

**FUGRO N.V.**

## **Annex to agenda item 2**

**Cornerstone placement, rights issue and related resolutions**

## 1 INTRODUCTION

This annex relates to the proposals made to the EGM regarding the Cornerstone Placement and the Rights Issue included as item 2 of the agenda for the EGM. The definitions used in this annex are further described in the definitions list at the end of this document. The net proceeds of the Cornerstone Placement and the Rights Issue will be used to reduce Fugro's debt and to provide sufficient liquidity to address the upcoming maturity of its convertible bonds maturing in 2021.

<b>Contents</b>	<b>Page</b>
1 INTRODUCTION .....	2
2 RECOMMENDATION .....	2
3 INFORMATION ON THE CORNERSTONE PLACEMENT .....	2
4 PARTICIPATION IN THE RIGHTS ISSUE .....	3
5 FURTHER INFORMATION ON THE RIGHTS ISSUE .....	3
5.1 Initial Offering and Share Subscription Offering .....	3
5.2 Rights and dilution .....	4
5.3 Rump Offering .....	4
5.4 Underwriters Pick-Up .....	4
5.5 Prospectus .....	5
ANNEX – DEFINITIONS .....	7

## 2 RECOMMENDATION

The Board of Management and the Supervisory Board believe that the Cornerstone Placement and the Rights Issue are in the best interests of Fugro, its shareholders and other stakeholders. Accordingly, the Board of Management and the Supervisory Board strongly recommend that holders of certificates of ordinary shares, shareholders and other persons entitled to vote at the EGM, vote in favour of the proposals set forth in the agenda for the EGM.

Fugro aims to complete the Cornerstone Placement and the Rights Issue, subject to the approval of the general meeting and the Supervisory Board, in Q4 of 2020, shortly after the EGM. However, the authorisations requested would also allow for the implementation of the Cornerstone Placement and the Rights Issue in Q1 or Q2 2021 (29 May 2021 at the latest).

## 3 INFORMATION ON THE CORNERSTONE PLACEMENT

As part of Fugro's refinancing, on 19 October 2020, Fugro entered into a cornerstone placement agreement pursuant to which it agreed to issue new certificates of ordinary shares to the Cornerstone Investors at a placement price of EUR 2.60 per new certificate of ordinary share, raising c. EUR 53.3 million ahead of the Rights Issue.

Under the cornerstone placement agreement, the Cornerstone Investors have also committed to subscribe in the Rights Offering for all Certificates attributed to them, representing c. EUR 59.7 million, bringing the total cornerstone investment to EUR 113.0 million.

## **4 PARTICIPATION IN THE RIGHTS ISSUE**

The eligibility of a holder of certificates of ordinary shares to participate in the Rights Offering depends on whether or not legal restrictions apply that preclude such holder of certificates of ordinary shares from participating in the Rights Offering. Some holders of certificates of ordinary shares, such as those located or resident in the United States, Canada, Japan, Australia or certain other jurisdictions, may be restricted by law to receive, exercise or sell any of their Rights. It is Fugro's intention to grant Rights to subscribe for new certificates of ordinary shares to holders of certificates of ordinary shares other than Fugro in respect of the certificates of ordinary shares it holds in treasury at the record date, which Rights may only be exercised by Eligible Persons. The Foundation Trust Office will issue the new certificates of ordinary shares and administers the underlying ordinary shares.

Fugro will send registered holders of ordinary shares only (and not to holders of certificates of ordinary shares) residing in the European Economic Area or the United Kingdom, a letter with further details on the Share Subscription Offering together with the invitation for the EGM to the postal or e-mail address provided to Fugro by such shareholder. No information on the Share Subscription Offering will be sent to other registered shareholders.

## **5 FURTHER INFORMATION ON THE RIGHTS ISSUE**

### **5.1 Initial Offering and Share Subscription Offering**

In the Initial Offering holders of certificates of ordinary shares as at the record date (which is still to be determined and may fall shortly after the EGM) will be granted Rights pro rata to their holdings of certificates of ordinary shares held by them on the record date. Exercise of the Rights allows Eligible Persons to subscribe for Offer Certificates during the Exercise Period. The eligibility of a holder of certificates of ordinary shares in the Initial Offering depends on whether or not legal restrictions apply that could preclude him or her from participating in the Initial Offering.

