



*(Fugro N. V., a public limited liability company (naamloze vennootschap) incorporated under the laws of the Netherlands, with its seat in Leidschendam, the Netherlands)*

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## **Listing and admission to trading on Euronext Amsterdam of all the issued ordinary shares in the share capital of Fugro N.V.**

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This document (including the documents incorporated by reference herein, this "**Prospectus**") is published in connection with the listing and admission to trading (the "**Listing**") of 103,190,366 ordinary shares in the capital of Fugro N.V. (the "**Company**") with a nominal value of €0.05 each (the "**Ordinary Shares**") on Euronext in Amsterdam, a regulated market of Euronext Amsterdam N.V. ("**Euronext Amsterdam**").

At the date of this Prospectus, 102,654,886 certificates representing ordinary shares in the capital of the Company ("**Certificates**") are listed and admitted to trading on Euronext Amsterdam. For each Ordinary Share held by the Stichting Administratiekantoor Fugro (the "**Foundation Trust Office**") one Certificate has been issued in accordance with the terms and conditions of the Foundation Trust Office laid down in a notarial deed governing the Certificates (the "**Certificate Terms**").

On 14 December 2020, the Company completed a comprehensive refinancing (the "**Refinancing**"), comprising of, among others, a new revolving credit facility, a term loan, a cornerstone placement and an equity offering, consisting of an underwritten rights offering (the "**Offering**") and an offering of rights to eligible holders of Ordinary Shares (the "**Share Subscription Offering**"; the Offering and the Share Subscription Offering together, the "**Rights Issue**"). Following the completion of the Rights Issue, a share consolidation and a capital reduction took place.

As part of the Refinancing, the Company decided to propose to the relevant stakeholders to terminate the certification of its Ordinary Shares (the "**Certification**").

In order to effect the termination of the certification of the Ordinary Shares held by the Foundation Trust Office, the Certificate Terms were amended and will be amended again on or around the date of this Prospectus. On 19 May 2021, the Foundation Trust Office decided, among other things, to end the administration of the Ordinary Shares following these amendments.

The Company's general meeting, being the corporate body of the Company (together with the physical meeting of the Shareholders (as defined below), as the context requires, the "**General Meeting**") voted on the amendment of the Company's articles of association which is required to effect the termination of the Certification at its annual General Meeting held on 22 April 2021. Subject to, among other things, the required corporate resolutions and approval of the application to admit the Ordinary Shares to listing and trading on Euronext Amsterdam (as described below), the termination of the Certification is expected to become effective on 28 May 2021 (the "**Settlement Date**"). On the Settlement Date, the Foundation Trust Office will deliver to each person who holds Certificates (each, a "**Holder of Certificates**") immediately after the close of trading in the Certificates on Euronext Amsterdam at 17:40 Central European Time ("**CET**") on 27 May 2021 (the "**Record Date**") the Ordinary Shares underlying the Certificates and the Certificates will cease to exist, without any action required to be taken by each such Holders of Certificates. This Prospectus has been prepared on the assumption that the termination of the Certification will become effective as proposed and as described in further detail in the Prospectus.

Application has been made to admit all of the Ordinary Shares to trading and listing on Euronext Amsterdam under the symbol "FUR" and the international securities identification number ("**ISIN**") number NL00150003E1. Trading on an "as-if-and-when-delivered" basis of the Ordinary Shares on Euronext Amsterdam is expected to commence at 09:00 CET on 26 May 2021 (the "**First Trading Date**").

The listing application also comprises 535,480 Ordinary Shares that are held by persons other than the Foundation Trust Office as at the date of this Prospectus. These persons hold their Ordinary Shares directly on the Company's shareholders' register (each such person, a "**Registered Shareholder**" and together with the Holders of Certificates, the "**Shareholders**").

The Ordinary Shares are expected to be listed on 28 May 2021. Any transactions in Ordinary Shares prior to the Listing are at the sole risk of the parties concerned. The Company and ABN AMRO Bank N.V. ("**ABN AMRO**") as listing and paying agent for the Ordinary Shares (the "**Listing Agent**"), and Euronext Amsterdam N.V. do not accept responsibility or liability towards any person as a result of the withdrawal of the Listing or the (related) annulment of any transactions in Ordinary Shares.

The Ordinary Shares for which Certificates have been issued on the Record Date will be delivered to Holders of Certificates in book-entry form through the facilities of Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V. ("**Euroclear Nederland**") in accordance with its normal settlement procedures applicable to equity securities.

This Prospectus is issued solely in connection with the Listing. This Prospectus does not constitute or form part of an offer or invitation to sell or issue, or any solicitation of an offer to purchase or subscribe for, any securities by any person.

**INVESTING IN ORDINARY SHARES INVOLVES RISKS. PROSPECTIVE INVESTORS SHOULD READ THIS WHOLE DOCUMENT, INCLUDING THE DOCUMENTS INCORPORATED BY REFERENCE, IN ITS ENTIRETY. IN PARTICULAR, INVESTORS SHOULD TAKE ACCOUNT OF THE CHAPTER "RISK FACTORS" BEGINNING ON**

**PAGE 6 OF THIS PROSPECTUS FOR A DESCRIPTION OF CERTAIN RISKS THAT SHOULD BE CAREFULLY CONSIDERED BEFORE INVESTING IN THE ORDINARY SHARES.**

This Prospectus will be valid from its date of publication, until the date of the Listing or twelve months after its approval, being 26 May 2022, whichever is the earliest. The obligation to supplement a prospectus (which does not exclude the Company voluntarily supplementing this Prospectus) in the event of significant new factors, material mistakes or material inaccuracies does not apply when this Prospectus is no longer valid.

This Prospectus has been approved by the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the "**AFM**"), as competent authority under Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**"). The AFM has only approved this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Company or of the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Ordinary Shares.

This Prospectus is dated 26 May 2021.

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## SUMMARY

### Section A – Introduction and Warnings

This summary should be read as an introduction to this prospectus (this "**Prospectus**") relating to the listing and admission to trading (the "**Listing**") of 103,190,366 ordinary shares in the capital of Fugro N.V. (the "**Company**") with a nominal value of €0.05 each (the "**Ordinary Shares**") on Euronext in Amsterdam, a regulated market of Euronext Amsterdam N.V. ("**Euronext Amsterdam**").

Any decision to invest in the Ordinary Shares should be based on a consideration of the Prospectus as a whole by the investor. An investor could lose all or part of the capital invested. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the relevant national legislation, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Ordinary Shares.

As at the date of this Prospectus, 102,654,886 certificates representing Ordinary Shares in the capital of the Company ("**Certificates**") issued by the Stichting Administratiekantoor Fugro (the "**Foundation Trust Office**"), are listed and admitted to trading on Euronext Amsterdam. The Certificates are listed under the symbol "FUR" and the international securities identification number ("**ISIN**") of the Certificates is NL00150004A7. The Ordinary Shares will be listed on Euronext Amsterdam under the same symbol "FUR" and ISIN NL00150003E1.

The issuer's legal and commercial name is Fugro N.V. The Company's address is Veurse Achterweg 10, 2264 SG Leidschendam, its telephone number is +31 70 311 1422 and its website is [www.fugro.com](http://www.fugro.com). The Company is registered in the Commercial Register of the Chamber of Commerce (*Handelsregister van de Kamer van Koophandel*) under number 271200910000 and its legal entity identifier ("**LEI**") is 7245000R8GNBSDTSZ396.

The competent authority approving the Prospectus is the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the "**AFM**"). The AFM's address is Vijzelgracht 50, 1017 HS Amsterdam, the Netherlands. Its telephone number is +31 (0)20 797 2000 and its website is [www.afm.nl](http://www.afm.nl). The AFM has approved the Prospectus on 26 May 2021.

### Section B – Key Information on the Issuer

#### *Who is the issuer of the securities?*

##### Domicile and legal form

The issuer of the Ordinary Shares is the Company. The Company is a public limited liability company (*naamloze vennootschap*), incorporated and operating under the laws of, and is domiciled in, the part of the Kingdom of the Netherlands located in Europe ("**the Netherlands**"). Its LEI is 7245000R8GNBSDTSZ396.

##### Principal Activities

The Company together with its subsidiaries within the meaning of article 2:24b of the Dutch Civil Code (*Burgerlijk Wetboek*, "**BW**") (each a "**Group Company**", and together with the Company, the "**Group**") is a specialist on information related to the Earth's surface, subsurface and the structures built on it (the "**Geo-data**"). Through the integration of data acquisition, analysis and advice, the Group provides Geo-data solutions. This information is essential to the Group's clients to facilitate the safe, reliable, cost effective and sustainable design, construction and operation of their buildings, industrial facilities and infrastructure. The Group provides a full range of services for the life cycle of an asset, starting with the acquisition of Geo-data, through to analytics of Geo-data and critical advisory services. The Group provides its services within its Land and Marine businesses. In the Marine business, the Group believes it offers the widest breadth of services amongst companies that are active in both site characterisation and asset integrity markets, and in the Land business, the Group believes it is one of the few companies to offer integrated services across the world. The Group's other activities take place in its Geoscience business, which entirely consists of Seabed Geosolutions. On 30 March 2021 the Group reached a binding agreement with PXGEO Seismic Services Limited (PXGEO) to sell certain assets and the related business of Seabed Geosolutions. The Group is currently organised into four geographical regions: (i) Europe and Africa, (ii) Americas, (iii) Asia Pacific and (iv) Middle East and India. Each region operates the same four business lines: Marine Site Characterisation, Marine Asset Integrity, Land Site Characterisation and Land Asset Integrity. Within each of its key markets, the Group provides multiple services over the full lifecycle of assets, the Group serves its diversified and long-standing client-base globally, from a local presence, providing them operational excellence through highly skilled staff and a flexible asset base.

##### Major Shareholders

The following table sets forth information with respect to the beneficial ownership of each holder of Certificates and of each holder of registered Ordinary Shares other than the Foundation Trust Office (each a "**Registered Shareholder**", and together with the Holders of Certificates, the "**Shareholders**"), who owns 3% or more of the Company's share capital or voting rights on 21 May 2021 (being the latest practicable date prior to the date of this Prospectus for ascertaining certain information contained herein) (the "**Latest Practicable Date**"). The percentages are as shown in the register of the AFM.

Shareholder	Direct or indirect holding	Percentage of share capital	Percentage of voting rights
NN Group N.V.	18,981,233	16.74%	16.74%
ASR Nederland N.V.	8,649,940	7.63%	7.63%
H.M. van Heijst	4,037,960	3.91%	3.91%
Goldman Sachs Group Inc	3,311,569	3.21%	3.21%
Citadel Advisors LLC	3,118,048	3.02%	3.02%

#### Board of management members

The members of the board of management of the Company (the "**Board of Management**", each member a "**Managing Director**") are Mark Heine (Chief Executive Officer) and Barbara Geelen (Chief Financial Officer).

#### Independent auditor

The Company's statutory auditor is Ernst & Young Accountants LLP.

#### **What is the key financial information regarding the issuer?**

The following tables set forth selected consolidated financial and other information derived from the Company's consolidated statements of comprehensive income, financial position and cash flows as at the dates and for the periods indicated, respectively. The selected consolidated financial information set forth below has been derived from the audited consolidated financial statements of the Company as at and for the years ended 31 December 2020 (the "**2020 Consolidated Financial Statements**"), 31 December 2019 (the "**2019 Consolidated Financial Statements**") and 31 December 2018 (the "**2018 Consolidated Financial Statements**"), the accompanying notes thereto and Ernst & Young Accountants LLP's (the "**Independent Auditor**") independent auditor's reports thereon and the trading update of the Company for the three months ended 31 March 2021, which includes comparative information for the three months ended 31 March 2020.

#### Consolidated Statement of Comprehensive Income Information

	Year ended 31 December					Three months ended 31 March	
(€ x millions)	2020	2019 (incl. IFRS 16) <sup>(1)</sup>	2019 (excl. IFRS 16) <sup>(2)</sup>	2018 (adjusted) <sup>(3)</sup>	2018 (reported) <sup>(4)</sup>	Q1 2021 (unaudited)	Q1 2020 (unaudited)
Revenue	1,386.3	1,631.3	1,631.3	1,552.8	1,650.0	283.8	358.4
Results from operating activities before net financial expenses and taxation (EBIT)	19.8	25.6	21.9	23.8	8.8	(15.5)	(26.5)
Profit (loss) for the period	(171.7)	(122.4)	(116.2)	(55.2)	(55.2)	-	-
Adjusted EBIT margin (%)	3.5	4.2	3.9	1.9	0.8	(5.3)	(6.0)

- (1) As reported, including the impact of the International Financial Reporting Standards as adopted by the European Union ("**IFRS**") 16.
- (2) Adjusted to exclude the impact of IFRS 16 (unaudited).
- (3) As reported in the 2019 Consolidated Financial Statements. The figures reported in the Consolidated Statement of Comprehensive Income in the 2018 Consolidated Financial Statements have been adjusted to reflect Seabed Geosolutions as discontinued operations from 30 June 2019.
- (4) As reported in the 2018 Consolidated Financial Statements.

#### Consolidated Statement of Financial Position Information

	As of 31 December			As of 31 March
(€ x millions)	2020	2019	2018 (reported) <sup>(1)</sup>	Q1 2021 (unaudited)
<b>Total assets</b>	1,701.0	2,056.3	1,944.4	-
<b>Total equity</b>	711.6	607.9	702.5	-
<b>Net debt</b>	295.8	666.3 <sup>(2)</sup>	505.5	351.4

- (1) As reported in the 2018 Consolidated Financial Statements.
- (2) As reported, including Seabed Geosolutions.

#### Consolidated Statement of Cash Flows Information

	Year ended 31 December				Three months ended 31 March	
(€ x millions)	2020	2019	2018 (adjusted) <sup>(1)</sup>	2018 (reported) <sup>(2)</sup>	Q1 2021 (unaudited)	Q1 2020 (unaudited)
<b>Net cash flow generated from operating activities</b>	139.8	128.0 <sup>(3)</sup>	14.9	12.7	-	-
<b>Net cash from / (used in) investing activities</b>	(34.4)	(69.7)	(36.1)	(46.1)	-	-
<b>Cash flow from operating activities after investing activities</b>	105.4	58.3	(21.2)	(33.4)	(45.3)	(21.5)
<b>Net cash from / (used in) financing activities</b>	(97.9)	(114.9) <sup>(3)</sup>	54.0	64.6	-	-
<b>Net cash provided by / used for continuing operations</b>	7.5	(56.6)	32.8	-	-	-
<b>Net cash provided by / used for</b>	(3.0)	31.4	(1.5)	-	-	-

**discontinued operations****Total net cash provided by /****(used for) operations****4.5****(25.2)****31.2****31.2****-****-**

- (1) As reported in the 2019 Consolidated Financial Statements. The numbers reported in the Statement of Cash Flows in the 2018 Consolidated Financial Statements have been adjusted to reflect Seabed Geosolutions as discontinued operations from 30 June 2019.
- (2) As reported in the 2018 Consolidated Financial Statements.
- (3) The impact of IFRS 16 on Net cash flow generated from operating activities amounts to positive €24.1 million. The impact of IFRS 16 on Net cash used in financing activities amounts to negative €24.1 million.

No pro forma financial information has been included in the Prospectus. There are no qualifications in the independent auditor's reports relating to the historical consolidated financial statements as of and for the years ended 31 December 2020, 2019 and 2018.

**Working Capital Statement**

The working capital available to the Group is, in the opinion of the Company, sufficient for the Group's present requirements; that is for at least twelve months following the date of this Prospectus.

**Covid-19**

The effects of the Coronavirus (the "**Covid-19**") pandemic, including actions taken by businesses and governments in response to the pandemic, have adversely impacted the Group's business. Disruptions as a result of the Covid-19 outbreak, including as a result of increasing travel restrictions, quarantines and country lockdowns, have resulted in delays or discontinuation of planned projects. However, despite these operational complexities and in close cooperation with its clients, the Group has been able to continue working on the majority of its projects. From the start of the Covid-19 pandemic, the Group has modified and continues to modify certain business and workforce practices to protect the safety and welfare of its employees, including, among other measures, requiring personnel to quarantine before beginning work on a vessel and discontinuing all non-essential travel. Despite increased operational complexities, the Group has been able to swiftly adapt its processes and has implemented work procedures to accommodate this new reality and continue its operations effectively. Furthermore, the Group has implemented a program to significantly reduce costs and capital expenditure with the aim of realising cash savings and thus mitigating the anticipated adverse economic conditions for the immediate future and supporting the Group's financial position, liquidity and the efficient continuity of operations.

**Recent Developments**

On 30 March 2021, the Group reached a binding agreement with PXGEO Seismic Services Limited (PXGEO) to sell certain assets and the related business of its subsidiary Seabed Geosolutions for \$16 million (approximately €14 million) in cash.

**What are the key risks that are specific to the issuer?**

The following is a selection of the key risks that relate to the Group's industry and business, operations, financial conditions, capital structure, and structure of the Group, based on the probability of their occurrence and the expected magnitude of their negative impact. In making this selection (as with the selection further below on key risks specific to the Ordinary Shares), the Group has considered circumstances such as the probability of the risk materialising on the basis of the current state of affairs, the potential impact that the materialisation of the risk could have on the Group's business, financial condition, results of operations and prospects, and the attention that management of the Group would on the basis of the current expectations have to devote to these risks if they were to materialise. Investors should read, understand and consider all risk factors that are material before making an investment decision to invest in the Ordinary Shares (as defined below).

- Economic uncertainty, the volatility of the oil price and sustained low levels of demand for oil and gas services, could have a significant effect on the Group's end markets, the Group's clients and suppliers and on the Group, including the Group's business, financial condition and operating results.
- Disruptions related to widespread public health concerns, including the ongoing spread of, long-term continuation or escalation of the Covid-19 pandemic, have and are likely to continue to adversely affect the Group's business, liquidity, financial condition and results of operations.
- The Group is subject to risks related to international operations as a result of conducting business in different countries.
- The markets in which the Group operates are subject to rapid and substantial technological change and the inability to innovate may render the Group's existing and future technology and business model obsolete or non-competitive, which would have a material adverse effect on the Group's market share, operating results, financial condition and future prospects.
- The Geo-data acquisition industry is capital intensive, and sources of cash to finance the Group's capital expenditures may not always be available, which could affect the Group's ability to execute its strategic plans, which could have a material adverse effect on the Group's business, operating results, financial condition and future prospects.
- The Group's ability to conduct its operations may be impaired by liquidity risk, as the Group may experience cash flow or working capital shortfalls and be unable to raise new equity or arrange new borrowing facilities.
- The Group may not be able to win tenders for new contracts or on satisfactory terms, which may have an adverse effect on the Group's business, financial condition, operating and financial results.
- The Group is exposed to quality, health, safety, security and environmental risks, and if such risks materialise, this may have a material adverse effect on the Group's client and employee relationships, reputation, business, operating and financial results.

- Inadequate project management, failures in the execution of projects and on-site risks, such as risks relating to simultaneous operations, can cause delays and disputes with customers, seriously affect a project and damage the Group's reputation, operations and financial performance.
- The Group may not be able to dispose of Seabed Geosolutions.
- The Group may be unable to implement its business strategies or may not implement them successfully, which could have a material adverse effect on the Group's business, financial condition, operating results and cash flows and result in missed business opportunities.
- The Group is subject to competition, which could have a material adverse effect on its market share, business, financial condition, operating results and future prospects.
- The Group's failure to comply with the covenants under the restated credit facility agreement that became effective pursuant to the amendment and restatement agreement entered into on 30 November 2020 among the Company, certain of its subsidiaries, ABN AMRO Bank N.V., Barclays Bank PLC, BNP Paribas S.A., Netherlands Branch, Coöperatieve Rabobank U.A., Credit Suisse (Switzerland) Ltd, ING Bank N.V. and HSBC Bank plc as lenders and Coöperatieve Rabobank U.A. as agent and security agent (the "**Credit Facility Agreement**") or the sale and leaseback arrangements for the Fugro Scout and Fugro Voyager vessels, which the Company entered into on 23 December 2015, including as a result of events beyond the Group's control, could result in an event of default which could materially and adversely affect the Group's financial condition, financial returns and results of operations.
- The Group faces regulatory and compliance risks, which may have an adverse impact on its reputation, business and financial condition.

## **Section C – Key Information on the Securities**

### ***What are the main features of the securities?***

The Ordinary Shares are ordinary shares in the Company's capital with a nominal value of €0.05 each. As at the date of this Prospectus, 103,190,366 Ordinary Shares have been issued. The Ordinary Shares are denominated in and will trade in euro. The Ordinary Shares will be listed on Euronext Amsterdam under the symbol "FUR" and ISIN NL00150003E1.

The Ordinary Shares carry dividend rights. Each Ordinary Share confers the right to cast one vote in the general meeting of the Company (the "**General Meeting**"). There are no restrictions on voting rights.

Upon issue of Ordinary Shares or grant of rights to subscribe for Ordinary Shares, each holder of Ordinary Shares shall have a pre-emptive right in proportion to the aggregate nominal amount of his or her Ordinary Shares. Holders of Ordinary Shares do not have pre-emptive rights in respect of Ordinary Shares issued (i) to employees of the Company or of a Group Company; (ii) against payment other than in cash; and (iii) to a person exercising a previously acquired right to subscribe for Ordinary Shares. Pre-emptive rights may be restricted or excluded by a resolution of the General Meeting, unless and insofar the Board of Management is authorised by the General Meeting to do so. A resolution to restrict or exclude pre-emptive rights is subject to the approval of the supervisory board of the Company (the "**Supervisory Board**", each member a "**Supervisory Director**").

There are no restrictions on the transferability of the Ordinary Shares in the Company's articles of association as they will read when implemented on or around 28 May 2021 (the "**Articles of Association**") when the termination of the certification of the Ordinary Shares is expected to become effective (the "**Settlement Date**").

In the event of insolvency, any claims of the holders of Ordinary Shares are subordinated to those of the creditors of the Company. This means that an investor could potentially lose all or part of its invested capital.

The Group's dividend policy is a pay-out ratio of 35% to 55% of net result. The Credit Facility Agreement prohibits the Company from paying dividends for 18 months from 14 December 2020, which was the settlement date of the Rights Issue (as defined below). After such date, dividends are permitted, provided that the Group's net leverage ratio (measured quarterly) is below two times on the two immediately preceding testing dates and not reasonably expected to be two times or higher on the two next testing dates. If and when dividends are paid, holders of Shares have the choice to receive dividends in the form of cash or Ordinary Shares. In case no choice is made, the dividend will be paid in Ordinary Shares. The Group offsets dilution resulting from the optional dividend (cash or Ordinary Shares). The Group will repurchase the number of Ordinary Shares issued as stock dividend and these Ordinary Shares will be cancelled after having obtained shareholder approval. This way, dilution is being offset while the tax advantage for a substantial part of the shareholders related to stock dividend is retained.

### ***Where will the securities be traded?***

The Company has applied for listing and admission to trading of all of its Ordinary Shares on Euronext Amsterdam, on which the Certificates are currently listed. Trading on an "as-if-and-when-delivered" basis in the Ordinary Shares on Euronext Amsterdam is expected to commence at 9:00 Central European Time ("**CET**") on 26 May 2021 (the "**First Trading Date**").

### ***What is the key risk that is specific to the securities?***

The below is a key risk relating to the Ordinary Shares.

- The payment of future dividends will depend on the Group's financial condition and results of operations, as well as on the Group's operating subsidiaries' distributions to the Company.

## Section D – Key Information on the Admission to Trading on a Regulated Market

### *Under which conditions and timetable can I invest in this security?*

The Prospectus is issued in connection with the Listing. The Prospectus does not form part of an offer or invitation to sell or issue, or any solicitation of an offer to purchase or subscribe for, any securities by any person. The Company will not receive any proceeds in connection with the Listing.

#### Delivery of Ordinary Shares

Delivery of the Ordinary Shares for which Certificates have been issued at 17:40 CET on 27 May 2021 (the "**Record Date**") is expected to take place on the Settlement Date, subject to an amendment of the Company's articles of association as adopted by the annual General Meeting on 22 April 2021 to, among others, provide for the termination of the certification of the Ordinary Shares. The Ordinary Shares will be delivered in book-entry form through the facilities of Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V. ("**Euroclear Nederland**") in accordance with its normal settlement procedures applicable to equity securities. Each holder of Certificates will receive the underlying Ordinary Shares it holds without its cooperation being required, as a result of which the Certificates cease to exist.

#### Listing Agent

ABN AMRO Bank N.V. is the listing and paying agent with respect to the Listing.

#### Timetable

Subject to acceleration or extension of the timetable for, or withdrawal of, the Listing, the timetable below sets forth the expected key dates for the Listing.

<b>Event</b>	<b>Expected Date</b>	<b>Time CET</b>
Last trades in Certificates	25 May 2021	17:30 CET
First Trading Date	26 May 2021	9:00 CET
Last settlement date of Certificates on Euronext Amsterdam	27 May 2021	17:30 CET
Settlement Date Ordinary Shares	28 May 2021	

#### Dilution

No Ordinary Shares or other securities are being offered or sold under this Prospectus. As a result, the ownership or voting interest in the Company will not be diluted.

### *Why is the Prospectus being produced?*

#### Reasons for the Listing

The Prospectus is being produced in connection with the Listing. The Listing takes place in the context of the termination of the certification of 102,654,886 Ordinary Shares held by the Foundation Trust Office, as a result of which 102,654,886 Certificates listed and admitted to trading on Euronext Amsterdam as at the date of this Prospectus, will cease to exist and the Ordinary Shares underlying the Certificates will be delivered by the Foundation Trust Office to the holders of the Certificates. The Company intends to have all of its Ordinary Shares listed and admitted to trading on Euronext Amsterdam in order to secure access to the capital markets for the existing holders of Certificates, its current Registered Shareholders and future holders of Ordinary Shares. The Listing also comprises 535,480 Ordinary Shares held by persons other than the Foundation Trust Office as at the date of this Prospectus. These persons hold their Ordinary Shares directly on the Company's shareholders' register.

#### Net proceeds

No Ordinary Shares or other securities are being offered or sold under this Prospectus. The Company will not receive any proceeds from the Listing.



## RISK FACTORS

*Before investing in the Ordinary Shares, prospective investors should carefully consider the risks and uncertainties described below, together with the other information contained or incorporated by reference in this Prospectus. The occurrence of any of the events or circumstances described in these risk factors, individually or together with other circumstances, could have a material adverse effect on the business, results of operations, financial condition and prospects of the Group (as defined below). In that event, the value of the Ordinary Shares could decline, and an investor might lose part or all of its investment.*

*All of the following risk factors and events are contingencies, which may or may not occur. The Company together with its subsidiaries within the meaning of article 2:24b of the Dutch Civil Code ("**BW**") (each a "**Group Company**", and together with the Company, the "**Group**") may face any number of these risks described below simultaneously, and one or more risks described below may be interdependent, in which case the description of such risk factor will contain a reference and description of how it is affected by another risk factor. In accordance with article 16 of Regulation (EU) 2017/1129, the most material risk factors are presented first in each category. The order of categories in which risks are presented and order of subsequent risk factors in each category is not necessarily an indication of the magnitude of such risks or the likelihood of the risks actually materialising, the potential significance of the risks to the Group, or the scope of any potential harm to the business, results of operations, financial condition and prospects of the Group.*

*In selecting and ordering the risk factors, the Group has considered circumstances such as the probability of the risk materialising on the basis of the current state of affairs, the potential impact that the materialisation of the risk could have on the Group's business, financial condition, results of operations and prospects, and the attention that management of the Group would on the basis of current expectations have to devote to these risks if they were to materialise.*

*Although the Group believes that the risks and uncertainties described below are the material risks and uncertainties concerning the Group's business and the Ordinary Shares, they are not the only risks and uncertainties relating to the Group and the Ordinary Shares and there may be other unknown or unpredictable economic, business, competitive, regulatory or other factors that could have a material adverse effect on the Group's business, results of operations, financial condition and prospects. Other risks, facts or circumstances not presently known to the Group, or that the Group currently deems to be immaterial, could, individually or cumulatively, prove to be important and could have a material adverse effect on the Group's business, results of operations, financial condition and prospects. The value of the Ordinary Shares could decline as a result of the occurrence of any such risks, facts or circumstances, or as a result of the events or circumstances described in these risk factors, and investors could lose part or all of their investment.*

*Prospective investors should carefully read the entire Prospectus and should reach their own views before making an investment decision with respect to any Ordinary Shares. Furthermore, before making an investment decision with respect to any Ordinary Shares, prospective investors should consult their own stockbroker, bank manager, lawyer, auditor or other financial, legal and tax advisers, and carefully review the risks associated with an investment in the Ordinary Shares and consider such an investment decision in light of their personal circumstances.*

### **Risks Relating to the Group's Industry**

***Economic uncertainty, the volatility of the oil and gas prices and sustained low levels of demand for oil and gas services, could have a significant effect on the Group's end markets, the Group's clients and suppliers and on the Group, including the Group's business, financial condition and operating results.***

A substantial proportion of the Group's clients are and will continue to be involved in the oil and gas industry. The demand for the services the Group provides to oil and gas companies is dependent upon overall global economic development and oil and gas price developments, both of which are uncertain, volatile and cyclical. During the years 2014 to 2017, economic contractions and uncertainty weakened demand for oil field services while the introduction of new production capacities increased supply of oil and gas, resulting in lower oil and gas prices, and consequently a reduction in the levels of exploration for hydrocarbons and demand for the Group's services, resulting in a revenue decline for the Group of 38% from 2013 to 2017. Given that during those years on average 69% (2014: 78%, 2015: 74%, 2016: 66%, 2017: 57%) of the Group's revenues were derived from the oil and gas markets, these developments had a significant adverse effect on the Group's business, revenue and liquidity, resulting not only in a decline in activity levels but also in the prices the Group could charge for its services. Although the Group had been experiencing a gradual recovery of the oil and gas markets since the start of 2018, resulting in higher prices and an increased demand for the Group's services, such recovery has stalled due to the unprecedented global crisis caused by the Coronavirus pandemic ("**Covid-19**"). In 2020, the pandemic has resulted in a significant decline in the oil price and contraction of the world wide economy, leading to clients' reduced activity levels and spending. Although oil and gas prices have recovered since the end of 2020 and in the oil and gas markets there are early signs of a recovery, further developments in the markets remain dependent on the impact of the Covid-19 pandemic on the society and economy. For more information on the effect of the disruptions related to Covid-19, see also "**Disruptions related to widespread public health concerns, including the ongoing spread of, long-term continuation or escalation of the Covid-19 pandemic have and are likely to continue to adversely affect the Group's business, liquidity, financial condition and results of operations**". It is difficult to predict if future market conditions will improve, how long the imbalance between supply and demand in the oil and gas markets will persist, whether oil prices will

remain volatile and whether the current market conditions will remain unfavourable or further deteriorate. In addition, in the medium to long-term, the increasing commitment by countries, companies and citizens to reduce carbon and nitrogen emissions and to limit and mitigate climate change poses a serious risk to the oil field services industry. Although the Group's exposure to oil and gas related markets has been decreasing over time, oil and gas markets still generated 45% of the Group's revenue for the year ended 31 December 2020 (on a continuing basis as reported, for the Seabed Geosolutions disposal, see "Operating and Financial Review—Factors Affecting Comparability Between Periods—Disposals/assets held for sale and discontinued operations (IFRS 5)"). As such, providing services to oil and gas related companies will continue to be an important part of the Group's business and a deterioration of market conditions affects most of the Group's services relating to site characterisation, both for the Group's Land and Marine business and the asset integrity services for the Group's Marine business. Should oil and gas prices and/or demand continue to be subject to ongoing uncertainties and volatility, the Group may fail or be unable to respond promptly or appropriately and may face losses. As a result, the reduction in demand for the Group's services and the resulting pressure on pricing in the Group's industry could continue to negatively affect the Group's business, operating results, financial condition and cash flows.

The current economic and oil industry climate may lead clients to cancel, delay or choose not to renew orders or lead suppliers into bankruptcy, which would render them unable to provide goods and services as agreed, and could have follow-on consequences in terms of the Group's relationships with clients, subcontractors and other third-parties. The Group's governmental clients may face budget deficits that prohibit them from funding proposed and existing projects or that cause them to exercise their right to terminate the Group's contracts with little or no prior notice, which would negatively affect the Group's business, operating results, financial condition and cash flows. Additionally, if the Group's suppliers, subcontractors or other counterparties would go bankrupt and would be unable to perform their obligations to the Group or its clients, the Group may be required to provide additional services or make alternate arrangements on less favourable terms with other parties to ensure adequate performance and delivery of service to the Group's clients.

***Disruptions related to widespread public health concerns, including the ongoing spread of, long-term continuation or escalation of the Covid-19 pandemic have and are likely to continue to adversely affect the Group's business, liquidity, financial condition and results of operations.***

The Covid-19 outbreak has impacted businesses throughout the world. The outbreak was labelled as a global pandemic in March 2020 by the World Health Organisation. In response, governments have enacted significant actions to mitigate the public health crisis, including introducing social distancing measures, enacting travel restrictions, border closures, extended shutdowns of certain non-essential businesses, quarantines, test-and-trace systems, shelter-in-place/stay-at-home orders, and vaccination programmes globally. The effects of the Covid-19 pandemic, including such governmental actions, have resulted in a significant, sustained and swift decline in economic activity around the world.

The Group's operations and financial results to date have been negatively impacted by this situation. The Group has also experienced a significant adverse effect on its business, liquidity, financial condition and results of operations in 2020 and expects the adverse effect to continue in 2021. The adverse impacts the Group has and may continue to experience include, but are not limited to:

- infections and quarantining of the Group's employees and the personnel of its customers, suppliers and other third-parties in areas in which the Group operates;
- travel restrictions that the Group's employees and the personnel of its customers, suppliers and other third-parties are currently facing and any additional travel restrictions that may be introduced by the governments in response to the Covid-19 pandemic in the future (e.g. vaccination passports);
- the Group's ability to satisfy the terms of its contracts with customers in a timely or appropriate manner;
- cancellations, delays or downsizing of projects by the Group's clients;
- lower utilisation of leased assets leading to losses incurred on such leases with no or limited possibility of early termination;
- logistical complexities in, and disruptions to, personnel travel and equipment and supply delivery to certain locations;
- the need to introduce measures to reduce the Group's costs and capital expenditure including reduction of its global workforce, implementation of a hiring and salary freeze, a cut on executive pay and minimisation of the use of short-term charters;
- increased risk of impairments as a result of the effects of the Covid-19 pandemic on the Group's profitability;
- increased risk of, and inability to reliably forecast reductions in revenue, margin, free cash flow and backlog;
- notices from customers, suppliers and other third-parties claiming that their non-performance under the Group's contracts with them is permitted as a result of force majeure or for other unforeseen reasons;

- liquidity challenges, including inability to obtain additional financing or sell assets on commercially reasonable terms or at all, exhaustion of borrowing capacity and the need to implement liquidity preservation measures, as well as impacts related to delayed customer payments and payment defaults associated with customer liquidity issues and bankruptcies;
- structural shifts in the global economy and its demand for oil and natural gas as a result of changes in the way people work, travel and interact, or in connection with a global recession or depression;
- risk that the Group's insurance coverage is not likely to cover losses associated with pandemics like Covid-19 under its policies; and
- cybersecurity issues, as digital technologies may become more vulnerable and experience a higher rate of cyberattacks in the current environment of remote connectivity due to stay-at-home orders.

Although the Group has taken various measures as of the date of this Prospectus to address the impacts of Covid-19, there can be no assurance that these or other measures implemented in the future will be sufficient. The Covid-19 pandemic situation is dynamic, and updates on travel restrictions, shutdowns of non-essential businesses, test-and-trace systems and shelter-in-place/stay-at-home orders are continually evolving. The extent of the Covid-19 outbreak's continued effects on the Group's operational and financial performance will depend on future developments, including the duration, spread and intensity of the outbreak and the government measures implemented in response, or whether widespread shutdowns return, the success of the Covid-19 vaccines and the vaccination process, all of which are uncertain and difficult to predict considering the rapidly evolving landscape. At this point, the extent to which Covid-19 may impact the Group's business, liquidity, financial condition and results of operations is uncertain. For more information on the impact of Covid-19 on the Group, please see "Operating and Financial Review—Key Factors Affecting the Group's Results of Operations—Covid-19".

#### **Risks Relating to the Group's Business**

***The Group is subject to risks related to international operations as a result of conducting business in different countries.***

Through providing its services worldwide, including in emerging markets, the Group's business and operating results are subject to various risks inherent to international operations. These risks include:

- instability of foreign economies and governments, which can cause investment in capital projects by the Group's potential clients to be withdrawn or delayed, reducing or eliminating the viability of some markets for the Group's services;
- risks of war, terrorism, political or civil unrest, including protests and other civil disruptions, and uprisings, which can make it unsafe to continue operations, adversely affect budgets and schedules and expose the Group to losses;
- risk of a widespread outbreak of an illness or other public health crisis, such as the ongoing Covid-19 outbreak, which can create complexities in regards to logistics, workforce, supply chain and the Group's ability to meet its obligations to its clients. Such risk could additionally cause business disruptions, interruption of work for the Group and the Group's clients and, in turn, reduced demand from the Group's clients resulting in a material adverse impact on the Group's financial condition and results of operations albeit the Group's continuous efforts to swiftly adapt its processes and work procedures to accommodate such adverse conditions (for more information on the effect of the disruptions related to widespread public health concerns, see also "—Disruptions related to widespread public health concerns, including the ongoing spread of, long-term continuation or escalation of the Covid-19 pandemic have and are likely to continue to adversely affect the Group's business, liquidity, financial condition and results of operations");
- increased risk of fraud and political corruption;
- seizure, expropriation, nationalisation or detention of assets, or renegotiation or nullification of existing contracts;
- foreign exchange restrictions, import/export quotas, sanctions, boycotts and embargoes and other laws and policies affecting taxation, trade and investment, economic conflicts between the governments;
- varying regulatory regimes both within and across the jurisdictions in which the Group operates, requiring the Group to design and implement risk management procedures, internal controls and policies that ensure compliance with regulations that may be inconsistent;
- changes in legal and regulatory requirements, including unfavourable changes in tax and the imposition of new laws or regulations that restrict operations or increase the cost of operation (for more information on regulatory and compliance risks, see "—The Group faces regulatory and compliance risks, which may have an adverse impact on its reputation, business and financial condition"; and
- restrictions on currency repatriation or the imposition of new laws or regulations that preclude or restrict the conversion and free flow of currencies.

The Group is exposed to these risks in all of its operations to some degree, and such exposure could be material to its financial condition and operating results, particularly in emerging markets where the political environment is less stable. The Group cannot give assurances that it will not be subject to material adverse developments with respect to its operations or that any insurance coverage the Group has will be adequate to fully compensate it for any losses arising from such risks.

***The markets in which the Group operates are subject to rapid and substantial technological change and the inability to innovate may render the Group's existing and future technology and business model obsolete or non-competitive, which would have a material adverse effect on the Group's market share, operating results, financial condition and future prospects.***

Fundamental technological shifts in the industries in which the Group operates in particular driven by the ongoing energy transition may drastically change the Group's business environment. The Group's success depends, to a significant extent, on its ability to provide innovative and high-quality services on a cost effective and timely basis in attractive markets and in accordance with industry demands, which have shifted and will continue to shift to increasing reliance on remote operations and autonomous vessels. Further improvements in the Group's services, such as timely delivery of new services at lower costs and improvements in data quality, collection and analysis, are crucial for sustaining the Group's competitive position and realising its growth ambitions. In addition, any innovation or disruptive technology developed by a competitor and accepted by the market may put the Group at a competitive disadvantage and may ultimately result in a decrease of the Group's market share.

The Group spends significant amounts on research and development. However, the Group may be unable to capture the full value of innovations in line with the Group's strategy. The Group may encounter resource constraints or technical or other difficulties that could delay the introduction of new and enhanced services in the future. The Group may not have sufficient resources or funds to invest in technological innovation and may lose market share to competitors that have larger research and development budgets, which may have a material adverse effect on the Group's operating results, financial condition and future prospects. For more information on the Group's ability to fund technological innovation, please see "—Risks Relating to the Group's Indebtedness—The Group's substantial leverage and debt service obligations could adversely affect its business and financial condition." In addition, the Group may also commit errors or misjudgements in its planning and misallocate resources, for instance, by developing services that are not commercially viable but require large investments in research and development and capital expenditures.

Even if the Group is successful in developing new services, the success of these new services will still depend on a number of factors, including timely and successful completion of development efforts, the Group's ability to manage the risks associated with the new services, for example potential ramp-up issues, the availability of supplies in the right quantities and at appropriate costs to meet anticipated demand, and the risk that new services may have quality issues or other defects in the early stages of introduction.

The Group's and its competitors' continuing development of new technology, inherently carries the risk of obsolescence with respect to the Group's existing technology, assets and services. For example, the Group or its competitors may develop new technologies, which put the Group's current technology at a technological disadvantage. In general, the Group cannot determine in advance the ultimate effect that new technology will have on its financial condition and operating results. If the Group fails to recognise or does not have the resources for technological change, is late in adjusting its business model, is not sufficiently innovative, or cannot adequately protect its intellectual property, this may have a material adverse effect on the Group's financial condition and operating results. Further, increased reliance on technology carries with it an increased risk of cybersecurity issues, including phishing and end point vulnerability. Such technology reliance increased due to the Company's shift towards more autonomous and remote operations, but also to remote working as a result of the Covid-19 pandemic. For more information on the effect of cyber risks, see also "—Cyber risk and the failure to maintain the integrity of the Group's operational or security systems or infrastructure, or those of third parties with which the Group does business, could have a material adverse effect on the Group's financial condition and operating results".

***The Geo-data acquisition industry is capital intensive, and sources of cash to finance the Group's capital expenditures may not always be available, which could affect the Group's ability to execute its strategic plans, which could have a material adverse effect on the Group's business, operating results, financial condition and future prospects.***

Geo-data (defined below) acquisition equipment is continually being improved with new technology. In order to remain competitive, the Group must continue to invest significant additional capital to maintain, upgrade and expand its Geo-data acquisition capabilities. Any other business expansion and investment by the Group related to new fleet, new equipment or other expenditures may require additional financing.

The Group's capital expenditures were €106.2 million in 2019 and €87.0 million in 2020 (in each case, including discontinued operations). Geo-data acquisition equipment is expensive, and the Group's ability to operate and expand its business operations is dependent upon the availability of internally generated cash flow and financing alternatives. Such financing may consist of commercial debt, equity or debt securities or any combination thereof. There can be no assurance that the Group will be successful in obtaining sufficient capital to upgrade and expand its current operations through cash from operations or additional financing or other transactions, if and when

required on terms acceptable to the Group. For information on the Group's ability to finance its capital expenditures, please see "**Risks Relating to the Group's Indebtedness—The Group's substantial leverage and debt service obligations could adversely affect its business and financial condition.**"

Such limitations on the Group's access to capital, including on its ability to issue debt and equity, could result from decreases in its creditworthiness or profitability or from events or causes beyond its control, including as a result of the Covid-19 pandemic, such as significant increases in interest rates, increases in the risk premium generally required by investors, increased volatility or uncertainty in the capital markets, decreases in the availability of credit or the tightening of terms required by lenders. Any limitations on the Group's ability to secure additional capital could affect its ability to execute its strategic plans, which could have a material adverse effect on the Group's business, operating results, financial condition and future prospects.

