

heijmans

Royal Heijmans interim results (H1) 2023

FRIDAY 28 JULY 2023



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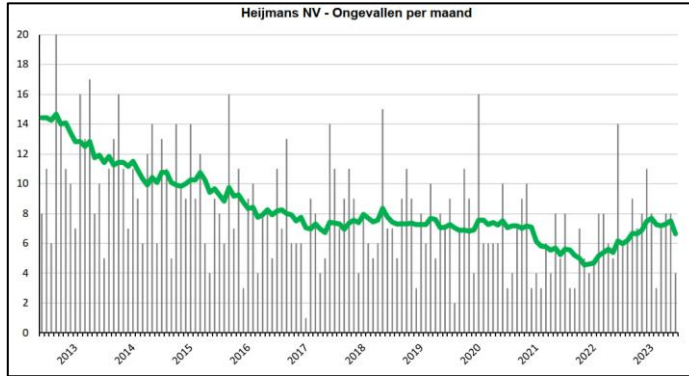
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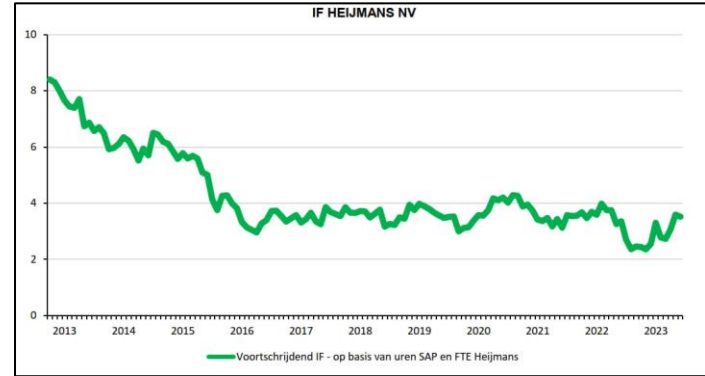
Solid first half and confidence in the future

TON HILLEN, CEO
GAVIN VAN BOEKEL, CFO

Safety



Trend in number of accidents (incl. subcontractors and replacement work)



Trend IF figure (own employees, incl. temporary hires)

	2019	2020	2021	2022	2023-YTD
Fatal accidents	1	0	0	1	0
IF (period of past 12 months)	3.3	3.7	3.8	2.7	3.5
# Accidents	84	85	66	71	41.5

*IF- Injury Frequency = number of accidents resulting in absenteeism over the past 12 months / number of hours worked over the past 12 months * 1,000,000 (Goal: IF < 1)



HEIJMANS HAS BEEN USING TWO ELECTRIC LIEBHERR
CRANES SINCE MARCH 2023

Highlights first half of 2023

- 100 years of Heijmans: awarded Royal predicate.
- All Heijmans business areas achieved step 4 on the safety ladder.
- Acquisition of Van Wanrooij announced on 21 June.
- Revenue rises to € 937 million (was € 864 million in first half 2022).
- Sharply higher Infra and Non-residential revenue more than offsets lower revenue at Property development.
- Order book increases to € 2.6 billion from € 2.4 billion.
- Underlying EBITDA € 49 million, all business areas within strategic ranges.
- Outlook: higher revenue; with minimum underlying EBITDA of € 107 million.

Key figures first half of 2023

x € 1 million

	H1 2023	H1 2022	2022
Revenues	937	864	1,812
Underlying EBITDA* excl. Wintrack II	49	48	107
Underlying EBITDA*	49	67	126
Result after tax	18	30	60
Earnings per share (in €)	0.77	1.31	2.56
Order book	2,641	2,234	2,358
Net cash	116	101	151
Solvency	30%	29%	29%
Number of FTEs	5,021	4,843	4,924

The underlying EBITDA is the operating result before depreciation and amortisation, including EBITDA joint ventures, excluding property write-downs, reorganisation costs, acquisition costs of new entities and, if applicable, any other cited non-operating results that the Group considers exceptional.



