchange.

Building a sustainable tomorrow. www.bam.com

Next events

17 August 2023: publication of results for the first half-year 2023;

2 November 2023: trading update first nine months 2023;

15 February 2024: publication of annual results 2023.

Further information

- analysts: Michel Aupers, michel.aupers@bam.com, +31 (0)30 659 89 88;

- press: Arno Pronk, arno.pronk@bam.com, +31 (0)30 659 89 88.

This press release contains inside information within the meaning of article 7(1) of the EU Market Abuse Regulation.