***The Group's ability to conduct its operations may be impaired by liquidity risk, as the Group may experience cash flow or working capital shortfalls and be unable to raise new equity or arrange new borrowing facilities.***

The Group may face challenges in satisfying its liquidity needs. The Company and certain of its subsidiaries entered into an amendment and restatement agreement pursuant to which the then existing €575 million revolving credit facility dated 3 December 2015 was amended and restated into a €450.0 million senior term and revolving credit facility, which became effective on 14 December 2020, (the "**Credit Facility Agreement**") with, among others, ABN AMRO Bank N.V., Barclays Bank PLC, BNP Fortis S.A., Netherlands Branch, Coöperatieve Rabobank U.A., Credit Suisse (Switzerland) Ltd, ING Bank N.V. and HSBC Bank plc as lenders (the "**Lenders**") and Coöperatieve Rabobank U.A. as agent and security agent (the "**Security Agent**"). Pursuant to the Credit Facility Agreement, restrictions on incurring additional financial indebtedness, capital expenditures and anti-cash hoarding provisions apply, which may cause the Group to experience cash flow or working capital shortfalls. For more information on the Credit Facility Agreement, see "**Operating and Financial Review—Financing Arrangements**". If the Group's available liquidity does not continue to meet the Group's future working capital needs or the Group fails to attract new business, or if the Group's financial condition for any other reason becomes distressed, the Group may need to raise additional equity or debt financing to continue operations. There can be no assurance that the Group may not experience net cash flow or working capital shortfalls, nor can there be any assurance that the Group will be able to raise new equity, or arrange borrowing facilities, on favourable terms or at all and in amounts necessary to conduct its future operations, should this be required. For information on the effect of disruptions related to widespread public health concerns, including Covid-19, see also "**Disruptions related to widespread public health concerns, including the ongoing spread of, long-term continuation or escalation of the Covid-19 pandemic have and are likely to continue to adversely affect the Group's business, liquidity, financial condition and results of operations**". Furthermore, existing financing partners may be unwilling to refinance existing debt when necessary, at all or on favourable terms. In such cases, the Group may be required to utilise working capital or seek new sources of liquidity or funding to cover such financial obligations. The Group may not be able to secure new sources of liquidity or funding, should projected or actual liquidity fall below levels it requires. Failure to access necessary liquidity could require the Group to scale back its operations or could have other materially adverse consequences for its business, financial condition and the ability to meet its obligations.

***The Group may not be able to win tenders for new contracts or on satisfactory terms, which may have an adverse effect on the Group's business, financial condition, operating and financial results.***

The Group acquires most of its business through tender processes, in competition with other service providers. The number of large projects tendered annually is limited though increasing, in particular in relation to the Group's offshore wind projects. There can be no assurances that the Group will win future tenders, and the Group could lose important contracts to competition in current and upcoming tenders.

The tendering process itself comes with inherent risks as well. There may be long delays during the tender process, for example between submitting a tender and the client's issuance of award. This may make it difficult for the Group to correctly estimate its capacity and operating costs, and could result in cost overruns. There may also be a long delay between the announcement of the winning bid and the actual start date of the project. If the Group is unable to adequately anticipate the planning of its resources, in particular relating to the Group's vessel related services due to the costs associated with idleness of higher value assets such as vessels, part of its operations and assets may sit idle causing lower utilisation rates. There can also be changes in applicable legal or regulatory requirements, for example relating to tax, local content or sanctions, in the period between submitting a tender, winning the bid and commencement of work, which the Group may not be able to mitigate contractually. Such changes may affect the terms of the Group's initial bid leading to an increase in costs which cannot always be recovered. For more information on the Group's regulatory and compliance risks, see also "**The Group faces regulatory and compliance risks, which may have an adverse impact on its reputation, business and financial condition**".

The inability to participate in or win tenders, the inherent risks related to the tendering process, the inability to negotiate contracts with favourable terms and the disagreements could all have a material adverse effect on the Group's business, financial condition and operating results.

***The Group is exposed to quality, health, safety, security and environmental risks, and if such risks materialise, this may have a material adverse effect on the Group's client and employee relationships, reputation, business, operating and financial results.***

The Group is subject to a variety of Quality, Health, Safety, Security and Environment ("QHSE") risks, given the geographic range, operational diversity and technical complexity of the Group's operations. Unexpected or unforeseeable harm may occur as a result of these risks, despite implemented preventive measures. The Group's projects are complex and may, for example, place employees and others near large equipment and vessels, including at open sea. If a major QHSE event occurs, such as an explosion, structural collapse or hydrocarbon spill, this could result in injuries, loss of life, environmental harm and disruption to business activities. Moreover, this could result in material damage to the Group's reputation, since clients place great emphasis on hiring service providers with exceptional QHSE records. If the Group were to experience a series of QHSE events on a project or even one major QHSE event, it is possible that the relevant client could seek to suspend operations at the Group's cost or could terminate the entire contract and the Group could lose out on future potential business with that client and others. Additionally, clients could drop the Group as preferred provider and the Group could be banned or effectively prevented from bidding on future work for a period of time.

The risk that any hazardous substance leaks from either the Group's or its subcontractors' equipment cannot be ruled out considering the nature of the Group's operations (for example, a fuel leak from a vessel used for providing the services or exposure to asbestos-containing materials). Additionally, the Group and its subcontractors on occasion operate in areas that are habitats of protected species. If the Group or its subcontractors cause injury to or death of such animals, the Group may be liable for fines or subject to penalties assessed by the competent governmental authority. Significant environmental damages or material costs to address related liabilities or restore impacted environments may have a material adverse impact on the Group's reputation, business and operating results.

Additionally, the Group may not be able to meet the expectations of its clients, suppliers, subcontractors or other counterparties regarding sufficient focus on taking action towards climate change and sustainability, which could impact the Group's reputation and, consequently, its ability to win future business or result in the termination of the Group's relationships with clients, suppliers, subcontractors or other counterparties.

***Inadequate project management, failures in the execution of projects and on-site risks, such as risks relating to simultaneous operations, can cause delays and disputes with customers, seriously affect a project and damage the Group's reputation, operations and financial performance.***

An appropriate standard of project management and execution is essential for the Group to be able to successfully execute and complete its projects in a timely manner. Many of the Group's projects are, and may in the future be increasingly complex, operated offshore and managed remotely. Therefore, there is no guarantee that the Group will successfully comply with all terms and conditions and/or meet all delivery performance requirements of a contract because of inadequate project management or lack of control, which may result in liquidated damages. Vessels, equipment or personnel downtime can result in project delays, additional costs and chartering of equipment impacting margins negatively. The Group is also involved in out-of-court disputes, litigation and arbitral proceedings as well as administrative proceedings in the ordinary course of business, for example claims from or against customers regarding project delays and execution, which may involve substantial claims for damages and other payments. Any realisation of these risks can seriously damage the Group's projects and its reputation and may result in reduced profitability or losses on projects, which in turn may materially and adversely affect the Group's financial condition and operating results. For example, during the execution of one of the Group's projects in connection with the monitoring of the integrity of a client's power asset in the first quarter of 2020, the Group faced serious challenges due to adverse weather conditions and lower than planned acquisition rates, which the Group had not foreseen nor catered to adequately in its project management. To meet the timeline agreed with the client, the Group incurred additional cost to lease extra equipment, which were not reimbursable under the contract. Ultimately, the project was delivered on time, but at additional cost and resulting in lower than expected profitability.

Many of the Group's contracts are lump sum contracts, day-rate contracts, unit-rate contracts, or a combination thereof, where the Group's work is delivered at a predetermined fixed lump sum price, day rate or unit-rate. In submitting a bid on a lump sum, day-rate or unit-rate contract, the Group estimates its costs and the complexity associated with the project. However, the Group's actual costs can vary from its estimated costs because of, among others, changes in assumed operating conditions, exchange rates and equipment productivity. In addition, the Group can also underestimate the complexity of a project. Consequently, the Group may experience reduced profitability or losses on projects if the Group's bids on lump sum, day-rate or unit-rate contracts are too low, actual costs exceed estimated costs and/or the complexity of a project is underestimated. In addition, inadequate project management in some locations where the Group performs its services can result in simultaneous operations interfering with each other. The simultaneous operations can range from something as common as a crew change in a crew boat, to activities on a much larger scale, involving multiple, heavy construction assets and large numbers of personnel. For example, operations in and around the 500-meter safety zones on oil platforms may expose the Group to the risk of damaging third-party assets, conflicting with third-party operations or incurring standby delays. If the damages, losses or costs related to such risks are not for the account of the client based on the Group's contract, then these will be at the Group's cost and the Group may not be able to recover through insurance some or any

of the damages, losses or costs that may result from such operations. Consequently, these damages, losses or costs could materially adversely affect the Group's operations and financial condition.

***The Group may not be able to dispose of Seabed Geosolutions.***

On 30 March 2021, the Group reached a binding agreement with PXGEO Seismic Services Limited (PXGEO) to sell certain assets and the related business of its subsidiary Seabed Geosolutions for \$16 million (approximately €14 million) in cash. Completion of the divestment is expected for mid-2021, subject to customary closing conditions, with proceeds delivered to the Company at that time. The Group will retain the Hugin Explorer vessel as well as certain liabilities, including liabilities that could adversely impact the Group's future results. For example, the assets and liabilities that remain with the Group include (i) potential liabilities related to claims by Magseis Fairfield against the Group relating to alleged infringement by Seabed Geosolutions of certain US patents owned by Magseis Fairfield and (ii) potential liability of the Group to, and claims of the Group against, Argas Co Ltd ("**ARGAS**") relating to events surrounding the termination of a contract with Saudi Aramco. Furthermore, while the agreement is binding and subject only to customary closing conditions, the Group may ultimately not be able to dispose of Seabed Geosolutions. In the event the Group is unable to sell Seabed Geosolutions, the Group will be required to continue Seabed Geosolutions' operations although they continue to be deemed non-core, subjecting the Group to risks related to continuing a non-core business including but not limited to the risk that the Group may not be able to succeed in a turnaround of Seabed Geosolutions' business, which may require the Group to incur costs to restructure its operations to try to make it a profitable part of its operations, or to dismantle the business. It may also distract management's time and attention and require other resources, which would divert that time and resources from the Group's core businesses. If the Group is required to take further significant restructuring measures for Seabed Geosolutions, that could have a material impact on its financial position and liquidity.

***The Group may be unable to implement its business strategies or may not implement them successfully, which could have a material adverse effect on the Group's business, financial condition, operating results and cash flows and result in missed business opportunities.***

The Group's future financial performance and success largely depend on the successful implementation of the Group's business strategy which is primarily focused on capturing the growth in energy and infrastructure, differentiating by integrated digital solutions and leveraging core expertise in new growth markets. The Group may fail to achieve its business strategy due to various factors specific to the industry or markets in which the Group operates that may be beyond its control or due to internal weaknesses specific to the Group that it may be unable to rectify. Assurances cannot be given that the Group will successfully implement its business strategy, that implementing this business strategy will sustain or improve and not harm the Group's operating results or that the Group will be able to identify and take advantage of the right opportunities. Any failure to develop, revise or implement the Group's business strategy in a timely and effective manner could have a material adverse effect on the Group's business, financial condition, operating results and cash flows and result in missed business opportunities.

***The Group is subject to competition, which could have a material adverse effect on its market share, business, financial condition, operating results and future prospects.***

The Group operates in competitive global and regional markets. While no single company competes with the Group in all of its businesses and services, the Group is subject to intense competition in each of its businesses and services individually, including from specialised companies that could have advantages in specific market segments. The Group's most significant competitors in the Marine business are Acteon Group (UTEC and Benthic), Boskalis (Gardline and Horizon Geosciences), Deepocean, DOF Group, EGS, Geoquip Marine, I-tech, MMT/Ocean Infinity, Oceaneering International, in the Land business these are Golder, Terracon and Tetra Tech and in the Geoscience business these are BGP, Magseis Fairfield and Shearwater GeoServices. Although the Group does not expect the competitive landscape in its Land business to significantly change, the competitive landscape in the Marine business is likely to change over time, *inter alia*, due to consolidation among existing competitors or the emergence of disruptive new market entrants.

In addition, the Group expects its competitors to continue to develop and introduce new services and to enhance their existing services, which could cause a decline in the demand for the Group's services. Competitors may also improve their processes or expand their capacity, market approach or range of services, including by merging with other market participants, which could make it more difficult or expensive for the Group to compete successfully. In addition, competitors could enter into exclusive arrangements with the Group's existing or potential clients or partners, which could limit the Group's ability to generate revenues by rendering services to these parties.

Competitive factors in recent years have mainly included price and technological developments and expertise. In addition, some competitors may have greater market share in a particular region or market or greater financial, technical and marketing resources than the Group or may be able to devote greater resources to promoting and selling certain services. They may also incur fewer expenses than the Group does in creating, marketing and selling services or may have a less costly access to financing. For example, on a project requiring the use of several vessels or vehicles, competitors who own various vessels or vehicles may be able to bid for work at a lower cost or on more favourable terms than the Group, as the Group would have to charter a vessel or vehicle, subject to market rates, whereas such competitor would not be subject to those market rates and could bid for the work



based only on its own operating costs. In addition, some competitors have been able to acquire assets out of bankruptcy sales on competitive prices and as a consequence have a lower cost asset base than the Group does. Such competition may require the Group to submit lower bids in an effort to win or maintain a certain contract.

It is to be expected that competitors will continuously try to challenge the Group's competitive position. If the Group's services are not sufficiently competitive, this could materially and adversely affect its business, financial condition, operating results and future prospects.

***Cyber risk and the failure to maintain the integrity of the Group's operational or security systems or infrastructure, or those of third parties with which the Group does business, could have a material adverse effect on the Group's financial condition and operating results.***

The Group's business is increasingly dependent on digital technologies to conduct certain processing and analytics activities, such as hardware, software and network connections. For example, the Group is actively moving towards an asset light strategy, which will use cloud technology to allow the Group's specialists to receive and analyse data remotely in (near) real-time. As such, the Group is subject to an increasing number of infrastructure information technology vulnerabilities, threats and targeted computer crimes which pose a risk to the security of the Group's systems and networks and the confidentiality, availability and integrity of the Group's data and trade secrets. Disruptions or failures in the physical infrastructure or operating systems that support the Group's businesses and clients, or cyber-attacks or security breaches of the Group's networks or systems, could result in the loss of assets, clients and business opportunities, legal liability, regulatory fines, penalties or intervention, reputational damage, reimbursement or other compensatory costs and additional compliance costs, any of which could materially adversely affect the Group's business, financial condition and operating results. The Group's systems, networks, solutions and services remain potentially vulnerable to advanced and persistent threats. Furthermore, the increased reliance on digital technologies to support remote working arrangements in response to the Covid-19 pandemic may increase or exacerbate the risk of such disruptions and cybersecurity threats. For more information on the effect of the disruptions related to Covid-19, see also "—Disruptions related to widespread public health concerns, including the ongoing spread of, long-term continuation or escalation of the Covid-19 pandemic have and are likely to continue to adversely affect the Group's business, liquidity, financial condition and results of operations".

The Group also maintains and has access to sensitive, confidential or personal data or information in certain of the Group's businesses that is subject to privacy, data protection and data security laws, regulations and client controls. The Group's facilities and systems and those of its clients and third-party service providers may be vulnerable to security breaches, theft, misplaced or lost data, programming or human errors that could lead to the compromising of sensitive, confidential or personal data or information, including the Group's intellectual property, improper use of the Group's systems, software solutions or networks, unauthorised access, use, disclosure, modification or destruction of information, defective products, production downtimes and operational disruptions, which in turn could adversely affect the Group's financial condition and operating results.

***The Group depends on its owned and chartered fleet and other operational assets to operate its business and failure of or damage to those assets may adversely affect the Group's business, financial condition or results of operations.***

The Group's business activities rely to a significant degree on efficient and uninterrupted operation of its owned and chartered fleet, including purpose-built geophysical and geotechnical vessels and vehicles, and other operational assets. Approximately 50% of the Group's revenue is derived from activities and services that utilise vessels. These operational assets are subject to risks of damage or failure. Any such significant failure of or damage to the Group's owned or chartered operational assets could significantly affect the quality of the Group's services and may result in interruptions of operations. Such unplanned interruptions can negatively affect the Group's operating result and financial condition and the Group may not be able to recoup any resulting losses. To the extent that the Group experiences any breakdown of key operating equipment, the Group may be required to incur significant additional costs. For example, the Group has experienced projects with vessel down time whereby it needed to charter additional external vessels to meet agreed client deadlines, resulting in higher projects costs and thus lower or no profitability. Risks of failure or damage to the Group's owned or chartered fleet can never be completely eliminated and may have a material adverse effect on the Group's business, financial condition or results of operations.

***The Group is dependent on third parties for certain projects and services and the Group's financial performance and reputation may be adversely affected by risks relating to reliance on third parties.***

For certain projects and services, the Group collaborates with and relies on third parties. Such third parties include for example (i) vessel charter providers, (ii) marine crew and other personnel, (iii) equipment and/ or security providers, and the Group's performance depends to a large extent on its suppliers. Should these third parties fail to deliver as per the agreed timeline or quality standards, this could result in delays in the Group's projects, possibly leading to liquidated damages for late start or late completion, or contract termination by the client. In addition, if such third parties do not deliver at all, the Group may be required to perform the services itself or engage another third party at the Group's own costs. Further, in relation to certain specific equipment the Group is dependent on suppliers that have a dominant position in the market and when breakdowns occur the Group has to rely on their repair and maintenance experts, which has caused in the past and may cause in the future significant



delays in the performance of the Group's services. Poor performance, defaults, the failure to perform services effectively or in a timely manner, or other failures by a third party may lead to delays, unanticipated additional costs and, possibly, penalties and liabilities incurred by, and claims against, the Group.

The Group often engages a number of subcontractors to perform services or provide equipment on the Group's projects. While the Group obtains contractual indemnification and insurance covering the acts of these subcontractors and requires the subcontractors to obtain insurance for the Group's benefit, there can be no assurance that the Group will not be held liable for the actions of these subcontractors and that such claims will be covered by the Group's insurance policy. For example, if a subcontractor does not show up for a project on time and, as a result, the Group is not able to perform the services, the Group may be subject to significant liquidated damages for late start or late completion of the services, or for failure to meet certain milestones. Such liquidated damages may, under certain circumstances, not be covered by the Group's insurance policy. In addition, subcontractors may cause damage or injury to the Group's personnel and property which the Group may not be able to recover from such subcontractor, and might also not be fully covered by insurance. Should third parties on which the Group relies fail to honour their obligations under their contract, the Group could sustain significant losses and face reputational risk.

***The Group may not be able to align the contractual provisions with third parties with the provisions agreed on with the Group's clients, resulting in increased risks for the Group, which may have a material adverse effect on the Group's business and profitability.***

The Group tries to negotiate back-to-back terms with its suppliers, subcontractors or other counterparties on a project-to-project basis to allocate certain risks and liabilities under the client contract to such counterparties. However, the Group may not always be successful in aligning the client's terms with the Group's counterparties, especially suppliers, and there can be liabilities for which the Group is responsible, but which are not addressed in the subcontractor agreement. For example, the Group might be required to pay for the costs of chartering a vessel before the Group is entitled to receive payment from its client or, in the case of delays, the Group might be confronted with costs for a chartered vessel that are not compensated by the client.

The Group may also be required to include client-friendly provisions in its bid, such as parent company guarantees, performance guarantees or bid bonds to be able to participate in the tendering process. In addition, the Group may not always be in a position to negotiate contracts with its larger clients on the basis of the Group's own terms and conditions. The Group's clients and other counterparties may demand acceptance of their terms and conditions "as is". Such provisions could for example relate to: taking on uncapped or disproportionate high liability or liability for the client's works or people, taking on pollution risk, having to work on a back-to-back basis with clients' subcontractors or bearing responsibility for obtaining local permits for project. Each of those contractual provisions may result in the Group incurring significant costs and expenses, which have not been taken into account in the prices agreed with the Group's counterparties.

Misalignment between the provision of the client contract and the provisions of the contract with the Group's subcontractor may result in additional costs and expenses to be borne by the Group. If such additional costs and expenses are significant, this may have a material adverse effect on the Group's business and profitability.

The Group may disagree with its third parties on the interpretation of the terms of their legal or contractual arrangement. These additional costs and expenses and disagreements may have an adverse effect on the Group's business and profitability.

***The Group's business is subject to risks relating to extreme weather and other hazardous conditions and to significant physical effects of climate change.***

The Group's operations are exposed to extreme weather and hazardous conditions that are customary for marine and land operations, including grounding, collision, fire, floods, explosions and environmental contamination. If any such event were to occur, the Group's business could be interrupted leading to delays in the Group's projects, and the Group could incur significant liabilities and cost. In addition, these conditions could result in damage to, or destruction of the Group's owned or chartered vessels, vehicles, platforms or other operational assets and equipment, personal injury and property damage, and suspension of operations or environmental damage. As the Group depends on its owned and chartered fleet and other operational assets to operate its business, damage to its fleet or such assets may have a material adverse effect on the Group's business, financial condition or results of operations. For more information on the possible adverse effect of such damage, see "The Group depends on its owned and chartered fleet and other operational assets to operate its business and failure of or damage to those assets may adversely affect the Group's business, financial condition or results of operations."

In addition, the Group may need to incur significant costs to prepare for or respond to such effects. The foregoing risks could materially adversely affect the Group's operations and financial condition.

***The Group's risk management framework may be ineffective, may fail or may be contravened.***

The Group's business activities expose it to a wide variety of risks, including strategic, operational, financial and compliance risk. See "Business—Risk Management" for more information. As the Group is subject to different regulatory regimes both within and across the jurisdictions in which the Group operates, requiring the Group to

design and implement risk management procedures, internal controls and policies that ensure compliance with regulations that may be inconsistent and address the varying priorities of different supervisory authorities, the Group's strategies and procedures for managing risks may prove insufficient or fail. The Group must manage financial control system requirements and QHSSE procedures that differ in each jurisdiction in which the Group operates, creating a complex framework that requires adequate and up-to-date knowledge of all applicable requirements and procedures. An unexpected change in regulation may, for instance, not be identified by the Group in a timely manner causing the Group to be in non-compliance. In addition, the Group's risk management procedures, internal controls and policies may not be adequate to identify, evaluate and effectively manage all the risks that the Group may encounter more generally, particularly if the Group is confronted with risks or situations that it has not fully or adequately identified or anticipated. Any internal control and risk management system may be exposed to inadequate, fraudulent, negligent or unauthorised dealings or acts by employees or third-parties as well as to IT failures. The Group also relies on the ability and integrity of its management and employees to properly implement and effectively apply these controls and procedures. If the Group fails to train and manage its employees properly, its internal controls and procedures may be ineffective. Any failure of these systems could materially adversely impact the Group's reputation, business, financial condition and operating results.

***The Group's insurance coverage may be inadequate, may increase in cost and may not cover certain risks or unexpected events, which could have a material adverse effect on the Group's business, financial condition, operating results and future prospects.***

To the extent available, the Group maintains insurance coverage that the Group believes is customary in the industries in which the Group operates, including insurance coverage for: general liability, directors and officers, hull and machinery, marine protection and indemnity, professional indemnity and charterers liability. This is intended to provide protection against the anticipated risks involved in the conduct of the Group's business. As is customary in the industries in which the Group operates, the Group does not carry insurance specifically covering loss of revenue caused by business interruptions.

There is no guarantee that the Group's insurance policies will adequately cover all risks the Group may face. Some risks generally cannot be insured, such as certain market risks or natural disasters, and for certain risks and in certain countries, insurance may not be available to cover all risks or may be available only at costs that are not economically viable. Some risks, if these materialise, may result in damages that cannot be easily measured or compensated, such as reputational harm. In addition, following a significant insurance claim or a history of claims, insurance premiums may increase, or the terms and conditions of insurance coverage may become less favourable. Unfavourable policy changes and a reduction in coverage may also occur as a result of general trends in the insurance markets.

In recent years, certain trends have been visible in the general insurance market that have made obtaining coverage and obtaining it on reasonable terms and for affordable premiums more difficult. The Group believes that a number of different factors have contributed to this trend. These factors, among others, include increased cost of coverage as a result of losses due to increasingly frequent and devastating catastrophic events resulting in increasing losses for insurance companies, increased reinsurance premiums driving up insurance companies' rates, increased claim costs due to increase in frequency and severity of claims, and decreased risk appetite of insurance companies as a result of reduced interest rates which have adversely affected insurers' profitability and restricted the classes of businesses and lines of insurance they are willing to underwrite. There is no guarantee that the Group will be able to continue to obtain sufficient levels of insurance on economically viable terms. To the extent there is a material relationship between insurance and other risks identified in the Risk Factors chapter, such material relationship has been described under the relevant individual risk factor. The materialisation of any of the risks described above could have a material adverse effect on the Group's business, financial condition, operating results and future prospects.

***The Group has had losses in the past and there is no assurance of the Group's profitability in the future.***

The Group has experienced losses in the past. In the years ended 31 December 2018 ("**Financial Year 2018**"), 31 December 2019 ("**Financial Year 2019**") and 31 December 2020 ("**Financial Year 2020**"), the Group recorded a loss of €55.2 million, a loss of €122.4 million and a loss of €171.7 million, respectively, in large part because of losses related to the oil and gas sector. There is no assurance that the Group will be able to restore profitability in the coming years. In addition, levels of profitability will impact whether or not dividends will be permitted to be paid under the Credit Facility Agreement after the initial restriction on dividend payments of 18 months from 14 December 2020. After such date, dividends are only permitted under the Credit Facility Agreement provided that the Group's net leverage<sup>1</sup> ratio (measured quarterly) is below two times on the two immediately preceding testing dates and not reasonably expected to be two times or higher on the two next testing dates. For more information, see "Dividends and Dividend Policy". Furthermore, the Group's business is capital intensive, and the Group makes significant investments in vessels, vehicles, platforms, other operational assets and in processing data. The Group's cash flow

from operations may not be sufficient to fund ongoing activities and implement the Group's business and strategic plans. The Group may therefore incur operating losses and experience negative operating cash flow.

***The Group's inability to sufficiently and in a timely manner reduce its high levels of fixed costs during downturns in the markets in which it operates could result in operating losses.***

The Group is subject to high fixed costs which primarily consist of maintenance expenses associated with the Group's offshore Geo-data acquisition, laboratory equipment, fleet and certain crew costs. Extended periods of significant unanticipated downtime or low productivity caused by reduced demand, weather interruptions, equipment failures, permit delays, technical difficulties, labour unrest or other causes could reduce the Group's profitability and have a material adverse effect on the Group's financial condition and operating results should the Group not be able to sufficiently and in a timely manner reduce its fixed costs as fast as revenues decline. For example, due to the Covid-19 pandemic and related downturn in the oil and gas markets, the Group experienced a significant decline in revenue, which the Group was unable to fully offset despite quickly and significantly reducing certain costs. Despite these measures, the Group still experienced increased personnel and other expenses as a percentage of revenue, which negatively impacted profitability.

***The Group is exposed to risks related to the joint control of certain of the Group's entities.***

The Group has investments in affiliates and jointly controlled entities. Some of the investments in which the Group has a majority shareholding are treated as jointly controlled entities as the Group has contractually agreed to share control whereby the strategic and operating decisions relating to the entity require consent of the Group's joint venture partners. If the Group fails to fulfil its obligations under these contracts, either in whole or in part, this may lead to claims for damages, contractual penalties or termination of the joint venture by the partner or by the joint venture.

Moreover, the successful implementation of a joint venture may be endangered or impaired through a breach of contract by a partner or through unforeseen events. In the event that the Group decides on divestment of or withdrawal from a joint venture, there is a risk that no buyer will be found for the joint venture interest or that there will be no other way to sell the interest for other reasons or that the partner will claim damages, which could have a material adverse effect on the Group's business, financial condition and operating results.

***The Group has made and may make acquisitions or enter into transactions that may present unforeseen risks, and the Group may not realise the financial and strategic goals that were contemplated at the time of any transaction and, additionally, there are risks associated with the integration of any acquisitions.***

The Group may continue to pursue strategic and opportunistic acquisitions with a focus on technology and improving and creating market leadership positions. Any of these transactions could be material to the Group's financial condition or results of operations. The Group cannot guarantee that it will be able to make such acquisitions and the Group's ability to acquire new business may be limited by many factors, including availability of financing, debt covenants, complex ownership and competition from other potential acquirers. In addition, the Group's debt burden may increase if the Group borrows funds to finance any future acquisitions, which could have a negative impact on the Group's cash flow and the Group's ability to finance its overall operations. The Group is subject to restrictive debt covenants that may limit its ability to finance future operations and capital needs and to pursue business opportunities and activities, see "—Risks Relating to the Group's Indebtedness—The Group is subject to restrictive debt covenants that may limit its ability to finance future operations and capital needs and to pursue business opportunities and activities."

Even if the Group is successful in acquiring new business, the integration of such businesses may prove to be more difficult than the Group initially anticipated and could create unforeseen operating difficulties and expenditures. Acquisitions pose certain risks, for example, difficulties or delays in consolidating operations and achieving anticipated synergies, cost savings, revenues and cash flow enhancements, growth, operational efficiencies and other benefits; diversion of managerial resources away from the Group's day-to-day business operations; and the assumption of unexpected liabilities and undisclosed risks. For example, in 2018 the Group decided to close down a business it acquired in Cameroon and Gabon because the bribery and corruption risks relating to doing business in those countries proved to be higher than initially anticipated.

***The Group's liquidity may be significantly impacted by late payment or non-payment by debtors.***

Late payment or non-payment by clients and other debtors, and in particular by any major customer of the Group, may significantly and adversely impair the Group's liquidity. The Group duly considers the credit quality of the Group's potential clients during contract negotiations to minimise the risk of payment delinquency, but no assurance can be given that the Group will be able to avoid this risk. The risk of late payment or non-payment by clients and other debtors, particularly amongst the Group's oil and gas and infrastructure clients, is exacerbated in times of economic downturn and reduced activity and heightened by widespread events such as the ongoing Covid-19 pandemic. For more information on the effect of the disruptions related to widespread public health concerns, including Covid-19, see also "—Risks Relating to the Group's Industry—Disruptions related to widespread public health concerns, including the ongoing spread of, long-term continuation or escalation of the Covid-19 pandemic have and are likely to continue to adversely affect the Group's business, liquidity, financial condition and results of operations".

***The Group's operating results may be significantly affected by currency fluctuations or trapped cash.***

The Group derives a substantial portion of the Group's revenues from international sales, subjecting the Group to risks relating to fluctuations in currency exchange rates. The Group's revenues and expenses are mainly denominated in Euro, US dollar and British pound and to a significantly lesser extent in other currencies.

Although the Group may periodically undertake limited hedging activities in an attempt to reduce some currency fluctuation risks, these activities do not provide complete protection from currency-related losses and the Group cannot predict the effect of future exchange rate fluctuations on the Group's operating results.

In addition, the Group holds cash balances in local currencies in certain countries where it is difficult to transfer cash abroad or to convert it to Euro or US dollar at short notice. These trapped cash balances cannot be used for financing the Group's activities outside the relevant jurisdiction and thus expose the Group to risks of devaluations against the Euro as further described in the 2020 Annual Report.

**Legal and Regulatory Risks**

***The Group faces regulatory and compliance risks, which may have an adverse impact on its reputation, business and financial condition.***

The Group operates its business in many jurisdictions and is required to comply with international conventions and treaties, national, state and local laws and national and international regulations in force in these various jurisdictions. Non-compliance with these conventions, laws and regulations could expose the Group to fines, penalties, litigation and other claims for damages, other liabilities and negative consequences, including reputational damage. In particular, the Group and its agents and subcontractors are exposed to the risk of violating anti-corruption laws and sanctions applicable in those countries where the Group operates. Some of the foreign locations in which the Group and its agents operate may lack a developed legal system or have high levels of corruption.

Specifically, violations of anti-corruption laws, economic sanctions and export control regulations are punishable by civil or administrative penalties, including fines, denial of export privileges, injunctions, asset seizures, debarment from government contracts (and termination of existing contracts), and revocations or restrictions of licenses, as well as criminal fines, disgorgement and imprisonment. Such laws and regulations applicable in the various jurisdictions in which the Group operates may be contradictory and as such the Group might not be able to comply with all applicable laws and regulations. Any major violation could have a significant impact on the Group's reputation and consequently on its ability to win future business. The Group's operations are subject to anti-corruption laws and regulations, such as the US Foreign Corrupt Practices Act ("**FCPA**") and the United Kingdom Anti-Bribery Act, to economic sanction programs, including those administered by the European Union, the United States, the United Kingdom and the United Nations and export control regulations including the EU Dual-use Regulation 428/2009 and the US International Traffic in Arms Regulation ("**ITAR**"). Economic sanction programs may restrict transactions with certain countries and persons, including travel to or from a sanctioned country, imports, exports, new investments, and other related topics. Export control regulations may restrict the export and import of military, dual-use (with both civil and military use) and other controlled items (goods, software or technology) irrespective of their destination and end-user or to specific destinations, end-users or for specific end-use. More specifically, the Group uses certain equipment, such as certain types of altitude sensors, inertial measurement units and gyro compasses which the Dutch, US and other governments consider to be a dual-use or ITAR regulated items. The Group's anti-corruption routines, training and controls, and due diligence on subcontractors, agents and other third parties involved in the Group's business may not be sufficient to detect all potential issues of non-compliance.

Revenue-generating activities in certain foreign countries may require prior approval from European, UK, US or other governmental authorities in the form of an export license and may otherwise be subject to tariffs and import/export restrictions. These laws can change over time and may result in limitations on the Group's ability to compete globally. The Group has procedures in place to conduct these operations in compliance with applicable European, UK, US and other local laws. However, failure to comply with European, UK, US or other local laws on equipment and services exports could result in material fines and penalties and damage the Group's reputation.

Anti-trust laws in the jurisdictions where the Group operates are designed to encourage competition and generally prohibit business activities that constitute unreasonable restraints on trade. The Group's code of conduct and compliance training may not be sufficient to detect all potential violations of anti-trust laws.

The International Convention for the Prevention of Pollution from Ships ("**MARPOL**") is the main international convention aimed at preventing and limiting pollution of the marine environment by ships from operational or accidental causes.

The Group is also subject to various environmental, health and safety laws and regulations in the countries where it operates. These national, state and local laws and regulations may require Group Companies to obtain licenses, permits or other approvals to conduct the Group's operations and changes in such laws and regulations could cause the Group to incur costs and expenses to ensure compliance with such laws and regulations. Frequent changes in such laws and regulations make it difficult to predict their cost or impact on the Group's future operations.

Furthermore, laws or regulations intended to limit or reduce greenhouse gas or other air emissions or other aspects of climate change, may affect the Group's operations. For example, greenhouse gas regulations may affect the production and demand for fossil fuels such as oil and gas. Because a substantial part of the Group's business depends on the demand from the oil and gas industry, existing or future laws and regulations related to greenhouse gas emissions, including incentives to conserve energy or use alternative energy sources that lead to reductions in demand for the Group's clients' oil and gas products, could have a negative impact on its business related to the oil and gas markets.

The Group also faces risks related to its compliance with applicable securities laws and regulations, as well as to shareholder litigation predicated upon such laws and regulations.

Additionally, unfavourable, or delayed recognition of or response to, changes in legislation, including the imposition of new laws or regulations, which restrict the Group's operations or increase the cost of its operations in the jurisdictions in which the Group operates, for example changes in vessel class requirements, flag state requirements or environmental requirements, could cause the Group to incur significant costs and expenses to comply with such laws or regulations. This is especially true if the Group is unable to negotiate a "change in law" provision in which the client is held responsible for the additional costs. Further, operations in developing countries are subject to decrees, laws, regulations and court decisions that are subject to interpretation, may change frequently or be retroactively applied and could cause the Group to incur unanticipated or unrecoverable costs or delays. The legal systems in developing countries may not always be fully developed and courts or other governmental agencies in these countries may interpret laws, regulations or court decisions in a manner which might be considered inconsistent or inequitable in developed countries, and may be influenced by factors other than legal merits. Compliance with this complex and changing array of laws and regulations is difficult and may require significant expenditures. The Group cannot ensure that it has always complied with and will in the future always comply with all applicable laws and regulations. Any violation of MARPOL or other applicable laws and regulation could expose the Group to civil, criminal and administrative penalties and may have a material adverse effect on the Group's reputation, business and financial condition.

***The Group may not be successful in maintaining the necessary regulatory authorisations or licenses needed to operate the Group's business and such authorisations and licenses may be subject to termination, revocation or material alterations in the event of a breach.***

The Group currently holds numerous regulatory authorisations and licenses necessary to operate the Group's business. The Group cannot give assurances that it will be able to continue to maintain all authorisations and licenses necessary to operate the Group's business or that the Group will be able to renew its authorisations or licenses when they expire. The loss of any of the Group's authorisations or licenses or a material modification of the terms of any existing or renewed licenses may have a material adverse effect on the Group's business, financial condition and result of operations. For instance, failure to obtain or maintain a material license could result in the Group being unable to bid for or complete certain large or other types of projects.

Additionally, the Group must comply with the terms and conditions of its licenses. If the Group is held to be in breach of any applicable law or the terms and conditions of its licenses, fines or penalties may be imposed. In addition, if the Group's activity under its licenses is carried out in a manner that is deemed to conflict with applicable law or the terms and conditions of the Group's licenses, and the Group fails to remedy such conflict within the applicable grace period, the Group's licenses may be revoked. Further, the Group's operations may be subject to domestic laws, regulations or practices requiring or promoting the participation of local parties in an alliance or licensing arrangement. For example, in Indonesia and Malaysia, the Group requires local partners with appropriate substance and licenses to enable the Group to execute its services in such jurisdictions in a compliant manner. If the local parties decide not to enter into, renew or extend the alliances or licenses, or not to abide by the contractual obligations as interpreted by the Group, the Group may fail to perform under its current contracts rendering itself liable for breach of contract and may need to eventually withdraw from these jurisdictions, which in either case could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group conducts its business in multiple jurisdictions and is exposed to the tax laws of such jurisdictions, including risks in connection with challenges to the Group's tax position.***

The Group operates on a global basis and is therefore subject to the tax laws and regulations of different jurisdictions. Given that tax laws and regulations are subject to frequent change and that new tax laws may be introduced, including changes to the Dutch liquidation loss scheme and changes following the (implementation of the) EU Anti-Tax Avoidance Directives and the Organisation for Economic Co-operation and Development Base Erosion and Profit Shifting project ("BEPS"), which includes the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent BEPS, and the potential introduction of a global minimum tax under the Programme of Work for Addressing the Tax Challenges of the Digitalisation of the Economy, and their meaning is not always clear-cut or definitive, the tax positions taken by the Group are sometimes based on the Group's interpretations of such laws and regulations. The Group cannot guarantee that it will always detect and react to changes to tax laws and regulations on a timely basis or that its interpretations of such laws and regulations will not be questioned by the relevant authorities at a later stage. Similarly, the amounts of taxes the Group pays in these

jurisdictions could increase substantially as a result of such changes in these laws or their interpretations by the relevant taxing authorities, which could have a material adverse effect on the Group's operating results. Apart from the global tax developments, adverse results can also be an effect of developments in currently existing local tax laws in various jurisdictions, which can be subject to changes in content and interpretation. Tax offices can also adjust their approach to taxpayers as result of local budgetary constraints, leading to an increased risk profile. The scope of relevant tax laws is broad, including corporate income taxes, as well as indirect taxes such as value added tax and goods and services tax and wage taxes. Further, the authorities may not agree with the tax advice that the Group receives from its outside tax advisers or the positions taken by the Group in the relevant jurisdictions, including in respect of transfer pricing, the existence of a taxable presence and the level of withholding taxes applied. This creates an uncertain business and investment environment and related additional risks, including a risk of double taxation. More generally, any failure to comply with the tax laws or regulations applicable to the Group may result in reassessments, late payment interest, fines and penalties.

In addition, as a global business, the Group's effective average tax rate from period to period will be affected by many factors, including changes in tax legislation, global mix of earnings, the tax characteristics of the Group's income, the distribution of the Group's income and profit and losses amongst different entities and jurisdictions, the utilisation of existing carry forward tax losses, acquisitions and dispositions, adjustments to the Group's reserves related to uncertain tax positions and changes in valuation allowances in respect of, for example, deferred tax assets.

Also, a material change in applicable laws and regulations, or in their interpretation or enforcement, may force the Group to alter its business strategy, leading to additional costs or loss of revenue. If, as a result of a particular tax risk materialising, the tax costs associated with particular transactions are greater than anticipated, it may affect the profitability of those transactions. As future developments are uncertain and partly beyond management's control, assumptions are necessary to estimate future taxable profits. Any significant increase in the Group's tax burden due to the factors described above is likely to have a material adverse effect on the Group's cash flows, operating results, financial condition and future prospects.

***The Group depends on proprietary technology and is exposed to risks associated with the misappropriation or infringement of that technology.***

The Group's ability to maintain or increase prices for its services depends in part on the Group's ability to differentiate the value delivered by its services from those delivered by its competitors. The Group's proprietary technology plays an important role in this differentiation. The Group relies on a combination of patents, trademarks and trade secret laws to establish and protect its proprietary technology. Patents last up to 20 years, depending on the date of filing and the protection accorded by each country. In addition to patented proprietary technology, the Group depends on non-patentable business secrets, unpatented trade secrets and confidential know-how. While it is the Group's policy to enter into confidentiality agreements with employees and third parties to protect its intellectual property, which limit access to and distribution of the Group's technology, these confidentiality agreements may be breached, may not provide meaningful protection for trade secrets or proprietary know-how, or may not provide adequate remedies in the event of unauthorised use or disclosure of trade secrets and know-how, particularly in those countries where the laws do not afford comprehensive protection of proprietary rights or where the ability to recoup monetary damage is limited.

While the abovementioned steps are taken to strictly maintain the confidentiality of the Group's proprietary and trade secret information, it is difficult to ensure that unauthorised use, misappropriation or disclosure will not occur. Actions that the Group takes to protect its proprietary rights may not be adequate to deter the misappropriation or independent third-party development of the Group's technology. The use of the Group's intellectual property and other proprietary information and know-how by an unauthorised third party could reduce or eliminate any competitive advantage that has been developed and consequently cause the Group to lose market share or otherwise adversely affect its business, operating results or financial condition. The Group continues to seek intellectual property protection (for example, new patents) for its past and future technological developments and other protectable intellectual property. Although the Group does not have any current litigation involving its intellectual property rights which may have a material adverse impact on the Group, such litigation may take place in the future. In addition, the laws of certain foreign countries do not protect proprietary rights to the same extent as, in particular, the laws of the Netherlands, the United Kingdom, Norway, Canada, Australia or the United States, which may limit the Group's ability to pursue third parties that misappropriate its proprietary technology. In addition, the Group's businesses and the business of its competitors largely involves offshore activities. The legal precedent in the United States and other countries regarding the extent to which intellectual property rights cover offshore activities, and thus potentially impose liability for offshore intellectual property infringement, is rapidly evolving, complex, and depends largely on the specific facts.

***Claims by third parties that the Group is infringing their intellectual property and other litigation may have a material adverse effect on the Group's operations, business, financial condition and future prospects.***

The Group has a patent portfolio, which as a whole is material to the Group's operations and business. The Group's technology and services may violate any third-party intellectual property rights. The Group may have to allocate

considerable resources to defend itself against claims that the Group is in violation of a third party's intellectual property rights, to protect its intellectual property portfolio and to take appropriate actions to enforce and defend its intellectual property rights. There can be no assurance that the Group will not be party to litigation including interim or permanent injunctions as a result of such disputes. Any adverse outcome of such disputes could also have a material adverse effect on the Group's competitive position, business, financial condition and future prospects.

#### **Risks Relating to the Group's Indebtedness**

***The Group's failure to comply with the covenants under the Credit Facility Agreement or Sale-and-Leaseback, including as a result of events beyond the Group's control, could result in an event of default which could materially and adversely affect the Group's financial condition, financial returns and results of operations.***

The Credit Facility Agreement requires the Group to satisfy certain financial covenants that are tested quarterly. If the Group fails to meet any of these tests, the Group will be in default under such facility. See "Operating and Financial Review—Financing Arrangements" for more information on the Credit Facility Agreement. The Group's ability to meet these financial covenant requirements could be affected by deterioration in the Group's operating results, as well as by events beyond the Group's control, including decreases in collections, currency fluctuations and unfavourable economic conditions, and the Group cannot give assurances that it will be able to meet these tests.