LONG-TERM MAINTENANCE AND
MANAGEMENT CONTRACT

Developments per sector

Property development: decline in inner city high rise building

x € 1 million

Property development	H1 2023	H1 2022	2022
Revenues	200	294	570
Underlying EBITDA	13	21	42
Underlying EBITDA margin	6.5%	7.1%	7.4%
Order book	523	676	596

- Lower revenue, primarily due to challenges in inner-city high-rise buildings.
- However, underlying EBITDA margin remains within strategic range.
- Volume of residential sales in H1 2023 slightly higher than in H2 2022.
- 876 homes sold, including 274 to private individuals and 602 B2B.

Building & Technology: higher non-residential revenue

x € 1 million

Building & Technology	H1 2023	H1 2022	2022
Revenues	510	429	933
Underlying EBITDA	21	17	38
Underlying EBITDA margin	4.1%	4.0%	4.1%
Order book	1,515	1,267	1,227

- Revenue up ~ 20%, mainly due to more non-residential projects.
- Underlying EBITDA increases to € 21 million from € 17 million.
- Non-residential projects: more 1-to-1 assignments and long-term maintenance contracts.
- Non-residential Services continues steady growth of recent years.
- Revenue Residential building remains at a good level.
- Approximately 900 homes renovated and made more sustainable (H1 2022: ~500).

Infra: anticipated volume increase

x € 1 million

Infra	H1 2023	H1 2022	2022
Revenues	381	309	661
Underlying EBITDA (excluding Wintrack II)	23	15	36
Underlying EBITDA (excluding Wintrack II)	6.0%	4.9%	5.4%
Order book	1,010	830	1,007

- Revenue higher; back to 2021 level.
- Volume recovery in 2023, start-up A1-Twello, Zwanenburg runway Schiphol and Nieuwe Meer.
- Order portfolio > € 1 billion, good spread with ~40% recurring business.
- Underlying EBITDA € 23 million, upper end of strategic range.
- Continue acceleration in sustainability investments, including equipment electrification



Financial

Statement of profit or loss

	H1 2023	H1 2022	2022
Revenues	937	864	1,812
Property development	13	21	42
Building & Technology	21	17	38
Infra (excluding Wintrack II)	23	15	36
Wintrack II	0	19	19
Corporate	-8	-5	-9
Underlying EBITDA	49	67	126
Correction EBITDA joint ventures	-2	-3	-9
Write down on property assets	0	-4	-4
Acquisition costs	-3	-1	-1
Restructuring costs	-1	0	-2
EBITDA	43	59	110
Depreciation/amortisation	-20	-19	-39
Operating result	23	40	71
Financial results	0	-2	-4
Share of profit of associates and joint ventures	2	1	7
Result before tax	25	39	74
Income tax	-7	-9	-14
Result after tax	18	30	60

Net cash position and financing

- Net cash position strong as ever at € 116 million (+ € 15 million year-on-year).
 - Stable operating result.
 - Rising investment levels resulting in over € 20 million higher property, plant and equipment.
 - Stable working capital; increasing inventory position offset by increasing pre-financing.
- Solvency increased to over 30%, so same level as at year-end 2021.
- Financing increases € 140 million for Van Wanrooij acquisition; minor impact on solvency.

Financial calendar

2023

- Q3: Expect closing of Van Wanrooij acquisition (subject to ACM approval).
- 6 September: EGM to amend articles of association (incl. name change to 'Royal Heijmans NV').
- 1 November: third quarter trading update.