The Rights are transferable rights for the Offer Certificates and application will be made for the admission to trading and listing of the Rights on Euronext Amsterdam so the Rights will be tradeable at the launch of the Initial Offering.

Simultaneously with the Initial Offering, Fugro will initiate the Share Subscription Offering, which will grant rights to registered holders of ordinary shares (other than the Foundation Trust Office) in certain jurisdictions to acquire Offer Shares. The rights granted in the Share Subscription Offering will not be traded on Euronext Amsterdam.

Fugro aims to raise gross proceeds of approximately EUR 196.7 million through the Rights Issue in addition to c. EUR 53.3 million to be raised in the Cornerstone Placement. The terms of the Rights Offering, including the issue price, will be proposed by the Joint Global Coordinators in coordination with the Joint Bookrunners and determined by Fugro and the Underwriters jointly immediately prior to the launch of the Rights Offering, and taking into account the circumstances existing at that time (including stock market conditions and the market price of the certificates of ordinary shares). The issue price will be determined immediately prior to the launch of the Rights Issue and will be made public through a press release at the launch of the Rights Offering and will be set forth in the Prospectus.

The Underwriters are acting as underwriters for the Rights Issue and have provided a volume underwriting commitment for the Rights Issue, underwriting the gross proceeds of EUR 137.0 million, subject to customary conditions.

## **5.2 Rights and dilution**

Any Eligible Person who is a holder of certificates of ordinary shares, has three options in relation to the attributed Rights to him or her:

- (i) exercising some or all of his or her Rights, which means subscribing for Offer Certificates against the issue price; or
- (ii) selling some or all of his or her Rights on Euronext Amsterdam during the trading period of the Rights; or
- (iii) not exercising or selling any Rights in which case the holder of non-exercised Rights may still receive a potential payment. The amount of this payment depends on the positive difference between the issue price and the price of the Offer Certificates in the Rump Offering after deduction of costs, if applicable. To the extent the potential payment is below EUR 0.01 per non-exercised Right, no payment will be made.

The interest of holders of certificates of ordinary shares who do not timely or at all, or are not permitted to, fully or partially exercise any or all of their Rights granted in the Rights Issue will suffer dilution.

A registered shareholder eligible to participate in the Share Subscription Offering has two options in relation to the rights attributed to him or her pursuant to the Share Subscription Offering:

- (i) exercising some or all of these rights, which means subscribing for Offer Shares obtained against the issue price; or
- (ii) not exercising these rights - in which case the holder of non-exercised rights may still receive a potential payment under the same conditions as described above for Eligible Persons not exercising their Rights.

The interest of registered shareholders who do not timely or at all, or are not permitted to (fully or partially) exercise any or all of their rights in the Share Subscription Offering will suffer dilution.

## **5.3 Rump Offering**

After the Exercise Period has ended, a number of certificates of ordinary shares equal to the number of (i) Offer Certificates not validly subscribed for by Eligible Persons before the end of the Exercise Period, (ii) Offer Shares not validly subscribed for during the Share Subscription Offering, and (iii) Offer Shares non-eligible registered shareholders could have subscribed for if they had been eligible for the Share Subscription Offering, may be offered for sale by the Underwriters to institutional investors by way of a private placement in the Netherlands and certain other jurisdictions. The Rump Offering is expected to occur on the date of or after announcement of the results of the Rights Offering.

## **5.4 Underwriters Pick-Up**

The Underwriters support the Rights Issue by means of a volume underwriting commitment for an aggregate amount of EUR 137.0 million, subject to customary conditions. Fugro expects that immediately prior to the launch of the Rights Issue it will enter into an underwriting agreement with the Underwriters pursuant to which, amongst others and subject to customary conditions, the Underwriters, severally and not jointly, will subscribe and pay for (i) any Offer Certificates subscribed for in the Initial Offering but not timely paid for by such subscribers, and (ii) any certificates not sold in the Rump Offering or sold but not timely paid for in the Rump Offering, pro rata to the respective underwriting commitment and subject to applicable securities laws.

## **5.5 Prospectus**

In connection with the Rights Offering, a Prospectus will be prepared in accordance with applicable legislation. This annex does not serve as a prospectus. This annex is for information purposes only and does not include an offer nor an invitation to participate in an offer, to exercise Rights or to trade in or to buy or sell ordinary shares or certificates of ordinary shares. Persons who are not Eligible Persons are restricted from accessing certain materials that describe further the Rights Offering, including the Prospectus. Any investment decision in relation to the Rights Offering should be based only on the Prospectus to be approved by the AFM and published at the launch of the Rights Offering. The Prospectus will be made available to Eligible Persons on Fugro's website, [www.fugro.com](http://www.fugro.com), and through the website of the AFM at [www.afm.nl](http://www.afm.nl). The contents of the Prospectus may differ from the contents of this annex.