Moreover, the Credit Facility Agreement includes certain events of default (such as breach of representations and warranties and cross-defaults). See "Operating and Financial Review—Financing Arrangements—Events of Default" for more information on the default terms under the Credit Facility Agreement. If an event of default occurs under the Credit Facility Agreement or any other of the Group's debt instruments, including the Group's bilateral guarantee lines, and is not cured or waived, borrowings under any other debt instruments that the Group has outstanding that contain cross-acceleration or cross-default provisions may also be accelerated or become payable on demand, together with accrued and unpaid interest and other fees payable thereunder. In these circumstances, the Group's assets and cash flow may not be sufficient to repay in full all of the Group's indebtedness that has been accelerated which could force the Group into bankruptcy or liquidation.

Moreover, the guarantees securing the Group's Sale-and-Leaseback (as defined below) transactions include the same financial covenants that are included in the Credit Facility Agreement. Breach of these financial covenants could lead to a termination right under the respective Sale-and-Leaseback transaction. If a termination right is triggered, borrowings under any other debt instruments that the Group has outstanding, including the Credit Facility Agreement, that contain cross-acceleration or cross-default provisions may also be accelerated or become payable on demand, together with accrued and unpaid interest and other fees payable thereunder. In these circumstances, the Group's assets and cash flow may not be sufficient to repay in full all of the Group's indebtedness that has been accelerated which could force the Group into bankruptcy or liquidation.

***The Group's substantial leverage and debt service obligations could adversely affect its business and financial condition.***

The Group has significant outstanding debt and debt service requirements and may incur additional debt in the future. As of 31 December 2019, and 31 December 2020, the Group had €666.3 million and €295.8 million of net debt outstanding (including Seabed Geosolutions), respectively. For a reconciliation of net debt to its most comparable IFRS measure, see "Important Information—Non-IFRS financial measures and non-financial operating data—Net debt and capital employed. Although the Group's indebtedness has been reduced as a result of the cornerstone placement, the Offering and Share Subscription Offering and reduced amounts borrowed under the Credit Facility Agreement, the Group nonetheless continues to have a significant level of indebtedness outstanding, including its 2016 Convertible Notes (as defined in "Operating and Financial Review—Financing Arrangements") which mature on 26 October 2021 and its 2017 Convertible Notes (as defined in "Operating and Financial Review—Financing Arrangements"), which are expected to remain outstanding and may be redeemed at the option of the bondholders on 2 November 2022, subject to a maximum 90 days' and a minimum 45 days' notice period. See "Operating and Financial Review—Financing Arrangements" for more information on the Group's financing arrangements and "Capitalisation and Indebtedness". The Group's significant level of indebtedness could have important consequences, including, but not limited to:

- making it difficult for the Group to satisfy its debt obligations in case of material debt repayment requirements (see "—The Group's failure to comply with the covenants under the Credit Facility Agreement or Sale-and-Leaseback, including as a result of events beyond the Group's control, could result in an event of default which could materially and adversely affect the Group's financial condition, financial returns and results of operations..");
- increasing the Group's vulnerability to, and reducing its flexibility to respond to, general adverse economic and industry conditions;
- requiring the dedication of a substantial portion of its cash flow from operations to the payment of interest on indebtedness, thereby reducing the availability of such cash flow for, and limiting the ability to obtain additional financing to fund, working capital, capital expenditure (including for technological innovation),

acquisitions, joint ventures or other general corporate purposes (see "—The Group is subject to restrictive debt covenants that may limit its ability to finance future operations and capital needs and to pursue business opportunities and activities.");

- limiting the Group's flexibility in planning for, or reacting to, changes in its business and the competitive environment and the industry in which it operates (see "Risk Factors—Risks Relating to the Group's Indebtedness—The Group requires a significant amount of cash to service or refinance its debt and sustain its operations. The Group's ability to generate sufficient cash depends on many factors beyond the Group's control..");
- placing the Group at a competitive disadvantage compared to its competitors, to the extent that they may not be as highly leveraged and therefore these competitors may enjoy more leeway in the use of their cash flows;
- limiting the Group's ability to borrow additional funds or raise equity capital in the future and increase the costs of any such additional capital; and
- restricting the Group's ability to exploit certain business opportunities and pursue strategic acquisitions.

Any of these or other consequences or events could have a material adverse effect on the Group's ability to satisfy its debt and other obligations. In addition, if the Group's results of operation do not meet expectations it may have difficulty meeting its debt obligations.

***Some of the Group's indebtedness will bear interest at a floating rate that could rise significantly, increasing the Group's interest cost and debt and reducing the Group's cash flow.***

Debt under the Credit Facility Agreement will bear interest at a variable rate which is based on EURIBOR for euro drawings, LIBOR for US dollar drawings and other applicable locally based interbank offered rates for loans denominated in other currencies, in each case plus an agreed margin. Fluctuations in EURIBOR, LIBOR or other interbank offered rates, including as a result of rising interest rates generally, or the occurrence of a Market Disruption Event (as defined in the Credit Facility Agreement) may increase the Group's overall interest burden and could have a material adverse effect on the Group's ability to service its debt obligations. Furthermore, the margin payable on loans under the Revolving Credit Facility may increase depending on the Group's net leverage. See "Operating and Financial Review—Key Factors Affecting the Group's Results of Operations—Interest and Fees". Any such increase would also increase the Group's interest expense and could have a material adverse effect on the Group's ability to service its debt obligations. Although the Group may enter into and maintain certain hedging arrangements designed to fix a portion of these rates, the Group is not required to do so and there can be no assurance that hedging will continue to be available on commercially reasonable terms. Hedging itself carries certain risks, including that the Group may need to pay a significant amount (including costs) to terminate any hedging arrangements. To the extent interest rates were to rise significantly the Group's interest expense associated with any drawings under the Revolving Credit Facility would correspondingly increase, thus reducing cash flow.

***The Group is subject to restrictive debt covenants that may limit its ability to finance future operations and capital needs and to pursue business opportunities and activities.***

The Group is subject to affirmative and negative covenants in the Credit Facility Agreement. A breach of any of those covenants or the occurrence of certain specified events will, subject to applicable cure periods and other limitations, result in an event of default under the Sale-and-Leaseback or the Credit Facility Agreement. Upon the occurrence of any event of default under the Credit Facility Agreement, the majority lenders (being, subject to certain limitations, lenders under the Credit Facility Agreement whose commitments thereunder aggregate at least 66⅔% of the total commitments thereunder) could, while such event of default remains unremedied or unwaived, cancel the availability of the Credit Facility Agreement and elect to declare all amounts outstanding under the Credit Facility Agreement, together with accrued interest, immediately due and payable. In addition, a default or event of default under the Credit Facility Agreement could lead to an event of default and acceleration under other debt instruments that contain cross-default or cross-acceleration provisions. If the Group's creditors, including bondholders and the creditors under the Credit Facility Agreement, accelerate the payment of amounts owing to them under such other debt instruments, the Group cannot guarantee that its assets and the assets of its subsidiaries would be sufficient to repay in full those amounts or to satisfy all other liabilities of its subsidiaries that would be due and payable. In addition, if the Group is unable to repay those amounts, such creditors could proceed to enforce any security interests granted to them to secure repayment of those amounts.

***The Group requires a significant amount of cash to service or refinance its debt and sustain its operations. The Group's ability to generate sufficient cash depends on many factors beyond the Group's control.***

The Group's ability to make payments on and to refinance its debt, including the Company's €200 million term loan (the "Term Loan") and the Group's €250.0 million revolving credit facility (the "Revolving Credit Facility"), both with a maturity of 14 December 2023 and arranged by, among others, ABN AMRO Bank N.V., Barclays Bank PLC, BNP Paribas S.A., Netherlands Branch, Coöperatieve Rabobank U.A., Credit Suisse (Switzerland) Ltd, ING



Bank N.V. and HSBC Bank plc (the Term Loan and Revolving Credit Facility together referred to as the "**Credit Facility**"), to fund working capital and to make capital expenditures, will depend on the Group's future operating performance and ability to generate sufficient cash. This depends on the success of the Group's business strategy and on general economic, financial, competitive, market, legislative, regulatory and other factors, as well as the other factors discussed in these "Risk Factors", many of which are beyond the Group's control.

The Group cannot guarantee that the costs savings program it is implementing will be realised in full or in due time. For instance, the Group's envisioned reduction in personnel expenses might be affected by delays in receiving necessary approvals, which are outside the Group's control. In addition, the Group cannot give assurances that its business will generate sufficient cash flows from operations, that turnover growth and operating improvements will be realised or that future debt and equity financing will be available to the Group in an amount sufficient to enable it to pay its debt when due or to fund the Group's other liquidity needs. See "**Operating and Financial Review—Liquidity and Capital Resources**" for more information on the Group's liquidity and capital resources. If the Group's future cash flows from operations and other capital resources (including borrowings under the Credit Facility Agreement) are insufficient to pay the Group's obligations as they mature or to fund the Group's liquidity needs, the Group may be forced to:

- reduce or delay its business activities and any capital expenditures leading to loss of competitiveness;
- sell assets leading to loss of competitiveness;
- obtain additional debt or equity capital leading to increased financial expenses or unexpected shareholder dilution; or
- restructure or refinance all or a portion of its debt, including any drawings under the Credit Facility, on or before maturity leading to diminished financial and business flexibility.

The Group cannot give assurances that it would be able to accomplish any of these alternatives on a timely basis or on satisfactory terms, if at all. If the Group cannot meet such debt obligations, the holders of the Group's debt may accelerate its debt and, to the extent such debt is secured, foreclose on the Group's assets securing such debt. In such an event, the Group may not have sufficient assets to repay all of its debt. Any failure to make payments on the Group's debt, including the Credit Facility, on a timely basis would likely result in a reduction of the Company's credit rating, which could also harm the Group's ability to obtain additional debt or increase the Group's cost of borrowing. In addition, the terms of the Group's debt, including the Credit Facility Agreement, limit, and any future debt may limit, the Group's ability to pursue any of these alternatives. Any refinancing of the Group's debt could be at higher interest rates and may require the Group to comply with more onerous covenants, which could further restrict the Group's business, financial condition and results of operations or increase the other risks described herein. There can be no assurance that any assets which the Group could be required to dispose of can be sold or that, if sold, the timing of such sale and the amount of proceeds realised from such sale will be sufficient. In addition, the terms of the Credit Facility Agreement may limit the Group's ability to pursue any of these measures.

***Any impairment of the Group's ability to draw funds under the Credit Facility Agreement could adversely and negatively impact the Group's business operations.***

Currently, the Group's operations are primarily financed using cash generated in its operations and funds drawn from the Credit Facility. Should the Group lose the ability to access the Credit Facility or a portion thereof, the Group may not be able to pursue its growth plans, which would negatively impact sales generation, and consequently future cash flows. There also can be no assurance that the Group will have sufficient cash resources on hand at any given time to meet the Group's expenses or debt servicing requirements. The Group's ability to draw on the Revolving Credit Facility depends on, among other things, the Group's ability to satisfy certain financial covenants, such as a ratio of Adjusted Consolidated EBITDA (as defined in the Credit Facility Agreement) to consolidated interest expenses, a ratio of consolidated net debt to EBITDA specifically adjusted for covenants and a ratio of consolidated net worth to consolidated balance sheet total, and the Group's ability to meet these financial covenant requirements and other required conditions to drawing could be affected by a number of factors, including by events beyond the Group's control. For more information on this topic, see "**The Group's failure to comply with the covenants under the Credit Facility Agreement or Sale-and-Leaseback, including as a result of events beyond the Group's control, could result in an event of default which could materially and adversely affect the Group's financial condition, financial returns and results of operations**". This inability to implement the Group's growth plans or to maintain the Group's operations due to a lack of cash flow would materially and adversely affect the Group's business.

***The Group is often required to post performance bonds or guarantees for certain obligations, which it may be unable to provide, or if it does provide, may be called under circumstances that it believes to be improper.***

Certain of the Group's clients may request that the Group or certain of its subsidiaries post performance bonds or guarantees issued by banks or insurance companies, including in the form of stand-by letters of credit, in order to guarantee the Group's legal or contractual obligations. As of 31 March 2021, the Group had €88 million of bank guarantees, standby letters of credit and bid and performance bonds outstanding under a variety of facilities. There

can be no assurances that the Group will be able to provide these bonds or guarantees in the amounts or durations required or for the benefit of the necessary parties. The Group's failure to comply with these requests could reduce its capacity to conduct business or perform its contracts. In addition, if the Group does provide these bonds or guarantees, the Group's clients may call upon them under inopportune circumstances or circumstances that the Group believes to be improper, and the Group may not be able to challenge such actions effectively in local courts.

The Group's bilateral guarantee lines are uncommitted, which means that any request the Group makes to post guarantees may be declined. In addition, they could be withdrawn and no longer available to the Group, or their terms, including the interest rate, could change to make the terms no longer acceptable to the Group. An inability to call upon uncommitted guarantee lines could lead to the Group being unable to post guarantees, which could have an adverse effect on the Group's business, financial condition and result of operations.

***Changes in the Group's financial reporting standards, accounting policies and accounting adjustments could affect the Group's reported results and impact its capital ratios.***

Accounting principles are periodically revised and the application of accounting principles is subject to varying interpretations over time. Accordingly, the Group is required to adopt new or revised accounting standards or comply with revised interpretations that are issued from time to time by the relevant authoritative bodies, which may result in a negative impact on the Group's net income and other financial measures.

The Group implemented the International Financial Reporting Standards as adopted by the European Union ("IFRS") 16 as of 1 January 2019. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases. The standard requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for financial leases under International Accounting Standard ("IAS") 17.

The implementation of IFRS 16 has resulted in a significant impact on the Group's financial statements as from 2019, resulting in an increase in debt from lease liabilities and having a positive impact on EBITDA. However, this is a change in accounting and has no impact on the Group's business, cash flows and financial covenants calculations for the Group's existing debt facilities. The Credit Facility Agreement also includes covenants on a post-IFRS 16 basis and therefore already take into account the impact of IFRS 16. However, these and further changes in financial accounting standards or policies which the Group is required to adopt may have a material adverse effect on capital ratios and could have a material adverse effect on the Group's financial condition and operating results.

**Risks Relating to the Ordinary Shares**

***The payment of future dividends will depend on the Group's financial condition and results of operations, as well as on the Group's operating subsidiaries' distributions to the Company.***

Distributions of dividends may take place only after the adoption of the annual accounts within the meaning of article 2:361 BW (the "Annual Accounts") by the General Meeting which show that the distribution is allowed. The Company may make distributions to its holders of Shares insofar as the Company's equity exceeds the sum of the paid-in and called-up share capital increased by the reserves as required to be maintained by Dutch law or by the Company's articles of association as they will read when implemented at the Settlement Date (the "Articles of Association"). This may result in the Company being unable to distribute dividends or determining to continue not to distribute dividends in future financial years. Further, the Company may be required to retain earnings to support its capital base and recognise them in the reserves rather than distributing them. Due to the negative net financial result, the Group has not paid a dividend since 2014 and has not proposed to pay a dividend over the year 2020.

The board of management of the Company (the "Board of Management", each member a "Managing Director") determines whether the Company is able to or should make distributions. Because the Company is a holding company that conducts its operational business mainly through its subsidiaries, the Company's ability to pay dividends depends directly on the Company's operating subsidiaries' distributions to the Company. The amount and timing of distributions will depend on the laws of the operating companies' respective jurisdictions. For example, in certain countries, such as Angola, Indonesia, Nigeria and Malaysia, there are currency controls which could influence the timing and price remittances to the Company. The distribution by the Company of interim dividend and the distribution of dividend in the form of Ordinary Shares is subject to the prior approval of the supervisory board of the Company (the "Supervisory Board", each member a "Supervisory Director"). Any of these factors, individually or in combination, could restrict the Company's ability to pay dividends.

***Additional equity offerings or future issuances of Ordinary Shares or debt or equity-linked securities convertible into Ordinary Shares by the Company may adversely affect the market price of the Ordinary Shares, and any future issuance of Ordinary Shares may dilute investors' shareholdings. Although the Company has agreed with the underwriters in the Offering to certain restrictions on issuing, selling or transferring Ordinary Shares for a period of 180 days after 14 December 2020, which was the settlement date of the Rights Issue, the underwriters may, jointly and at any time, waive such restrictions.***

On 22 April 2021, the General Meeting designated the Board of Management as the corporate body which is authorised for a period of 18 months as of 22 April 2021 until 22 October 2022, to, subject to the approval of the Supervisory Board, resolve on the issue of, and/or on the granting of rights to acquire, Ordinary Shares and/or all

classes of Financing Preference Shares and Convertible Financing Preference Shares (both as defined in "—Dividends and Dividend Policy—General") in which the authorised capital of the Company is divided and to limit or exclude pre-emptive rights in relation to such issuances and/or grants. The authorisation of the Board of Management is limited to 10% of the issued capital of the Company on 22 April 2021.

The Group may in the future seek to raise capital through public or private debt or equity financings by issuing additional Ordinary Shares, debt or equity securities convertible into Ordinary Shares or rights to acquire these securities and restrict or exclude the pre-emptive rights pertaining to the then outstanding Ordinary Shares. In addition, the Group may in the future seek to issue additional Ordinary Shares as consideration for or otherwise in connection with the acquisition of new businesses. Furthermore, the Group may issue new Ordinary Shares in the context of any new employment arrangement for involving employees in the capital of the Company. Such issuances may have a material adverse effect on the market price of the Ordinary Shares in the Company and may dilute an investor's holding of Ordinary Shares and the voting rights of the existing holders of Ordinary Shares if the new Ordinary Shares or convertible bonds are issued without granting subscription rights or similar rights to the existing shareholders or, if such rights are granted, to the extent such rights are not exercised. Furthermore, any additional debt or equity financing the Group may need may not be available on terms favourable to the Group or at all, which could adversely affect the Group's future plans and the market price of the Ordinary Shares. Any additional offering or issuance of Ordinary Shares by the Company or the perception that an offering or issuance may occur could also have a negative impact on the market price of the Ordinary Shares and could increase the volatility in the trading price of the Ordinary Shares.

Furthermore, future sales of Ordinary Shares by any or all of the Managing Directors could be considered as a lack of confidence in the performance and prospects of the Group and could cause the market price of the Ordinary Shares to decline.

Although the Company has agreed with the underwriters, pursuant to the Offering, to restrictions on its ability to make future issuances, sales or transfers of Ordinary Shares, as applicable, for a period of 180 days after 14 December 2020, which was the settlement date of the Rights Issue, the underwriters may, jointly and at any time, waive such restrictions on issuances, sales or transfers, in which case the risks described in this risk factor could materialise.

***Following the termination of the Certification, the relative voting power of holders of Ordinary Shares, including major shareholders, that use their voting rights may increase and their interests may differ from the interests of the Company's other holders of Ordinary Shares.***

Immediately following the termination of the Certification, the Foundation Trust Office will no longer be in a position to exert substantial influence over the General Meeting of the Company and, consequently, on matters decided by the General Meeting, including the appointment and dismissal of members of the Board of Management and Supervisory Board of the Company, the distribution of dividends (see also "—Risks Relating to the Ordinary Shares—The payment of future dividends will depend on the Group's financial condition and results of operations, as well as on the Group's operating subsidiaries' distributions to the Company."), a proposal to amend the Articles of Association of the Company or any proposed capital increase. As a result, the Company expects a lower percentage of the share capital being present or represented at General Meetings, which also means that the relative voting power of holders of Ordinary Shares that exercise their voting rights at a General Meeting will increase. Consequently, such holders of Ordinary Shares, potentially including major shareholders, will have more influence on the outcome of the voting at the General Meeting. The interests of such (major) holders of Ordinary Shares could deviate from the interests of the Company's other holders of Ordinary Shares and, as such, may delay, postpone or prevent decisions that might be advantageous to the Company or these other shareholders.

***The granting of the Call Option to the Foundation Protective Preference Shares and provisions in the Articles of Association may delay, discourage or prevent takeover attempts that may be favourable to certain holders of Shares.***

The Company's protection against a hostile takeover depends on the ability of the Company to issue cumulative Protective Preference Shares (as defined in "Dividends and Dividend Policy—General").

The Articles of Association shall include that the Company has granted Stichting Beschermingspreferente aandelen Fugro (the "**Foundation Protective Preference Shares**") the Call Option (as defined in "Description of Share Capital") which may be exercised at any time at the discretion of the board of the Foundation Protective Preference Shares (the "**Board of the Foundation**"). Under the Call Option, the Foundation Protective Preference Shares is entitled to acquire from the Company up to a maximum number of Protective Preference Shares (as defined in "Description of Share Capital") not exceeding half (1/2) of the aggregate number of Shares issued and outstanding at the time the right to acquire Protective Preference Shares is exercised by the Foundation Protective Preference Shares. The Foundation Protective Preference Shares may exercise the Call Option more than once, in each case up to the aforementioned maximum. For more information on the Call Option Foundation Protective Preference Shares, see "Description of Share Capital—Response Measures". The issuance of Protective Preference Shares in this manner would cause substantial dilution to the voting power of all holders of Shares, including any holders of Shares attempting to gain control of the Company, and could therefore have the effect of preventing, discouraging or delaying a change of control over the Company that might otherwise be in the best interests of certain holders of

Shares, or have otherwise resulted in an opportunity for holders of Shares to sell the Shares at a premium to the then prevailing market price. This response measure may therefore have an adverse effect on the market price of the Ordinary Shares.

***Dividends distributed by the Company on the Ordinary Shares to certain related parties in low-taxed jurisdictions might in the future become subject to an alternative Dutch withholding tax on dividends.***

Under current Dutch tax law, dividends paid on the Ordinary Shares are in principle subject to Dutch dividend withholding tax at a rate of 15% under the Dutch Dividend Withholding Tax Act 1965 (*Wet op de dividendbelasting 1965*; "**Regular Dividend Withholding Tax**"), unless a domestic or treaty exemption or reduction applies. On 25 March 2021, the Dutch State Secretary for Finance submitted a proposal of law to Dutch Parliament pursuant to which an alternative withholding tax ("**Alternative Withholding Tax**") will be imposed on dividends paid to related entities in low-tax jurisdictions, effective 1 January 2024. An entity is related if (i) it holds, directly or indirectly a qualifying interest in the Company, (ii) the Company directly or indirectly holds a qualifying interest in the entity or (iii) it is an entity in which a third party holds a direct or indirect qualifying interest while that third party also holds a qualifying interest in the Company. An entity is also considered related to the Company if the entity is part of a collaborating group (*samenwerkende groep*) of entities that jointly directly or indirectly holds a qualifying interest in the Company. The term "qualifying interest" means a direct or indirectly held interest – either by an entity individually or jointly if an entity is part of a collaborating group – that enables such entity or such collaborating group to exercise a definite influence over another entities' decisions, such as the Company, and allows it to determine the other entities' activities. The Alternative Withholding Tax will be imposed at the highest Dutch corporate income tax rate in effect at the time of the distribution (as per the date of this Prospectus, 25%). The Alternative Withholding Tax will be reduced, but not below zero, with any Regular Dividend Withholding Tax imposed on distributions. As such, based on applicable rates as per the date of this Prospectus, the overall effective rate of withholding of Regular Dividend Withholding Tax and Alternative Withholding Tax will not exceed the highest corporate income tax rate in effect at the time of the distribution (as per the date of this Prospectus, 25%). The proposal of law is subject to amendment during the course of the legislative process and it needs to be approved by both chambers of Dutch Parliament before it can enter into force.

## IMPORTANT INFORMATION

### General

In connection with the termination of the Certification, the Ordinary Shares of the Company will be listed on Euronext Amsterdam, which is the regulated market on which the Certificates are listed as per the date of this Prospectus. This Prospectus does not constitute an offer of securities by, or on behalf of, the Company or anyone else, and has been prepared in connection with the Listing.

The content of this Prospectus, including all information incorporated by reference into this Prospectus, is not to be considered or interpreted as legal, financial or tax advice. It should not be considered as a recommendation by the Company, the Managing Directors, Supervisory Directors or any of their respective representatives that any recipient of this Prospectus should acquire any Ordinary Shares. Prior to making any decision whether to acquire any Ordinary Shares, prospective investors should read this Prospectus. Investors should ensure that they read the whole of this Prospectus and not just rely on key information or information summarised within it. Each prospective investor should consult his or her own stockbroker, bank manager, lawyer, auditor or other financial, legal or tax advisers before making any investment decision with regard to the Ordinary Shares, among other things to consider such investment decision in light of his or her personal circumstances. In making an investment decision, prospective investors must rely on their own examination and analysis of the Company and the Ordinary Shares, including the merits and risks involved.

Prospective investors should rely only on the information contained in this Prospectus and any supplement to this Prospectus within the meaning of article 23 of the Prospectus Regulation. The Company does not undertake to update this Prospectus, unless required pursuant to article 23 of the Prospectus Regulation, and therefore potential investors should not assume that the information in this Prospectus is accurate as of any date other than the date of this Prospectus. No person is or has been authorised to give any information or to make any representation in connection with the Listing, other than as contained in this Prospectus, and, if given or made, any other such information or representations must not be relied upon as having been authorised by the Company, the Managing Directors or Supervisory Directors, the Listing Agent (defined below), or any of their respective affiliates or representatives. The delivery of this Prospectus at any time after the date hereof will not, under any circumstances, create any implication that there has been no change in the Group's affairs since the date hereof or that the information set forth in this Prospectus is correct as of any time since its date.

ABN AMRO is acting solely in its capacity as Listing Agent for the Company in connection with the Ordinary Shares and is not itself seeking admission of the Ordinary Shares to Euronext Amsterdam or to trading on its regulated market for the purposes of the Prospectus Regulation. ABN AMRO Bank N.V. in its capacity as Listing Agent is acting for the Company only and will not regard any other person as its client in relation to the termination of the Certification and the Listing. No representation or warranty, express or implied, is made or given by the Listing Agent as to the accuracy, completeness, fairness of the information or opinions contained in this Prospectus, or incorporated by reference herein, and nothing contained in this Prospectus, or incorporated by reference herein, is, or shall be relied upon as, a promise or representation by the Listing Agent or as to the past or future. The Listing Agent accepts no responsibility whatsoever for the content of this Prospectus or for any other statements made or purported to be made by either itself or on its behalf in connection with the Company, the Listing or the Ordinary Shares. Accordingly, the Listing Agent disclaims, to the fullest extent permitted by applicable law, all and any liability, whether arising in tort or contract or that they might otherwise be found to have in respect of this Prospectus and/or any such statement.

The distribution of this Prospectus may, in certain jurisdictions, be restricted by law, and this Prospectus may not be used for the purpose of, or in connection with, any offer or solicitation by anyone in any jurisdiction. Any failure to comply with these restrictions may constitute a violation of securities law under any such jurisdiction. The Company does not accept any legal responsibility for any violation by any person, whether or not a prospective purchaser of Ordinary Shares, or any such restrictions.

### Responsibility Statement

This Prospectus is made available by the Company. The Company accepts responsibility for the information contained in this Prospectus. The Company declares that the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

### Presentation of Financial and Other Information

#### *IFRS information*

This Prospectus includes audited consolidated financial information of the Group derived from the Group's audited consolidated financial statements as of and for the years ended 31 December 2020 (the "**2020 Consolidated Financial Statements**"), 31 December 2019 (the "**2019 Consolidated Financial Statements**") and 31 December 2018 (the "**2018 Consolidated Financial Statements**" and, together with the 2020 Consolidated Financial Statements and the 2019 Consolidated Financial Statements, the "**Consolidated Financial Statements**"), which are contained in the Group's management report for the year ended 31 December 2020 (the "**2020 Annual Report**"),

the Group's management report for the year ended 31 December 2019 (the "**2019 Annual Report**") and the Group's management report for the year ended 31 December 2018 (the "**2018 Annual Report**"), respectively. The Consolidated Financial Statements are incorporated by reference in this Prospectus and should be read in conjunction with the accompanying notes thereto and Ernst & Young Accountants LLP's (the "**Independent Auditor**") reports thereon. The Consolidated Financial Statements have been audited by Ernst & Young Accountants LLP.

This Prospectus also includes a trading update for the Group as of and for the three months ended 31 March 2021 ("**Q1 2021**"). The trading update, which is incorporated by reference in this Prospectus, is unaudited (the "**Trading Update**") and also contains comparative financial information for the three months ended 31 March 2020.

The Consolidated Financial Statements have been prepared in accordance with IFRS as adopted by the EU and Part 9 of Book 2 of the Dutch Civil Code.

As part of the Group's 'Path to Profitable Growth' strategy, the Group has been pursuing the divestment of Seabed Geosolutions and other non-core assets. On 30 March 2021, this resulted in the Group reaching a binding agreement with PXGEO Seismic Services Limited (PXGEO) to sell certain assets and the related business of its subsidiary Seabed Geosolutions for \$16 million (approximately €14 million) in cash. Completion of the divestment is expected for mid-2021, subject to customary closing conditions, with proceeds delivered to Fugro at that time. Pending completion, Seabed Geosolutions' assets and liabilities remain classified as held for sale in the consolidated statement of financial position for Financial Year 2020 and the Trading Update. The figures reported in the 2018 Consolidated Financial Statements have been adjusted to reflect Seabed Geosolutions as discontinued operations.

This Prospectus also includes unaudited financial information of the Group that is not extracted from the Consolidated Financial Statements and the Trading Update, but are extracted from accounting records of the Company, in this section, as well as in "Risk Factors", "Capitalisation and Indebtedness", "Operating and Financial Review", "Business" and "Management, Employees and Corporate Governance".

#### ***Non-IFRS financial measures and non-financial operating data***

Certain parts of this Prospectus contain non-IFRS financial measures and ratios and non-financial operating data, which are not recognised measures of financial performance or liquidity under IFRS. The Group uses backlog, backlog – comparable growth, capital employed, working capital, working capital as a percentage of last 12 months revenue, net revenue own services (revenue less third party costs), revenue – comparable growth, days of revenue outstanding, net result, net debt, EBIT, Adjusted EBIT, Adjusted EBIT margin, EBITDA, Adjusted EBITDA, cash flows from operating activities after investing activities and free cash flow as internal measures of performance to benchmark and compare against budget, the prior year and its latest internal forecasts. The Group presents non-IFRS financial measures and non-financial operating data in this Prospectus because it believes that these measures will assist investors to understand its financial position and results of operations. The Group believes these non-IFRS measures and non-financial operating data are useful and commonly used supplemental measures of financial performance, liquidity or financial position in addition to gross profit, operating profit and other measures under IFRS, and that they may facilitate users' understanding of a company's underlying operational performance, liquidity or financial position and may provide insights into the Group's business and past results. By providing additional insight into non-IFRS based measures and non-financial operating data, the Group believes that the users of this information may be better able to understand the operational performance and trend development of the Company.

The Group presents backlog and backlog-comparable growth as supplemental non-IFRS financial measures, as the Group believes these are meaningful measures to evaluate the performance of its business activities over time. The Group uses backlog as an indicator of business activity and commercial performance.

The Group presents revenue – comparable growth as a supplemental non-IFRS financial measure, as the Group believes that, given the large amount of countries where it is operating, the presentation of revenue – comparable growth is a relevant measure for investors to evaluate the performance of the Group's business activities over time. The Group believes that revenue – comparable growth is a useful non-IFRS financial measure, as it removes the distorting impact of foreign exchange movements and thus gives investors a view of the underlying performance of the Group.

The Group presents EBIT, Adjusted EBIT, Adjusted EBIT margin, EBITDA, Adjusted EBITDA, and Net revenue own service as supplemental non-IFRS financial measures, as the Group believes these are meaningful measures to evaluate the performance of its business activities over time. The Group understands that these measures are used by analysts, rating agencies and investors in assessing the Group's performance. In the case of EBITDA, the Group believes that it makes the underlying performance of its geographical regions and businesses more visible by factoring out depreciation, amortisation and impairment losses. The Group believes this increases visibility as to performance on a neutral basis, by correcting for the impact of different tax regimes and capital structures. In the case of Adjusted EBIT, Adjusted EBIT margin and Adjusted EBITDA, the Group believes that these measures make the underlying performance of its geographical regions and businesses more apparent by factoring out onerous contract charges, restructuring costs, certain advisor and other costs or gains and, in the case of Adjusted EBIT

and Adjusted EBIT margin, impairment losses. The Group believes adjusting for these items which are not directly related to the operational performance of the Group and its geographical regions and businesses increases comparability and enables the users to better understand the underlying performance of the Group.

The Group presents net revenue own services (NROS), as the Group believes it makes the underlying performance more transparent by factoring out of the revenue, the direct costs incurred with third parties that are related to the deployment of resources (in addition to the resources deployed by the Group) and other third-party cost such as short-term lease or low-value lease expenses and other expenses required for the execution of projects. The Group believes this allows for better comparison on a year-on-year basis for services it provides with its own resources.

The Group presents free cash flow, also referred to as cash flows from operating activities after investing activities, and free cash flow as percentage of revenue, as a supplemental non-IFRS financial measure, as the Group believes it is a meaningful measure to evaluate the performance of its business activities over time as it gives an indication of the long-term cash generating ability of the Group's activities. The Group understands that free cash flow is broadly used by analysts, rating agencies and investors in assessing the Group's performance. Free cash flow is also used by the Group's management as a key financial measure to assess the operating performance of the Group.

The Group presents net debt as it understands that this measure is used by banks, analysts, rating agencies and investors in assessing the Group's performance. This measure is used by the Group's management to evaluate the Group's financial strength and funding requirements.

The Group presents capital employed as it understands that this measure is used by analysts, rating agencies and investors in assessing the Group's performance, in particular on capital efficiency, by determining the return on capital employed ("**ROCE**"). As of 1 January 2020, the calculation of capital employed and adjusted capital employed was changed to include relevant balances that are classified as held for sale. This change has been applied retrospectively to all periods presented in this Prospectus, and thus comparatives have been restated in accordance with the new definition, ROCE is used by the Group as a measure of the Group's profitability and capital efficiency. ROCE, as used by the Group is based on adjusted capital employed. Until 1 January 2020, capital employed for use in the calculation of ROCE was adjusted for impairment losses, onerous contract charges, restructuring costs and certain adviser and other costs or gains as well as the theoretical tax expense of those specific items. As of 1 January 2020, the Group changed the calculation of adjusted capital employed by no longer adjusting for onerous contract charges, restructuring costs and certain adviser and other costs or gains as well as the theoretical tax impact of those specific items. These changes have been applied retrospectively to all periods presented in this Prospectus, and thus comparatives have been restated in accordance with the new definition. The Group believes adjusting for non-cash impairment losses (post-tax) which are not directly related to the operational performance of the Group and its geographical regions and businesses increases comparability and enables the users to better understand the underlying performance of the Group. The Group uses NOPAT solely for the purposes of calculating the ROCE, for which the Group believes is the best measure for profitability when measuring capital efficiency.

The Group presents working capital and working capital as a % of last 12 months revenue as supplemental non-IFRS financial measures, as the Group believes these are meaningful measures to evaluate the Group's ability to maintain a balance between growth, profitability and liquidity. Working capital is broadly analysed and reviewed by analysts and investors in assessing the Group's performance. Both measures serve as a metric for how efficiently the Group is operating and how financially stable it is in the short term. It is an important measure of the Group's ability to pay off short-term expenses and/or debts. The Group further discloses days of revenue outstanding, as it believes it is a meaningful measure of the effectiveness of the Group's credit and collection efforts in allowing credit to customers, as well as its ability to collect from them.

The Group presents operating cash flows before changes in working capital as a supplemental non-IFRS measures. The Group believes these to be meaningful measures to reflect the Group's ability to repay debt.

The Group presents capital expenditures, which is defined as investments in property, plant and equipment. The Group understands this metric is used by analysts, rating agencies and investors to understand the Group's current investments as well as the Group's need for future investments in existing and new items of property, plant and equipment to maintain or grow the business.

The non-IFRS financial measures and non-financial operating data presented are not measures of financial performance under IFRS, but measures derived from management estimates used by management to monitor the underlying performance of the Group's business and operations, and may not be derived from the Company's financial statements or financial accounting records, and accordingly have not been audited or otherwise reviewed by external auditors, consultants or experts. Further, they may not be indicative of the Group's historical operating results, nor are such measures meant to be predictive of the Group's future results. However, not all companies calculate non-IFRS financial measures and non-financial operating data in the same manner or on a consistent basis. As a result, these measures and ratios may not be comparable to measures used by other companies under the same or similar names. Accordingly, undue reliance should not be placed on the non-IFRS financial measures and non-financial operating data contained in this Prospectus and they should not be considered in isolation or as

a substitute for operating profit, profit for the year, cash flow or other financial measures computed in accordance with IFRS.

The presentation of the non-IFRS measures and non-financial operating data in this Prospectus should not be construed as an implication that the Group's future results will be unaffected by exceptional or non-recurring items.

*Backlog:* the Group defines backlog as the amount of revenue related to signed contracts and work that can reasonably be expected based on framework contracts and outstanding tenders and proposals of which a good chance of success is expected (>50%), weighted with the likelihood of winning this work. In calculating the backlog of Seabed Geosolutions, only signed contracts are taken into account.

*Backlog – comparable growth:* the Group defines backlog – comparable growth as backlog growth compared to the comparable period from the prior year, calculated by translating the backlog for the more recent period at the exchange rates of the prior year's comparable period.

*Capital employed:* the Group defines capital employed as total equity plus loans and borrowings and bank overdrafts, minus cash and cash equivalents. Capital employed includes the relevant balances that are classified as held for sale and is calculated at the end of the (full or half year) reporting period.

*Adjusted capital employed:* the Group defines adjusted capital employed as total equity plus loans and borrowings and bank overdrafts, minus cash and cash equivalents, including the relevant balances that are classified as held for sale, adjusted for impairment losses (post-tax) in the current year of property, plant and equipment, right of use assets, goodwill and other intangible assets.

*Working capital:* the Group defines working capital as the sum of inventories, trade and other receivables and trade and other payables.

*Working capital as % of last 12 months revenue:* the Group defines Working capital as % of last 12 months revenue as working capital as a percentage of reported revenue over the 12 months preceding the reporting date.

*Net revenue own services (revenue less third-party costs):* the Group defines net revenue own services (revenue less third-party costs) as revenue minus costs incurred with third parties related to the deployment of resources (in addition to the resources deployed by the Group) and other third-party cost such as short-term lease or low-value lease expenses and other expenses required for the execution of various projects.

*Revenue – comparable growth:* the Group defines revenue- comparable growth as revenue growth compared to the comparable period from the prior year, calculated by translating the revenue for the more recent period at the exchange rates of the prior year's comparable period.

*Days of revenue outstanding:* the Group defines days of revenue outstanding as trade receivables plus unbilled revenue on projects minus advances of instalments related to work in progress expressed as a number of days. The number of days is calculated using the exhaust method that is considering revenue recognised from the date of reporting backward until the receivable quantity is exhausted.

*Net result:* the Group defines net result as profit or loss for the period, attributable to the owners of the Company.

*Net debt:* the Group defines net debt as the sum of loans and borrowings, lease liabilities and bank overdraft minus cash and cash equivalents.

*EBIT:* the Group defines EBIT as reported result from operating activities before net financial expenses and taxation.

*Adjusted EBIT:* the Group defines Adjusted EBIT as reported result from operating activities before net financial expenses and taxation, adjusted for the following items: (i) impairment losses, (ii) onerous contract charges, restructuring costs and (iii) certain adviser and other costs or gains.

*Adjusted EBIT margin:* the Group defines Adjusted EBIT margin as Adjusted EBIT as a percentage of revenue for the relevant period.

*EBITDA:* the Group defines EBITDA as reported result from operating activities before net financial expenses, taxation, depreciation, amortisation and impairment losses.

*Adjusted EBITDA:* the Group defines Adjusted EBITDA as reported result from operating activities before net financial expenses, taxation, depreciation, amortisation and impairment losses, adjusted for the following items: (i) onerous contract charges, (ii) restructuring costs and (iii) certain adviser and other costs or gains.

*Cash flows from operating activities after investing activities:* the Group defines cash flows from operating activities after investing activities as cash flows provided by operating activities minus cash flows used for investing activities. Cash flows from operating activities after investing activities is also referred to as free cash flow.

*Free cash flow:* the Group defines free cash flow as cash flows from operating activities minus cash flows used for investing activities. Free cash flow is also referred to as cash flow from operating activities after investing activities.

*Free cash flow (% of revenue):* Free cash flow as a percentage of revenue for the relevant period.



*Return On Capital Employed:* NOPAT as a percentage of a three points average adjusted capital employed. The three points consist of the last three reporting periods.

*NOPAT:* as per 1 January 2020, the Group defines NOPAT as the sum of adjusted EBIT, the share of profit/(loss) of equity accounted investees (net of income tax) and the theoretical tax expense, the latter calculated over the total of the first two items applying the domestic weighted average tax rate. NOPAT includes discontinued operations.

Until 31 December 2019, the Group defined NOPAT as the sum of adjusted EBIT, the share of profit/(loss) of equity accounted investees (net of income tax) and the theoretical tax expense, the latter calculated over the total of the first two items applying the domestic weighted average tax rate.

*Operating cash flows before changes in working capital:* net cash provided by operating activities excluding the impact of movements in working capital during the period.

*Capital expenditure:* capital expenditures on property, plant and equipment.

#### EBIT and EBITDA (by geographical region)

The following table sets forth, by geographical region for the years ended 31 December 2018, 2019 and 2020, a reconciliation of results from operating activities before net financial expenses and taxation (EBIT) and EBITDA to the profit/(loss) for the period from continuing operations, their most comparable IFRS measure:

	Europe/Africa				Americas				Asia Pacific				Middle East & India			
	2019		2019		2019		2019		2019		2019		2019		2019	
	(incl. 2020	(excl. IFRS 16)	(incl. 2019	(excl. IFRS 16)	(incl. 2019	(excl. IFRS 16)	(incl. 2019	(excl. IFRS 16)	(incl. 2019	(excl. IFRS 16)	(incl. 2019	(excl. IFRS 16)	(incl. 2019	(excl. IFRS 16)	(incl. 2019	(excl. IFRS 16)
<b>Profit/ (loss) for the period from continuing operations</b>	<b>(13.1)</b>	<b>25.2</b>	<b>28.3</b>	<b>(11.3)</b>	<b>(42.2)</b>	<b>(20.4)</b>	<b>(20.3)</b>	<b>(5.0)</b>	<b>(12.7)</b>	<b>(39.7)</b>	<b>(35.7)</b>	<b>(24.3)</b>	<b>(4.0)</b>	<b>(1.8)</b>	<b>(1.6)</b>	<b>4.8</b>
Income tax/ (expense)	(2.7)	(8.6)	(8.6)	(7.5)	(20.0)	1.0	1.0	—	1.0	(1.0)	(1.0)	(2.5)	(3.6)	(5.2)	(5.2)	(6.8)
Share of profit/(loss) of equity-accounted investees	(4.4)	(1.6)	(1.6)	0.7	-	—	—	—	10.5	7.7	7.7	5.5	1.3	3.1	3.1	2.6
Net finance income / (expenses)	(41.3)	(31.8)	(25.9)	(34.3)	(9.3)	(5.9)	(5.4)	(3.4)	(20.7)	(14.9)	(10.5)	(9.6)	(2.8)	(5.2)	(4.8)	(4.2)
<b>Results from operating activities before net financial expenses and taxation (EBIT)</b>	<b>35.3</b>	<b>67.2</b>	<b>64.4</b>	<b>29.8</b>	<b>(13.0)</b>	<b>(15.6)</b>	<b>(15.9)</b>	<b>(1.6)</b>	<b>(3.5)</b>	<b>(31.5)</b>	<b>(31.9)</b>	<b>(17.7)</b>	<b>1.0</b>	<b>5.5</b>	<b>5.3</b>	<b>13.3</b>
Depreciation	(53.5)	(50.3)	(35.9)	(39.1)	(23.4)	(23.2)	(20.2)	(19.0)	(23.0)	(27.5)	(16.7)	(18.7)	(11.9)	(13.0)	(10.5)	(10.6)
Amortisation	(0.6)	(0.8)	(0.9)	(1.1)	(0.9)	(1.4)	(1.4)	(0.5)	(0.4)	(0.6)	(0.6)	(1.5)	(0.1)	(0.2)	(0.1)	(0.3)
Impairment losses	(0.4)	(2.5)	(2.5)	(1.3)	(1.0)	(0.4)	(0.4)	—	(2.6)	(0.3)	(0.3)	1.6	(1.9)	(0.1)	(0.1)	—
<b>EBITDA</b>	<b>89.7</b>	<b>120.7</b>	<b>103.7</b>	<b>71.3</b>	<b>12.3</b>	<b>9.4</b>	<b>6.1</b>	<b>18.1</b>	<b>22.4</b>	<b>(3.2)</b>	<b>(14.3)</b>	<b>0.9</b>	<b>15.0</b>	<b>18.8</b>	<b>16.0</b>	<b>24.2</b>

(1) As reported in the 2019 Consolidated Financial Statements. The figures reported in the 2018 Consolidated Financial Statements have been adjusted to reflect Seabed Geosolutions as discontinued operations from 30 June 2019.