2024

- postponement of publication of 2023 annual results due to consolidation of Van Wanrooij

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FULLY ELECTRIC ROLLERS

Sustainability at Heijmans

- Sustainability is an integral part of our strategy
- Heijmans has made major progress on key themes in recent years: climate, circularity, biodiversity and nature-inclusive construction
- Sustainability is becoming an increasingly important component in EMVI criteria
- The importance of generating data throughout the chain and on all aspects of sustainability (CO2, materials, water) is increasing
- Sustainability reporting and disclosure is intensifying due to more European regulations (Taxonomy, CSRD)

We are taking concrete steps

- As a prominent player in the sector, Heijmans wants to play a leading role in making the living environment more sustainable.
- Heijmans' ambition is to be CO2 neutral (scope 1 and scope 2) from 2023.
- Heijmans took more than ten pieces of electric equipment into use in H1 2023, including four crawler excavators.
- Ordered a dozen pieces of new electric equipment.
- Continued to encourage use of Hydrotreated Vegetable Oil (HVO) rather than diesel.
- However, delivery and conversion times will make it difficult to achieve our ambition by 2023.
- Breaking traditional patterns at both Heijmans and its clients is also proving more difficult than expected.

Outlook

Outlook 2023

- Partly in light of the increased order book, increasing revenue for the whole of 2023.
- Based on solid progress, we expect underlying EBITDA of at least € 107 million.
- The 2023 outlook combined with our well-filled order book also inspires confidence for 2024.
- Heijmans Infra is in an excellent position in growth markets such as energy transition, flood protection and replacement/renovation of infrastructure.
- At Building & Technology, we see the current trend of 1-to-1 assignments and long-term maintenance contracts continuing and expect to record growth. Revenue Residential building remains at the same level.
- Thanks to the acquisition of Van Wanrooij, we are well positioned to accelerate in the recovering housing market.

Royal Heijmans is well positioned for the future

Appendix

Van Wanrooij, a renowned company in project development and construction

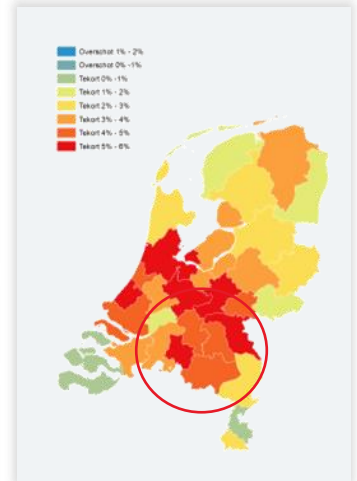


- Project development: Sale and development of an average of 1,200 homes per year
- Approx. 14k homes in land bank
- 95% houses (vs. stacked)
- Mainly in North Brabant, Gelderland and Utrecht
- Construction: 600 - 700 homes per year
- 220 full-time employees
- Excellent track record and highly profitable
- High degree of standardisation in development and construction process thanks to Optio® flexible housing concept

Main points of strategic rationale


- 1 • Strong match with Heijmans' operations, increasing exposure to the residential project development and construction market (a market characterised by favourable underlying trends)
- 2 • Very attractive land bank (approx. 14k homes), delivering an immediate improvement in terms of size, mix and margin potential
 - Merged company will be #2 project developer in NL based on number of hectares in land positions and home transactions
- 3 • Excellent track record in terms of profitability, cash generation, operational efficiency and project controls
- 4 • Excellent opportunities for additional value creation, due in part to:
 - Acceleration of development of Van Wanrooij portfolio
 - In due course, construction of part of Van Wanrooij's portfolio by Heijmans Building & Technology
 - Scaling up of Heijmans' industrial & conceptual production, including the Horizon factory

Housing shortage 2022



>90% Van Wanrooij land bank

Investment case for the merger

- 
- 1 Greater exposure to profitable sector with strong long-term market trends
 - 2 Immediate improvement of land bank, in terms of both volume and mix (#2 land bank in NL)
 - 3 Opportunity to scale up industrial and conceptual production, including the Horizon factory
 - 4 Win-win due to cultural fit, complementary skills and exchange of best practices
 - 5 Conservative and robust financing structure
 - 6 Expected to make immediate contribution to the cash flow of the merged company

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