Addendum

Date 08 April 2021

- The total commitments have been lowered slightly from € 121.4 million to € 117.5 million, with € 20 million of this in the form of an overdraft facility
- The term has been extended through to 31 December 2025, subject to an extension option until the end of 2026
- The interest rate margin has been lowered and from now on will be linked to the outcome of the leverage ratio. This was previously linked to the outcome of the average leverage ratio, which is no longer applicable. The facility is subject to a margin grid of 170 – 270 basis points. If the leverage ratio is less than 0.5, the lowest step in the grid will apply. Given Heijmans' current cash position, the leverage ratio is already well below 0.5, as a result of which the prevailing rate would fall from the current 225 basis points to 170 basis points following the effectuation of the transaction. It should be noted that as long as Heijmans does not draw on the facility, it will only pay a commitment fee
- The margin grid is linked to a bonus malus system of plus or minus five basis points on the basis of four sustainability criteria. In effect, Heijmans is raising its sustainability ambitions by committing to improvements in terms of reducing (CO_2) emissions, the number of accidents (drop in IF rate), the average CO_2 emission of the homes it delivers, and increasing the share of electric cars in its total fleet.
- With respect to machinery / equipment and intellectual property rights and/or brand names, the established security will be released, which will improve Heijmans' operational flexibility. The other security, including the lien on receivables, the 100% owned bank accounts and several existing mortgages on land holdings will remain in place in favour of the financiers
- The financial covenants will from now on be measured on the basis of the reported figures, taking into account IFRS 15 and IFRS 16, to improve the alignment of the covenants with the reported figures. The covenants will still be adjusted for IFRS 11, which means that Heijmans will not use the equity method for joint ventures, but will instead apply proportional consolidation

The new financial covenants are as follows:

Covenant	Was:	Will be:
General	Adjustments for IFRS 11, 15 and 16, etc.	Adjustments for IFRS 11, etc.
Average leverage ratio	4x per annum < 1	Expires
Leverage ratio	2x per annum < 3	4x per annum < 3
Interest cover	4x per annum > 4	4x per annum > 5
Solvency (incl. IFRS 11)	1x per annum > 22.5%	1x per annum > 21%

IFRS 16 in particular has a considerable impact on the outcome of the covenants. The impact of this reporting standard on EBITDA is € 25-30 million a year, while the impact on net debt is around € 80 million and the impact on net interest is around € 2.5 million a year. Corrected for these effects, the assessment level of the leverage ratio and the interest cover will remain at more or less the same level, and solvency will be increased by 2.5%. In other words, the new assessment level of 21% of solvency, taking into account the lengthening of the balance sheet as a result of IFRS 15 and IFRS 16 (together around € 110 million), corresponds with an assessment level of 25% under the old definitions including the lengthened balance sheet. The new assessment level of 21% should be offset against the reported solvency on the basis of the guarantee capital, which stood at 28.8% at year-end 2020.