#### Adjusted EBIT and Adjusted EBITDA (by geographical region)

The following table sets forth, by geographical region for the years ended 31 December 2018, 2019 and 2020, a reconciliation of Adjusted EBIT and Adjusted EBITDA to the results from operating activities before net financial expenses and taxation (EBIT), their most comparable IFRS measure:

	Europe/Africa				Americas				Asia Pacific				Middle East & India			
	2019		2019		2019		2019		2019		2019		2019		2019	
	(incl. 2020	(excl. IFRS 16)	(incl. 2019	(excl. IFRS 16)	(incl. 2019	(excl. IFRS 16)	(incl. 2019	(excl. IFRS 16)	(incl. 2019	(excl. IFRS 16)	(incl. 2019	(excl. IFRS 16)	(incl. 2019	(excl. IFRS 16)	(incl. 2019	(excl. IFRS 16)
<b>Results from operating activities before net financial expenses and taxation (EBIT)</b>	<b>35.3</b>	<b>67.2</b>	<b>64.4</b>	<b>29.8</b>	<b>(13.0)</b>	<b>(15.6)</b>	<b>(15.9)</b>	<b>(1.5)</b>	<b>(3.5)</b>	<b>(31.5)</b>	<b>(31.9)</b>	<b>(17.7)</b>	<b>1.0</b>	<b>5.5</b>	<b>5.3</b>	<b>13.3</b>
Onerous contract charges <sup>(2)</sup>	(10.8)	(1.7)	(1.7)	(3.2)	(2.6)	(3.9)	(3.9)	(2.0)	(2.5)	(0.4)	(0.4)	(0.8)	(1.6)	(1.0)	(1.0)	(0.0)
Restructuring costs <sup>(3)</sup>	(1.7)	(1.7)	(3.2)	(2.6)	(3.9)	(3.9)	(2.0)	(2.5)	(0.4)	(0.4)	(0.8)	(1.6)	(1.0)	(1.0)	(0.0)	(0.0)

	Europe/Africa				Americas				Asia Pacific				Middle East & India			
Certain adviser and other (costs) / gains <sup>(4)</sup>	(0.3)		(1.2)		-			0.4	(4.7)	(5.9)	(5.9)	0.4	-			0.4
Southern Star arbitration outcome <sup>(5)</sup>	-				-				-				-			
Impairment losses	(0.4)	(2.5)	(2.5)	(1.3)	-	(0.4)	(0.4)		(2.6)	(0.3)	(0.3)	1.6	(1.9)	(0.1)	(0.1)	
					<b>(11.3)</b>	<b>(11.6)</b>						<b>(18.9)</b>				
<b>Adjusted EBIT</b>	<b>46.8</b>	<b>71.4</b>	<b>68.6</b>	<b>35.4</b>	<b>(1.0)</b>	<b>)</b>	<b>)</b>	<b>0.1</b>	<b>6.3</b>	<b>1.3</b>	<b>1.0</b>	<b>)</b>	<b>4.5</b>	<b>6.6</b>	<b>6.3</b>	<b>12.9</b>
	(53.5)	(50.3)	(35.9)	(39.1)	(23.2)	(20.2)	(19.0)	(23.0)	(27.5)	(16.7)	(18.7)	(11.9)	(13.0)	(10.5)	(10.6)	
Depreciation	)	)	)	)	(9.4)	)	)	)	)	)	)	)	)	)	)	)
Amortisation	(0.6)	(0.8)	(0.9)	(1.1)	(0.9)	(1.4)	(1.4)	(0.5)	(0.4)	(0.6)	(0.6)	(1.5)	(0.1)	(0.2)	(0.1)	(0.3)
	<b>101.</b>	<b>122.</b>	<b>105.</b>													
<b>Adjusted EBITDA</b>	<b>0</b>	<b>4</b>	<b>3</b>	<b>75.6</b>	<b>14.9</b>	<b>13.3</b>	<b>10.0</b>	<b>19.6</b>	<b>29.6</b>	<b>29.4</b>	<b>18.3</b>	<b>1.3</b>	<b>16.5</b>	<b>19.8</b>	<b>17.0</b>	<b>23.8</b>

- (1) 2018 figures are adjusted to reflect Seabed Geosolutions as discontinuing operations from 30 June 2019.
- (2) A provision for onerous contract charges is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting the Group's obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of performing under the contract. The expected net cost of performing under the contract is based on cash flow calculations discounted using a rate that reflects current market assessments of the time value of money. Before a provision is established, the Group recognises any impairment loss on the assets associated with and/or dedicated to that contract. While specific in nature, costs related to onerous contracts may reoccur in the future.
- (3) A provision for restructuring costs is recognised when the Group (i) has a detailed formal plan for the restructuring identifying the business or part of a business concerned, the principal locations affected, the location, function, and approximate number of employees who will be compensated for terminating their services, the expenditures that will be undertaken, and when the plan will be implemented; and (ii) has a valid expectation that the Group will carry out the restructuring, evidenced by having made a start with the implementation of that plan or by having announced its main features to those employees affected by it. While specific in nature, costs related to restructuring may reoccur in the future.
- (4) Certain adviser and other costs (to the extent not capitalised as transaction costs on loans and borrowings) or gains reflects certain adviser and other costs or gains, which include other large charges or gains that the Group has adjusted for, such as material legal settlement claims, large bad debt write-downs and other large one-off non-recurring items. The costs for 2020 and 2019 primarily comprise the legal fees related to the arbitration with Tasik Toba Subsea as regarding the Southern Star vessel.
- (5) The Southern Star arbitration outcome reflects the €24.1 million recorded as a result of the unfavourable outcome in the arbitration with Tasik Toba Subsea AS regarding the Southern Star vessel.

#### EBIT and EBITDA (by business)

The following tables set forth by business for the years ended 31 December 2018, 2019 and 2020, a reconciliation of results from operating activities before net financial expenses and taxation (EBIT) and EBITDA to profit/(loss) for the period from continuing operations, their most comparable IFRS measure:

	Marine			Land			Total continuing operations		
	2020	2019	2018 adj. <sup>(1)</sup>	2020	2019	2018 adj. <sup>(1)</sup>	2020	2019	2018 adj. <sup>(1)</sup>
<b>Profit/(loss) for the period from continuing operations</b>	<b>(51.4)</b>	<b>(25.5)</b>	<b>(30.6)</b>	<b>(20.5)</b>	<b>(11.3)</b>	<b>(5.2)</b>	<b>(72.0)</b>	<b>(36.8)</b>	<b>(35.8)</b>
Income tax/(expense)	(16.5)	(10.6)	(8.1)	(8.7)	(3.2)	(8.7)	(25.2)	(13.8)	(16.8)
Share of profit/(loss) equity-accounted investees .....	5.7	5.9	6.6	1.8	3.3	2.2	7.4	9.2	8.8
Net finance income / (expenses)	(53.2)	(48.1)	(45.1)	(20.8)	(9.7)	(6.5)	(74.0)	(57.8)	(51.6)
<b>Results from operating activities before net financial expenses and taxation (EBIT)</b>	<b>12.5</b>	<b>27.3</b>	<b>16.0</b>	<b>7.3</b>	<b>(1.7)</b>	<b>7.8</b>	<b>19.8</b>	<b>25.6</b>	<b>23.8</b>
Depreciation....	(90.0)	(91.6)	(71.4)	(21.9)	(22.3)	(16.0)	(111.9)	(113.9)	(87.4)
Amortisation....	(1.5)	(1.9)	(1.2)	(0.4)	(1.1)	(2.3)	(1.9)	(3.0)	(3.5)
Impairment losses	(5.2)	(2.9)	0.4	(0.7)	(0.3)	(0.1)	(5.9)	(3.2)	0.3
<b>EBITDA .....</b>	<b>109.2</b>	<b>123.7</b>	<b>88.4</b>	<b>30.3</b>	<b>22.0</b>	<b>26.1</b>	<b>139.4</b>	<b>145.7</b>	<b>114.5</b>

- (1) 2018 figures are adjusted to reflect Seabed Geosolutions as discontinuing operations from 30 June 2019.

	Geoscience <sup>(1)</sup>			
(€ x million)	2020	2019 (incl. IFRS 16)	2019 (excl. IFRS 16)	2018
Profit/(loss) for the period	(99.8)	(85.6)	(86.9)	(19.4)
Income tax gain/(expense)	(1.4)	0.5	0.5	(3.2)
Share of profit/(loss) of equity-accounted investees (net of income tax) .....	0.1	—	—	—
Net finance income/(expenses)	(3.1)	(1.1)	(0.9)	(1.1)

**Results from operating activities  
before net financial expenses  
and taxation (EBIT)**

	(95.3)	(85.0)	(86.5)	(15.1)
Depreciation .....	-	(7.3)	(7.0)	(12.2)
Amortisation .....	-	(2.2)	(2.2)	(1.7)
Impairment .....	(74.7)	(76.2)	(76.2)	1.5
<b>EBITDA .....</b>	<b>(20.6)</b>	<b>0.7</b>	<b>(1.1)</b>	<b>(2.7)</b>

- (1) In Financial Year 2019, other expenses of the Geoscience segment include a gain of €1.9 million related to a release of the provision for certain tax indemnities and warranties under procedures in respect of the sale of the majority of the Geoscience business to CGG in 2013 for liabilities arising from tax exposures. This gain is not related to Seabed Geosolutions. Reference is made to notes 6 and 30 of the 2019 Consolidated Financial Statements.

**Adjusted EBIT and Adjusted EBITDA (by business)**

The following tables set forth by business for the years ended 31 December 2018, 2019 and 2020, a reconciliation of Adjusted EBIT and Adjusted EBITDA to the results from operating activities before net financial expenses and taxation (EBIT), their most comparable IFRS measure:

	Marine			Land			Total continuing operations		
	2018			2018			2018		
	2020	2019	adj.(1)	2020	2019	adj.(1)	2020	2019	adj.(1)
<b>Results from operating activities before net financial expenses and taxation (EBIT)</b>	<b>12.5</b>	<b>27.3</b>	<b>16.0</b>	<b>7.3</b>	<b>(1.7)</b>	<b>7.8</b>	<b>19.8</b>	<b>25.6</b>	<b>23.8</b>
Onerous contract charges <sup>(2)</sup>	-	(2.1)	-	-	-	-	-	(2.1)	-
Restructuring costs <sup>(3)</sup> .....	(11.4)	(4.2)	(3.3)	(6.2)	(2.8)	(2.7)	(17.6)	(7.0)	(6.0)
Certain adviser and other (costs) / gains <sup>(4)</sup>	(4.7)	(5.9)	(0.5)	(0.3)	-	0.5	(5.0)	(5.9)	0.0
Southern Star arbitration outcome <sup>(5)</sup>	-	(24.1)	-	-	-	-	-	(24.1)	0.0
Impairment losses .....	(5.2)	(2.9)	0.3	(0.7)	(0.4)	0.0	(5.9)	(3.3)	0.3
<b>Adjusted EBIT .....</b>	<b>33.8</b>	<b>66.5</b>	<b>19.5</b>	<b>14.4</b>	<b>1.5</b>	<b>10.0</b>	<b>48.2</b>	<b>68.0</b>	<b>29.5</b>
Depreciation .....	(90.0)	(91.6)	(71.4)	(21.9)	(22.3)	(16.0)	(111.9)	(113.9)	(87.4)
Amortisation .....	(1.5)	(1.9)	(1.2)	(0.4)	(1.1)	(2.3)	(1.9)	(3.0)	(3.5)
<b>Adjusted EBITDA .....</b>	<b>125.3</b>	<b>160.0</b>	<b>92.1</b>	<b>36.7</b>	<b>24.9</b>	<b>28.3</b>	<b>162.0</b>	<b>184.9</b>	<b>120.4</b>

- (1) 2018 figures are adjusted to reflect Seabed Geosolutions as discontinuing operations from 30 June 2019.
- (2) A provision for onerous contract charges is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting the Group's obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of performing under the contract. The expected net cost of performing under the contract is based on cash flow calculations discounted using a rate that reflects current market assessments of the time value of money. Before a provision is established, the Group recognises any impairment loss on the assets associated with and/or dedicated to that contract. While specific in nature, costs related to onerous contracts may reoccur in the future.
- (3) A provision for restructuring costs is recognised when the Group (i) has a detailed formal plan for the restructuring identifying the business or part of a business concerned, the principal locations affected, the location, function, and approximate number of employees who will be compensated for terminating their services, the expenditures that will be undertaken, and when the plan will be implemented; and (ii) has a valid expectation that the Group will carry out the restructuring, evidenced by having made a start with the implementation of that plan or by having announced its main features to those employees affected by it. While specific in nature, costs related to restructuring may reoccur in the future.
- (4) Certain adviser and other costs or gains reflects certain adviser and other costs or gains, which include other large charges or gains that the Group has adjusted for, such as material legal settlement claims, large bad debt write-downs and other large one-off non-recurring items. The costs for 2020 and 2019 primarily comprises the legal fees related to the arbitration with Tasik Toba Subsea AS regarding the Southern Star vessel.
- (5) The Southern Star arbitration outcome reflects the €24.1 million recorded as a result of the unfavourable outcome in the arbitration with Tasik Toba Subsea AS regarding the Southern Star vessel.

(€ x million)	Geoscience <sup>(1)</sup>			
	2020	2019 (incl. IFRS 16)	2019 (excl. IFRS 16)	2018
<b>Results from operating activities before net financial expenses and taxation (EBIT)</b>	<b>(95.3)</b>	<b>(85.0)</b>	<b>(86.5)</b>	<b>(15.1)</b>
Onerous contract charges <sup>(2)</sup>	(10.5)	-	-	(0.1)
Restructuring costs <sup>(3)</sup>	(4.1)	-	-	-
Certain adviser and other (costs) / gains <sup>(4)</sup>	(9.6)	9.8	9.8	-
Impairment losses ...	(74.7)	(76.2)	(76.2)	1.5
<b>Adjusted EBIT .....</b>	<b>3.6</b>	<b>(18.6)</b>	<b>(20.1)</b>	<b>(16.5)</b>
Depreciation .....	-	(7.3)	(7.0)	(12.2)
Amortisation .....	-	(2.2)	(2.2)	(1.7)
<b>Adjusted EBITDA ...</b>	<b>3.6</b>	<b>(9.1)</b>	<b>(10.9)</b>	<b>(2.6)</b>

- (1) In Financial Year 2019, other expenses of the Geoscience segment include a gain of €1.9 million related to a release of the provision for certain tax indemnities and warranties under procedures in respect of the sale of the majority of the Geoscience business to CGG in 2013 for liabilities arising from tax exposures. This gain is not related to Seabed Geosolutions. Reference is made to notes 6 and 30 of the 2019 Consolidated Financial Statements.
- (2) A provision for onerous contract charges is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting the Group's obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of performing under the contract. The expected net cost of performing under the contract is based on cash flow calculations discounted using a rate that reflects current market assessments of the time value of money. Before a provision is established, the Group recognises any impairment loss on the assets associated with and/or dedicated to that contract. While specific in nature, costs related to onerous contracts may reoccur in the future. In Financial Year 2020, the costs of €10.5 million relate to the sudden termination of the S-79 project in the Middle East.
- (3) A provision for restructuring costs is recognised when the Group (i) has a detailed formal plan for the restructuring identifying the business or part of a business concerned, the principal locations affected, the location, function, and approximate number of employees who will be compensated for terminating their services, the expenditures that will be undertaken, and when the plan will be implemented; and (ii) has a valid expectation that the Group will carry out the restructuring, evidenced by having made a start with the implementation of that plan or by having announced its main features to those employees affected by it. While specific in nature, costs related to restructuring may reoccur in the future.
- (4) Certain adviser and other costs or gains reflects certain adviser and other costs or gains, which include other large charges or gains that the Group has adjusted for, such as material legal settlement claims, large bad debt write-downs and other large one-off non-recurring items. In Financial Year 2019, the gain of €9.8 million relates to the transaction with CGG to purchase the remaining shares of Seabed Geosolutions. In Financial Year 2020, the costs of €9.6 million relates to the addition to losses of contract assets and receivables triggered by the sudden termination of the S-79 project in the Middle East.

#### Adjusted EBIT margin (by business)

The following tables set forth by business for the years ended 31 December 2018, 2019 and 2020, a reconciliation of Adjusted EBIT margin to Revenue, its most comparable IFRS measure:

(€ x million)	Marine			Land			Total continuing operations		
	2020	2019	2018 adj.	2020	2019	2018 adj.	2020	2019	2018 adj.
<b>Revenue.....</b>	<b>963.1</b>	<b>1,171.6</b>	<b>1,085.9</b>	<b>423.2</b>	<b>459.7</b>	<b>466.9</b>	<b>1,386.3</b>	<b>1,631.3</b>	<b>1,552.8</b>
Reported growth (%)	(17.8)	7.9	—	(7.9)	(1.5)	—	(15.0)	5.1	—
Comparable growth (%) <sup>(1)</sup>	(15.2)	5.7	—	(5.4)	(3.8)	—	(12.4)	2.7	—
Revenue Asset Integrity business line	393.9	522.0	522.0	89.3	102.2	99.0	483.2	624.2	621.0
Revenue Site Characterisation business line.....	569.2	649.6	563.9	333.9	357.5	367.9	903.1	1,007.1	931.8
EBITDA <sup>(2)</sup> .....	109.2	123.7	88.4	30.3	22.0	26.1	139.4	145.7	114.5
<b>Adjusted EBITDA<sup>(3)</sup></b>	<b>125.3</b>	<b>160.0</b>	<b>92.1</b>	<b>36.7</b>	<b>24.9</b>	<b>28.3</b>	<b>162.0</b>	<b>184.9</b>	<b>120.4</b>
Results from operating activities before net financial expenses and taxation (EBIT).....	12.5	27.3	16.0	7.3	(1.7)	7.8	19.8	25.6	23.8
Adjusted EBIT <sup>(4)</sup>	33.8	66.5	19.5	14.4	1.5	10.0	48.2	68.0	29.5
Adjusted EBIT margin (%) <sup>(5)</sup>	3.5	5.7	1.8	3.4	0.3	2.1	3.5	4.2	1.9
Backlog next 12 months <sup>(6)</sup>	597.2	704.0	618.8	269.0	307.1	283.4	866.2	1,011.1	902.2
Comparable growth (%) <sup>(7)</sup>	(9.1)	11.6	—	(5.4)	6.3	—	(8.0)	9.9	—
Capital employed <sup>(8)</sup>	701.8	878.5	852.5	173.0	231.9	219.9	874.8	1,110.4	1,207.9

- (1) Revenue – comparable growth refers to revenue growth calculated after applying the prior year's exchange rates to the revenue of the current period.
- (2) EBITDA represents results from operating activities before net financial expenses, taxation, depreciation, amortisation and impairment losses.
- (3) Adjusted EBITDA represents results from operating activities before net financial expenses, taxation, depreciation, amortisation and impairment losses, adjusted for the following items: (i) onerous contract charges, (ii) restructuring costs and (iii) certain adviser and other costs or gains.
- (4) Adjusted EBIT represents the reported result from operating activities before net financial expenses and taxation, adjusted for the following items: (i) impairment losses, (ii) onerous contract charges, (iii) restructuring costs and (iv) certain adviser and other costs or gains.
- (5) Adjusted EBIT margin is defined as Adjusted EBIT as a percentage of revenue for the relevant period.
- (6) Backlog reflects the amount of revenue still to be recognised related to signed contracts and work that can reasonably be expected based on framework contracts and outstanding tenders and proposals of which a good chance of success is expected (>50%) weighted with the likelihood of winning this work.
- (7) Backlog – comparable growth refers to growth in backlog for the next twelve months after applying the prior year's exchange rates to the backlog for the next twelve months of the current period.
- (8) For a reconciliation of total capital employed from total equity see table under "—Capital employed"
- (9) Capital employed for 2019 has been restated as per the definition applicable from 1 January 2020. For total capital employed, 2018 (adjusted) figures have not been adjusted to reflect Seabed Geosolutions as discontinued operations.

(€ x million)	Geoscience <sup>(1)</sup>			
	2020	2019 (incl. IFRS 16) <sup>(2)</sup>	2019 (excl. IFRS 16) <sup>(3)</sup>	2018
<b>Revenue.....</b>	<b>62.8</b>	<b>135.6</b>	<b>135.6</b>	<b>97.2</b>
Reported Growth (%)	(53.7)	39.5	39.5	
Comparable Growth (%)	(52.7)	32.9	32.9	

EBITDA .....	(20.6)	0.7	(1.1)	(2.7)
Adjusted EBITDA.....	3.6	(9.1)	(10.9)	(2.6)
Results from operating activities before net financial expenses and taxation (EBIT) .....	(95.3)			
		(85.0)	(86.5)	(15.1)
Adjusted EBIT .....	3.6	(18.6)	(20.1)	(16.5)
Adjusted EBIT margin	5.7	(13.7)	(14.8)	(16.9)
Backlog next 12 months	67.1	110.1	110.1	139.3
Comparable growth (%)	(33.1)	(22.7)	(22.7)	
<b>Capital employed...</b>	<b>0.4</b>	<b>86.1</b>	<b>84.7</b>	<b>135.5</b>

(1) In Financial Year 2019, other expenses of the Geoscience segment include a gain of €1.9 million related to a release of the provision for certain tax indemnities and warranties under procedures in respect of the sale of the majority of the Geoscience business to CGG in 2013 for liabilities arising from tax exposures. This gain is not related to Seabed Geosolutions. Reference is made to notes 6 and 30 of the 2019 Consolidated Financial Statements.

(2) As reported, including the impact of IFRS 16.

(3) Adjusted to exclude the impact of IFRS 16 (unaudited).

### Net debt and capital employed

The following table sets forth, as of 31 December 2018, 2019 and 2020, a reconciliation of net debt and capital employed to equity, their most comparable IFRS measure:

(€ x million)	As of 31 December		
	2020	2019 <sup>(1)</sup>	2018 <sup>(2)</sup>
Bank overdraft	2.3	2.6	1.2
• of which continuing operations	2.3	2.6	1.2
• of which held for sale	-	-	-
Non-current loans and borrowings...	286.2	704.3	725.8
• of which continuing operations	286.2	687.5	725.8
• of which held for sale	-	16.8	-
Current loans and borrowings.....	58.0	-	5.6
• of which continuing operations	58.0	-	5.6
• of which held for sale	-	-	-
Cash and cash equivalents.....	(183.5)	(204.4)	(227.1)
• of which continuing operations	(183.5)	(201.1)	(227.1)
• of which held for sale	-	(3.3)	-
Lease liabilities.....	132.7	163.8	-
• of which continuing operations	132.7	157.7	-
• of which held for sale	-	6.1	-
<b>Net debt</b>	<b>295.8</b>	<b>666.3</b>	<b>505.5</b>
Net debt (excluding lease liabilities)	163.1	502.5	
Equity	711.7	607.9	702.5
<b>Capital employed</b>	<b>874.8</b>	<b>1,110.4</b>	<b>1,207.9</b>

(1) Capital employed for 2019 has been restated as per the definition applicable from 1 January 2020.

(2) 2018 figures are as reported and have not been restated to reflect Seabed Geosolutions as discontinued operations.

### ROCE

The following tables set forth a reconciliation of ROCE achieved in 2020, which is mentioned in this Prospectus:

€m	As of 31 December 2019 <sup>(1)</sup>	As of 30 June 2020	As of 31 December 2020	Average
<b>Capital employed.....</b>	1,110.4	991.4	874.8	992.2
Adjustment for impairment losses .....	-	47.7	80.6	42.8
Potential tax impact ...	-	-	-	-
<b>Adjusted Capital employed..</b>	1,110.4	1,039.1	955.3	1,035.0

(1) 2018 figures are as reported and have not been restated to reflect Seabed Geosolutions as discontinued operations.

### NOPAT

€m	2020
<b>Adjusted EBIT.....</b>	<b>51.9</b>
• of which continuing operations	48.2
• of which discontinued operations	3.6
Share of profit/(loss) of equity accounted investees (net of income tax) .....	7.5

• of which continuing operations	7.4
• of which discontinued operations	0.1
Potential tax impact <sup>(1)</sup> .....	(12.3)
<b>NOPAT</b> .....	<b>47.1</b>
€m	<b>2020</b>
Average Adjusted Capital employed.....	1,035.0
NOPAT.....	47.1
<b>ROCE (%)</b> .....	<b>4.6</b>

### **Rounding and negative amounts**

Certain figures in this Prospectus, including financial data, have been rounded. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an exact arithmetic aggregation of the figures which precede them.

In preparing the Trading Update and the Consolidated Financial Statements, most numerical figures are presented in millions of euros. For the convenience of the reader of this Prospectus, certain numerical figures in this Prospectus are rounded to the nearest one million. As a result of this rounding, certain numerical figures presented herein may vary slightly from the corresponding numerical figures presented in the Trading Update and the Consolidated Financial Statements.

The percentages (as a percentage of revenues or costs and period-on-period percentage changes) presented in the textual financial disclosure in this Prospectus are derived directly from the financial information contained in the Trading Update and the Consolidated Financial Statements. Such percentages may be computed using the numerical figures expressed in thousands of euros in the Trading Update and the Consolidated Financial Statements. Therefore, such percentages are not calculated on the basis of the financial information in the textual disclosure that has been subjected to rounding adjustments in this Prospectus.

In tables, negative amounts are shown between round brackets. Otherwise, negative amounts may also be shown by "-" or "negative" before the amount.

### **Currency**

All references in this Prospectus to "Euro", or "€" are to the single currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty on the functioning of the European Community, as amended from time to time.

### **Market and Industry Information**

All references to market share, market data, industry statistics and industry forecasts in this Prospectus consist of estimates compiled by industry professionals, competitors, organisations or analysts, of publicly available information or of the Group's own assessment of its sales and markets. Statements based on the Company's own proprietary information, insights, opinions or estimates contain words such as 'the Group believes', 'the Group expects', 'the Group sees', 'the Group considers', 'the Group aims', 'the Group estimates' and as such do not purport to cite, refer to or summarise any third-party or independent source and should not be so read.

Industry publications generally state that their information is obtained from sources believed to be reliable but that the accuracy and completeness of such information is not guaranteed and that the projections they contain are based on a number of significant assumptions. Where third-party information has been sourced in this Prospectus, the source of such information has been identified.

Third-party reports referenced in this Prospectus includes, among others, the International Energy Agency (the "IEA") (2020) Global Energy Review, the IEA (2019) Offshore Wind Outlook, the BP Energy Outlook 2020, the 4C Offshore Global Market Overview (Q1 2021), the Rystad Energy Covid-19 Report (January 2021), the Rystad Energy Service Demand Cube database (January 2021), the Global Data Construction Intelligence Centre (January 2021), the International Monetary Fund (IMF) World Economic Outlook Update (January 2021), the Population Division of the UN Department of Economic and Social Affairs (UN DESA) World Urbanization Prospects (2018 Revision). The information in this Prospectus that has been sourced from third parties has been accurately reproduced with reference to these sources in the relevant paragraphs and, as far as the Group is aware and able to ascertain from the information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Certain long-term projections and other information derived from third party sources set forth in this chapter were published prior to the onset of the Covid-19 pandemic and its impact on the global economy, including on industry sectors mentioned in the chapter titled "~~Business~~" of this Prospectus. While the Group believes that such projections and other information would not be materially affected if they were to be updated as of the date of this Prospectus, it is inherently uncertain whether any such third-party sources would arrive at different conclusions or projections if they would update such information.

In this Prospectus, the Group makes certain statements regarding the characteristics of the Geo-data industry as well as its competitive and market position. The Group believes these statements to be true, based on market data and industry statistics, but the Group has not independently verified the information. The Group cannot guarantee

that a third party using different methods to assemble, analyse or compute market data or public disclosure from competitors would obtain or generate the same results. In addition, the Group's competitors may define their markets and their own relative positions in these markets differently than the Group does and may also define various components of their business and operating results in a manner which makes such figures non-comparable with the Group's.

## Supplements

If a significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus arises or is noted between the date of this Prospectus and the Listing, a supplement to this Prospectus is required. Such a supplement will be subject to approval by the AFM in accordance with article 23 of the Prospectus Regulation and will be made public in accordance with the relevant provisions under the Prospectus Regulation. The summary shall also be supplemented, if necessary, to take into account the new information included in the supplement. In case a significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus arises after the Listing, the Company will not supplement this Prospectus, unless it intends to make use of this Prospectus for an offering or listing other than the Listing.

Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable, be deemed to modify or supersede statements contained in this Prospectus or in a document which is incorporated by reference in this Prospectus. Any statement so modified or superseded shall, except as so modified or superseded, no longer constitute a part of this Prospectus.

## Enforcement of Civil Liabilities

The ability of holders of Shares in certain countries other than the Netherlands, in particular in the United States, to bring an action against the Company may be limited under law. The Company is incorporated under the laws of the Netherlands and has its statutory seat (*statutaire zetel*) in Leidschendam, the Netherlands. At the date of this Prospectus, most of the Managing Directors, Supervisory Directors and members of the Group's executive leadership team ("**Executive Leadership Team**" and each member of the Executive Leadership Team "**Executive Leadership Team Member**") named herein are citizens or residents of countries other than the United States. All or a substantial proportion of the assets of these individuals are located outside the United States. A significant portion of the Group's assets are located outside of the United States. As a result, it may be impossible or difficult for investors to effect service of process within the United States upon such persons or the Company or to enforce against them or the Company judgments of courts in the United States, whether or not predicated upon the civil liability provisions of the federal securities laws of the United States or other laws of the United States or any state thereof. In addition, there is doubt as to whether certain non-US courts (including the courts of the Netherlands) would accept jurisdiction and impose civil liability if proceedings were commenced in such non-US jurisdictions (including the Netherlands) predicated solely upon US securities laws. In addition, there can be no assurance that civil liabilities predicated upon federal or state securities laws of the United States will be enforceable in the Netherlands or any other jurisdiction.

The United States and the Netherlands currently do not have a treaty providing for the reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Consequently, a final judgment for payment obtained against the Company by a court in the United States, whether or not predicated solely upon US securities laws, would not automatically be recognised and enforceable in the Netherlands. In order to obtain a judgment which is enforceable in the Netherlands, the claim must be relitigated before a competent court in the Netherlands. Such a court has discretion to attach such weight to a judgment of a US court as it deems appropriate. Based on case law, the courts of the Netherlands may be expected to give conclusive effect to a final and enforceable judgment of a court of competent jurisdiction in the United States without re-examination or relitigation of the substantive matters adjudicated thereby, provided that (i) the relevant US court accepted jurisdiction in the matter on the basis of an internationally recognised ground to accept jurisdiction, (ii) the proceedings before such court complied with principles of proper procedure (*behoorlijke rechtspleging*), (iii) such judgment does not conflict with the public policy of the Netherlands, and (iv) such judgment is not incompatible with a judgment given between the same parties by a Dutch court or with a prior judgment given between the same parties by a foreign court in a dispute concerning the same subject matter and based on the same cause of action, provided such prior judgment is recognisable in the Netherlands.

## Forward-Looking Statements

This Prospectus contains forward-looking statements that reflect the Group's intentions, beliefs or current expectations and projections about the Group's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Group operates. Forward-looking statements involve all matters that are not historical facts. The Group has tried to identify forward-looking statements by using words as "may", "will", "would", "should", "expects", "intends", "estimates", "anticipates", "projects", "believes", "could", "hopes", "seeks", "plans", "aims", "aspires", "objective", "potential", "goal", "strategy", "target", "continue", "annualised" and similar expressions or negatives thereof or other variations thereof or comparable terminology, or by discussions of strategy that involve risks and uncertainties. Forward-looking statements may be found principally in sections in this Prospectus entitled "Risk Factors", "Dividend Policy", "Business", "Operating and Financial Review" and also elsewhere.

The forward-looking statements contained in this Prospectus are based on the Group's beliefs, assumptions and expectations regarding future events and trends that affect the Group's future performance, taking into account all information currently available to the Group, and are not guarantees of future performance. These beliefs, assumptions and expectations can change as a result of possible events or factors, not all of which are known to the Group or are within the Group's control. If a change occurs, the Group's business, financial condition, liquidity, results of operations, anticipated growth, strategies or opportunities may vary materially from those expressed in, or suggested by, these forward-looking statements. In addition, the forward-looking estimates and forecasts reproduced in this Prospectus from third-party reports could prove to be inaccurate. A number of important factors could cause actual results or outcomes to differ materially from those expressed in any forward-looking statement as a result of risks and uncertainties facing the Company and its Group Companies. Such risks, uncertainties and other important factors include, but are not limited to those listed in the section entitled "Risk Factors". Other factors could also adversely affect the Group's results or accuracy of forward-looking statements in this Prospectus. Although the Group believes that the "Risk Factors" chapter contains all of the material risks specific to the Group and the Ordinary Shares, you should not consider the factors discussed under "Risk Factors" to be a complete set of all potential risks and uncertainties.

In particular, this Prospectus contains an outlook statement for the year ending 31 December 2021 and a number of mid-term targets, which reflect numerous assumptions made by the Company's management. These assumptions relate to commercial expectations and other external factors, including political, legal, fiscal, market and economic conditions and applicable legislation, regulations or rules, all of which are difficult to predict and are beyond the Group's control. The Company's ability to achieve this outlook and these mid-term targets will depend upon a number of factors outside of its control, including significant business, economic and competitive uncertainties and contingencies. As the Covid-19 pandemic is still ongoing, the negative impact on the Group's business cannot be adequately determined or reliably quantified at this point. In particular, the Group's 2021 outlook and mid-term targets included in this Prospectus assume that there will be no material impact from additional Covid-19 developments. This outlook statement and these mid-term targets have been developed based upon assumptions with respect to future business decisions and conditions that are subject to change. As a result, the Company's actual results may vary from the outlook statement and mid-term targets established herein and those variations may be material. Many of these business, economic and competitive uncertainties are described in "Risk Factors". The Company does not undertake to publish updates as to its progress towards achieving any of the outlook statements and mid-term targets, including as it may be impacted by events or circumstances existing or arising after the date of this Prospectus or to reflect the occurrence of unanticipated events or circumstances. The inclusion of the 2021 outlook and mid-term targets in this Prospectus should not be regarded as an indication that the Company considers such financial targets to be achievable or any targets to be reliable predictions of future events. Accordingly, investors should not place undue reliance on any of the Group's 2021 outlook or mid-term targets information included in this Prospectus.

Investors or potential investors should not place undue reliance on the forward-looking statements in this Prospectus. The Group urges investors to read the sections of this Prospectus entitled "Risk Factors", "Business" and "Operating and Financial Review" for a more complete discussion of the factors that could affect the Group's future performance and the markets in which the Group operates. In light of the possible changes to the Group's beliefs, assumptions and expectations, the forward-looking events described in this Prospectus may not occur. Additional risks currently not known to the Group or that the Group has not considered material as of the date of this Prospectus could also cause the forward-looking events discussed in this Prospectus not to occur. Forward-looking statements involve inherent risks and uncertainties and speak only as of the date they are made. The Group undertakes no duty to and will not necessarily update any of the forward-looking statements in light of new information or future events, except to the extent required by applicable law.

#### **Definitions**

This Prospectus is published in English only. Definitions used in this Prospectus are defined in "Definitions".

#### **Validity**

This Prospectus will be valid from its date of publication, until the date of the Listing or twelve months after its approval, being 26 May 2022, whichever is the earliest. The obligation to supplement a prospectus (which does not exclude the Company voluntarily supplementing this Prospectus) in the event of significant new factors, material mistakes or material inaccuracies does not apply when this Prospectus is no longer valid.

This Prospectus has been approved by the AFM, as competent authority under the Prospectus Regulation. The AFM only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the quality of the Ordinary Shares and of the Company that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Ordinary Shares.



### Documents Incorporated by Reference

The following documents, or sections thereof, have been incorporated by reference in, and form part of, this Prospectus. The sections that are not referred to below and therefore not incorporated by reference in this Prospectus are not relevant for the purposes of this Prospectus. The relevant documents, or sections are as follows:

- the [Articles of Association](#);
- pages 124-202 and 203-211 of the [2020 Annual Report](#);
- pages 116-193 and 194-202 of the [2019 Annual Report](#);
- pages 100-180 and 181-187 of the [2018 Annual Report](#); and
- the press release regarding the [Q1 2021 Trading Update](#).

These documents (or copies thereof) may be obtained in electronic form free of charge from the Company's website at [www.fugro.com](http://www.fugro.com). Any documents themselves incorporated by reference in the documents incorporated by reference in this Prospectus shall not form part of this Prospectus.

### Cross-Reference List

The Group's historical financial information and independent auditor's reports thereon are incorporated by reference in this Prospectus. The table below sets out references to where such information can be found.

Topic	2020 Annual Report	2019 Annual Report	2018 Annual Report
<b>Historical Financial Information</b>			
2020 Consolidated Financial Statements	pp. 124-202 ("Financial Statements 2020")		
Independent auditor's report on the 2020 Consolidated Financial Statements	pp. 203-211 ("Independent auditor's report")		
2019 Consolidated Financial Statements		pp. 116-193 ("Financial Statements 2019")	
Independent auditor's report on the 2019 Consolidated Financial Statements		pp. 194-202 ("Independent auditor's report")	
2018 Consolidated Financial Statements			pp. 100-180 ("Financial Statements 2018")
Independent auditor's report on the 2018 Consolidated Financial Statements			pp. 181-187 ("Independent auditor's report")

### No Incorporation of Website

The contents of the Company's website, including any websites accessible from hyperlinks on the Company's website, and the contents of the website of any Group Company, do not form part of and are not incorporated by reference in this Prospectus and have not been scrutinised or approved by the AFM.

## DIVIDENDS AND DIVIDEND POLICY

### General

Under Dutch corporate law, the Company may only make distributions to its holders of Shares insofar as the Company's equity exceeds the sum of the paid-in and called-up share capital increased by the reserves as required to be maintained by Dutch law or by the Articles of Association.

Any distribution of profits shall be made after the adoption of the Annual Accounts from which it appears that payment of such dividend is permitted.

According to the Articles of Association, the profit shall, if sufficient, be applied first in payment to the holders of cumulative protective preference shares in the Company's share capital, with a nominal value of €0.05 each ("**Protective Preference Shares**") (if any) of a percentage of the compulsory amount paid on these Protective Preference Shares as at the commencement of the financial year for which the distribution is made. Such percentage shall be equal to the average of the Euribor interest charged for loans with a term of one year, as published by the administrator of Euribor, the European Money Markets Institute (EMMI) located in Belgium or its legal successor(s), or in absence of Euribor as benchmark, another benchmark that is officially determined, appointed or recommended as replacement of Euribor by (i) the European Central Bank, or another supervising authority, or in absence of this (ii) EMMI, aforementioned – weighted by the number of days for which this interest was applicable – during the financial year for which the distribution is made, increased by at most five percentage points; this increase shall each time be fixed by the Board of Management for a period of five years, after approval by the Supervisory Board, unless the compulsory amount paid on the Protective Preference Shares has been paid up at the expense of the Protective Preference Shares Reserve, in which case the percentage shall be one per cent (1%).

Next, if there are any remaining profits to be distributed, a dividend shall be paid on the cumulative financing preference shares in the Company's share capital, with a nominal value of €0.05 each, which can be subdivided into two series of five million (5,000,000) cumulative financing preference shares, series FP1 and FP2, (the "**Financing Preference Shares**") of each series (if any) and on the cumulative convertible financing preference shares in the Company's share capital, with a nominal value of €0.05 each, which can be subdivided into two series of five million (5,000,000) cumulative convertible financing preference shares, series CPA1 and CPA2, (the "**Convertible Financing Preference Shares**") of each series (if any), equal to a percentage calculated on the amount effectively paid on the Financing Preference Shares of the respective series and the Convertible Financing Preference Shares of the respective series, including a share premium, if any, upon the first issue of the series in question, and which percentage shall be related to the average effective return on 'state loans general with a term of 7 – 8 years', calculated and determined in the manner as described hereinafter.

The percentage of the dividend for the Financing Preference Shares of each series or for the Convertible Financing Preference Shares of each series, as the case may be, shall be calculated by taking the arithmetic mean of the average effective return on the aforesaid loans, as published by Bloomberg, or if Bloomberg does not publish this information, by Reuters, for the last five stock market trading days preceding the day of the first issue of Financing Preference Shares of the respective series or the Convertible Financing Preference Shares of the respective series, as the case may be, or preceding the day on which the dividend percentage is adjusted, increased or decreased, if applicable, by a mark-up or mark-down set by the Board of Management upon issue and approved by the Supervisory Board of at most two percentage points, depending on the market conditions then obtaining, which mark-up or mark-down may differ for each series, or, if Reuters does not publish this information or if such state loans general are not issued, a form of state loan and information source that is or are most comparable thereto as to be determined by the Board of Management and approved by the Supervisory Board.

If in any financial year the profit is insufficient to make the distributions referred to above, then in subsequent financial years the above shall not apply until the deficit has been made good or until the Board of Management, with the approval of the Supervisory Board, resolves to charge an amount equal to the deficit to the freely distributable reserves, with the exception of the reserves which have been set aside as share premium upon the issue of Financing Preference Shares or Convertible Financing Preference Shares or the Protective Preference Shares Reserve.

Of any profit remaining after application of the above, such amount shall be allocated to the reserves by the Board of Management with the approval of the Supervisory Board as the Board of Management shall deem necessary. Insofar as the profit is not allocated to the reserves, it shall be at the disposal of the General Meeting either for allocation in whole or in part to the reserves or for distribution in whole or in part on the Ordinary Shares.

Without prejudice to the above, the General Meeting may on a proposal of the Board of Management, subject to the prior approval of the Supervisory Board and subject to Dutch law and the Articles of Association, resolve to pay a dividend on the Ordinary Shares, as applicable from one or more of the reserves which do not need to be maintained pursuant to Dutch law and the Articles of Association.

Subject to the approval of the Supervisory Board and subject to Dutch law and the Articles of Association, the Board of Management may resolve to distribute an interim dividend insofar as the Company's equity exceeds the amount of the paid-up and called-up part of the capital increased by the reserves that must be maintained pursuant to Dutch

law or the Articles of Association. For this purpose, the Board of Management must prepare an interim statement of assets and liabilities evidencing sufficient distributable equity.

The General Meeting may, on a proposal of the Board of Management, subject to the approval of the Supervisory Board, and subject to Dutch law and the Articles of Association, resolve to distribute a dividend in the form Ordinary Shares to its holders of Ordinary Shares.

According to the Articles of Association, dividends shall be due and payable no later than four weeks after the date when they have been declared, unless the General Meeting determines another date on a proposal from the Board of Management.

The tax legislation of a state of residence of a holder of Shares for tax purposes or other relevant jurisdictions and of the Netherlands may have an impact on the income received from the Ordinary Shares.

### **Dividend History**

Due to the negative net financial result, the Group has not paid a dividend since 2014.