**Important Notice**

This document is being made available to you for the purposes of inviting you to vote at the EGM. It does not constitute an offer to sell, or a solicitation of offers to purchase or subscribe for, securities in the United States, Canada, Japan, Australia or any other jurisdiction where to do so might constitute a breach of any applicable law. This document is not a prospectus. If you are located or resident in one of the aforementioned jurisdictions, you are restricted from accessing certain materials that describe further the offering of securities referred to herein, including the reasons for such offering.

The securities referred herein have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There is no intention to register any securities referred to herein in the United States or to make a public offering of such securities in the United States.

## **ANNEX – DEFINITIONS**

### **AFM**

The Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*)

### **Board of Management**

The board of management of Fugro

### **Cornerstone Investors**

A number of investors, including NN Investment Partners B.V. (acting in its capacity as asset manager for and on behalf of its affiliated clients in the Netherlands (all entities part of NN Group N.V.)), ASR Vermogensbeheer N.V., Sterling Strategic Value Fund SA, SICAV-RAIF

### **Cornerstone Placement**

The issue of new certificates of ordinary shares in the capital of Fugro to the Cornerstone Investors prior to implementation of the Rights Offering

### **Eligible Person**

Any person who is not resident or located in a jurisdiction outside the Netherlands wherein the Rights and the Offer Certificates may not be offered, except to the extent such person is able to make certain representations and warranties to be set out in the Prospectus, and with respect to which Fugro, in its sole discretion, is satisfied that such person may lawfully participate in the Initial Offering

### **Exercise Period**

The period of the Initial Offering during which the Eligible Persons may validly exercise their Rights

### **EGM**

The extraordinary general meeting of shareholders and holders of certificates of ordinary shares of Fugro, to be held virtually on Monday 30 November 2020 at 2pm (CET)

### **Foundation Trust Office**

Stichting Administratiekantoor Fugro

### **Fugro**

Fugro N.V.

### **Initial Offering**

The proposed granting of Rights to holders of certificates of ordinary shares being Eligible Persons, other than Fugro for any certificates of ordinary shares it holds in treasury

### **Offer Certificates**

The newly-to-be-issued certificates of ordinary shares in the capital of Fugro, offered in the Initial Offering

### **Offer Shares**

The newly-to-be-issued ordinary shares in the capital of Fugro, offered in the Share Subscription Offering

### **Prospectus**

The prospectus which will be published in connection with the Rights Offering

**Rights**

The rights granted to the holders of certificates of ordinary shares in the Initial Offering, the exercise of which entitles Eligible Persons to subscribe for the Offer Certificates at the issue price

**Rights Issue**

The Rights Offering and the Share Subscription Offering

**Rights Offering**

The Initial Offering, the Rump Offering and the Underwriters Pick-Up

**Rump Offering**

The proposed private placement with institutional investors in the Netherlands and elsewhere of the Offer Certificates in the number of (i) Offer Certificates not validly subscribed for by Eligible Persons before the end of the Exercise Period and (ii) the Offer Shares not validly subscribed for during the Share Subscription Offering, and (iii) the number Offer Shares registered shareholders outside the European Economic Area or the United Kingdom could have subscribed for if they had not been excluded from the Share Subscription Offering

**Share Subscription Offering**

The proposed granting of rights for Offer Shares at the issue price to holders of ordinary shares residing in the European Economic Area or the United Kingdom other than the Foundation Trust Office

**Supervisory Board**

The supervisory board of Fugro

**Underwriters**

Barclays Bank Ireland PLC, Coöperatieve Rabobank U.A., ING Bank N.V., ABN AMRO Bank N.V., BNP Paribas, Credit Suisse Securities (Europe) Limited and HSBC Bank PLC

**Underwriters Pick-Up**

Issue of the Offer Certificates subscribed for in the Initial Offering but not timely paid for by such subscribers and the Offer Certificates offered but not sold in the Rump Offering, or sold but not timely paid for, to the Underwriters pro rata to their respective underwriting commitments in accordance with the underwriting agreement