### **Dividend Policy**

The Group's dividend policy is a pay-out ratio of 35% to 55% of net result.

The Credit Facility Agreement prohibits the Company from paying dividends for 18 months from 14 December 2020, which was the settlement date of the Rights Issue. After such date, dividends are permitted, provided that the Group's net leverage<sup>1</sup> (measured quarterly) is below two times on the two immediately preceding testing dates and not reasonably expected to be two times or higher on the two next testing dates.

Through the gradual improvement in profitability and disciplined asset management, the Group targets an annual positive free cash flow resulting in a reduction of net debt, deleveraging of the balance sheet, and consequently a net leverage below<sup>1</sup> 1.5x (including the impact of IFRS 16). The Group will only resume dividend payments once it considers its balance sheet to be sufficiently strong and net leverage is expected to structurally remain below 1.5x (including the impact of IFRS 16).

If and when dividends are paid, holders of Shares have the choice to receive dividends in the form of cash or Ordinary Shares. In case no choice is made, the dividend will be paid in Ordinary Shares. The Group offsets dilution resulting from the optional dividend (cash or Ordinary Shares). The Group will repurchase the number of Ordinary Shares issued as stock dividend and these Ordinary Shares will be cancelled after having obtained approval from the General Meeting. This way, dilution is being offset while the tax advantage for a substantial part of the holders of Shares related to stock dividend is retained.

### **Manner and Time of Dividend Payments**

Payment of any dividend in cash will be made in euro. Any dividends that are paid to holders of Ordinary Shares through Euroclear Nederland, will automatically be credited to the relevant holders' accounts without the need for such holders to present documentation proving their ownership of the Ordinary Shares. Payment of dividends on the Ordinary Shares in registered form (not held through Euroclear Nederland, but directly) will be made directly to the relevant holder of Ordinary Shares using the information contained in the Company's shareholders' register and records.

### **Uncollected Dividends**

A claim for any declared dividend and other distributions that has not been collected within five years after the date those dividends or distributions became payable, will be considered to have been forfeited to the Company and will be carried to the reserves of the Company.

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<sup>1</sup> Leverage is the ratio of Total Net Debt (including all debt and IFRS 16 lease liabilities, but not including guarantees unless called and not reimbursed) to Adjusted Consolidated EBITDA (both as defined in the Credit Facility Agreement) (measured quarterly on the basis of Total Net Debt on the measurement date and rolling 12 months Adjusted Consolidated EBITDA (both as defined in the Credit Facility Agreement)).

## CAPITALISATION AND INDEBTEDNESS

The tables below set forth the Group's consolidated capitalisation and indebtedness as of 31 March 2021 on an actual basis. The information in the column "Actual" from the below table has been derived from the Company's accounting records. These tables should be read in conjunction with the Group's Consolidated Financial Statements and the Trading Update and the notes thereto included or incorporated by reference in this Prospectus and "Operating and Financial Review". See "Description of Share Capital" for information concerning the Company's share capital.

### Capitalisation

	As of 31 March 2021 (unaudited)
	Actual (including Seabed Geosolutions) (€millions)
<b>Total current debt</b> (including current portion of non-current debt)	<b>93.6</b>
Guaranteed.....	0.0
Secured <sup>(1)</sup> .....	31.8
Unguaranteed / unsecured <sup>(2)</sup> ..	61.8
<b>Total non-current debt</b> (excluding current portion of non-current debt)	<b>394.8</b>
Guaranteed.....	0.0
Secured <sup>(3)</sup> .....	303.1
Unguaranteed / unsecured <sup>(4)</sup> ..	91.7
<b>Shareholder equity</b> .....	<b>724.7</b>
Share capital .....	10.3
Legal reserve(s) .....	(113.1)
Other reserves.....	827.5
<b>Total</b> .....	<b>1,213.1</b>

- (1) Current debt (secured) includes the current portion of long-term lease liabilities as of 31 March 2021. The Group applies the low-value and short-term lease exemptions of IFRS 16 and excluded low-value and short-term leases from this capitalisation table. The short-term lease expense for the first three months ended 31 March 2021 amounted to €20.3 million.
- (2) Current debt (unguaranteed/unsecured) includes the carrying value of the 2016 Convertible Notes (as defined in "Operating and Financial Review—Intercreditor Agreement") of €58.2 million, other loans and borrowings of €1.1 million and bank overdrafts of €2.5 million as of 31 March 2021. The face value of the 2016 Convertible Notes (as defined in "Operating and Financial Review—Intercreditor Agreement") to be redeemed is €58.9 million.
- (3) Non-current debt (secured) includes the non-current portion of long-term lease liabilities of €104.3 million and term loan of €198.9 million as of 31 March 2021. The Group applies the low-value and short-term lease exemptions of IFRS 16 and excluded low-value and short-term leases from this capitalisation table.
- (4) Non-current debt (unsecured), actual, includes the carrying value of the 2017 Convertible Notes (as defined in "Operating and Financial Review—Intercreditor Agreement") of €91.3, and other long-term borrowings of €0.4 million as of 31 March 2021

### Indebtedness

	As of 31 March 2021 (unaudited)
	Actual (including Seabed Geosolutions) (€millions)
A. Cash	137.0
B. Cash equivalents	0.0
C. Other current financial assets	0.0
<b>D. Liquidity (A+B+C)</b>	<b>137.0</b>
E. Current financial debt (including debt instruments, but excluding current portion of non-current financial debt) <sup>(5)</sup>	2.5
F. Current portion of non-current financial debt <sup>(6)</sup>	91.1
<b>G. Current financial indebtedness (E+F)</b>	<b>93.6</b>
<b>H. Net current financial indebtedness (G-D)</b>	<b>(43.4)</b>
I. Non-current financial debt (excluding current portion and debt instruments) <sup>(7)</sup>	104.3

	As of 31 March 2021 (unaudited)
	Actual (including Seabed Geosolutions)
J. Debt instruments <sup>(8)</sup>	290.6
K. Non-current trade and other payables	0.0
<b>L. Non-current financial indebtedness (I+J+K)</b>	<b>394.8</b>
<b>M. Total financial indebtedness (H+L)</b>	<b>351.4</b>

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- (5) Current financial debt (including debt instruments, but excluding current portion of non-current financial debt) includes bank overdrafts of €2.5 million.
- (6) Includes the carrying value of the 2016 Convertible Notes (as defined in "Operating and Financial Review—Intercreditor Agreement") of €58.2 million, the current portion of current portion of long-term lease liabilities of €31.8 million and other loans and borrowings of €1.1 million. The Group applies the low-value and short-term lease exemptions of IFRS 16 and excluded low-value and short-term leases from this indebtedness table. The short-term lease expense for the three months ended 31 March 2021 amounted to €20.3 million.
- (7) Consists of the non-current portion of long-term financial lease liabilities resulting from the application of IFRS 16.
- (8) Debt instruments, actual, includes the carrying value of the 2017 Convertible Notes (as defined in "Operating and Financial Review—Intercreditor Agreement") of €91.3 million, the Term Loan of €198.9 million and other long-term borrowings of €0.4 as of 31 March 2021. The face value of the 2017 Convertible Notes to be redeemed is €101.9 million.

As of 31 March 2021, the Group has no indirect indebtedness and no contingent indebtedness, other than bank guarantees issued to clients in an amount of €88 million.

## OPERATING AND FINANCIAL REVIEW

The following discussion and analysis should be read in conjunction with the rest of this Prospectus, including the Trading Update, which is incorporated by reference in this Prospectus, as well as the Consolidated Financial Statements, including the notes thereto and the independent auditor's reports thereon, which are incorporated by reference in this Prospectus.

Except as otherwise stated, this Operating and Financial Review is based on the Consolidated Financial Statements, which have been prepared in accordance with IFRS as adopted by the EU and Part 9 of Book 2 of the Dutch Civil Code. For a discussion of the presentation of the Group's historical financial information included in this Prospectus, see "Important Information—Presentation of Financial and Other Information".

The following discussion contains forward-looking statements that involve risks and uncertainties. The Group's future results could differ materially from those discussed below. Factors that could cause or contribute to such differences include, without limitation, those discussed in particular in the sections entitled "Risk Factors" and "Business" and elsewhere in this Prospectus. See "Important Information—Forward-Looking Statements" for a discussion of the risks and uncertainties related to those statements.

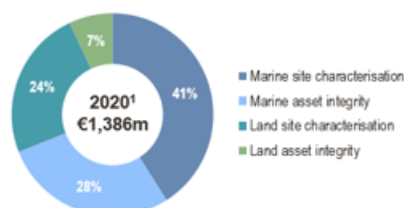
### Overview

The Group believes it is the world's leading Geo-data specialist, collecting and analysing comprehensive information about the Earth's surface, subsurface and the structures built upon it. The Earth is complex and continuously changing. Understanding this complexity is essential for designing, building and maintaining assets in a responsible manner. The Group's expertise allows its clients to safely and sustainably develop, design and operate their infrastructure, plants, structures and buildings. The Group provides a full range of services throughout the life cycle of clients' assets, starting with the acquisition of Geo-data, through to analytics of Geo-data and critical advisory services. This combination of acquisition, analysis and advisory services is reflected in the Group's integrated "triple-A" approach, which the Group uses to unlock insights from Geo-data to help its clients position, design, build and operate their assets in a safe, reliable, sustainable and efficient manner. This "triple-A" approach adds value for clients throughout the lifecycle of their assets, from project initiation, construction and operation until decommissioning. The Group serves a broad range of clients whose needs range from smaller, more modest assignments to the most challenging, multidisciplinary and integrated projects.

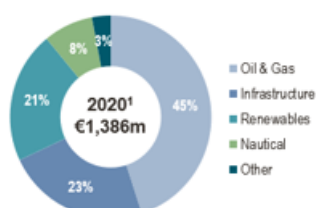
The Group is currently organised into four geographical regions: (i) Europe-Africa (E-A), (ii) Americas (AM), (iii) Asia Pacific (APAC) and (iv) Middle East & India (MEI). In each region the Group offers services for marine and land environments and operates the same four business lines: Marine Site Characterisation, Marine Asset Integrity, Land Site Characterisation and Land Asset Integrity. The Group's other activities consist of Seabed Geosolutions. On 30 March 2021, the Group reached a binding agreement with PXGEO Seismic Services Limited (PXGEO) to sell certain assets and the related business of Seabed Geosolutions, which is expected to be completed mid-2021. Within the four business lines, within all regions, the Group provides services to clients throughout the four market segments (Oil & Gas, Infrastructure, Renewables and Nautical). In Marine, the Group believes it offers the widest breadth of services amongst companies that are active in both site characterisation and asset integrity solutions, and in Land, the Group believes it is one of the few companies to offer integrated services across the world. The Group believes its ability to provide solutions throughout the full lifecycle of offshore wind farms, operational offshore platforms, high-rise buildings, industrial facilities, airports, bridges, tunnels, levies and other infrastructure, power line grids, railway tracks and pipelines distinguishes it from its competitors in terms of both site characterisation and asset integrity. The Group applies its innovative and often proprietary technology and solutions to serve clients in energy and infrastructure, both offshore and onshore, with a differentiating strength being the combination of innovation in technology and integrated digital solutions for its clients.

The following charts illustrate a breakdown of the Group's revenue from continuing operations in 2020 by business lines, by market segments and by geographical regions, respectively.

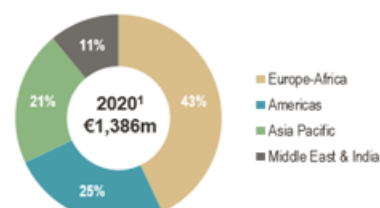
Revenue by business lines



Revenue by market segments



Revenue by region

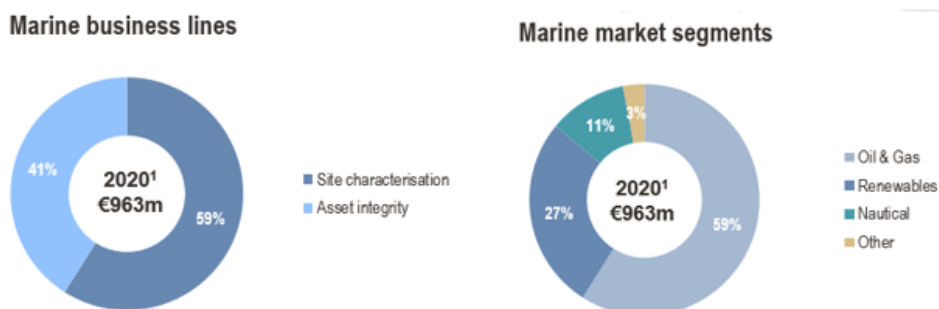


<sup>1</sup> Figures from continuing operations (excl. Seabed)

Source: Company data

The following charts illustrate a further breakdown of the Group's revenue in 2020 by business lines and market segments for the Group's Marine and Land business, respectively.

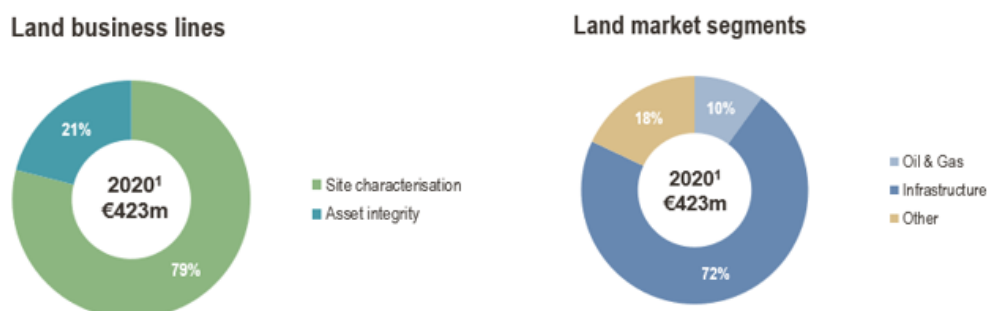
#### Marine business – Revenue split by market segments and by business lines



<sup>1</sup> Figures from continuing operations (excl. Seabed)

Source: Company data

#### Land business – Revenue split by market segments and by business lines



<sup>1</sup> Figures from continuing operations (excl. Seabed)

Source: Company data

The world is in a period of intense and accelerating change, including population growth, increasing wealth, urbanisation and climate change. The Group believes such key global developments make its services more critical than ever as over the coming decades they will lead to an increasing demand for energy, water, food, roads, rail, buildings, airports and flood defence. Moreover, technology is changing faster than ever before. This is affecting virtually every industry, opening up new opportunities for different, more effective ways of working. These global trends also lead to major challenges for the world, most notably climate change. The energy mix, infrastructure and built environments have to evolve if tomorrow's problems are to be solved in a sustainable manner. Through the Group's integrated digital solutions, it supports clients in dealing with the challenges of today and tomorrow. The Group therefore believes that the current long-term global developments will have a positive impact on the long-term growth of its key end markets and businesses. The Group's ambition is to support the transition towards carbon neutrality, sustainable infrastructure and climate resilience. For its own operations, the Group targets to be carbon neutral by 2035.

For clients in each of its key market segments Oil & Gas, Infrastructure, Renewables and Nautical the Group provides multiple services over the full lifecycle of assets, serving its diversified and long-standing client-base globally, from a local presence, providing them operational excellence through highly skilled staff and a flexible asset base. The Group is led by an experienced management team that is delivering on the Group's 'Path to Profitable Growth' strategy, which is based on the objectives of capturing the growth in energy and infrastructure markets, differentiating through integrated digital solutions and leveraging core expertise in new growth markets. The implementation of this strategy is supported by a clear focused approach on four enablers: people, clients, operational excellence and innovation.

The Company is a public limited liability company incorporated under Dutch law, with its corporate seat and headquarters in Leidschendam, the Netherlands. Until the moment the Ordinary Shares will be listed on Euronext Amsterdam, the Company's Certificates are listed on Euronext Amsterdam, as part of the Midkap Index, the AMX (symbol: FUR). The Group has a market capitalisation of €928.197 million as of market close on 21 May 2021, which is the last practicable date prior to the date of this Prospectus for ascertaining certain information contained herein (the "Latest Practicable Date"). In Financial Year 2020 and Financial Year 2019, the Group reported (in each case from continuing operations) revenues of €1,386.3 million and €1,631.3 million, respectively, a loss of €72.0 million and €36.8 million, respectively, and Adjusted EBITDA of €162.0 million and €184.9 million, respectively.

## Key Factors Affecting the Group's Results of Operations

The Group believes that the following factors, among others, have had and will continue to have a material effect on its results of operations and financial condition. As many of these factors are beyond the Group's control and certain of these factors have historically been volatile, past performance will not necessarily be indicative of future performance and it is difficult to predict future performance with any degree of certainty. In addition, important factors that could cause the Group's actual operations or financial conditions to differ materially from those expressed or implied below, include, but are not limited to, factors indicated in this Prospectus under "Risk Factors".

### Market environment

The Geo-data market is volatile. Adverse geopolitical developments and concerns over reduced global economic growth can all adversely affect the confidence and visibility that are essential for the Group's clients' decision-making processes and the expected demand for hydrocarbons, infrastructure, renewables and nautical projects, which is a key driver of the Group's results. Certain favourable geopolitical developments, such as increased awareness of climate change and demand for renewable energy projects, may also increase the demand for the Group's services. The Group's results of operations are particularly affected by developments in the four key market segments in which the Group generates most of its revenues: the Oil & Gas, Infrastructure, Renewables and Nautical markets, which are each discussed in more detail below.

The tables below set forth revenue per market segment for the Group's Marine and Land businesses and, separately, the Geoscience segment for Financial Year 2020, Financial Year 2019 and Financial Year 2018. From May 2019, the Group's organisational and reporting structure changed. Instead of two divisions (Marine and Land) represented in five regions, the Group now reports its results with respect to four integrated regions: (i) Europe-Africa, (ii) Asia Pacific, (iii) Americas and (iv) Middle East and India.

	Marine			Land			Total <sup>(1)</sup>		
	For the year ended 31 December								
(x € million)	2020	2019	2018	2020	2019	2018	2020	2019	2018
Oil and gas .....	573.0	808.8	796.6	44.2	41.5	46.3	617.2	850.3	842.9
Revenue growth (%)	(29.2)	1.5	9.2	6.5	(10.4)	(18.9)	(27.4)	0.9	7.2
Percentage of total (%)	41.3	49.6	51.3	3.2	2.5	3.0	44.5	52.1	54.3
Infrastructure .....	15.0	27.3	31.5	304.1	344.7	339.6	319.1	372.0	371.1
Revenue growth (%)	(45.1)	(13.3)	10.9	(11.8)	1.5	4.9	(14.2)	0.2	5.4
Percentage of total (%)	1.1	1.7	2.0	21.9	21.1	21.9	23.0	22.8	23.9
Renewables .....	263.8	214.4	171.7	31.4	19.3	—	295.2	233.7	171.7
Revenue growth (%)	23.0	24.9	64.8	62.7	—	—	26.3	36.1	64.8
Percentage of total (%)	19.0	13.1	11.1	2.3	1.2	—	21.3	14.3	11.1
Nautical .....	106.3	108.5	79.1	2.3	0.1	—	108.6	108.6	79.1
Revenue growth (%)	(2.0)	37.2	39.3	2,200.0	—	—	—	37.3	39.3
Percentage of total (%)	7.7	6.7	5.1	0.2	0.0	—	7.8	6.7	5.1
Other <sup>(2)</sup> .....	5.0	12.6	7.0	41.2	54.2	80.9	46.2	66.8	87.9
Revenue growth (%)	0.6	80.0	(75.4)	(24.0)	(33.0)	(15.0)	(30.8)	(24.0)	(28.9)
Share of total revenue (%)	0.4	0.8	0.5	3.0	3.3	5.1	3.3	4.1	5.6
<b>Total.....</b>	<b>963.1</b>	<b>1,171.6</b>	<b>1,085.9</b>	<b>423.2</b>	<b>459.8</b>	<b>466.9</b>	<b>1,386.3</b>	<b>1,631.4</b>	<b>1,552.8</b>

(1) Excluding revenue from the Geoscience segment, which is currently held for sale and presented as discontinued operations.

(2) Other includes the Power and Mining market segments.

(x € million)	Geoscience		
	For the year ended 31 December		
	2020	2019	2018
Oil and gas <sup>(1)</sup> .....	62.8	135.6	97.2
Revenue growth (%)	(53.7)	39.5	31.2

(1) Revenue from the Geoscience segment, which is currently held for sale and presented as discontinued operations, is entirely related to Seabed Geosolutions.

### Oil & Gas

In Financial Year 2020, 45% of the Group's total revenues (compared to 52% in Financial Year 2019 and 54% in Financial Year 2018), excluding revenues from the Geoscience segment, and 47% of total revenues (compared to 56% in Financial Year 2019 and 57% in Financial Year 2018), including revenue from the Geoscience segment, were related to the Oil & Gas industry. The Group also expects that in the medium term the relative share of its total revenues, excluding revenues from the Geoscience segment, derived from the Oil & Gas industry will continue to decline, further illustrated by the fact that in the second half of 2020, approximately 60% of the Group's revenues were derived from market segments other than Oil & Gas. Consequently, the Group has substantial but declining exposure to the volatility of the price of oil and gas and the related impact on oil and gas companies' investment and operations budgets.



Overall demand in the oil and gas market is dependent on spending by oil and gas companies and government agencies for exploration, development, production and field management activities and on the level of capacity in the market. The Group believes the level of spending of such companies and government agencies depends on their assessment of the ability to efficiently supply the Oil & Gas markets in the future and the current balance of hydrocarbon supply and demand globally.

Lower or volatile hydrocarbon prices tend to limit the demand for Geo-data services and products. During the years from 2014 to 2017, the offshore Oil & Gas market experienced a downturn which was longer and deeper than any prior downturn. Consequently, oil and gas companies reduced their offshore exploration, production and development spending due to falling oil and gas prices, affecting work volume and pricing for oil and gas services companies, and the Group consequently experienced reduced demand for its products and services, as reflected in its results. Prior to the Covid-19 pandemic and the governmental responses around the world, the Oil & Gas market had been experiencing a period of recovery, during which the Group saw an increase in offshore oil and gas project final investment decisions and related oil field services expenditure, despite short-term volatility related to geopolitical developments and concerns over reduced global economic growth. However, the global health crisis and negative economic impact related to the Covid-19 pandemic, coupled with oil oversupply, has resulted in a sharp decline in the price of oil and led to reduced activity levels and spending by the Group's Oil & Gas clients in 2020. Although oil and gas prices have recovered since the end of 2020 and in the Oil & Gas market there are early signs of a recovery, further developments in the market remain dependent on the impact of the Covid-19 pandemic on the society and economy. See "—Key Factors Affecting the Group's Results of Operations". Nevertheless, new developments offshore, including in deep water, continue to be required to fill the gap caused by the depletion of existing oil and gas fields and increasing demand for oil and gas. The Group believes that it is now better positioned than during prior downturns as a result of a more balanced exposure across the full life cycle of oil and gas fields and less exposure to discretionary early stage activities, such as exploration-related seismic activities.

#### *Infrastructure*

In Financial Year 2020, 23% of the Group's total revenues from continuing operations (compared to 23% in Financial Year 2019 and 24% in Financial Year 2018) were related to infrastructure projects. Population growth and urbanisation have increased the demand for roads, railways, tunnels, bridges, airports and harbours, which in turn positively affects demand for the Group's products and services. Further, as a result of population growth, urbanisation and rising sea levels, the number of people exposed to flooding has increased, which in turn is expected to increase the demand for services related to general water management, flood protection and coastal resilience and defence projects, such as those the Group provides. In addition, growing (both renewable and non-renewable) energy demand is leading to larger investments in power and electricity facilities and distribution networks. As a result, distribution networks are being expanded, and there is an increasing need for network asset integrity services, such as those that the Group provides, to maintain high levels of operability. After a stagnation in 2020 due to the Covid-19 pandemic, the Group expects growth in infrastructure markets to resume as of 2021, driven by governmental investments to fuel the economy.

#### *Renewables*

In Financial Year 2020, 21% of the Group's total revenues from continuing operations (compared to 14% in Financial Year 2019 and 11% in Financial Year 2018) were related to renewables. The drive to reduce fossil fuel consumption and carbon emissions is leading to growing investment in renewable energy globally. Growth in solar and wind power generation has been rapid. For offshore wind power generation, decreasing development costs and improving reliability is opening up geographies beyond Europe, such as the United States and Asia. In addition, the market for asset integrity services in wind power generation has begun to develop as additional wind farms have entered into operation over the years from 2017 to 2019.

The Group believes it is strongly positioned in the Renewables market segment given the overlap in services provided with the Oil & Gas market segment, in particular the Marine Site Characterisation business line. The services the Group offers in the Renewables market segment require the same kind of expertise, assets, products and solutions as required in the Oil & Gas market segment, which helps the Group improve utilisation of resources and optimise pricing. Although it is still a relatively small market segment compared to revenue generated from the Oil & Gas market segment, as a result of the rapid development of renewable energy, Renewables has become a substantial market segment. Despite the Covid-19 pandemic and the resulting global economic slowdown as well as reduced demand for energy, the Group has observed continuing strong growth in the Renewables market segment during the second, third and fourth quarters of 2020. For 2021, offshore wind, in which the Group has a strong position and reputation, is anticipated to show continued growth.

#### *Nautical*

In Financial Year 2020, 8% of the Group's total revenues from continuing operations (compared to 7% in Financial Year 2019 and 6% in Financial Year 2018) were related to nautical projects. As a result of global developments, such as climate change, the Nautical market has become an important market for the Group. Naval and other governmental agencies have an increasing desire to understand, use, exploit and protect the ocean and coastal areas, which has led to an increasing demand for the Group's nautical services, such as comprehensive mapping and hydrography solutions to protect coast lines in light of rising sea levels and the sustainable development of

ocean resources, design support for dike reconstruction projects, offshore surveys for telecom cables and positioning services and weather forecasting.

For more information about the Group's markets, please refer to "Business"

### **Covid-19**

The effects of the Covid-19 pandemic, including actions taken by businesses and governments in response to the pandemic, have adversely impacted the Group's business. Disruptions as a result of the Covid-19 outbreak, including as a result of increasing travel restrictions, quarantines and country lockdowns, have resulted in delays or discontinuation of planned projects. However, despite these operational complexities and in close cooperation with its clients, the Group has been able to continue working on the majority of its projects. This period, which began in March 2020 and involved business shutdowns, government-imposed lockdowns, social distancing and increased reliance on remote working arrangements, has also demonstrated the value of the Group's advanced remote and automated solutions, supporting clients in their critical operations.

The effects of the Covid-19 pandemic have varied between the Group's market segments and regions. The effects on the Oil & Gas markets, in particular, have been amplified by a collapse in the price of oil caused by the convergence of a dramatic decline in the demand for oil (resulting in particular from the adverse effects of the Covid-19 pandemic on economic activity) coupled with a substantial increase in supply (which itself is independent of the Covid-19 crisis and its consequences). The economic impacts of the Covid-19 pandemic and other factors that have negatively impacted the price of oil are intertwined and therefore difficult to isolate, and the convergence of such factors has resulted in reduced activity levels and spending, and consequently, demand for the Group's products by the Group's Oil & Gas clients. Seabed Geosolutions, which is accounted for as discontinued operations, has been particularly impacted due to the cancellation of a significant ongoing project in the Middle East and the postponement of another project that was scheduled to start in 2020 in Brazil and which started in the first quarter of 2021, causing Seabed Geosolutions to implement rigorous cost and capital expenditure reduction measures. The Covid-19 pandemic has also impacted the Group's infrastructure market segment as a result of a short-term decline in building and infrastructure activities and postponements of projects. At the same time, offshore wind, in which the Group has a strong position and reputation, is anticipated to show continued growth. Overall, the impact on the Group of the Covid-19 pandemic and especially the related deterioration of the Oil & Gas markets, as well as negative impacts on the Infrastructure and Renewables markets, vary by region. The Group made use of government support measures and stimulus packages in a number of jurisdictions.

From the start of the Covid-19 pandemic, the Group has modified and continues to modify certain business and workforce practices to protect the safety and welfare of its employees, including, among other measures, requiring personnel to quarantine before beginning work on a vessel and discontinuing all non-essential travel. Despite increased operational complexities, the Group has been able to swiftly adapt its processes and has implemented work procedures to accommodate this new reality and continue its operations effectively. Furthermore, the Group has implemented a program to significantly reduce costs and capital expenditure with the aim of realising cash savings and thus mitigating the anticipated adverse economic conditions for the immediate future and supporting the Group's financial position, liquidity and the efficient continuity of operations. Such mitigating efforts include minimising the hire of short-term charters, implementing a hiring and salary freeze, cutting executive pay, implementing measures to reduce the Group's workforce by a targeted 10%, reducing overhead costs, optimising service offerings through rationalisation of the Company's geographic footprint and exploring government support options. As a result of these cost-saving measures, the Group has realised approximately €95 million in cost reductions in the Financial Year 2020 and approximately €35 million in further related cost savings in the year ending 31 December 2021 ("**Financial Year 2021**").

Although at this stage it is impossible to forecast the precise magnitude and duration of the impact of the Covid-19 pandemic, and the Group must remain cautious given the related uncertainties, visibility on the impacts of the pandemic has improved since the beginning of lockdown measures. Offshore wind, in which the Group has a strong position and reputation, is anticipated to show continued growth; growth in the infrastructure and nautical market is expected to resume during 2021, after stagnation in 2020, as a result of numerous investment programs by government institutions; however the outlook for such markets is dependent on governmental budgets; and the oil and gas market is expected to remain volatile into 2021. See "Risk Factors—Risks Relating to the Group's Business—Disruptions related to widespread public health concerns, including the ongoing spread of, long-term continuation or escalation of the Covid-19 pandemic have and are likely to continue to adversely affect the Group's business, liquidity, financial condition and results of operations."

### **Weather and seasonality**

Severe weather conditions have an impact on the Group's results of operations. Unfavourable weather conditions can result in the delay of certain projects. The Group tries to negotiate with clients the inclusion of weather standby clauses in the Group's service contracts pursuant to which the client will have to reimburse the Group's daily costs in the period in which the Group cannot continue to perform its services as a result of severe weather conditions. Although the majority of the Group's service contracts contain weather standby clauses, the Group is not always successful in including the weather standby clauses in its service contracts. In particular, the recent downturn in the Oil & Gas market made it difficult to negotiate the inclusion of these provisions.

In general, the Group experiences higher levels of activity in the second and third quarter of its Financial Year, primarily as result of better weather conditions in those quarters. This seasonality leads to working capital and cash flow movements during the financial year: an increase in working capital and consequently a decrease in cash flow in the first three quarters of the financial year and a decrease in working capital and consequently an increase in cash flow in the fourth quarter of the financial year (see also "—Liquidity and Capital Resources—Consolidated Statement of Cash Flows—Working capital"). To address increased workload in the second and third quarters of the financial year, the Group increases capacity through the short-term chartering of vessels in the second and third quarter of the financial year, and as such the Group can adapt more quickly to the seasonal workload. However, as part of its mitigating efforts in response to the Covid-19 pandemic the Group is currently focused on minimising the hire of short-term charters, and it therefore expects such charters to decline as a percentage of the vessels required to perform its services (see also "—Capacity").

### **Legal compliance**

The Group's global presence exposes it to local laws and regulation, as well as changing and challenging political and economic environments. In addition, the need to implement increasingly detailed and complex regulations and standards covering an ever-broader scope of a company's activities has increased over the past couple of years. These regulatory developments require the Group to incur significant compliance costs which affects the Group's results of operations. See "Risk Factors—The Group faces regulatory and compliance risks, which may have an adverse impact on its reputation, business and financial condition."

### **Technological advances and innovation**

The Group believes digitalisation and technological innovation are key differentiators for its business, and as a result, the Group works to fully leverage technology developments, as well as digitally transform the way it operates. Consequently, research, development and innovation are key to the Group's strategy. In Financial Year 2020, the Group spent approximately 2.6% of its revenue on research and development and technology innovation. See "Business". Successful investments in new technology, for example the Group's investments in autonomous vessels, mobile laser mapping systems and electric and automated cone penetration testing ("CPT") operations on land are expected to lead to a positive effect on the Group's results of operation, while an unsuccessful investment that does not recoup its costs or that allows a competitor to gain market share at the Group's expense will have an adverse effect on its results of operation. See "Risk Factors—Risks Relating to the Group's Business—The markets in which the Group operates are subject to rapid and substantial technological change and the inability to innovate may render the Group's existing and future technology and business model obsolete or non-competitive, which would have a material adverse effect on the Group's market share, operating results, financial condition and future prospects."

### **Foreign exchange fluctuations**

As a company that derives a substantial amount of its revenues from international sales that are often denominated in or linked to a different currency than the currency in which related costs are denominated, the Group's results of operations are affected by fluctuations in currency exchange rates. The Group's exposure to fluctuations in exchange rates can impact equity, revenue and profitability. The Group presents revenue growth figures on a comparable basis, by comparing the current year's reported revenue at the exchange rates of 31 December for the prior year, with the prior year's reported revenue. For a discussion of the impact of foreign currency fluctuations and the extent to which the Group hedges this exposure, see "—Quantitative and Qualitative Disclosures About Market Risk—Foreign currency risks" and "Risk Factors—Risks Relating to the Group's Business—The Group's operating results may be significantly affected by currency fluctuations or trapped cash".

### **Capacity**

Overall demand for the Group's Geo-data services is dependent on spending by the Group's clients, which depends, in part, on present and expected market circumstances. Consequently, any decision to increase or decrease capacity is also based on the Group's expectation of market developments and long-term market trends. As a response to the uncertainty of the developments in the markets in which the Group operates, the Group tries to avoid under- or overcapacity by focusing on a balanced mix of fully owned vessels and long-term charters (two to six years) and short-term charters (less than one year). Currently the Group owns and leases long term about 68% of the vessels required to perform its services. In the Group's Marine business, the Group has four long-term charter agreements in place. As needed, the Group supplements its fleet and long-term charters with short-term seasonal charters. However, as part of its mitigating efforts in response to the Covid-19 pandemic the Group is currently focused on minimising the hire of short-term charters, and it therefore expects such charters to decline as a percentage of the vessels required to perform its services. By chartering vessels the Group is more flexible as it can adapt more quickly to fluctuating demand and market developments. The utilisation of owned and long-term chartered vessels was 66% in Financial Year 2020 (compared to 72% in Financial Year 2019 and 73% in Financial Year 2018). As a result of the downturn in the Oil & Gas market over the period from 2014 to 2017, vessels can currently be chartered at competitive rates. The Group believes that, as a result of this strategy, its long-term charter lease costs will decrease. However, a prolonged period of growth may cause charter rates to increase in the future; if this development occurs, the Group expects to increase the price of its services.

## **Factors Affecting Comparability Between Periods**

### ***Changes in accounting standards (IFRS 16)***

Comparability of the Group's results is affected by the Group's adoption of new accounting standards, such as IFRS 16. From January 1, 2019, the Group has applied IFRS 16, which prescribes that all leases have to be accounted for on the balance sheet. IFRS 16 includes two recognition exemptions for lessees – leases of 'low-value' assets and short-term leases (i.e., leases that have a lease term of 12 months or less and do not contain a purchase option), both of which the Group applies.

Until 31 December 2018, leases of property, plant and equipment were classified as either finance or operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss (as third-party costs and other expenses) on a straight-line basis over the period of the lease. From 1 January 2019, leases are recognised as a right-of-use asset together with a corresponding liability beginning on the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. At the start date of the lease, the Group recognises lease liabilities measured at the present value of payments to be made over the lease term. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The Group has applied IFRS 16 using the modified retrospective transition approach. Accordingly, comparative information for 2018 has not been restated. The reclassifications and the adjustments arising from the new leasing rules were therefore recognised in the opening balance sheet on 1 January 2019. Accordingly, figures for the Financial Year 2019, which give effect to IFRS 16, and figures for the Financial Year 2018, which were not restated for IFRS 16, are not fully comparable. Figures for Financial Year 2018 are presented on a pre-IFRS 16 basis. The implementation of IFRS 16 has no economic impact on the Group or on the way it manages its business or allocates capital. However, it does have a significant impact on the balance sheet and income statement, as well as the classification of cash flows relating to lease contracts. For the Financial Year 2019, the implementation of IFRS 16 had a positive impact of €34.3 million on Adjusted EBITDA, because operating lease expenses have been replaced by service costs, depreciation and interest expenses. The application of IFRS 16 had a positive impact of €24.1 million on cash flows from operating activities after investing activities for the Financial Year 2019 as cash payments for the principal portion of the lease liability are now classified under the cash flows from financing activities instead of under the cash flows from operating activities. As of 31 December 2019, lease liabilities amounted to €157.7 million (excluding Seabed Geosolutions) and right-of-use assets amounted to €160.5 million. Other investments decreased by €6.7 million and trade and other receivables by €1.8 million as a result of advance lease payments which are accounted for as part of right-of-use assets under IFRS 16. Trade and other payables decreased by €0.1 million as a result of the release of accrued lease incentives.

### ***Disposals/assets held for sale and discontinued operations (IFRS 5)***

On 30 March 2021, the Group reached a binding agreement with PXGEO Seismic Services Limited (PXGEO) to sell certain assets and the related business of its subsidiary Seabed Geosolutions for \$16 million (approximately €14 million) in cash. Completion of the divestment is expected for mid-2021, subject to customary closing conditions, with proceeds delivered to the Company at that time. The Group will retain the Hugin Explorer vessel as well as certain other assets and liabilities, including (i) potential liabilities related to claims by Magseis Fairfield against the Group relating to alleged infringement by Seabed Geosolutions of certain US patents owned by Magseis Fairfield and (ii) potential liability of the Group to, and claims of the Group against, ARGAS relating to events surrounding the termination of a contract with Saudi Aramco.

Pending completion, Seabed Geosolutions remains classified as a disposal group held for sale and presented as a discontinued operation, consistent with the classification and presentation in the 2020 Consolidated Financial Statements and the Trading Update. IFRS 5 requires companies to classify certain assets as held for sale, and therefore presented separately in the company's statement of financial position, among other consequences, when a disposal occurs or is planned, and certain criteria defined in IFRS 5 are met. The held-for-sale criteria in IFRS 5 apply to non-current assets (or disposal groups) whose value is expected to be recovered principally through sale rather than through continuing use. The planned divestment of Seabed Geosolutions has the following impact on the comparability of the Group's results between the Financial Years presented in this Prospectus.

- In accordance with IFRS 5, revenues and expenses from Seabed Geosolutions are excluded from the consolidated statement of comprehensive income for Financial Year 2020 and Financial Year 2019 and comparative figures for Financial Year 2018 and the net result of Seabed Geosolutions for Financial Year 2020 and Financial Year 2019 and comparative figures for Financial Year 2018 have been presented on a separate line under discontinued operations in the consolidated statement of comprehensive income.
- The Group has estimated Seabed Geosolutions' recoverable amount of the assets of the disposal group classified as held for sale at fair value minus cost of disposal, which was below its carrying amount. As a result, Seabed Geosolutions' goodwill was impaired in full, resulting in an initial non-cash impairment loss of €65.4 million, of which €61.4 million was recognised immediately before it was classified as disposal group classified as held for sale on 30 June 2019. The re-estimated recoverable amount of Seabed

Geosolutions as of 31 December 2019 at fair value minus cost of disposal resulted in a further non-cash impairment of other intangible assets and property, plant and equipment amounting to €10.8 million. This amount was included in the loss for the period from discontinued operations in the Consolidated Statement of Comprehensive Income included in the 2019 Consolidated Financial Statements. Upon remeasurement of the disposal group to fair value less cost of disposal, further impairment losses were recognised in 2020. The cumulative impairment loss for 2020 amounts to €74.7 million. This impairment was allocated to intangible assets (€12.5 million), property, plant and equipment (€57.6 million) and right-of-use assets (€4.6 million). These impairments reflect an adjustment to Seabed Geosolutions' market value given the current volatility and low visibility.

- The consolidated statement of cash flows for Financial Year 2020, Financial Year 2019 and comparative figures for Financial Year 2018 (which were restated to exclude Seabed Geosolutions) include separate cash flows and cash balances of the discontinued operations.
- Seabed Geosolutions' assets and liabilities are classified as held for sale in the consolidated statement of financial position for Financial Year 2020 and the Financial Year 2019. The Geoscience segment historically almost entirely consisted of Seabed Geosolutions as well as minor assets, including indirect interests in Australian exploration projects through Finder Exploration Pty Ltd and indemnities and warranties connected to the sale of the majority of the Geoscience segment to CGG S.A. in 2013. In connection with the planned divestment of Seabed Geosolutions, the Group has re-allocated these other assets to the new Europe-Africa segment and the indemnities and warranties have been re-allocated to other regions in the consolidated statement of financial position starting with Financial Year 2019.

## **Discussion of Principal Operating Results Items**

### **Revenue**

The Group recognises revenues when control of the promised goods or services is transferred to the Group's clients, in an amount that reflects the consideration the Group expects to be entitled to in exchange for those goods or services. Revenue is shown net of value-added tax and discounts and after eliminating sales within the Group.

Revenue is measured based on the consideration contractually agreed with the client. Common consideration structures are fixed price, daily rates or rates per (square) kilometre. It is common for the Group's contracts with clients to include liquidated damages, weather standby fees or discounts that can either increase or decrease the transaction price, leading to the consideration to be variable. Variable considerations are generally constrained and recognised as revenue only to the extent that it is highly probable that the amount will not be subject to significant reversal when the uncertainty is resolved. The Group estimates variable consideration using either the expected value method or the most likely amount method depending on which method better predicts the amount of revenue to which the Group will be entitled.

Revenue is generally recognised in profit or loss over time as services are rendered to the client. As such, revenue is recognised based on the extent of progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgement and is based on the nature of the services to be provided. The Group generally uses the cost-to-cost measure of progress (*i.e.*, determining progress towards completion by measuring the proportion of actual cost incurred for work performed to date, compared to total estimated cost to completion). The Group believes that this method best reflects its performance in transferring control of services promised to clients.

The timing of the Group's actual receipt of payments from clients varies from contract to contract depending on the agreed payment arrangement. Payment arrangements include: payment at project completion, payment upon completion of certain project milestones, payment of a down payment up to 15% of the contract value or payment after a period of time after project completion) and consequently the receipt of payments are reflected in the Group's cash flow from operating activities.

### **Third-party costs**

The Group defines third-party costs as costs incurred with third parties related to the deployment of resources (in addition to the resources deployed by the Group), such as the costs of suppliers, including the costs of maintenance and operation supplies directly related to projects and other third-party costs, such as costs required for the execution of various projects. Third-party costs are expensed to profit and loss when incurred.

As of 1 January 2019 following the implementation of IFRS 16, other third-party costs include only lease expenses related to short-term leases. Leases of 'low-value' assets and short-term leases are not included in the measurement of lease liabilities. See "—Factors Affecting Comparability Between Periods—Changes in accounting standards (IFRS 16)" for a further description of IFRS 16.

### **Other income**

Other income is defined as income not related to the Group's key business activities, for example income from the sale of non-monetary assets and/or liabilities, settlement of claims and pre-existing relationships, government grants, gain on property, plant and equipment and sundry income.

### ***Personnel expenses***

The vast majority of the Group's personnel expenses relates to wages and salaries. Further, personnel expenses include compulsory social security contributions, equity-settled share-based payment expenses, contributions to defined contribution plans, expenses related to defined benefit plans and changes in liability for long-service leave.

### ***Depreciation and amortisation***

Depreciation and amortisation are based on the cost of an asset less its residual value. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment and as of 1 January 2019, following the implementation of IFRS 16, the right-of-use assets. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately. Right-of-use assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Goodwill and intangible assets with an indefinite life are tested for impairment annually or when there is an indication for impairment. Other intangible assets and software are amortised from the date they are available for their intended use. The estimated useful life of software and other capitalised development costs is, in general, five years. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

### ***Impairments***

Intangible assets (including goodwill) that have an indefinite useful life or intangible assets not ready for use are not subject to amortisation and are tested annually for impairment. Other non-financial assets that are subject to depreciation and amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Financial assets are impaired in accordance with the expected credit loss model (IFRS 9). For more information on impairment analysis and testing, see "—Significant Accounting Policies, Estimates and Uncertainties—Impairments".

### ***Other expenses***

Other expenses include, among others, professional services, training costs, audit fees, IT and communication costs, miscellaneous charges and sundry costs.

### ***Net finance (income)/expenses***

The Group calculates the net finance (income)/expenses as the interest expense on financial liabilities (including lease liabilities following the implementation of IFRS 16 per 1 January 2019) measured at an amortised cost, plus the net change in fair value of financial assets at fair value through profit or loss, plus net foreign exchange variance, minus the interest income on loans and receivables.

### ***Share or profit/(loss) of equity-accounted investees (net of income tax)***

The share of profit/(loss) of equity-accounted investees comprises of the results of joint ventures and associates. Investments in equity-accounted investees are accounted for using the equity method. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. None of the Group's equity-accounted investees are publicly listed entities.

### ***Income tax gain/(expense)***

Income tax gain/(expense) comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting and tax purposes. Deferred tax is not recognised for: taxable temporary differences arising on the initial recognition of goodwill; temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and temporary differences related to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

## Other Key Performance Indicators

### Adjusted EBITDA

Adjusted EBITDA is defined as the Group's result from operating activities before net financial expenses, taxation, depreciation, amortisation, and impairment losses, adjusted for the following items: (i) onerous contract charges, (ii) restructuring costs and (iii) certain adviser and other costs or gains, which include other large charges that the Group has adjusted for, such as material legal settlement claims, large bad debt write-downs and other large one-off non-recurring items.

### Adjusted EBIT and Adjusted EBIT margin

The Group defines Adjusted EBIT as the reported result from operating activities before net financial expenses and taxation, adjusted for the following items: (i) impairment losses, (ii) onerous contract charges, (iii) restructuring costs and (iv) certain adviser and other costs or gains, which include other large charges that the Group has adjusted for, such as material legal settlement claims, large bad debt write-downs and other large one-off non-recurring items.

Adjusted EBIT margin is defined as Adjusted EBIT as a percentage of revenue for the relevant period.

### Backlog

Backlog is a key performance indicator for the Group. The backlog estimates are based on a number of assumptions and estimates, including assumptions related to foreign exchange rates and proportionate performance of contracts. The Group defines backlog as the amount of revenue still to be recognised related to signed contracts and work that can reasonably be expected based on framework contracts and outstanding tenders and proposals of which a good chance of success is expected (>50%), weighted by the likelihood of winning this work. For the Geoscience segment, only signed contracts are taken into account. About 80% of the Group's backlog relates to projects that are expected to be completed within a period that varies between a few weeks and nine months, with limited visibility on new projects thereafter, which the Group believes is a similar backlog composition to that of its direct competitors. The realisation of the Group's backlog estimates is affected by the Group's performance under its project contracts. For example, the late completion of a project will generally result in reduced project profitability as well as in some cases reduced revenues from such project.

### Capital employed

The Group defines capital employed as total equity plus loans and borrowings and bank overdrafts, minus cash and cash equivalents. Capital employed includes the relevant balances that are classified as held for sale and is calculated at the end of the (full or half year) reporting period. In this Prospectus, the Group only discusses capital employed for the full-year reporting period.

## Results of Operations

The following sections provide a period by period comparison of the Group's historical consolidated statement of comprehensive income data. The financial data has been prepared in accordance with IFRS as adopted by the EU, and has been derived from the Consolidated Financial Statements, and should be read in conjunction with the Consolidated Financial Statements, including the notes thereto, and "Important Information—Presentation of Financial and Other Information", "Risk Factors" and "Business" each of which is included elsewhere in this Prospectus.

### Results of Operations: Financial Year 2020, compared to Financial Year 2019

The following table sets forth the Group's historical consolidated statement of comprehensive income data derived from the 2020 Consolidated Financial Statements, including financial information for Financial Year 2019.

(€ x million)	For the year ended 31 December	
	2020 <sup>(1)</sup>	2019 <sup>(1)</sup>
Revenue .....	1,386.3	1,631.3
Third-party costs .....	(520.6)	(654.2)
<b>Net revenue own services (revenue less third-party costs)</b>	<b>865.7</b>	<b>977.1</b>
Other income .....	27.5	12.2
Personnel expenses .....	(585.0)	(640.3)
Depreciation .....	(111.9)	(113.9)
Amortisation .....	(1.9)	(3.0)
Impairment losses .....	(5.9)	(3.3)
Other expenses .....	(168.7)	(203.2)
<b>Results from operating activities before net financial expenses and taxation (EBIT) .....</b>	<b>19.8</b>	<b>25.6</b>
Finance income .....	2.2	3.9
Finance expenses .....	(76.2)	(61.7)
Net finance income/(expenses) .....	(74.0)	(57.8)
Share of profit/(loss) of equity-accounted investees (net of income tax) .....	7.4	9.2
<b>Profit/(loss) before income tax .....</b>	<b>(46.8)</b>	<b>(23.0)</b>
Income tax gain/(expense) .....	(25.2)	(13.8)
<b>Profit/(loss) for the period from continuing operations</b>	<b>(72.0)</b>	<b>(36.8)</b>

(€ x million)	For the year ended 31 December	
	2020 <sup>(1)</sup>	2019 <sup>(1)</sup>
Profit/(loss) for the period from discontinued operations	(99.8)	(85.6)
<b>Profit/(loss) for the period .....</b>	<b>(171.7)</b>	<b>(122.4)</b>
Attributable to:		
Owners of the Company (net result including discontinued operations <sup>(2)</sup> )	(173.8)	(108.5)
Non-controlling interests including discontinued operations <sup>(3)</sup>	2.1	(13.9)

(1) As reported, including the impact of IFRS 16.

(2) Net result from continuing operations is €(74.0) million and €(39.6) million for 2020 and 2019, respectively.

(3) Includes a gain on non-controlling interests from continuing operations (which mainly consisted of the profit of a subsidiary in the Middle East), €2.1 million for 2020, and €2.8 million for 2019.

The following table sets forth revenue and other key performance indicators by geographical region for Financial Year 2020, including financial information for Financial Year 2019. This table represents the Group's segment organisation and reporting structure from May 2019.

	Europe-Africa		Americas		Asia Pacific		Middle East and India		Total	
	As of and for the year ended 31 December									
(€ x million)	2020 <sup>(1)</sup>	2019 <sup>(1)</sup>	2020 <sup>(1)</sup>	2019 <sup>(1)</sup>	2020 <sup>(1)</sup>	2019 <sup>(1)</sup>	2020 <sup>(1)</sup>	2019 <sup>(1)</sup>	2020 <sup>(1)</sup>	2019 <sup>(1)</sup>
Revenue	595.4	682.2	340.2	411.6	291.2	331.3	159.5	206.1	1,386.3	1,631.3
Reported growth (%)	(12.7)	5.0	(17.3)	23.0	(12.1)	(9.1)	(22.6)	1.0	(15.0)	5.1
Comparable growth (%) <sup>(2)</sup>	(11.1)	4.9	(12.6)	17.9	(10.0)	(11.4)	(20.4)	(3.5)	(12.4)	2.7
EBITDA <sup>(3)</sup> .....	89.7	120.7	12.3	9.4	22.4	(3.2)	15.0	18.8	139.4	145.7
Adjusted EBITDA <sup>(3)</sup>	101.0	122.4	14.9	13.3	29.6	29.4	16.5	19.7	162.0	184.9
Results from operating activities before net financial expenses and taxation (EBIT) <sup>(3)</sup>	35.3	67.2	(13.0)	(15.6)	(3.5)	(31.5)	1.0	5.5	19.8	25.6
Adjusted EBIT <sup>(3)</sup>	46.8	71.4	(9.4)	(11.4)	6.3	1.4	4.5	6.6	48.2	68.0
Adjusted EBIT margin <sup>(3)(4)</sup> (%)	7.9	10.5	(2.8)	(2.8)	2.2	0.4	2.8	3.2	3.5	4.2
Backlog next 12 months <sup>(5)</sup>	383.0	386.3	214.1	272.0	161.5	219.5	107.4	133.3	866.2	1,011.1
Comparable growth (%) <sup>(6)</sup>	2.7	27.2	(9.8)	(6.4)	(22.3)	(0.3)	(11.2)	27.2	(8.0)	9.9
Capital employed <sup>(7)</sup>	404.0	524.3	198.7	272.1	155.1	153.8	117.0	160.2	874.8	1,110.4

(1) As reported, including the impact of IFRS 16.

(2) Comparable growth refers to revenue growth calculated after applying the prior year's exchange rates to the revenue of the current period.

(3) Reconciliations with respect to EBITDA, Adjusted EBITDA, EBIT, Adjusted EBIT, Adjusted EBIT margin and Capital employed can be found in "Important Information—Presentation of Financial and Other Information—Non-IFRS financial measures and non-financial operating data". In Financial Year 2020, the items that have been adjusted for at the level of EBIT were as follows: Europe-Africa €(11.6) million, Asia-Pacific €(3.6) million, Americas €(9.8) million, Middle East and India €(3.5) million and total €(28.4) million. In Financial Year 2019, the items that have been adjusted for at the level of EBIT were as follows: Europe-Africa €(4.2) million, Asia-Pacific €(32.9) million, Americas €(4.2) million, Middle East and India €(1.1) million and total €(42.4) million.

(4) Adjusted EBIT margin is defined as Adjusted EBIT as a percentage of revenue for the relevant period.

(5) Backlog reflects the amount of revenue still to be recognised related to signed contracts and work that can reasonably be expected based on framework contracts and outstanding tenders and proposals of which a good chance of success is expected (>50%) weighted with the likelihood of winning this work. For the Geoscience segment, only signed contracts are taken into account.

(6) Comparable growth refers to growth in backlog for the next twelve months after applying the prior year's exchange rates to the backlog for the next twelve months of the current period.

(7) Capital employed for 2019 has been restated as per the definition applicable from 1 January 2020.

The following table sets forth revenue and other key performance indicators by business for Financial Year 2020, including financial information for Financial Year 2019. This table represents the Group's previous segment organisation and reporting structure that was in place during Financial Year 2018.



	Marine		Land		Total	
	As of and for the year ended 31 December					
(€ x million)	2020 <sup>(1)</sup>	2019 <sup>(1)</sup>	2020 <sup>(1)</sup>	2019 <sup>(1)</sup>	2020 <sup>(1)</sup>	2019 <sup>(1)</sup>
Revenue total ..	963.1	1,171.6	423.2	459.7	1,386.3	1,631.3
Reported growth (%)	(17.8)	7.9	(7.9)	(1.5)	(15.0)	5.1
Comparable growth (%) <sup>(2)</sup>	(15.2)	5.7	(5.4)	(3.8)	(12.4)	2.7
Revenue Asset Integrity business line	393.9	522.0	89.3	102.2	483.2	624.2
Revenue Site Characterisation business line .....	569.2	649.6	333.9	357.5	903.1	1,007.1
EBITDA <sup>(3)</sup> .....	109.2	123.7	30.3	22.0	139.4	145.7
Adjusted EBITDA <sup>(3)</sup>	125.3	160.0	36.7	24.9	162.0	184.9
Results from operating activities before net financial expenses and taxation (EBIT) <sup>(3)</sup>	12.5	27.3	7.3	(1.7)	19.8	25.6
Adjusted EBIT <sup>(3)</sup>	33.8	66.5	14.4	1.5	48.2	68.0
Adjusted EBIT margin (%) <sup>(3)(4)</sup> .....	3.5	5.7	3.4	0.3	3.5	4.2
Backlog next 12 months <sup>(5)</sup>	597.2	704.0	269.0	307.1	866.2	1,011.1
Comparable growth (%) <sup>(6)</sup>	(9.1)	11.6	(5.4)	6.3	(8.0)	9.9
Capital employed <sup>(3)(7)</sup>	701.8	878.5	173.0	231.9	874.8	1,110.4

(1) As reported, including the impact of IFRS 16.

(2) Comparable growth refers to revenue growth calculated after applying the prior year's exchange rates to the revenue of the current period.

(3) Reconciliations with respect to EBITDA, Adjusted EBITDA, EBIT, Adjusted EBIT, Adjusted EBIT margin and Capital employed can be found in "Important Information—Presentation of Financial and Other Information—Non-IFRS financial measures and non-financial operating data". In Financial Year 2020, the items that have been adjusted for at the level of EBIT were as follows: Marine €(21.3) million, Land €(7.1) million and total €(28.4) million. In Financial Year 2019, the items that have been adjusted for at the level of EBIT were as follows: Marine €(38.4) million, Land €(4.0) million and total €(42.4) million.

(4) Adjusted EBIT margin is defined as Adjusted EBIT as a percentage of revenue for the relevant period.

(5) Backlog reflects the amount of revenue still to be recognised related to signed contracts and work that can reasonably be expected based on framework contracts and outstanding tenders and proposals of which a good chance of success is expected (>50%) weighted with the likelihood of winning this work. For the Geoscience segment, only signed contracts are taken into account.

(6) Comparable growth refers to growth in backlog for the next twelve months after applying the prior year's exchange rates to the backlog for the next twelve months of the current period.

(7) Capital employed for 2019 has been restated as per the definition applicable from 1 January 2020.

The following table sets forth revenue and other key performance indicators for the Geoscience segment for Financial Year 2020 and Financial Year 2019. The figures below reflect results of Seabed Geosolutions only and do not include results of indirect interests in Australian exploration projects, through Finder Exploration Pty Ltd, which have been removed from the Geoscience segment.

	Geoscience	
	As of and for the year ended 31 December	
(€ x million)	2020 <sup>(2)</sup>	2019 <sup>(1) (2)</sup>
Revenue .....	62.8	135.6
Reported growth (%) .....	(53.7)	39.5
Comparable growth (%) <sup>(3)</sup> .....	(52.7)	32.9
EBITDA <sup>(4)</sup> .....	(20.6)	0.7
Adjusted EBITDA <sup>(4)</sup> .....	3.6	(9.1)
Results from operating activities before net financial expenses and taxation (EBIT) <sup>(4)</sup>	(95.3)	(85.0)
Adjusted EBIT <sup>(4)</sup> .....	3.6	(18.6)
Adjusted EBIT margin (%) <sup>(4)(5)</sup> .....	5.7	(13.7)
Backlog next 12 months <sup>(6)</sup> .....	67.1	110.1
Comparable growth (%) <sup>(7)</sup> .....	(33.1)	(22.7)
Capital employed <sup>(4)</sup> .....	0.4	86.1

(1) In Financial Year 2019, other expenses of the Geoscience segment include a gain of €1.9 million related to a release of the provision for certain tax indemnities and warranties under procedures in respect of the sale of the majority of the Geoscience business to CGG in 2013 for liabilities arising from tax exposures. This gain is not related to Seabed Geosolutions. Reference is made to notes 6 and 30 of the 2019 Consolidated Financial Statements.

(2) As reported, including the impact of IFRS 16.

(3) Comparable growth refers to revenue growth calculated after applying the prior year's exchange rates to the revenue of the current period.

(4) Reconciliations with respect to EBITDA, Adjusted EBITDA, EBIT, Adjusted EBIT, Adjusted EBIT margin and Capital employed can be found in "Important Information—Presentation of Financial and Other Information—Non-IFRS financial measures and non-financial operating data". In Financial Year 2020, the items that have been adjusted for at the level of EBIT were €(98.9) million. In Financial Year 2019, the items that have been adjusted for were €(66.4) million.

(5) Adjusted EBIT margin is defined as Adjusted EBIT as a percentage of revenue for the relevant period.

(6) Backlog reflects the amount of revenue still to be recognised related to signed contracts and work that can reasonably be expected based on framework contracts and outstanding tenders and proposals of which a good chance of success is expected (>50%) weighted with the likelihood of winning this work. For the Geoscience segment, only signed contracts are taken into account.

- (7) Comparable growth refers to growth in backlog for the next twelve months after applying the prior year's exchange rates to the backlog for the next twelve months of the current period.

Unless otherwise stated, in the comparative discussion in this section “—Results of Operations: Financial Year 2020, compared to Financial Year 2019: all figures for Financial Year 2020 are as reported in the 2020 Consolidated Financial Statements and for Financial Year 2019 include the impact of IFRS 16.

### **Revenue**

Total revenue from contracts with clients decreased by €245.0 million or 15.0% (12.4% on a comparable basis), from €1,631.3 million in Financial Year 2019 to €1,386.3 million in Financial Year 2020. This revenue decrease was primarily a result of the combined effect of Covid-19 and the governmental restrictions imposed around the world in response to Covid-19, as well as the decline in the price of oil during the same period, both of which led the Group's clients to reduce their activity levels. These factors were partially offset by strong growth in the offshore wind market. The respective contributions from the Group's businesses in Financial Year 2020 were 69.5% from the Marine business and 30.5% from the Land business.

#### *By geographical region*

##### Europe – Africa

Revenues from the Group's Europe-Africa segment decreased by €86.8 million or 12.7% (11.1% on a comparable basis), from €682.2 million in Financial Year 2019 to €595.4 million in Financial Year 2020. This revenue decrease was primarily a result of the combined effect of business disruptions as a result of Covid-19 and the decline in the price of oil during 2020, both of which led the Group's clients in the region to reduce their activity levels, particularly in the Marine Asset Integrity business line, as well as several storms in the North Sea at the start of the year that led to increased downtimes. These factors were partially offset by strong growth in the Group's offshore wind activities, for clients such as Vattenfall and Scottish Power.

##### Americas

Revenues from the Group's Americas segment decreased by €71.4 million or 17.3% (12.6% on a comparable basis), from €411.6 million in Financial Year 2019 to €340.2 million in Financial Year 2020. This revenue decrease was primarily a result of the combined effect of business disruptions as a result of Covid-19 and the decline in the price of oil during 2020, both of which led the Group's clients in the region to reduce their activity levels, as well as a more active Atlantic hurricane season that affected the Marine Asset Integrity business line and ongoing project postponements and cancellations in the Land Site Characterisation business. These factors were partially offset by strong growth in the Group's offshore wind activities.

##### Asia Pacific

Revenues from the Group's Asia Pacific segment decreased by €40.1 million or 12.1% (10.0% on a comparable basis), from €331.3 million in Financial Year 2019 to €291.2 million in Financial Year 2020. This revenue decrease was primarily a result of the combined effect of business disruptions as a result of Covid-19 and the decline in the price of oil during 2020, both of which led the Group's clients in the region to reduce their activity levels, particularly in the Marine Site Characterisation business line, as well as the deferral of a large Marine survey for the Abadi liquefied natural gas project for INPEX in Indonesia, which the Group was originally scheduled to complete in Financial Year 2020. These factors were partially offset by strong performance in the Land business as a result of a significant airport project in Hong Kong and the continuance of power contracts in Australia.

##### Middle East and India

Revenues from the Group's Middle East and India segment decreased by €46.6 million or 22.6% (20.4% on a comparable basis), from €206.1 million in Financial Year 2019 to €159.5 million in Financial Year 2020. This revenue decrease was primarily a result of the combined effect of business disruptions as a result of Covid-19 and the decline in the price of oil during 2020, both of which led the Group's clients in the region to reduce their Marine activity levels, as well as delays in various mobilisations in Saudi Arabia and Qatar that affected positioning and construction services, the rationalisation of diving services and reduced utilisation of vessels in the Arabian Gulf due to maintenance. The impact of these factors was partially offset by growth in the Group's Land activities as a result of several major infrastructure projects that continued to progress during the period, including a bridge development in the Maldives and a nearshore survey for a national oil company in the United Arab Emirates.

#### *By business*

As from May 2019, the Group reports by geographical region and Financial Year 2018 results were restated to reflect this change. However, to facilitate the comparison to earlier periods, which were not restated, the Group continues to include a discussion of its results by business (which were the Group's operating and reporting segments prior to the change in segment reporting in May 2019).

##### Marine

Revenues from the Group's Marine business decreased by €208.5 million or 17.8% (15.2% on a comparable basis), from €1,171.6 million in Financial Year 2019 to €963.1 million in Financial Year 2020. This revenue decrease was primarily a result of the combined effect of business disruptions as a result of Covid-19 and the decline in the price of oil during 2020, both of which led the Group's clients to reduce their activity levels, partially offset by strong growth in the Group's offshore wind activities.

Marine Site Characterisation revenue decreased by €80.4 million or 12.4%, from €649.6 million in Financial Year 2019 to €569.2 million in Financial Year 2020, mainly as a result of the adverse impact of the factors described above, which was partially offset by strong growth in the Group's offshore wind activities.

Marine Asset Integrity revenue decreased by €128.1 million or 24.5%, from €522.0 million in Financial Year 2019 to €393.9 million in Financial Year 2020, mainly as a result of its higher exposure to the declining Oil & Gas markets and the adverse impact of the factors described above.

#### Land

Revenues from the Group's Land business decreased by €36.5 million or 7.9% (5.4% on a comparable basis), from €459.7 million in Financial Year 2019 to €423.2 million in Financial Year 2020. This revenue decrease was primarily a result of operational complexities and project delays caused by Covid-19, partially offset by several large projects in the Asia Pacific and Middle East and India regions.

Land Site Characterisation revenue decreased by €23.6 million or 6.6%, from €357.5 million in Financial Year 2019 to €333.9 million in Financial Year 2020, mainly as a result of operational complexities and project delays as described in the first paragraph above.

Land Asset Integrity revenue decreased by €12.9 million or 12.6%, from €102.2 million in 2019 to €89.3 million in 2020, mainly as a result of operational complexities and project delays as described in the paragraph above.

#### *Geoscience*

Revenues from the Group's discontinued Geoscience segment decreased by €72.8 million or 53.7% (52.7% on a comparable basis), from €135.6 million in Financial Year 2019 to €62.8 million in Financial Year 2020. This revenue decrease was primarily a result of the combined effect of business disruptions as a result of Covid-19 and the decline in the price of oil during 2020, including in particular the termination of the S-79 project in the Middle East announced in April 2020 and the postponement to the Financial Year 2021 of the start-up of a large project in Brazil.

#### **Third-party costs**

Third-party costs decreased by €133.6 million or 20.4%, from €654.2 million in 2019 to €520.6 million in Financial Year 2020. As a percentage of total revenues, third-party costs decreased from 40.1% of total revenues in Financial Year 2019 to 37.6% in Financial Year 2020. The decrease was largely proportionate to the decline in revenue, and was further supported by the Group's implementation of a cost reduction program in Financial Year 2020.

#### **Other income**

Other income increased by €15.3 million or 125.4%, from €12.2 million in Financial Year 2019 to €27.5 million in Financial Year 2020, primarily due to income received by the Group across all regions under governmental support programs implemented to mitigate the economic impacts of Covid-19, where Hong Kong, Australia and United Kingdom are the most material contributors. Other income also includes a positive transaction result on a property sale in China.

#### **Personnel expenses**

Personnel expenses decreased by €55.3 million or 8.6%, from €640.3 million in Financial Year 2019 to €585.0 million in Financial Year 2020. As a percentage of total revenue, personnel expenses increased from 39.3% of total revenues in Financial Year 2019 to 42.2% in Financial Year 2020, primarily due to the larger revenue decrease relative to the decrease in personnel expenses. The decrease in personnel expenses was primarily due to the Group's implementation of a cost reduction program in Financial Year 2020, which included salary and hiring freezes and a reduction of staff across all of the Group's regions from the second quarter onwards.

#### **Depreciation and amortisation**

Depreciation expenses decreased by €2.0 million or 1.8%, from €113.9 million in Financial Year 2019 to €111.9 million in Financial Year 2020. The decrease was primarily driven by lower capital expenditures in the more recent periods.

Amortisation expenses decreased by €1.1 million or 36.7%, from €3.0 million in Financial Year 2019 to €1.9 million in Financial Year 2020, mainly related to acquired software.

#### **Impairment losses**

Impairment losses increased by €2.6 million, from €3.3 million in Financial Year 2019 to €5.9 million in Financial Year 2020. The increase was primarily driven by the sale of an office building at a loss in the Asia Pacific region,

vessel impairment in the Middle East and India region and an impairment of diving equipment in the Americas region.

#### **Other expenses**

Other expenses decreased by €34.5 million or 17.0%, from €203.2 million in Financial Year 2019 to €168.7 million in Financial Year 2020. Financial Year 2019 included an expense of €24.1 million driven by the unfavourable outcome of the Southern Star Arbitration with Tasik Toba Subsea AS and €5.9 million in related legal fees. The Group's cost reduction program led to further decrease in Financial Year 2020, partially offset by €17.6 million in restructuring costs.

#### **Net finance income (expenses)**

Net finance expenses increased by €16.2 million or 28.0%, from €57.8 million in Financial Year 2019 to €74.0 million in Financial Year 2020.

Finance expenses increased by €14.5 million or 23.5%, from €61.7 million in Financial Year 2019 to €76.2 million in Financial Year 2020, primarily as a result of increased losses on exchange rate variances related, among others, to the devaluation of US dollar, the Singaporean dollar and the Angolan kwanza against the Euro.

Finance income decreased by €1.7 million or 43.6%, from €3.9 million in Financial Year 2019 to €2.2 million in Financial Year 2020, primarily as a result of lower interest income on outstanding bank balances.

#### **Share or profit/(loss) of equity-accounted investees (net of income tax)**

The share of profit of equity-accounted investees decreased by €1.8 million or 19.6%, from €9.2 million in Financial Year 2019 to €7.4 million in Financial Year 2020, as a result of lower profits at the Group's joint ventures.

#### **Income tax gain/(expense)**

The income tax expense increased by €11.4 million or 82.6%, from €13.8 million in Financial Year 2019 to €25.2 million in Financial Year 2020, primarily as a result of the write down of deferred tax assets related to the USA, partly offset by changes in geographical composition of taxable income and the recognition of deferred tax assets related to certain previously unrecognised tax losses in the Netherlands.

#### **Profit/(loss) for the period**

As a result of the foregoing, the Group's loss from continuing operations was €72.0 million in Financial Year 2020, compared to a loss of €36.8 million in Financial Year 2019, which was a loss increase of €35.2 million.

In Financial Year 2020, the Group's loss from discontinued operations was €99.8 million, compared to €85.6 million in Financial Year 2019, which was a loss increase of €14.5 million. This increased loss resulted from lower revenue and profitability driven by the decline in the price of oil which led Seabed Geosolutions' clients to reduce their activity levels, including the sudden termination of the S-79 project in the Middle East resulting in one-off project charges and onerous contract provisions amounting to €24.8 million, and an impairment of Seabed Geosolutions' goodwill and assets for a total of €70.0 million resulting from lower estimated fair value of long-lived assets compared to an impairment of €76.2 million in Financial Year 2019.

#### **Other Key Performance Indicators**

##### **Adjusted EBIT and Adjusted EBIT margin**

Total Adjusted EBIT decreased by €19.8 million or 29.1%, from €68.0 million in Financial Year 2019 to €48.2 million in Financial Year 2020. The decrease was primarily driven by the combined effect of Covid-19 and the governmental restrictions imposed around the world in response, as well as the decline in the price of oil during the same period, both of which led the Group's clients to reduce their activity levels. These factors were partially offset by strong growth in offshore wind and decisive cost reduction measures undertaken by the Group in response to the adverse economic environment.

Total Adjusted EBIT margin declined from 4.2% in Financial Year 2019 to 3.5% in Financial Year 2020, primarily as a result of a decline in activity levels. This was partially offset by the growth in offshore wind and cost reduction measures undertaken by the Group in response to the adverse economic environment.

##### **By geographical region**

###### **Europe – Africa**

Adjusted EBIT in the Europe – Africa region decreased by €24.6 million or 34.5%, from €71.4 million in Financial Year 2019 to €46.8 million in Financial Year 2020, primarily driven by delays and cancellations in oil and gas projects and several storms in the North Sea affecting marine results, partially offset by a shift in the project portfolio towards offshore wind site characterisation.

Adjusted EBIT margin in the Europe – Africa region declined from 10.5% in Financial Year 2019 to 7.9% in Financial Year 2020, primarily as a result of the decline in activity levels for marine due to project delays and cancellations.

### Americas

Adjusted EBIT in the Americas region increased by €2.0 million, from negative €11.4 million in Financial Year 2019 to negative €9.4 million in Financial Year 2020. Despite stronger performance on offshore wind projects on the East Coast of the United States and Mexico, Adjusted EBIT in the Americas region remained negative in Financial Year 2020, primarily as a result of delays and cancellations in oil and gas projects.

Adjusted EBIT margin in the Americas region remained stable at negative 2.8% in Financial Year 2019 and Financial Year 2020, as a result of delays and cancellations as described in the paragraph above.

### Asia Pacific

Adjusted EBIT in the Asia Pacific region increased by €4.9 million or 350.0%, from €1.4 million in Financial Year 2019 to €6.3 million in Financial Year 2020, primarily driven by better performance in the Land Site Characterisation business line, cost reduction measures and a positive transaction result on a property sale in China.

Adjusted EBIT margin in the Asia Pacific region improved from 0.4% in Financial Year 2019 to 2.2% in Financial Year 2020, as a result of the factors described above.

### Middle East and India

Adjusted EBIT in the Middle East and India region decreased by €2.1 million or 31.8%, from €6.6 million in Financial Year 2019 to €4.5 million in Financial Year 2020, primarily driven by revenue decline in Marine Site Characterisation resulting from the decline in the price of oil during 2020 which led the Group's clients to reduce their activity levels partially offset by improvement in Land Site Characterisation driven by revenue growth and the effect of restructuring.

Adjusted EBIT margin in the Middle East and India region declined from 3.2% in Financial Year 2019 to 2.8% in Financial Year 2020, as a result of the decline in the price of oil during 2020 and the reduction in the Group's clients activity levels as described in the paragraph above.

### *By business*

#### Marine

Marine Adjusted EBIT decreased by €32.7 million or 49.2%, from €66.5 million in Financial Year 2019 to €33.8 million in Financial Year 2020, primarily driven by delays and cancellations in oil and gas projects adversely impacting volumes and margin, partially offset by a shift in the project portfolio toward offshore wind projects.

Marine Adjusted EBIT margin declined from 5.7% in Financial Year 2019 to 3.5% in Financial Year 2020, primarily as a result of adverse weather conditions in the first quarter of 2020, delays and cancellations in oil and gas projects and operational complexities due to Covid-19.

#### Land

Land Adjusted EBIT increased by €12.9 million or 860.0%, from €1.5 million in Financial Year 2019 to €14.4 million in Financial Year 2020, primarily driven by the measures the Group took to turn around the operational performance of the business and the cost savings initiatives implemented in 2020. In addition, Adjusted EBIT benefitted from a transaction result on a property sale in China.

Land Adjusted EBIT margin improved from 0.3% in Financial Year 2019 to 3.4% in Financial Year 2020, primarily as a result of the measures taken by the Group and the property sale in China as described in the paragraph above.

#### *Geoscience*

Geoscience Adjusted EBIT increased by €22.2 million, from negative €18.6 million in Financial Year 2019 to €3.6 million in Financial Year 2020, primarily driven by good project execution, a gain of €5.4 million related to the sale of shallow water cable assets and the suspension of asset depreciation resulting from the implementation of IFRS 5.

Geoscience Adjusted EBIT margin improved from negative 13.7% in Financial Year 2019 to positive 5.7% in Financial Year 2020, as a result of good project execution, the €5.4 million gain and suspension of asset depreciation as described in the paragraph above.

### ***Backlog***

Total backlog for the next 12 months decreased by €144.9 million or 14.3% (8.0% decrease on a comparable basis), from €1,011.1 million as of 31 December 2019 to €866.2 million as of 31 December 2020, primarily driven by the uncertain market environment. The Marine Site Characterisation and Land Asset Integrity backlogs were increased year-on-year, offset by a decrease in the other two business lines.

### *By geographical region*

#### Europe – Africa

Backlog for the next 12 months decreased by €3.1 million or 0.8% (2.7% increase on a comparable basis), from €386.3 million as of 31 December 2019 to €383.2 million as of 31 December 2020. The year-on-year comparable backlog increase as of 31 December 2020 was primarily driven by good order intake in Marine Site Characterisation and Land Asset Integrity, partially offset by decrease in backlog for the other two business lines as a result of the uncertain market environment.

#### Americas

Backlog for the next 12 months decreased by €57.9 million or 21.3% (9.8% on a comparable basis), from €272.0 million as of 31 December 2019 to €214.1 million as of 31 December 2020, primarily as a result of Covid-19 related prolonged and delayed tender processes. Site Characterisation business lines backlogs decreased, whereas the Asset Integrity business lines increased.

#### Asia Pacific

Backlog for the next 12 months decreased by €58.0 million or 26.4% (22.3% on a comparable basis), from €219.5 million as of 31 December 2019 to €161.5 million as of 31 December 2020, primarily as a result of both the Covid-19 challenges in the Land business and the decision to rationalise the Marine business by focusing on smaller sized assets (autonomous vessels) and remote operations opportunities with increased margin potential.

#### Middle East and India

Backlog for the next 12 months decreased by €25.9 million or 19.4% (11.2% on a comparable basis), from €133.3 million as of 31 December 2019 to €107.4 million as of 31 December 2020, primarily as a result of a low order intake as clients were cautious given the challenging oil and gas market particularly in the Marine business.

#### *By business*

##### Marine

Marine backlog for the next 12 months decreased by €106.8 million or 15.2% (9.1% on a comparable basis), from €704.0 million as of 31 December 2019 to €597.2 million as of 31 December 2020, primarily due to a decline in Asset Integrity backlog as a result of its exposure to the oil and gas market, as well as actions taken to rationalise the portfolio, partially offset by slight increase in Site Characterisation backlog benefitting from the strong growth in offshore wind activities.

##### Land

Land backlog for the next 12 months decreased by €38.1 million or 12.4% (5.4% on a comparable basis), from €307.1 million as of 31 December 2019 to €269.0 million as of 31 December 2020, primarily as a result of lower Site Characterisation backlog compared to a strong pre-Covid-19 backlog at the end of 2019. Asset Integrity backlog increased.

##### *Geoscience*

Geoscience backlog decreased by €43.0 million or 39.1% (33.1% on a comparable basis), from €110.1 million as of 31 December 2019 to €67.1 million as of 31 December 2020, reflecting the current market dynamics and company restructuring.

#### **Capital employed**

Capital employed for the Financial Year 2019 has been restated as per the definition applicable from 1 January 2020. Total capital employed decreased by €235.6 million or 21.2% from €1,110.4 million in Financial Year 2019 to €874.8 million in Financial Year 2020, primarily due to the reduction in net assets held for sale due to impairments, reduced level of working capital reflecting timely billing and good collection of receivables, and the sale of Global Marine.

#### *By geographical region*

##### Europe – Africa

Capital employed decreased by €120.3 million or 22.9% from €524.3 million in Financial Year 2019 to €404.0 million in Financial Year 2020 in the Europe-Africa region, primarily driven by reduced working capital, sale of Global Marine and reduction in net assets held for sale.

##### Americas

Capital employed increased by €73.4 million or 27.0% from €272.1 million in Financial Year 2019 to €345.5 million in Financial Year 2020 in the Americas region, primarily driven by reduced property, plant and equipment, write down of deferred tax assets and reduction in net assets held for sale.

##### Asia Pacific

Capital employed increased slightly by €14.3 million or 0.8% from €153.8 million in Financial Year 2019 to €168.1 million in Financial Year 2020 in the Asia Pacific region primarily driven by increased working capital and reduction in net assets held for sale.

### Middle East and India

Capital employed decreased by €43.2 million or 27.0% from €160.2 million in Financial Year 2019 to €117.0 million in Financial Year 2020 in the Middle East and India region, primarily driven by reduced working capital and reduction in net assets held for sale.

### *By business*

#### Marine

Marine capital employed decreased by €176.7 million or 20.1% from €878.5 million in Financial Year 2019 to €701.8 million in Financial Year 2020, primarily driven by reduced working capital, reduced property, plant and equipment, sale of Global Marine and reduction in net assets held for sale.

#### Land

Land capital employed decreased by €58.9 million or 25.4% from €231.9 million in Financial Year 2019 to €173.0 million in Financial Year 2020, primarily driven by reduced working capital and reduction in net assets held for sale.

#### *Geoscience*

Geoscience capital employed decreased by €85.7 million or 99.5% from €86.1 million in Financial Year 2019 to €0.4 million in Financial Year 2020, which was primarily caused by a non-cash impairment of €74.7 million.

### **Results of Operations: Financial Year 2019, compared to Financial Year 2018**

The following table sets forth the Group's historical consolidated statement of comprehensive income data derived from the 2019 Consolidated Financial Statements (including and excluding the impact of IFRS 16), including financial information for Financial Year 2018, which has been adjusted to reflect Seabed Geosolutions as discontinued operations.

	For the year ended 31 December		
	2019 (incl. IFRS 16) <sup>(1)</sup>	2019 (excl. IFRS 16) <sup>(2)</sup>	2018 (adjusted) <sup>(3)</sup>
(€ x million)			
Revenue .....	1,631.3	1,631.3	1,552.8
Third-party costs .....	(654.2)	(667.6)	(672.7)
<b>Net revenue own services (revenue less third-party costs)</b>	<b>977.1</b>	<b>963.7</b>	<b>880.1</b>
Other income .....	12.2	11.2	12.9
Personnel expenses .....	(640.3)	(642.2)	(599.1)
Depreciation .....	(113.9)	(83.3)	(87.4)
Amortisation .....	(3.0)	(3.0)	(3.5)
Impairment losses .....	(3.3)	(3.3)	0.3
Other expenses .....	(203.2)	(221.3)	(179.5)
<b>Results from operating activities before net financial expenses and taxation (EBIT) .....</b>	<b>25.6</b>	<b>21.9</b>	<b>23.8</b>
Finance income .....	3.9	3.9	6.2
Finance expenses .....	(61.7)	(50.5)	(57.8)
Net finance income/(expenses) from continuing operations <sup>(4)</sup>	(57.8)	(46.6)	(51.6)
Share of profit/(loss) of equity-accounted investees (net of income tax) .....	9.2	9.2	8.8
<b>Profit/(loss) before income tax .....</b>	<b>(23.0)</b>	<b>(15.5)</b>	<b>(19.0)</b>
Income tax gain/(expense) .....	(13.8)	(13.8)	(16.8)
Profit/(loss) for the period from continuing operations	(36.8)	(29.3)	(35.8)
Profit/(loss) for the period from discontinued operations	(85.6)	(86.9)	(19.4)
<b>Profit/(loss) for the period .....</b>	<b>(122.4)</b>	<b>(116.2)</b>	<b>(55.2)</b>
Attributable to:			
Owners of the Company (net result including discontinued operations <sup>(5)</sup> )	(108.5)	(102.3)	(51.1)
Non-controlling interests including discontinued operations <sup>(6)</sup>	(13.9)	(13.9)	(4.1)

(1) As reported, including the impact of IFRS 16.

(2) Adjusted to exclude the impact of IFRS 16 (unaudited).

(3) As reported in the 2019 Consolidated Financial Statements. The figures reported in the 2018 Consolidated Financial Statements have been adjusted to reflect Seabed Geosolutions as discontinued operations.

(4) Net finance expenses from discontinued operations were €1.1 million in Financial Year 2019 including the impact of IFRS 16 (€0.8) million excluding the impact of IFRS 16 and €1.1 million in Financial Year 2018.

(5) Net result from continuing operations is €(39.6) million, €(32.1) million and €(38.9) million for 2019 (incl. IFRS 16), 2019 (excl. IFRS 16) and 2018 (adjusted), respectively.

(6) Includes a gain on non-controlling interests from continuing operations of €2.8 million (which mainly consisted of the profit of a subsidiary in the Middle East), €2.8 million and €3.1 million for 2019 (incl. IFRS 16), 2019 (excl. IFRS 16) and 2018 (adjusted), respectively.

The following table sets forth revenue and other key performance indicators by geographical region for Financial Year 2019 (including and excluding the impact of IFRS 16), including financial information for Financial Year 2018, which has been adjusted to reflect Seabed Geosolutions as discontinued operations. This table represents the Group's segment organisation and reporting structure from May 2019.

(€ x million)	Europe-Africa			Americas			Asia Pacific			Middle East and India			Total		
	As of and for the year ended 31 December														
	2019 (incl. IFRS 16) <sup>(1)</sup>	2019 (excl. IFRS 16) <sup>(2)</sup>	2018 (adj.) <sup>(3)</sup>	2019 (incl. IFRS 16) <sup>(1)</sup>	2019 (excl. IFRS 16) <sup>(2)</sup>	2018 (adj.) <sup>(3)</sup>	2019 (incl. IFRS 16) <sup>(1)</sup>	2019 (excl. IFRS 16) <sup>(2)</sup>	2018 (adj.) <sup>(3)</sup>	2019 (incl. IFRS 16) <sup>(1)</sup>	2019 (excl. IFRS 16) <sup>(2)</sup>	2018 (adj.) <sup>(3)</sup>	2019 (incl. IFRS 16) <sup>(1)</sup>	2019 (excl. IFRS 16) <sup>(2)</sup>	2018 (adj.) <sup>(3)</sup>
Revenue	682.2	682.2	649.7	411.6	411.6	334.5	331.3	331.3	364.4	206.1	206.1	204.2	1,631.3	1,631.3	1,552.8
Reported growth (%)	5.0	5.0		23.0	23.0		(9.1)	(9.1)		1.0	1.0		5.1	5.1	
Comparable growth (%) <sup>(4)</sup>	4.9	4.9		17.9	17.9		(11.4)	(11.4)		(3.5)	(3.5)		2.7	2.7	
EBITDA <sup>(5)</sup>	120.7	103.6	71.3	9.4	6.1	18.1	(3.2)	(14.3)	0.9	18.8	16.1	24.2	145.7	111.5	114.5
Adjusted EBITDA <sup>(5)</sup>	122.4	105.3	75.6	13.3	10.0	19.7	29.4	18.3	1.3	19.7	17.0	23.8	184.9	150.6	120.4
Results from operating activities before net financial expenses and taxation (EBIT) <sup>(5)</sup>	67.2	64.4	29.8	(15.6)	(15.9)	(1.5)	(31.5)	(31.9)	(17.7)	5.5	5.3	13.3	25.6	21.9	23.8
Adjusted EBIT <sup>(5)</sup>	71.4	68.6	35.4	(11.4)	(11.6)	0.1	1.4	1.0	(18.9)	6.6	6.3	12.9	68.0	64.3	29.5
Adjusted EBIT margin <sup>(5)(6)</sup> (%).....	10.5	10.1	5.5	(2.8)	(2.8)	0.0	0.4	0.3	(5.2)	3.2	3.1	6.3	4.2	3.9	1.9
Backlog next 12 months <sup>(7)</sup> .....	386.3	386.3	297.1	272.0	272.0	284.9	219.5	219.5	217.2	133.3	133.3	103.0	1,011.1	1,011.1	902.2
Comparable growth (%) <sup>(8)</sup> .....	27.2	27.2		(6.4)	(6.4)		(0.3)	(0.3)		27.2	27.2		9.9	9.9	
Capital employed <sup>(9)</sup> .....	524.3	527.0	475.8	272.1	271.8	249.5	153.8	155.0	198.6	160.2	160.1	148.5	1,110.4	1,113.9	1,207.9

(1) As reported, including the impact of IFRS 16.

(2) Adjusted to exclude the impact of IFRS 16 (unaudited).

(3) As reported in the 2019 Consolidated Financial Statements. The figures reported in the 2018 Consolidated Financial Statements have been adjusted to reflect Seabed Geosolutions as discontinued operations.

(4) Comparable growth refers to revenue growth calculated after applying the prior year's exchange rates to the revenue of the current period.

(5) Reconciliations with respect to EBITDA, Adjusted EBITDA, EBIT, Adjusted EBIT, Adjusted EBIT margin and Capital employed can be found in "Important Information—Presentation of Financial and Other Information—Non-IFRS financial measures and non-financial operating data". In Financial Year 2019, the items that have been adjusted for at the level of EBIT were as follows: Europe-Africa €(4.2) million, Asia-Pacific €(32.9) million, Americas €(4.2) million, Middle East and India €(1.1) million and total €(42.4) million. In Financial Year 2018, the items that have been adjusted for at the level of EBIT were as follows: Europe-Africa €(5.6) million, Asia-Pacific €(1.2) million, Americas €(1.6) million, Middle East and India €(0.2) million and total €(5.7) million.

(6) Adjusted EBIT margin is defined as Adjusted EBIT as a percentage of revenue for the relevant period.

(7) Backlog reflects the amount of revenue still to be recognised related to signed contracts and work that can reasonably be expected based on framework contracts and outstanding tenders and proposals of which a good chance of success is expected (>50%) weighted with the likelihood of winning this work. For the Geoscience segment, only signed contracts are taken into account.

(8) Comparable growth refers to growth in backlog for the next twelve months after applying the prior year's exchange rates to the backlog for the next twelve months of the current period.

(9) Capital employed for 2019 has been restated as per the definition applicable from 1 January 2020. For total capital employed, 2018 (adjusted) figures have not been adjusted to reflect Seabed Geosolutions as discontinued operations.

The following table sets forth revenue and other key performance indicators by business for Financial Year 2019 (including and excluding the impact of IFRS 16), including financial information for Financial Year 2018, which has been adjusted to reflect Seabed Geosolutions as discontinued operations. This table represents the Group's previous segment organisation and reporting structure that was in place during Financial Year 2018.

	Marine			Land			Total		
	As of and for the year ended 31 December								
	2019 (incl. IFRS 16) <sup>(1)</sup>	2019 (excl. IFRS 16) <sup>(2)</sup>	2018 (adj.) <sup>(3)</sup>	2019 (incl. IFRS 16)	2019 (excl. IFRS 16)	2018 (adj.) 2018 (adj.)	2019 (incl. IFRS 16)	2019 (excl. IFRS 16)	2018 (adj.)
(€ x million)									
Revenue total ..	1,171.6	1,171.6	1,085.9	459.7	459.7	466.9	1,631.3	1,631.3	1,552.8
Reported growth (%)	7.9	7.9		(1.5)	(1.5)		5.1	5.1	
Comparable growth (%) <sup>(4)</sup>	5.7	5.7		(3.8)	(3.8)		2.7	2.7	
Revenue Asset Integrity business line..	522.0	522.0	522.0	102.2	102.2	99.0	624.2	624.2	621.0



(€ x million)	Marine			Land			Total		
	As of and for the year ended 31 December								
	2019 (incl. IFRS 16) <sup>(1)</sup>	2019 (excl. IFRS 16) <sup>(2)</sup>	2018 (adj.) <sup>(3)</sup>	2019 (incl. IFRS 16)	2019 (excl. IFRS 16)	2018 (adj.)	2019 (incl. IFRS 16)	2019 (excl. IFRS 16)	2018 (adj.)
Revenue Site									
Characterisation									
business line...	649.6	649.6	563.9	357.5	357.5	367.9	1,007.1	1,007.1	931.8
EBITDA <sup>(5)</sup> .....	123.7	99.1	88.4	22.0	12.4	26.1	145.7	111.5	114.5
Adjusted EBITDA <sup>(5)</sup>	160.0	135.4	92.1	24.9	15.2	28.3	184.9	150.6	120.4
Results from operating									
activities before net									
financial expenses and									
taxation (EBIT) <sup>(5)</sup>	27.3	24.5	16.0	(1.7)	(2.6)	7.8	25.6	21.9	23.8
Adjusted EBIT <sup>(5)</sup>	66.5	63.7	19.5	1.5	0.6	10.0	68.0	64.3	29.5
Adjusted EBIT margin									
(%) <sup>(5)(6)</sup> .....	5.7	5.4	1.8	0.3	0.1	2.1	4.2	3.9	1.9
Backlog next									
12 months <sup>(7)</sup>	704.0	704.0	618.8	307.1	307.1	283.4	1,011.1	1,011.1	902.2
Comparable growth									
(%) <sup>(8)</sup>	11.6	11.6		6.3	6.3		9.9	9.9	
Capital employed <sup>(5)(9)</sup>	878.5	881.7	852.5	231.9	232.2	219.9	1,110.4	1,113.9	1,207.9

(1) As reported, including the impact of IFRS 16.

(2) Adjusted to exclude the impact of IFRS 16 (unaudited).

(3) As reported in the 2019 Consolidated Financial Statements. The figures reported in the Statement of Comprehensive Income and the Statement of Cash Flows in the 2018 Consolidated Financial Statements have been adjusted to reflect Seabed Geosolutions as discontinued operations.

(4) Comparable growth refers to revenue growth calculated after applying the prior year's exchange rates to the revenue of the current period.

(5) Reconciliations with respect to EBITDA, Adjusted EBITDA, EBIT, Adjusted EBIT, Adjusted EBIT margin and Capital employed can be found in "Important Information—Presentation of Financial and Other Information—Non-IFRS financial measures and non-financial operating data". In Financial Year 2019, the items that have been adjusted for at the level of EBITDA were as follows: Marine €(36.3) million, Land €(2.9) million and total €(39.2) million. In Financial Year 2018, the items that have been adjusted for at the level of EBITDA were as follows: Marine €(3.7) million, Land €(2.2) million and total €(5.9) million.

(6) Adjusted EBIT margin is defined as Adjusted EBIT as a percentage of revenue for the relevant period.

(7) Backlog reflects the amount of revenue still to be recognised related to signed contracts and work that can reasonably be expected based on framework contracts and outstanding tenders and proposals of which a good chance of success is expected (>50%) weighted with the likelihood of winning this work. For the Geoscience segment, only signed contracts are taken into account.

(8) Comparable growth refers to growth in backlog for the next twelve months after applying the prior year's exchange rates to the backlog for the next twelve months of the current period.

(9) Capital employed for 2019 has been restated as per the definition applicable from 1 January 2020. For total capital employed, 2018 (adjusted) figures have not been adjusted to reflect Seabed Geosolutions as discontinued operations.

The following table sets forth revenue and other key performance indicators for the Geoscience segment for Financial Year 2019 (including and excluding the impact of IFRS 16) and Financial Year 2018. The figures below reflect results of Seabed Geosolutions only and do not include results of indirect interests in Australian exploration projects, through Finder Exploration Pty Ltd, which have been removed from the Geoscience segment.

(€ x million)	Geoscience <sup>(1)</sup>		
	As of and for the year ended 31 December		
	2019	2019	2018
	(incl. IFRS 16) <sup>(2)</sup>	(excl. IFRS 16) <sup>(3)</sup>	
Revenue .....	135.6	135.6	97.2
Reported growth (%) .....	39.5	39.5	
Comparable growth (%) <sup>(4)</sup> .....	32.9	32.9	
EBITDA <sup>(5)</sup> .....	0.7	(1.1)	(2.7)
Adjusted EBITDA <sup>(5)</sup> .....	(9.1)	(10.9)	(2.6)
Results from operating activities before net financial expenses and taxation (EBIT) <sup>(5)</sup>	(85.0)	(86.5)	(15.1)
Adjusted EBIT <sup>(5)</sup> .....	(18.6)	(20.1)	(16.5)
Adjusted EBIT margin (%) <sup>(5)(6)</sup> .....	(13.7)	(14.8)	(16.9)
Backlog next 12 months <sup>(7)</sup> .....	110.1	110.1	139.3
Comparable growth (%) <sup>(8)</sup> .....	(22.7)	(22.7)	
Capital employed <sup>(5)</sup> .....	86.1	84.7	135.5

(1) In Financial Year 2019, other expenses of the Geoscience segment include a gain of €1.9 million related to a release of the provision for certain tax indemnities and warranties under procedures in respect of the sale of the majority of the Geoscience business to CGG in 2013 for liabilities arising from tax exposures. This gain is not related to Seabed Geosolutions. Reference is made to notes 6 and 30 of the 2019 Consolidated Financial Statements.

(2) As reported, including the impact of IFRS 16.

(3) Adjusted to exclude the impact of IFRS 16 (unaudited).

(4) Comparable growth refers to revenue growth calculated after applying the prior year's exchange rates to the revenue of the current period.

(5) Reconciliations with respect to EBITDA, Adjusted EBITDA, EBIT, Adjusted EBIT, Adjusted EBIT margin and Capital employed can be found in "Important Information—Presentation of Financial and Other Information—Non-IFRS financial measures and non-financial operating data". In Financial Year 2019, the items that have been adjusted for at the level of EBIT were €(66.4) million. In Financial Year 2018, the items that have been adjusted for were €1.4 million.

(6) Adjusted EBIT margin is defined as Adjusted EBIT as a percentage of revenue for the relevant period.

(7) Backlog reflects the amount of revenue still to be recognised related to signed contracts and work that can reasonably be expected based on framework contracts and outstanding tenders and proposals of which a good chance of success is expected (>50%) weighted with the likelihood of winning this work. For the Geoscience segment, only signed contracts are taken into account.

(8) Comparable growth refers to growth in backlog for the next twelve months after applying the prior year's exchange rates to the backlog for the next twelve months of the current period.

Unless otherwise stated, in the comparative discussion in this section “—Results of Operations: Financial Year 2019, compared to Financial Year 2018”, all figures for Financial Year 2019 include the impact of IFRS 16, and all figures for Financial Year 2018 are as reported in the 2019 Consolidated Financial Statements

## **Revenue**

Total revenue from contracts with clients increased by €78.5 million or 5.1% (2.7% on a comparable basis) from €1,552.8 million in Financial Year 2018 to €1,631.3 million in Financial Year 2019. The revenue increase was primarily a result of an increase in the Marine Site Characterisation business line, which was partly offset by the decrease in revenues generated by the Land Site Characterisation business line, due to specific circumstances in the United Kingdom, Hong Kong and certain countries in the Middle East. The respective contributions from the Group's businesses in Financial Year 2019 were 71.8% from the Marine business and 28.2% from the Land business.

### *By geographical region*

#### Europe – Africa

Revenues from the Group's Europe-Africa segment increased by €32.5 million or 5.0% (4.9% on a comparable basis) from €649.7 million in Financial Year 2018 to €682.2 million in Financial Year 2019. Revenue growth was mainly driven by the Marine Site Characterisation business line as a result of an increased vessel utilisation in the first three quarters of Financial Year 2019, improved price levels in combination with an increase in activity levels and to a lesser extent by the Marine Asset Integrity business line, which had increased capacity as a result of a vessel that was re-positioned from the Asia Pacific region to the Europe-Africa region. Land Site Characterisation revenue decreased, mainly due to lower activity resulting from delays in project awards and reduction in work scopes on certain key projects, particularly in the United Kingdom.

#### Americas

Revenues from the Group's Americas segment increased by €77.1 million or 23.0% (17.9% on a comparable basis) from €334.5 million in Financial Year 2018 to €411.6 million in Financial Year 2019. Revenue growth was particularly strong in this region, supported by all Marine and Land business lines, with particularly high offshore wind activity levels on the east coast of the United States and the growth of land activities in the United States and South America.

#### Asia Pacific

Revenues from the Group's Asia Pacific segment decreased by €33.0 million or 9.1% (11.4% on a comparable basis) from €364.4 million in Financial Year 2018 to €331.3 million in Financial Year 2019. The decrease in revenue was largely the result of the rationalisation in the Marine Asset Integrity business line, which included more selective tendering and reduced capacity, with one vessel being re-positioned to the Europe-Africa region and the Southern Star vessel being handed back to Tasik Toba Subsea AS, both in March 2019. Revenues in the Land Site Characterisation business line declined as well, predominantly as a result of a challenging Hong Kong market.

#### Middle East and India

Revenues from the Group's Middle East and India segment increased by €1.9 million or 1.0% (3.5% decrease on a comparable basis) from €204.2 million in Financial Year 2018 to €206.1 million in Financial Year 2019. Revenue of the Marine Asset Integrity business line increased as a result of higher activity in positioning and construction support, but was offset by a decrease in the Land Site Characterisation business line, primarily as a result of the challenging circumstances in the core Infrastructure market segment and restructuring in Qatar and a decrease in the Marine Site Characterisation business line due to low utilisation of one of the vessels and low activity level in Egypt.

### *By business*

As from May 2019, the Group reports by geographical region and Financial Year 2018 results have been restated to reflect this change. However, to facilitate the comparison between the Financial Years 2018 and 2019 results to the Financial Year 2017 results, which were not restated, the Group includes a discussion of its results by business (which were the Group's operating and reporting segments prior to the change in segment reporting in May 2019) for Financial Years 2018 and 2019.

#### Marine

Revenues from the Group's Marine business increased by €85.7 million or 7.9% (5.7% on a comparable basis) from €1,085.9 million in Financial Year 2018 to €1,171.6 million in Financial Year 2019.

Marine revenue grew due to global growth of the Group's offshore wind activities and to a lesser extent the Group's oil and gas related activities, particularly in Europe and the Americas regions. Revenue in new growth markets, such as hydrography and coastal protection, showed a significant increase in Financial Year 2019.

Marine Site Characterisation revenue increased by 15.2% from €563.9 million in Financial Year 2018 to €649.6 million in Financial Year 2019, capturing growth in the offshore wind markets and the upturn in the Oil & Gas industry benefitting from a healthy level of investment in offshore projects.

Marine Asset Integrity revenue remained stable: €522.0 million in Financial Year 2018 and Financial Year 2019. On a comparable basis, Marine Asset Integrity business line revenue decreased slightly as a result of the rationalisation of this business line in the Asia Pacific region.

#### Land

Revenues from the Group's Land business decreased by €7.2 million or 1.5% (3.8% on a comparable basis) from €466.9 million in Financial Year 2018 to €459.7 million in Financial Year 2019.

Land Site Characterisation revenue decreased by 2.8% from €367.9 million in Financial Year 2018 to €357.5 million in Financial Year 2019, primarily due to lower activity resulting from delays in project awards and reduction in work scopes in the Europe-Africa region and the specific circumstances in the United Kingdom, certain countries in the Middle East and Hong Kong in the Asia Pacific region.

Land Asset Integrity revenue increased by 3.2% from €99.0 million in Financial Year 2018 to €102.2 million in Financial Year 2019, primarily due to an increase in revenues in the Americas region within the Power market segment and rail and road transport services.

#### *Geoscience*

Revenues from the Group's Geoscience segment increased by €38.4 million or 39.5% (32.9% on a comparable basis) from €97.2 million in Financial Year 2018 to €135.6 million in Financial Year 2019. The increase in revenues was primarily the result of higher activity levels during the Financial Year 2019 deriving from the fact that certain of Seabed Geosolutions' projects, which are few in number but large in size resulting in an uneven distribution of revenue across periods, were performed during such year.

#### **Third-party costs**

Third-party costs decreased by €18.5 million or 2.8% from €672.7 million in Financial Year 2018 to €654.2 million in Financial Year 2019. As a percentage of total revenues, third-party costs decreased from 43% of total revenues in Financial Year 2018 to 40% in Financial Year 2019. The decrease was primarily due to the impact of the implementation of IFRS 16 and the rationalisation of the Marine Asset Integrity business line in the Asia Pacific region.

#### **Other income**

In Financial Year 2019, other income decreased by €0.7 million or 5.4% from €12.9 million in Financial Year 2018 to €12.2 million in Financial Year 2019, primarily due to lower gain on sale of property, plant and equipment and sundry income.

In December 2019, the Group entered into an agreement to acquire CGG's 40% shareholding in Seabed Geosolutions and to terminate Seabed Geosolutions' joint venture agreement effective as of 30 December 2019, in exchange for cash consideration of €31.2 million (\$35.0 million), paid by CGG before year-end 2019. See "Business—Business Lines—Seabed Geosolutions". The buy-out of CGG's 40% non-controlling interest in Seabed Geosolutions is a transaction between the shareholders of Seabed Geosolutions, CGG and the Company, in the capacity as owners and accounted for as an equity transaction. The risks and rewards of the full 40% shareholding were transferred to the Company on 30 December 2019. Accordingly, the full 40% non-controlling interest with respect to Seabed Geosolutions was derecognised on 30 December 2019 (at carrying amount). The difference by which the 40% non-controlling interest in Seabed Geosolutions was adjusted and the fair value of the consideration received was accounted for directly in equity attributable to owners of the Company. The termination of the abovementioned joint venture agreement concerns the settlement of a pre-existing relationship with CGG. A gain amounting to €9.8 million was recorded in other income in Financial Year 2019. The other income was presented in discontinued operations. Reference is made to note 27 of the 2019 Consolidated Financial Statements.

#### **Personnel expenses**

Personnel expenses increased by €41.2 million or 6.9% from €599.1 million in Financial Year 2018 to €640.3 million in Financial Year 2019. As a percentage of total revenue, personnel expenses remained relatively stable and increased from 38.6% of total revenues in Financial Year 2018 to 39.2% of total revenues in Financial Year 2019. The increase in personnel expenses was largely driven by the Europe-Africa region, resulting from an increase in the average number of employees, and in the Americas region, where the increase was in line with revenue growth. Furthermore, a €7.8 million one-off positive pension related adjustment was accounted for in Financial Year 2018, primarily due to the change from a defined benefit to a defined contribution plan pension scheme in the Netherlands.

### ***Depreciation and amortisation***

Depreciation expenses increased by €26.5 million or 30.3% from €87.4 million in Financial Year 2018 to €113.9 million in Financial Year 2019. The increase was primarily driven by the implementation of IFRS 16, as a result of which operating lease expense which was recognised under the previous standard was replaced by service costs, depreciation and interest expense.

Amortisation expenses decreased by €0.5 million or 14.2% from €3.5 million in Financial Year 2018 to €3.0 million in Financial Year 2019.

### ***Impairment losses***

In Financial Year 2019, a total impairment loss of €3.3 million has been recognised, compared to an impairment gain of € 0.3 million in Financial Year 2018. This primarily resulted from the sale of the Group's activities in the Irish company FAZ Technology Ltd and the impairment on the Group's indirect interest in Australian exploration projects through Finder Exploration Pty Ltd.

### ***Other expenses***

Other expenses increased by €23.7 million or 13.2% from €179.5 million in Financial Year 2018 to €203.2 million in Financial Year 2019. The increase was driven by the unfavourable outcome of the Southern Star Arbitration with Tasik Toba Subsea AS, amounting to an expense of €24.1 million and €5.9 million in related legal fees, as well as by expenses related to the roll-out of ERP software. The increase in other expenses was partly offset by the impact of the implementation of IFRS 16 for an amount of €18.0 million mostly on occupancy costs.

The majority of restructuring costs of €7.0 million incurred in Financial Year 2019 related to the restructuring measures taken in the Group's businesses related to diving activities in Brazil, Land activities in Africa and loss-making services in Oman, Qatar, the United Arab Emirates and France.

### ***Net finance income (expenses)***

Net finance expenses increased by €6.2 million or 12.0% from €51.6 million in Financial Year 2018 to €57.8 million in Financial Year 2019.

Finance expenses increased by €3.9 million or 6.7% from €57.8 million in Financial Year 2018 to €61.7 million in Financial Year 2019 as a result of the impact of the implementation of IFRS 16 of €11.2 million and higher average net debt. This increase was partly offset by the lower average interest rates and an exchange rate impact which decreased by €8.6 million from negative €18.2 million in Financial Year 2018 to negative €9.6 million in Financial Year 2019. The negative exchange rate variances in Financial Year 2018 and Financial Year 2019 were mainly the result of the devaluation of the Angolan Kwanza.

Finance income decreased by €2.3 million from €6.2 million in Financial Year 2018 to €3.9 million in Financial Year 2019 primarily as a result of lower interest income on outstanding bank balances and repayment of the Global Marine Holdings vendor loan in Financial Year 2018.

### ***Share or profit/(loss) of equity-accounted investees (net of income tax)***

In Financial Year 2019, the share of profit of equity-accounted investees was €9.2 million compared to €8.8 million in Financial Year 2018. In Financial Year 2019 the profit mainly comprises the results of joint ventures, including the joint venture with China Oilfield Services Limited, and the Group's interest in Global Marine Holdings.

### ***Income tax gain/(expense)***

The income tax expense was €13.8 million in Financial Year 2019, compared to €16.8 million in Financial Year 2018. The decrease of €3.0 million or 17.9% was mainly driven by changes in geographical composition of taxable income and the recognition of deferred tax assets related to certain previously unrecognised tax losses.

### ***Profit/(loss) for the period***

Based on the foregoing, the Group's loss from continuing operations was €36.8 million in Financial Year 2019 compared to a loss of €35.8 million in Financial Year 2018, which was an increase of €1.0 million.

In Financial Year 2019, the Group's loss from discontinued operations was €85.6 million compared to €19.4 million in Financial Year 2018, which was an increase of €66.2 million primarily as a result of the impairment of goodwill related to discontinued operations.

### ***Other Key Performance Indicators***

#### ***Adjusted EBIT and Adjusted EBIT margin***

Total Adjusted EBIT increased by €38.5 million or 130.5% from €29.5 million in Financial Year 2018 to €68.0 million in Financial Year 2019, driven by the performance of the Marine business lines, partially offset by the performance of the Land business lines, as further described below.

In Financial Year 2019, total Adjusted EBIT margin improved from 1.9% in Financial Year 2018 to 4.2% in Financial Year 2019, as a result of better pricing, higher activity levels and disciplined cost management benefiting from operating leverage in combination with reduction of personnel, depreciation and other expenses as percentage of revenue. The increase in margin also reflected an increase in productivity through fully leveraged technology, increased efficiencies through digitalisation, strengthened procurement, driven uptime of assets and equipment and the increased use of shared service centres.

#### *By geographical region*

##### Europe – Africa

Adjusted EBIT increased by €35.9 million from €35.4 million in Financial Year 2018 to €71.4 million in Financial Year 2019 in the Europe-Africa region, driven by increasing asset utilisation and higher pricing in the Marine business, in particular in the Marine Site Characterisation business line.

In Financial Year 2019, Adjusted EBIT margin improved from 5.5% in Financial Year 2018 to 10.5% in Financial Year 2019, primarily driven by the Marine business. Adjusted EBIT margin for the Land business remained flat.

##### Americas

Adjusted EBIT decreased by €11.5 million from €0.1 million in Financial Year 2018 to negative €11.4 million in Financial Year 2019 in the Americas region, as a result of relatively high vessel maintenance and unforeseen repairs, mostly in the first half of the Financial Year 2019, and an overrun on two site characterisation projects in the Marine business and competitive bidding on infrastructure projects in the Land business.

Adjusted EBIT margin declined from 0.0% in Financial Year 2018 to negative 2.8% in Financial Year 2019 in line with the decrease of Adjusted EBIT for the Marine business. Adjusted EBIT margin for the Land business remained flat.

##### Asia Pacific

Adjusted EBIT increased by €20.3 million from negative €18.9 million in Financial Year 2018 to €1.4 million in Financial Year 2019 in the Asia Pacific region. Losses in the Marine Asset Integrity business line were reduced during Financial Year 2019 as compared to Financial Year 2018, primarily as a result of rationalisation of the Marine Asset Integrity business line in Financial Year 2019.

Adjusted EBIT margin improved from negative 5.2% in Financial Year 2018 to 0.4% in Financial Year 2019, primarily driven by the Marine Asset Integrity business line as a result of improved utilisation, selective tendering with better pricing and cost reduction measures. Adjusted EBIT margin for the Land Site Characterisation business line decreased predominantly as a result of an increasingly challenging market in Hong Kong. Adjusted EBIT margin for the Land Asset Integrity business line improved slightly.

##### Middle East and India

Adjusted EBIT decreased by €6.3 million from €12.9 million in Financial Year 2018 to €6.6 million in Financial Year 2019 in the Middle East and India region, primarily as a result of the geopolitical and economic environment impacting the region. In Financial Year 2019, the Group restructured the Land Site Characterisation business line in Qatar, Oman and the United Arab Emirates to address some loss-making services.

Adjusted EBIT margin decreased from 6.3% in Financial Year 2018 to 3.2% in Financial Year 2019, primarily driven by the Land Site Characterisation business line. Adjusted EBIT margin for the Marine business improved slightly, driven by the Marine Site Characterisation business line.

#### *By business*

##### Marine

Marine Adjusted EBIT increased by €47.0 million from €19.5 million in Financial Year 2018 to €66.5 million in Financial Year 2019, primarily due to an improvement in both the Marine Site Characterisation and Asset Integrity business lines through operating leverage and better pricing.

Marine Adjusted EBIT margin improved from 1.8% in Financial Year 2018 to 5.7% in Financial Year 2019, in line with the increase of Marine Adjusted EBIT in Financial Year 2019.

##### Land

Land Adjusted EBIT decreased by €8.5 million from €10.0 million in Financial Year 2018 to €1.5 million in Financial Year 2019. This decrease was primarily due to lower activity levels in the Site Characterisation business line as a result of local market circumstances, in combination with poorly performing services that were being restructured, which was partially offset by the improvement of Adjusted EBIT in the Asset Integrity business line.

Adjusted EBIT margin decreased from 2.1% in Financial Year 2018 to 0.3% in Financial Year 2019. Restructuring measures were taken to improve the Adjusted EBIT margin. The cost of these restructuring measures in the Land business amounted to €2.8 million.

## *Geoscience*

Geoscience Adjusted EBIT decreased by €2.2 million from negative €16.4 million in Financial Year 2018 to negative €18.6 million in Financial Year 2019 as a result of project execution issues in the Gulf of Mexico (completed in April 2019) and the Middle East (completed in July 2019), by the competitively priced first Manta node Buzios project resulting in a lower than average project margin (completed in September 2019) and the difficult start to the S-79 project. In the second half of the Financial Year 2019, operational performance improved, although it was affected by a level of under-utilisation in particular at the Case Abyss project.

Adjusted EBIT margin improved from negative 16.9% in Financial Year 2018 to negative 13.7% in Financial Year 2019, which was the result of the classification of Seabed Geosolutions as held for sale as of 30 June 2019, resulting in no depreciation and amortisation in the second half of the Financial Year 2019. The improvement in Adjusted EBIT margin in Financial Year 2019, was partly offset by the same factors that impacted Geoscience Adjusted EBIT as described above.

## **Backlog**

Total backlog for the next 12 months increased by €108.9 million or 12.1% (9.9% on a comparable basis) from €902.2 million in Financial Year 2018 to €1,011 million in Financial Year 2019, which was primarily driven the Marine and Land business lines in the Europe-Africa and Middle East and India regions. Total backlog for the next 12 months was €920 million as of March 31, 2019, €856 million as of 30 June 2019 and €934 million as of 30 September 2019.

## *By geographical region*

### Europe – Africa

Backlog for the next 12 months increased by €89.2 million or 30.0% (27.2% on a comparable basis) from €297.1 million in Financial Year 2018 to €386.3 million in Financial Year 2019 in the Europe-Africa region. The backlog increase in Financial Year 2019 reflects growth in the Marine business supported by growth in the Land business. Significant project awards include a contract for geotechnical and geophysical survey in relation to the Pecan field offshore Ghana for Aker Energy, a three-year geotechnical site investigation contract in the German North Sea and Baltic Sea for Germany's Federal Maritime and Hydrographic Agency, an extension of a substantial site characterisation project for Hollandse Kust (west) wind farm zone, further site characterisation work on the Rovuma LNG Phase 1 project in Mozambique and a five-year contract for road condition surveys in the Netherlands.

### Americas

Backlog for the next 12 months decreased by €12.9 million or 4.5% (6.4% on a comparable basis) from €284.9 million in Financial Year 2018 to €272.0 million in Financial Year 2019 in the Americas region, primarily as a result of the expiration of a diving support contract in Brazil in the Marine Asset Integrity business line in the course of Financial Year 2019 and the delay of two large projects in California, United States, in the Land Site Characterisation business line in Financial Year 2019. The decrease in backlog was partly offset by an increase in backlog in the fourth quarter of Financial Year 2019, primarily as a result of an increased number of successful tenders. Recent significant project awards include the geophysical site investigations for the Atlantic Shores and Mayflower windfarms in the United States, a coastal mapping project in Jamaica and Haiti, multiple project awards by several US states for highway asset management systems and a large inspection repair and maintenance contract for Ocean Data Solutions in the United States.

### Asia Pacific

Backlog for the next 12 months increased by €2.3 million or 1.1% (decreased by 0.3% on a comparable basis) from €217.2 million in Financial Year 2018 to €219.5 million in Financial Year 2019 in the Asia Pacific region. In Financial Year 2019, the Asia-Pacific region was operating alongside reduced capacity as in March 2019 one vessel was re-positioned to the Europe-Africa region and the Southern Star vessel was handed back to Tasik Toba Subsea AS. Notable project awards include the extended IRM contract for Woodside on the North West shelf of Australia, additional site investigation works in respect of the Hong Kong Airport third runway project, the Group's sixth gas hydrate investigation campaign for Guangzhou Marine Geological Survey and a geotechnical site investigation in the offshore of Taiwan, for the planned Greater Changhua wind farm.

### Middle East and India

Backlog for the next 12 months increased by €30.3 million or 29.4% (27.2% on a comparable basis) from €103.0 million in Financial Year 2018 to €133.3 million in Financial Year 2019 in the Middle East and India region, primarily as a result of an increased number of successful tender, mainly in the United Arab Emirates in both the Marine and Land businesses, partly offset by lower backlog as a result of discontinuation of underperforming service lines in particular geographies. Significant project awards include a sizeable survey contract for a leading national oil company that will feed the redevelopment of a key oil and gas field including island development, gas pipelines and rig placement, a three-year framework agreement for the Red Sea Development Company on the western coast of Saudi Arabia and a sizeable contract by NEOM/Public Investment Fund for deepwater site characterisation and

consulting services for the construction of a fixed link crossing in the Gulf of Aqaba between Saudi Arabia and Egypt.

#### *By business*

##### Marine

Marine backlog for the next 12 months increased by €85.2 million or 13.8% (11.6% on a comparable basis) from €618.8 million in Financial Year 2018 to €704.0 million in Financial Year 2019, driven by both the Site Characterisation and Asset Integrity business lines, primarily as a result of further global growth of the Group's offshore wind activities and to a lesser extent the Group's oil and gas related activities in Financial Year 2019.

##### Land

Land backlog for the next 12 months increased by €23.6 million or 8.3% (6.3% on a comparable basis) from €283.4 million in Financial Year 2018 to €307.1 million in Financial Year 2019, which was driven by the Site Characterisation business line across most regions.

##### *Geoscience*

Geoscience backlog for the next 12 months decreased by €29.2 million or 21.0% (22.7% on a comparable basis) from €139.3 million in Financial Year 2018 to €110.1 million in Financial Year 2019, primarily as a result of lower activity resulting from delays in project awards. In October 2019, Seabed was awarded a Manta node project in Brazil. The S-79 project was expected to continue until at least the first quarter of 2021, however, it was suddenly terminated in April 2020 and the project in Brazil was postponed to early 2021.

#### **Capital employed**

Capital employed for the Financial Year 2019 has been restated as per the definition applicable from 1 January 2020. Total capital employed decreased by €97.5 million or 8.1% from €1,207.9 million in Financial Year 2018 to €1,110.4 million in Financial Year 2019, primarily due to recognition of an impairment loss on Seabed of €76.2 million (of which €61.4 million was realised in the first half year of Financial Year 2019), reduced level of working capital reflecting timely billing and successful collection of receivables.

#### *By geographical region*

##### Europe – Africa

Capital employed increased by €48.5 million or 10.2% from €475.8 million in Financial Year 2018 to €518.9 million in Financial Year 2019 in the Europe-Africa region, primarily driven by increased vessel capacity following the transfer of a vessel from the Asia Pacific region to the Europe-Africa region and an increase in capital expenditures and working capital in line with increased activity levels.

##### Americas

Capital employed increased by €22.6 million or 10.2% from €249.5 million in Financial Year 2018 to €272.1 million in Financial Year 2019 in the Americas region, primarily driven by capital expenditures.

##### Asia Pacific

Capital employed decreased by €44.8 million or 22.6% from €198.6 million in Financial Year 2018 to €153.8 million in Financial Year 2019 in the Asia Pacific region, primarily driven by reduced working capital, due to the €24.1 million payable in respect of the unfavourable outcome in the arbitration with Tasik Toba Subsea AS regarding the Southern Star vessel and the reduced capacity following the transfer of a vessel to the Europe-Africa region, all in Financial Year 2019.

##### Middle East and India

Capital employed increased by €11.7 million or 7.9% from €148.5 million in Financial Year 2018 to €160.2 million in Financial Year 2019 in the Middle East and India region.

#### *By business*

##### Marine

Marine capital employed increased by €26.0 million or 3.0% from €852.5 million in Financial Year 2018 to €878.5 million in Financial Year 2019, primarily driven by capital expenditures.

##### Land

Land capital employed increased by €12.0 million or 5.5% from €219.9 million in Financial Year 2018 to €231.9 million in Financial Year 2019.

##### *Geoscience*

Geoscience capital employed decreased by €49.4 million or 36.5% from €135.5 million in Financial Year 2018 to €86.1 million in Financial Year 2019, which was primarily caused by a non-cash impairment of €76.2 million (of

which €61.4 million was realised in the first half year of Financial Year 2019 with €65.4 million related to goodwill and other non-current assets) in Financial Year 2019, and partially offset by capital expenditure and higher working capital and the €9.8 million realised gain on the transaction with CGG.

## **Liquidity and Capital Resources**

### **Overview**

The Group's business and growth strategy has in the past required and will continue to require liquidity, primarily for third-party costs, personnel expenses, working capital, operational and capital expenditures and debt service.

The Group's principal sources of liquidity have been, and are expected to continue to be, the net cash generated from the Group's operating activities in the Marine business and Land business, proceeds from divestment of non-core assets, the then existing €575 million revolving credit facility (historically), the Revolving Credit Facility and the Term Loan (after the Refinancing), capital markets issuances and a variety of local overdraft facilities. See "Financing Arrangements". It is a common requirement in the Group's business to issue bid bonds, advance payment guarantees and performance guarantees in connection with certain projects the Group undertakes.

The Group introduced a global cash pool arrangement in 2015 which makes it possible for the Group to more efficiently use any cash surplus within the Group to reduce overdrafts under the Group's main and local uncommitted facilities.

The Group's cash flow from operating activities after investing activities was €105.4 million in Financial Year 2020 (compared to €58.3 million in Financial Year 2019 and negative €21.2 million in Financial Year 2018), in each case from continuing operations. Cash flow from operating activities after investing activities improved in Financial Year 2020 compared to Financial Year 2019 as a result of highly effective working capital management and proceeds from the sale of Global Marine (€49.9 million). Cash flow from operating activities after investing activities improved in Financial Year 2019 compared to Financial Year 2018, as a result of improved operational results and working capital management in Financial Year 2019 and the implementation of IFRS16. In Financial Year 2020, the Group's cash flow from operating activities after investing activities from discontinued operations was negative € 17.0 million (compared to negative €35.5 million in Financial Year 2019).

The Group's ability to generate cash from its operations depends on the Group's future operating performance, which in turn is dependent on general economic, financial, competitive, market, regulatory and other conditions and factors, many of which are beyond the Group's control (see "Risk Factors").

As of 31 December 2020 the Group had cash on the balance sheet of €183.5 million, of which €6.7 million is held in Nigeria and restricted from repatriation and €9.3 million is held in Angola and classified by the Group as difficult to repatriate within 12 months.

### **Working capital statement**

The working capital available to the Group is, in the opinion of the Company, sufficient for the Group's present requirements; that is for at least twelve months following the date of this Prospectus.

### **Significant Change in the Company's Financial Performance**

No significant change in the financial performance of the Group has occurred since 31 March 2021.

### **Significant Change in the Company's Financial Position**

No significant change in the financial position of the Group has occurred since 31 December 2020, which is the last date on which information on the Group's financial position has been published.

### **Cash Flows**

#### *Cash flow from operating activities*

The following table sets forth the principal components of the Group's cash flow from operating activities for the periods indicated. For the Financial Year 2018, the table sets forth financial information (i) as reported in the 2019 Consolidated Financial Statements, in which the numbers reported in the 2018 Consolidated Financial Statements have been adjusted to reflect Seabed Geosolutions as discontinued operations and (ii) as reported in the 2018 Consolidated Financial Statements.

<b>For the year ended in 31 December</b>	<b>2020</b>	<b>2019</b>	<b>2018 (adjusted)<sup>(1)</sup></b>	<b>2018 (reported)<sup>(2)</sup></b>
<b>(€ x million)</b>				
<b>Cash flows from operating activities</b>				
<b>Profit/(loss) for the period .</b>	<b>(72.0)</b>	<b>(36.8)</b>	<b>(35.8)</b>	<b>(55.2)</b>
Adjustments for:				
Depreciation and amortisation	113.8	116.9	90.9	104.7
Impairment losses .....	5.9	3.3	(0.3)	(1.8)
Write-off long-term receivables	—	—	—	—



Share of (profit)/loss of equity-accounted investees (net of income tax)	(7.4)	(9.2)	(8.8)	(8.8)
Net gain on sale of property, plant and equipment	(6.0)	(3.1)	(4.1)	(9.3)
Net gain on termination of lease	-	(0.9)	—	—
Equity-settled share-based payments	4.3	6.0	4.7	4.7
Change in provisions for other liabilities and charges and employee benefits	(6.8)	(2.9)	(20.9)	(20.0)
Income tax expense/(gain)	25.2	13.8	16.8	20.0
Income tax paid.....	(10.8)	(26.8)	(14.5)	(16.8)
Finance income and expenses	74.0	57.8	51.6	52.8
Interest paid .....	(33.9)	(37.3)	(23.5)	(23.5)
<b>Operating cash flows before changes in working capital .....</b>	<b>86.3</b>	<b>80.8</b>	<b>56.1</b>	<b>46.8</b>
Change in inventories.....	0.9	(1.2)	2.1	1.2
Change in trade and other receivables	37.8	9.3	(47.7)	(67.6)
Change in trade and other payables	14.8	39.1	4.4	32.3
<b>Changes in working capital .....</b>	<b>53.5</b>	<b>47.2</b>	<b>(41.2)</b>	<b>(34.1)</b>
<b>Net cash generated from operating activities from continuing operations .....</b>	<b>139.8</b>	<b>128.0</b>	<b>14.9</b>	<b>12.7</b>
Net cash generated from operating activities from discontinued operations .....	(18.3)	(16.4) <sup>(3)</sup>	(2.2)	—

- (1) As reported in the 2019 Consolidated Financial Statements. The numbers reported in the 2018 Consolidated Financial Statements have been adjusted to reflect Seabed Geosolutions as discontinued operations.  
(2) As reported in the 2018 Consolidated Financial Statements.  
(3) The impact of IFRS 16 on net cash generated from operating activities from discontinued operations in 2019 amounts to €1.6 million.

Net cash generated from operating activities from continuing operations was €139.8 million in Financial Year 2020 compared to €128.0 million in Financial Year 2019. The increase in net cash generated from operating activities from continuing operations from Financial Year 2019 to Financial Year 2020 was the result of effective working capital management, partly offset by lower profitability. Net cash generated from operating activities from continuing operations was €128.0 million in Financial Year 2019 compared to €14.9 million in Financial Year 2018 (as restated to reflect Seabed Geosolutions as discontinued operations). The increase in net cash generated from operating activities from continuing operations from Financial Year 2018 to Financial Year 2019 was the result of higher profitability, disciplined working capital management and the impact of the implementation of IFRS 16. In Financial Year 2019, changes in working capital had a positive impact on net cash generated from operating activities from continuing operations of €47.2 million, compared to a negative €41.2 million in Financial Year 2018 (as restated to reflect Seabed Geosolutions as discontinued operations) as a result of disciplined working capital management and the impact of the unfavourable outcome in the Group's Southern Star Arbitration with Tasik Toba Subsea AS.

#### Working capital

The following table presents the Group's working capital for continuing operations as of 31 December 2020, 2019 and 2018.

(€ x million)	As of 31 December			
	2020 <sup>(1)</sup>	2019 <sup>(2)</sup>	2019 <sup>(3)</sup>	2018 <sup>(4)</sup>
Inventories.....	27.6	29.7	29.7	29.3
Trade and other receivables	406.3	485.7	487.5	537.4
Trade and other payables	(322.2)	(361.3)	(360.7)	(376.1)
<b>Working capital .....</b>	<b>111.7</b>	<b>154.1</b>	<b>156.5</b>	<b>190.6</b>
Working capital as % of last 12 months revenue	8.1	9.5	9.6	11.6
Days of revenue outstanding <sup>(5)</sup>	83	88	88	86

- (1) As reported in the 2020 Consolidated Financial Statements and excluding Seabed Geosolutions.  
(2) As reported in the 2019 Consolidated Financial Statements and excluding Seabed Geosolutions.  
(3) Adjusted to exclude the impact of IFRS 16 (unaudited).  
(4) As reported in the 2018 Consolidated Financial Statements.  
(5) Days of revenue outstanding represents trade receivables plus unbilled revenue on (completed) projects minus advances of instalments related to work in progress expressed as a number of days. The number of days is calculated backward based on monthly revenue.

Seasonality leads to working capital movements during the financial year: an increase in working capital in the first three quarters of the financial year and a decrease in working capital in the fourth quarter of the financial year (for more information on the effects of seasonality on working capital, see "Operating and Financial Review—Key Factors Affecting the Group's Results of Operations—Weather and seasonality") as is illustrated by the table below for the Financial Years 2020, 2019 and 2018.

(€ x million)	2020 <sup>(1)</sup>				2019 <sup>(2)</sup>				2019 <sup>(3)</sup>				2018 <sup>(4)</sup>			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Working capital	182.4	184.9	174.3	111.7	193.8	243.4	272.3	154.1	196.0	247.2	269.8	156.5	195.3	222.7	238.2	190.6
Days of revenue outstanding <sup>(5)</sup>	98	94	86	83	98	88	96	88	98	88	96	88	90	88	96	86

- (1) As reported in the 2020 Consolidated Financial Statements and excluding Seabed Geosolutions.
- (2) As reported in the 2019 Consolidated Financial Statements and excluding Seabed Geosolutions.
- (3) Adjusted to exclude the impact of IFRS 16.
- (4) As reported in the 2018 Consolidated Financial Statements.
- (5) Days of revenue outstanding represents trade receivables plus unbilled revenue on (completed) projects minus advances of instalments related to work in progress expressed as a number of days. The number of days is calculated backward based on monthly revenue.

Working capital decreased from €190.6 million in Financial Year 2018 to €154.1 million in Financial Year 2019, and decreased to €111.7 million in Financial Year 2020. At the end of Financial Year 2020 the decrease of working capital compared to the Financial Year 2019 was driven by very good collections and also €19.6 million of deferred tax payments granted to mitigate the impact of Covid-19. At the end of Financial Year 2019 the decrease of working capital compared to the Financial Year 2018 was mainly due to a €24.1 million payable and €5.9 million related legal fees recognised in trade and other payables and incurred in Financial Year 2019 in relation to an unfavourable outcome in the Group's Southern Star Arbitration with Tasik Toba Subsea AS.

Working capital as a percentage of last twelve months revenue decreased to 8.1% in Financial Year 2020 as a result of the factors mentioned above. Days of revenue outstanding remained stable (86 days in Financial Year 2018, 88 days in Financial Year 2019 and 83 days in Financial Year 2020) as a result of continuous efforts in timely billing and focused cash collection, which was partly offset by a delay of payment by certain clients that were facing challenging financial circumstances.

#### *Cash flow from investing activities*

The following table sets forth the principal components of the Group's net cash flow from investing activities for the periods indicated. For the Financial Year 2018, the table sets forth financial information (i) as reported in the 2019 Consolidated Financial Statements, in which the numbers reported in the 2018 Consolidated Financial Statements have been adjusted to reflect Seabed Geosolutions as discontinued operations and (ii) as reported in the 2018 Consolidated Financial Statements.

(€ x million)	For the year ended 31 December			
	2020	2019	2018 (adjusted) <sup>(1)</sup>	2018 (reported) <sup>(2)</sup>
<b>Cash flows from investing activities</b>				
Proceeds from sale of property, plant and equipment	12.9	7.4	7.1	13.9
Acquisition of and other additions to intangible assets	(1.0)	(2.8)	(4.8)	(10.2)
Capital expenditures on property, plant and equipment	(81.2)	(82.5)	(58.8)	(70.2)
Acquisitions of investments in equity accounted investees .....	—	—	—	—
Disposal of intangible assets	0.1	4.4	2.8	2.8
Interest received .....	—	—	0.5	0.5
Dividends received.....	55.9	3.8	6.9	6.9
Acquisitions, net of cash acquired.....	(4.4)	—	—	—
Repayment of vendor loan .	—	—	6.4	6.4
Repayment of long-term loans	—	—	3.8	3.8
Additions to other investments	(16.7)	—	—	—
<b>Net cash (used in) / from investing activities from continuing operations....</b>	<b>(34.4)</b>	<b>(69.7)</b>	<b>(36.1)</b>	<b>(46.1)</b>
Net cash (used in) / from investing activities from discontinued operations ...	1.3	(19.1)	(9.9)	—
<b>Cash flows from operating activities after investing activities from continuing operations</b>	<b>105.3</b>	<b>(58.3)<sup>(3)</sup></b>	<b>(21.2)</b>	<b>(33.4)</b>
Cash flows from operating activities after investing activities from discontinued operations	(3.0)	(35.5) <sup>(4)</sup>	(12.2)	—

(1) As reported in the 2019 Consolidated Financial Statements. The numbers reported in the 2018 Consolidated Financial Statements have been adjusted to reflect Seabed Geosolutions as discontinued operations.

(2) As reported in the 2018 Consolidated Financial Statements.

(3) The impact of IFRS 16 on cash flow from operating activities after investing activities in 2019 amounts to positive €24.1 million.

(4) The impact of IFRS 16 on cash flow from operating activities after investing activities from discontinued operations in 2019 amounts to €1.6 million.

Net cash used in investing activities from continuing operations was €34.4 million in Financial Year 2020 compared to €69.7 million in Financial Year 2019. The decrease of €35.3 million cash used in investing activities was primarily related to the proceeds from the sale of Global Marine (€49.9 million).

Net cash used in investing activities from continuing operations was €69.7 million in Financial Year 2019 compared to €36.1 million in Financial Year 2018 (as restated to reflect Seabed Geosolutions as discontinued operations). The increase of €33.6 million primarily related to an increase in capital expenditures on property, plant and equipment in Financial Year 2019 as a result of revenue growth and delayed capital expenditures that moved from Financial Year 2018 to Financial Year 2019 as a result of increased activity in the fourth quarter of Financial Year 2018.

### Net cash flow from financing activities

The following table sets forth the principal components of the Group's net cash flow from financing activities for the periods indicated. For the Financial Year 2018, the table sets forth financial information (i) as reported in the 2019 Consolidated Financial Statements in which the numbers reported in the 2018 Consolidated Financial Statements have been adjusted to reflect Seabed Geosolutions as discontinued operations and (ii) as reported in the 2018 Consolidated Financial Statements.

(€ x million)	For the year ended 31 December			
	2020	2019	2018 (adjusted) <sup>(1)</sup>	2018 (reported) <sup>(2)</sup>
<b>Cash flows from financing activities</b>				
Proceeds from issue of long-term loans	—	—	60.6	77.0
Proceeds from issue of subordinated unsecured convertible bonds .....	—	—	—	—
Repayment of convertible bonds.....	—	—	—	—
Transaction costs relating to loans and borrowings	—	—	—	—
Repayment of borrowings .....	(376.8)	(87.3)	(0.1)	(0.1)
Dividends paid .....	(3.0)	(3.1)	(3.8)	(3.8)
Proceeds from issue of ordinary shares.....	332.2	—	—	—
Transaction costs from issue of shares....	(13.2)	—	—	—
Transaction costs from repayment of long-term loans	(13.5)	—	—	—
Transactions with non-controlling interests	—	0.0	(2.6)	(2.6)
Payments of finance lease liability	(23.6)	(24.5)	(0.1)	(5.9)
<b>Net cash from / (used in) financing activities from continuing operations ..</b>	<b>(97.9)</b>	<b>(114.9)<sup>(3)</sup></b>	<b>54.0</b>	<b>64.6</b>
Net cash from / (used in) financing activities from discontinued operations <sup>(4)</sup>	14.0	66.9	(10.6)	—

(1) As reported in the 2019 Consolidated Financial Statements. The numbers reported in the 2018 Consolidated Financial Statements have been adjusted to reflect Seabed Geosolutions as discontinued operations.

(2) As reported in the 2018 Consolidated Financial Statements.

(3) The impact of IFRS 16 on net cash from / (used in) financing activities for Financial Year 2019 amounts to negative €24.1 million.

(4) The impact of IFRS 16 on net cash from / (used in) financing activities from discontinued operations for Financial Year 2019 amounts to €1.6 million.

Net cash used in financing activities from continuing operations was €97.9 million in Financial Year 2020 compared to €114.9 million net cash used in financing activities from continuing operations in Financial Year 2019. The cash outflow in Financial Year 2020, was primarily the result of net repayment of debt that was possible as a result of the issue of new equity and positive free cash flow.

Net cash used in financing activities from continuing operations was €114.9 million in Financial Year 2019 compared to €54.0 million net cash from financing activities from continuing operations in Financial Year 2018 (as restated to reflect Seabed Geosolutions as discontinued operations). The cash outflow in Financial Year 2019, was primarily the result of the Company granting loans to Seabed Geosolutions, payment of lease liabilities and partial repayment of the then existing €575 million revolving credit facility.

The increase in net cash from financing activities from continuing operations in Financial Year 2018 (as reported) was largely related to additional drawings under the then existing €575 million revolving credit facility. At 31 December 2018, €459 million had been drawn under then existing €575 million revolving credit facility.

### Capital Expenditure

#### By business

The following table sets out the Group's capital expenditures on property, plant and equipment for the periods indicated. For the Financial Year 2018, the table sets forth financial information (i) as reported in the 2019 Consolidated Financial Statements, in which the numbers reported in the 2018 Consolidated Financial Statements have been adjusted to reflect Seabed Geosolutions as discontinued operations and (ii) as reported in the 2018 Consolidated Financial Statements.

(€ x million)	For the year ended 31 December			
	2020	2019	2018 (adjusted) (1)	2018 (reported) (2)
Marine .....	66.4	68.0	42.7	42.7
Maintenance .....	39.2	32.5	16.1	16.1
Expansion .....	27.2	35.5	26.6	26.6
Land .....	14.8	14.5	16.1	16.1
Maintenance .....	8.4	8.8	9.1	9.1
Expansion .....	6.4	5.7	7.0	7.0
Geoscience .....	—	—	—	11.4
Maintenance .....	—	—	—	0.9
Expansion .....	—	—	—	10.5

(€ x million)	For the year ended 31 December			
	2020	2019	2018	2018
			(adjusted) (1)	(reported) (2)
<b>Capital expenditure from continuing operations<sup>(1)(3)</sup></b>	<b>81.2</b>	<b>82.5</b>	<b>58.8</b>	<b>70.2</b>
Capital expenditure from discontinued operations <sup>(4)</sup>	5.8	23.1	11.4	—
<b>Capital Expenditure</b>	<b>87.0</b>	<b>105.6</b>	<b>70.2</b>	<b>70.2</b>

- (1) As reported in the 2019 Consolidated Financial Statements. The numbers reported in the 2018 Consolidated Financial Statements have been adjusted to reflect Seabed Geosolutions as discontinued operations.
- (2) As reported in the 2018 Consolidated Financial Statements.
- (3) Presented for the years ended 31 December 2020 and 31 December 2019 as "Investments" and "Investments – continuing operations" in note 18 Property, Plant and Equipment to the 2020 Consolidated Financial Statements.
- (4) Presented as "Investments – discontinuing operations" in note 17 Property, Plant and Equipment to the 2019 Consolidated Financial Statements.

In the Marine business, capital expenditures related to property, plant and equipment increased from €42.7 million in Financial Year 2018 to €68.0 million in Financial Year 2019 and stable at €66.4 million in Financial Year 2020. The reason for the increase in Financial Year 2019 was partly due to higher activity levels and capital expenditure moving into the first quarter of 2019 as a result of unexpectedly high activity in the fourth quarter of Financial Year 2018. As part of the Group's asset-light strategy the Group is gradually directing its capital expenditures towards lightly manned, remotely operated and in some cases fully autonomous, assets. In Financial Year 2019, capital expenditures increased as a result of an increase in the numbers of windfarm projects. Part of the capital expenditures related to Financial Year 2018 were delayed to Financial Year 2019 as a result of increased activity in the fourth quarter of Financial Year 2018.

In the Land business, capital expenditures related to property, plant and equipment decreased from €16.1 million in Financial Year 2018 to €14.5 million in Financial Year 2019 mainly due to the completion of the repair and upgrade of one of the Group's large jack-up platforms in Financial Year 2018, which was offset by an increase in investments in multiple automatic road analysers. Capital expenditures related to property, plant and equipment stable at €14.8 million in Financial Year 2020.

In the Geoscience segment, capital expenditures related to property, plant and equipment increased from €11.4 million in Financial Year 2018 to €23.1 million in Financial Year 2019, because of investments in equipment for a contract awarded in the Middle-East. Capital expenditures decreased to €5.8 million in Financial Year 2020, in line with the reduced activity levels.

For Financial Year 2021, the Group expects total capital expenditure (excluding capital expenditures related to the Geoscience segment) of approximately €80-90 million. In addition, the Group expects that in the medium term its total capital expenditures related to property, plant and equipment (excluding capital expenditures related to the Geoscience segment) will amount to approximately €80-110 million on average per Financial Year, of which €40-60 million relates to maintenance capital expenditures.

### Contractual obligations

As of 31 December 2020, the sum of the balances of the Group's non-current loans and borrowings and lease liabilities was €392.8 million, compared to €814.4 million and €725.8 million as of 31 December 2019 and 2018, respectively.

(€ x million)	As of 31 December		
	2020	2019	2018
Bank loans.....	—	425.1	458.8
Super senior term loan .....	195.1	—	—
Subordinated unsecured convertible bonds in EUR 190,000	57.0	175.3	167.5
Subordinated unsecured convertible bonds in EUR 100,000	89.5	87.1	84.9
Loan from partner <sup>(1)</sup> .....	—	—	13.7
(Finance) Lease liabilities <sup>(2)</sup> .....	132.7	157.6	6.0
Other long-term borrowings .....	2.6	—	0.5
<b>Subtotal</b> .....	<b>476.9</b>	<b>845.1</b>	<b>731.4</b>
Less: current portion of loans and borrowings .....	58.0	—	5.6
Less: current portion of lease liabilities <sup>(3)</sup> .....	26.1	30.7	—
<b>Balance at period end<sup>(3)</sup></b> .....	<b>392.8</b>	<b>814.4</b>	<b>725.8</b>

- (1) Represents a loan received from a long-term partner of Seabed Geosolutions in the Middle East in connection with an awarded contract in this region, which was repaid in March 2020 after the termination of the project. For Financial Year 2019, this loan is reflected as held for sale and consequently excluded from the table above. The loan to the long-term partner amounted to €16.8 million as at 31 December 2019 and was fully repaid in 2020.
- (2) Lease liabilities as of 31 December 2019 and 31 December 2020 reflect the adoption of IFRS 16. The amounts included above as of 31 December 2019 and as of 31 December 2020 exclude Seabed Geosolutions, which is classified as held for sale and presented as discontinued operations from 1 January 2019 onwards. Total lease liabilities for Seabed Geosolutions were €0 million and €6.1 million as of 31 December 2020 and 31 December 2019, respectively.
- (3) The current portion of lease liabilities for 2019 has been restated retrospectively to correct for an error, where in 2019, the Group erroneously used the expected interest payment over 2020 as a proxy for the discount of the current portion of the lease liability. This

resulted in a €7,764 thousand understatement of the current portion of the lease liability and a €7,764 thousand overstatement of the non-current portion of the lease liability. There was no impact on profit and loss or on equity, and total lease liabilities remained the same.

The following table presents the maturity of the liabilities of the Group as of 31 December 2020:

(€ x million)	Payments due by period			Total
	Up to 1 year	1-5 years	More than 5 years	
Term Loan EUR 200 million	11.2	228.1	—	239.3
Subordinated unsecured convertible bonds in EUR 190,000 .....	60.8	-	—	60.8
Subordinated unsecured convertible bonds in EUR 100,000 .....	4.5	113.5	—	118.0
Lease liabilities .....	27.2	81.9	66.0	175.2
Other long-term borrowings .....	1.2	1.3	0.2	2.7
<b>Total .....</b>	<b>104.9</b>	<b>424.9</b>	<b>66.2</b>	<b>596.0</b>

### Financing Arrangements

In connection with the Refinancing, the Company and certain of its subsidiaries entered into the Credit Facility Agreement with the Lenders and Coöperatieve Rabobank U.A. as agent and Security Agent.

The Credit Facility Agreement consists of the €250.0 million Revolving Credit Facility and the €200.0 million Term Loan.

#### *Revolving Credit Facility*

The Revolving Credit Facility may be utilised by any current or future borrower under the Revolving Credit Facility in Euro, US dollar (subject to all-lenders consent) or any other readily available and freely convertible currency approved by all the Lenders by drawing of loans or ancillary facilities (overdraft facilities, subject to a cap of €50.0 million), subject to the Term Loan being utilised in full. Amounts borrowed under the Revolving Credit Facility may be used for financing general corporate and working capital purposes of the Group, including the acquisitions of companies, businesses or otherwise and repayment at par of the 2017 Convertible Notes in connection with the put option of the holders of the 2017 Convertible Notes in 2022.

#### *Term Loan*

The Term Loan has been drawn in full on 15 December 2020 and was applied towards refinancing amounts outstanding under the previously existing €575 million revolving credit facility. Any amount prepaid under the Term Loan may not be reborrowed.

#### *Interest and Fees*

Loans under the Revolving Credit Facility will initially bear interest at rates per annum equal to EURIBOR or, for loans denominated in a currency other than euro, LIBOR, plus an initial margin of 4.25% per annum (based on the Leverage (as defined below) of the Group on 14 December 2020). The following margin ratchet will apply based on Leverage (defined as Total Net Debt (as defined in the Credit Facility Agreement, and including IFRS 16 lease liabilities) to Adjusted Consolidated EBITDA (as defined in the Revolving Credit Facility Agreement)):

Leverage Ratio	Margin
Greater than 3.00:1	5.50
Equal to or less than 3.00:1 but greater than 2.50:1	5.00
Equal to or less than 2.50:1 but greater than 2.00:1	4.25
Equal to or less than 2.00:1 but greater than 1.50:1	3.50
Equal to or less than 1.50:1	2.75

A utilisation fee is payable on the aggregate amount outstanding under the Revolving Credit Facility at a rate of 0.2% in case less than 33⅓% of the Revolving Credit Facility is outstanding, 0.4% in case less than 66.0% of the Revolving Credit Facility is outstanding and 0.6% in case 66⅔% or more of the Revolving Credit Facility is outstanding. An additional 0.25% per annum US dollar utilisation fee is payable for loans drawn in US dollars. A commitment fee of 35.0% per annum of the applicable margin is payable on the aggregate undrawn and un-cancelled amount of the Revolving Credit Facility from 14 December 2020 to the end of the availability period for the Revolving Credit Facility.

Loans under the Term Loan will initially bear an interest rate per annum equal to EURIBOR, plus a margin of 5.50% per annum. The interest rate will increase by (i) 0.5% every six months from and including the date which is one year after 14 December 2020 and (ii) 0.75% every six months from and including the date which is two years after 14 December 2020.

Default interest for both the Revolving Credit Facility and the Term Loan is calculated as an additional 1.00% per annum on the overdue amount.

The Company is also required to pay other customary fees, including but not limited to agency fees to the facility agent and the Security Agent and an arrangement fee to the arrangers in connection with the Revolving Credit Facility and the Term Loan. Break costs also apply in certain circumstances.

#### *Repayments*

All outstanding amounts under the Revolving Credit Facility will be repaid on the maturity date, which is three years after 14 December 2020, subject to a one-year extension option that is subject to all-lenders consent. Amounts repaid by the borrowers on loans made under the Revolving Credit Facility may be reborrowed during the availability period of the facility, subject to certain conditions.

The Term Loan will be repaid in full on the maturity date, which is the date falling three years after 14 December 2020. The Company is required to use all reasonable efforts to refinance the Term Loan with either a senior secured notes issuance on commercially acceptable market terms or an alternative instrument provided that the rights of the finance parties shall at all times rank prior to the rights of the creditors under such alternative instrument.

#### *Amendment upon senior secured notes issuance*

In the event that the Term Loan is refinanced with the proceeds of a senior secured notes issuance, certain amendments will be made to the Credit Facility Agreement and Intercreditor Agreement (as defined below) to reflect market-standard terms for a "super senior" revolving credit facility and senior secured notes capital structure. Such amendments to the Credit Facility Agreement will include amendments to financial definitions, change of control definition, events of defaults and covenants to mirror the terms of the senior secured notes and the replacement of the financial covenants with a "springing" leverage ratio covenant, resulting in a more covenant-lite super senior revolving credit facility.

#### *Voluntary and Mandatory Prepayments*

The Revolving Credit Facility and the Term Loan allow for voluntary prepayments (subject to *de minimis* amounts). The Revolving Credit Facility and the Term Loan also permit each lender to require the mandatory prepayment of all amounts due to that lender upon a change of control. In addition, the net proceeds of a sale of substantially all of the assets of the Group, a sale of Seabed Geosolutions or other asset dispositions (less any reasonable expenses and taxes related to such disposals) and insurance proceeds (other than certain excluded disposal and insurance proceeds), shall be applied towards, first, mandatory prepayment of the Term Loan and, second, cancellation of available commitments under the Revolving Credit Facility, third, prepayment of amounts and corresponding commitments under the Revolving Credit Facility and fourth, repayment and cancellation of ancillary facilities. In addition, an amount equal to Excess Cashflow (as defined in the Credit Facility Agreement) shall be applied in prepayment of the Term Loan, provided the aggregate of available cash of the Group and available commitments under the Revolving Credit Facility will not be less than €315.0 million, pro forma for the cash sweep. A material other event that results in a lender's commitments being cancelled and its participations becoming payable is the inability of such lender to perform its obligations under the Credit Facility Agreement due to illegality.

#### *Guarantees*

The Company and certain subsidiaries of the Company (the "**Guarantors**") will provide a guarantee of all amounts payable to the finance parties under the Credit Facility, subject to limitations imposed by applicable law and certain agreed security principles.

Subject to the agreed security principles and certain exemptions, the Company is required to ensure that, as soon as practicable, but in any event within 60 days of delivery to the Agent of the quarterly or annual financial statements:

1. each member of the Group that is or becomes a Material Company (which definition includes, among other things, any member of the Group that has (a) EBITDA representing 5.0% or more of consolidated EBITDA of the Group or (b) gross assets (excluding all right-of-use assets and goodwill) representing 5.0% or more of the consolidated gross assets of the Group) has become a Guarantor of the Credit Facility, has acceded to the Intercreditor Agreement and has provided security; and
2. the Guarantors represent not less than 85% of EBITDA of the Group and not less than 70% of gross assets (excluding all right-of-use assets and goodwill) (the "**Guarantor Test**"),

provided that if the Guarantor Test is not met in respect of the first, second or third quarter of any financial year but the Guarantor Test in respect of that quarter is at least 80% of EBITDA or 65% of gross assets (excluding all right-of-use assets and goodwill) of the Group, respectively, the Company will not be obliged to have members of the Group accede in order to meet the Guarantor Test.

#### *Security*

The Revolving Credit Facility and Term Loan will be secured by first-ranking security interests over (i) all present and future equity interests in each of the Guarantors, (ii) all bank accounts of the Guarantors, (iii) all intercompany loan receivables of the Guarantors, (iv) vessels owned by the Guarantors incorporated in the Netherlands with an individual book value of at least €10.0 million and (v) all other assets of the Guarantors, including (a) real estate property with a book value of more than €5.0 million and (b) intellectual property rights, in each case, subject to

agreed security principles, including cost-benefit analysis. The security package will be shared on a *pari passu* basis with a number of bilateral guarantee facility providers and hedge counterparties of the Company (if any) (see – "Intercreditor Agreement").

#### *Representations and Warranties*

The Credit Facility Agreement contains customary representations and warranties (subject to exceptions and qualifications and with certain representations and warranties being repeated), including: status and incorporation; binding obligations; non-conflict with constitutional documents, laws or other obligations; power and authority; validity and admissibility in evidence; governing law and enforcement; insolvency; deduction of tax; no filing or stamp taxes; no default; no misleading information; financial statements; ranking; no litigation; compliance with environmental laws; intellectual property; security and indebtedness; good title to assets; no environmental claims; taxation; no breach of laws; 403 declarations; sanctions; anti-money laundering, anti-bribery and anti-corruption.

#### *Financial covenants*

The Credit Facility Agreement contains three financial covenants, that are tested quarterly, beginning with the first full financial quarter that ends after 14 December 2020:

- Interest cover ratio: The ratio of Adjusted Consolidated EBITDA (as defined in the Revolving Credit Facility Agreement) to consolidated interest expenses should be at least 2.50:1, calculated on a post-IFRS 16 basis.
- Leverage ratio: The ratio of Total Net Debt to Adjusted Consolidated EBITDA (both as defined in the Revolving Credit Facility Agreement) should be no greater than 3.25:1, calculated on a post-IFRS 16 basis.
- Solvency ratio: The ratio of consolidated net worth to consolidated balance sheet total should be at least 1.00:3.00.

#### *Dividends*

The Credit Facility Agreement prohibits the Company from paying dividends for 18 months from 14 December 2020. After such date, dividends are permitted, provided that Leverage is below two times on the two immediately preceding testing dates and not reasonably expected to be two times or higher on the two next testing dates.

#### *Other covenants*

The Credit Facility Agreement contains additional customary undertakings (which are subject to exceptions and qualifications), including but not limited to covenants relating to: restrictions on incurring additional financial indebtedness; restriction on more than €150.0 million letters of credit, bond or guarantees outstanding; anti cash hoarding; negative pledge; restrictions on loans; credit and equity contributions; restrictions on mergers, acquisitions and disposals; restrictions on capital expenditure; restrictions on the buyback of the 2017 Convertible Notes; maintenance of guarantor and security coverage; further assurances; maintenance of authorisations; compliance with laws and sanctions; change of business; insurance; environmental compliance; preservation of assets; *pari passu* ranking; taxation; and access.

The Credit Facility Agreement also contains information undertakings under which, among other things, the Company is required to deliver to the facility agent annual, semi-annual and quarterly financial statements, compliance certificates and an annual budget. In addition, the Company is required to deliver to the facility agent a monthly results presentation until the Term Loan has been repaid.

#### *Events of Default*

The Credit Facility contains events of default (subject in certain cases to customary grace periods, materiality thresholds and exceptions), including non-payment; breach of the financial covenants, information undertakings and sanctions provisions; breach of other obligations; misrepresentation; cross default on financial indebtedness (subject to a €10.0 million threshold); insolvency or insolvency proceedings; creditors' process; unlawfulness; repudiation of finance documents; cessation of business; an event or circumstance which has or is reasonably likely to have a material adverse effect; tax status; ownership of the Guarantors; litigation; audit qualifications; and breach of the terms of the Intercreditor Agreement by any member of the Group that is a party to the Intercreditor Agreement.

#### *Governing Law*

The Credit Facility Agreement is governed by and construed in accordance with Dutch law.

#### **Intercreditor Agreement**

As part of the Refinancing, the Lenders, certain of the Company's other creditors, the Company and certain of its subsidiaries, and the Security Agent entered into an intercreditor agreement, which became effective on 14 December 2020 (the "**Intercreditor Agreement**"). The Intercreditor Agreement governs the relationship between the Group's creditors and provides the mechanism for enforcing the collateral that is granted to such creditors to secure the Group's indebtedness. The Intercreditor Agreement includes, among other provisions, a waterfall structure for the distribution of any proceeds resulting from enforcement of security among the Lenders and the other creditors that are a party thereto. Broadly speaking, the proceeds are first applied pro rata in repayment of amounts owed to and/or cancellation of the Credit Facility Agreement, a number of bilateral guarantee facilities and

hedge counterparties of the Company that have been designated as ranking alongside liabilities under the Credit Facility Agreement. Subsequently, the proceeds will be applied pro rata in repayment of amounts owed to and/or cancellation of other permitted facilities agreements (if any), senior secured notes issued (if any) and any hedging liabilities that are not designated as ranking alongside liabilities under the Credit Facility Agreement, and subsequently against any remaining liabilities under a secured debt document. Finally, the remaining balance (if any) will be paid to the relevant debtor.

The Intercreditor Agreement also provides for the subordination of any intragroup receivables owed by the Company and its subsidiaries that are party to it. The Intercreditor Agreement is governed by the laws of England.

### **2016 Convertible Notes**

On 26 October 2016 the Company issued €190.0 million aggregate principal amount of 4.00% unsecured notes due 26 October 2021 (the "**2016 Convertible Notes**"), of which an aggregate principal amount of €58.9 million was outstanding as at 30 December 2020. The 2016 Convertible Notes were issued in minimum denominations of €100,000. The 2016 Convertible Notes are trading on the Open Market (*Freihverkehr*) segment of the Frankfurt Stock Exchange.

The 2016 Convertible Notes are unsecured obligations of the Company and convertible into Ordinary Shares or certificates, for so long as such Ordinary Shares are represented by certificates, (the "**Conversion Securities**"). The obligations of the Company to make any payment on or in respect of the 2016 Convertible Notes are subordinated to the rights of the creditors under the Credit Facility.

Interest on the 2016 Convertible Notes accrues at a rate of 4.00% per annum and is payable in cash semi-annually in arrears on 26 April and 26 October of each year.

Up to 30 September 2020, the Company repurchased €39.1 million (on a nominal basis) of its 2016 Convertible Notes at a discount. In December 2020, the Company repurchased an aggregate principal amount of €92 million of 2016 Convertible Notes.

#### *Redemption*

At any time, the Company may redeem the 2016 Convertible Notes in whole, but not in part, at 100% of the principal amount plus accrued interest if 15% or less of the aggregate principal amount of the 2016 Convertible Notes remains outstanding, subject to giving a minimum of 30 days' and maximum of 60 days' prior notice to the trustee and the holders of the 2016 Convertible Notes.

At any time, the Company may redeem the 2016 Convertible Notes in whole, but not in part, at 100% of the principal amount plus accrued interest in certain circumstances if as a result of any change in tax law in any applicable tax jurisdiction, the Company would become obligated to pay additional amounts in respect of payments on interest on the 2016 Convertible Notes, subject to giving a minimum of 30 days' and maximum of 60 days' prior notice to the trustee and the holders of the 2016 Convertible Notes.

#### *Change of Control*

Upon the occurrence of certain events constituting a Change of Control (as defined in the terms and conditions of the 2016 Convertible Notes), the Company may be required to redeem the 2016 Convertible Notes at 100% of the principal amount plus accrued interest.

#### *Conversion*

The 2016 Convertible Notes are convertible into Conversion Securities at the option of the holder thereof from the 41<sup>st</sup> day following the issue date until the seventh day prior to the maturity date or, if the 2016 Convertible Notes are to be redeemed at the option of the Company prior to the maturity date, until the seventh business day prior to the relevant date fixed for redemption. If a change of control occurs, holders of the 2016 Convertible Notes will, for a period of 60 days following such change of control, have the right to convert the 2016 Convertible Notes at the Change of Control Conversion Price (as defined in the terms and conditions of the 2016 Convertible Notes).

The initial conversion price of the 2016 Convertible Notes was €19.4416 per Conversion Security. The conversion price is subject to adjustment in certain circumstances. Adjustments have taken place in connection with the cornerstone placement that took place on 30 November 2020, the Offering, the Share Subscription Offering and the capital reduction of the Ordinary Shares. At the date of this Prospectus, the conversion price was €25.5674 per Conversion Security.

The Company has the right to convert all but not part of the 2016 Convertible Notes on or after 18 November 2019 under certain conditions if the Parity Value (as defined in the terms and conditions of the 2016 Convertible Notes) has been at least €150,000 on at least 20 business days in any period of 30 consecutive business days ending not earlier than 5 business days prior to giving the relevant notice, and only if the Company has available sufficient authorised Ordinary Shares free of pre-emption rights to satisfy the conversion in full, subject to giving a minimum of 30 days' and maximum of 60 days' prior notice to the trustee and the holders of the 2016 Convertible Notes.



### *Covenants and Events of Default*

The terms and conditions of the 2016 Convertible Notes contain certain covenants that, subject to a number of important qualifications and exceptions, among others things:

1. restrict the ability of the Company to consolidate or amalgamate with or merge into another entity (other than where the Company is the continuing entity) or sell, lease or transfer assets;
2. require the Company to maintain share capital free of pre-emption rights sufficient for a conversion of all outstanding 2016 Convertible Notes;
3. require the Company to undertake all reasonable endeavours to ensure that the Conversion Securities issued will be admitted to Euronext Amsterdam and will be listed, quoted or dealt in on any stock exchange or securities markets; and
4. require the Company to undertake all reasonable endeavours to cause that application is made for the 2016 Convertible Notes to be admitted to trading on the Open Market segment of the Frankfurt Stock Exchange.

In addition, the terms and conditions of the 2016 Convertible Notes include a negative pledge for subordinated capital markets indebtedness and contains certain customary events of default, including a cross-acceleration event of default with a threshold of €15.0 million. The occurrence of any of the events of default would permit the acceleration of all obligations outstanding under the 2016 Convertible Notes.

### *Governing Law*

The 2016 Convertible Notes, and the rights and duties of the parties thereunder, are governed by Dutch law.

### **2017 Convertible Notes**

On 2 November 2017, the Company issued €100.0 million aggregate principal amount of 4.50% unsecured notes due 2 November 2024 (the “**2017 Convertible Notes**”). The 2017 Convertible Notes were issued in minimum denominations of €100,000. The 2017 Convertible Notes are admitted to trading on the Open Market (*Freiverkehr*) segment of the Frankfurt Stock Exchange.

The 2017 Convertible Notes are unsecured obligations of the Company and convertible into Conversion Securities. The obligations of the Company to make any payment on or in respect of the 2017 Convertible Notes are subordinated to the rights of the creditors under the Credit Facility and the Sale-and-Leaseback (as defined herein).

Interest on the 2017 Convertible Notes accrues at a rate of 4.50% per annum and is payable in cash semi-annually in arrears on 2 May and 2 November of each year.

### *Redemption*

At any time, the Company may redeem the 2017 Convertible Notes in whole, but not in part, at 100% of the principal amount plus accrued interest if 15% or less of the aggregate principal amount of the 2017 Convertible Notes remains outstanding, subject to giving a minimum of 30 days' and maximum of 60 days' prior notice to the trustee and the holders of the 2017 Convertible Notes.

At any time, the Company may redeem the 2017 Convertible Notes in whole, but not in part, at 100% of the principal amount plus accrued interest in certain circumstances if as a result of any change in tax law in any applicable tax jurisdiction, the Company would become obligated to pay additional amounts in respect of payments on interest on the 2017 Convertible Notes, subject to giving a minimum of 30 days' and maximum of 60 days' prior notice to the trustee and the holders of the 2017 Convertible Notes.

Each 2017 Convertible Note is redeemable at the option of the holder thereof on 2 November 2022 at 100% of the principal amount plus accrued interests, subject to giving notice a minimum of 45 days and a maximum of 90 days prior to 2 November 2022 to the principal paying, transfer and conversion agent or any conversion agent.

### *Conversion*

The 2017 Convertible Notes are convertible into Conversion Securities at the option of the holder thereof from the 41<sup>st</sup> day following the issue date until the seventh day prior to the maturity date or, if the 2017 Convertible Notes are to be redeemed at the option of the Company prior to the maturity date, until the seventh business day prior to the relevant date fixed for redemption. If a change of control occurs, holders of the 2017 Convertible Notes will, for a period of 60 days following such change of control, have the right to convert the 2017 Convertible Notes at the Change of Control Conversion Price (as defined in the terms and conditions of the 2017 Convertible Notes).

The initial conversion price of the 2017 Convertible Notes was €14.9412 per Conversion Security. The conversion price is subject to adjustment in certain circumstances. The conversion price was adjusted in connection with the cornerstone placement that took place on 30 November 2020, the Offering, the Share Subscription Offering and the capital reduction of the Ordinary Shares. At the date of this Prospectus, the conversion price was €19.6490 per Conversion Security.

The Company has the right to convert all but not part of the 2017 Convertible Notes on or after 23 November 2020 under certain conditions if (i) the Parity Value (as defined in the terms and conditions of the 2017 Convertible Notes) has been at least €150,000 on at least 20 business days in any period of 30 consecutive business days ending not earlier than 5 business days prior to giving the relevant notice, and only if the Company has available sufficient authorised Ordinary Shares free of pre-emption rights to satisfy the conversion in full, subject to giving a minimum of 30 days' and maximum of 60 days' prior notice to the trustee and the holders of the 2017 Convertible Notes.

#### *Covenants and Events of Default*

The terms and conditions of the 2017 Convertible Notes contain certain covenants that, subject to a number of important qualifications and exceptions, among others things,:

1. restrict the ability of the Company to consolidate or amalgamate with or merge into another entity (other than where the Company is the continuing entity) or sell, lease or transfer assets;
2. require the Company to maintain share capital free of pre-emption rights sufficient for a conversion of all outstanding 2017 Convertible Notes;
3. require the Company to undertake all reasonable endeavours to ensure that the Conversion Securities issued will be admitted to Euronext Amsterdam and will be listed, quoted or dealt in on any stock exchange or securities markets; and
4. require the Company to undertake all reasonable endeavours to cause that application is made for the 2017 Convertible Notes to be admitted to trading on the Open Market segment of the Frankfurt Stock Exchange.

In addition, the terms and conditions of the 2017 Convertible Notes include a negative pledge for subordinated capital markets indebtedness and contains certain customary events of default, including a cross-acceleration event of default with a threshold of €15.0 million. The occurrence of any of the events of default would permit the acceleration of all obligations outstanding under the 2017 Convertible Notes.

#### *Governing Law*

The 2017 Convertible Notes, and the rights and duties of the parties thereunder, are governed by Dutch law.

#### ***Sale-and-Leaseback***

##### *Overview and Structure*

On 23 December 2015, the Company entered into sale and leaseback arrangements for the Fugro Scout and Fugro Voyager vessels (the "**Sale-and-Leaseback**"). Each lease is documented in a charter agreement (as amended from time to time, the "**Charter Agreement**") between the respective owner (either ICON Scout Pte. Ltd. or ICON Voyager Pte. Ltd., neither of which is affiliated to the Company, together, the "**Owners**") and the charterer (either Fugro Singapore Marine Pte. Ltd. or Fugro Netherlands Marine B.V., the "**Charterer**"). The Charter Agreement is governed by English law. The obligations under the Charter Agreement are guaranteed by the Company under a guarantee and indemnity deed for each vessel (as amended from time to time, the "**Guarantee**"). The Guarantee is governed by English law.

##### *Cancellation, Purchase Option, Termination Events and Financial Covenants*

The lease term is twelve years from the date of delivery, which is 24 December 2015 for Fugro Scout and 8 January 2016 for Fugro Voyager, unless cancelled earlier. The Owners have the right to cancel the lease on the fifth anniversary of the lease and on each anniversary thereafter, provided that no termination event has occurred and the charterers have not exercised their purchase option. The Charterer has the right to purchase the vessels beginning on the third anniversary of the lease term commencement and as of each anniversary date thereafter until the eleventh anniversary. The Charter Agreement contains customary representations and warranties, covenants and termination events, including non-compliance by the Company with the financial condition included in the Guarantee. If a termination event occurs, the Owners will have the right to sell the vessels to the Charterer and/or the Company, to terminate the lease and/or sell the vessels to another third party. In case of a change of control in respect of the Company, the Charter Agreement contains purchase and repurchase options in respect of the vessels. In case these options are not exercised, the Charterer has to remit a penalty equal to the net present value of the remaining charter hire payments outstanding and redeliver the vessels to the Owners.

The Guarantee contains the same financial covenants as included in the Credit Facility Agreement. Breach of these financial covenants could lead to a termination right under the Sale-and-Leaseback. In connection with such termination right, under certain circumstances, the Company could become liable for an amount of up to €50.0 million under each of the Fugro Scout and Fugro Voyager guarantees. If this payment is triggered, borrowings under any other debt instruments that the Group has outstanding, including the Credit Facility Agreement, that contain cross-acceleration or cross-default provisions may also be accelerated or become payable on demand, together with accrued and unpaid interest and other fees payable thereunder.

## Commitments Not Included In the Statement of Financial Position

In Financial Year 2018, the Group had non-cancellable operating rentals in the amount of €315.3 million, that are not reflected in the statement of financial position for this Financial Years. Starting with Financial Year 2019, due to the implementation of IFRS 16, all the Group's leases are accounted for in its statement of financial position, except for short term leases and leases of low value items.

(€x million) , undiscounted values	2020	2019 <sup>(1)</sup>	2018
Non-cancellable operating rentals .....	—	—	
Less than one year.....	—	—	71.6
Between one and five years .....	—	—	144.6
More than five years .....	—	—	99.1
<b>Total .....</b>	<b>—</b>	<b>—</b>	<b>315.3</b>

(1) Financial Year 2020 and 2019 numbers are zero as a result of the implementation of IFRS 16 pursuant to which leases are accounted for on-balance sheet, except for certain short-term and low-value leases.

In addition, the Group had bank guarantees, standby letters of credit and bid and performance bonds outstanding under a variety of facilities in the amount of €89.0 million as of 31 December 2020 that are not reflected in the statement of financial position. Other than those items, the declarations of joint and several liability the Group have filed for a number of the Company's subsidiaries at the Dutch Chambers of Commerce, parent guarantees issued for commercial reasons, the guarantee issued in relation to the United Kingdom pension schemes (see "—Employee pensions") and the fiscal unity for corporate tax formed by the Company and its Dutch operating companies, the Group has not entered into any other off-balance sheet arrangements that have or are reasonably likely to have a current or future material effect on the Group's financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

### Employee pensions

The Group makes contributions to a number of pension plans, both defined benefit plans as well as defined contribution plans, that provide pension benefits for employees upon retirement in a number of countries. The most significant plans relate to plans in the Netherlands, the United Kingdom and the United States.

In the Netherlands, until the end of 2018, the Group operated a defined benefit pension plan based on average salary. The pension entitlements from this plan are insured with an insurance company that guarantees the accrued pension entitlements. As of 31 December 2018, this pension plan was terminated and has been replaced by a new defined contribution pension plan. The new defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions to an external pension fund provider and as such the Group has no legal or constructive obligation to pay any additional amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss for the periods during which services are rendered by relevant employees. The accrued pension entitlements up to 2018 will remain with the insurer and indexation will be provided to these accrued pension entitlements for active participants. The termination of this pension plan resulted in a gain of €9.6 million in profit in Financial Year 2018, which was partly offset by €1.8 million of costs on the United Kingdom pension schemes following the recording of the GMP equalisation effect in Financial Year 2018. This gain forms part of past service costs presented.

In the United Kingdom, the Group operates two defined benefit pension schemes. Fugro Holdings operates a final salary defined benefit pension scheme. The scheme is an HMRC registered pension scheme and is subject to standard UK pensions and tax law. The Robertson Research International Group Pension Scheme ("RRI") is a funded, defined benefit pension plan. The pension schemes were closed in 2002 (RRI) and 2016 (Fugro Holdings), respectively. The pension schemes' assets are held in separate trustee-administered funds. The schemes include indexation in line with the retail price index. The Company issued a guarantee in relation to these pension schemes.

In the United States, the Group operates a 401K defined contribution plan for its employees. The Group contributes towards the deposits of its employees in accordance with agreed rules and taking into account the regulations of the IRS, the United States tax authority.

The present value of the defined benefit obligations for all plans in aggregate amounting to €542.2 million exceeds the fair value of the plan assets of €494.9 million, resulting in a deficit in the plans of €47.4 million as of 31 December 2020, compared to €49.0 million as of 31 December 2019, €36.8 million as of 31 December 2018. In the next six years, the Group plans to be contributing to the plan to reduce this deficit. The aggregated deficit includes a surplus of €10.8 million from the RRI, which is funded (as of 31 December 2019: €8.4 million). The Group's annual contribution to the UK schemes together is expected to increase each year by 10%.

### Quantitative and Qualitative Disclosures About Market Risk

The Group's activities expose it to a variety of market risks, including foreign currency exchange risk and interest rate risk. To manage these risks and the Group's exposure to the unpredictability of financial markets, the Group seeks to minimise potential adverse effects on its financial performance and capital. As at the date of this Prospectus, the Group does not engage in material hedging transactions with derivatives. Up to the Refinancing in

December 2020, the Group applied hedge accounting for the net investments in foreign operations with certain financial liabilities as hedging instruments.

The following discussion and analysis only addresses the Group's market risk and does not address other financial risks which the Group faces in the normal course of business, including credit risk and liquidity risk. For an overview of the Group's financial risk management and financial instruments, see the Consolidated Financial Statements and the related notes incorporated by reference in this Prospectus.

### **Foreign currency risks**

The global nature of the Group's business exposes its operations and reported financial results and cash flows to the risks arising from fluctuations in exchange rates. The Group's business is exposed to currency risk whenever it has revenues in a currency that is different from the currency in which it incurs the costs of generating those revenues. In the case that the revenues can be offset against the costs incurred in the same currency, the balance may be affected if the value of the currency in which the revenues and costs are generated varies relative to the euro. Cash inflows and outflows of the operating segments are offset if they are denominated in the same currency. This means that revenues generated in a particular currency balance out costs in the same currency, even if the revenues arise from a different transaction than that in which the costs are incurred. As a result, only the unmatched amounts are subject to currency risk. In addition, the Group holds cash balances in local currencies in certain countries where it is difficult to transfer cash abroad or to convert it to US dollars or euro at short notice.

To mitigate the impact of currency exchange rate fluctuations, the Group continually assesses the exposure to currency risks and, if deemed necessary, a non-material portion of those risks is hedged by using derivative financial instruments. The principal derivative financial instruments used to cover foreign currency exposure are forward foreign currency exchange contracts. The amount of outstanding forward foreign exchange contracts at 31 December 2020 was equal to €2.4 million. An amount of €9.3 million (31 December 2019 €15.2 million) is in Angolan Kwanzas which is subject to currency risk at 31 December 2020. The hedge on the investment on foreign operations is fully effective. Consequently all exchange differences relating to this hedge have been accounted for in other comprehensive income. The Group is sensitive to translation differences resulting from translation of its operations in non-euro currencies to euro. Within the Group, translation differences are not hedged.

Interest on borrowings is denominated in the currency of the borrowing. Generally, borrowings are denominated in currencies that match the cash flows generated by the underlying operations of the Group, primarily the euro, the US dollar and the British pound. This provides an economic hedge without derivatives being entered into and therefore hedge accounting is not applied in these circumstances.

Up to the Refinancing, the Group hedged the foreign currency exposure in US dollars for net investment in foreign operations in the United States with the US dollar part of the incumbent revolving credit facility as hedging instruments. Up to the Refinancing, foreign currency differences arising on the (re-)translation of a financial liability designated as a hedge of a net investment in a foreign operation were recognised in other comprehensive income to the extent that the hedge was effective, and was presented and accumulated within equity in the translation reserve. To the extent that the hedge was ineffective, such differences were recognised in profit or loss.

After the Refinancing, the incumbent US dollar revolving credit facility has been redeemed. At that time, Fugro discontinued hedge accounting for the net investment in foreign operations. Fugro ceased to recognise any foreign currency differences on the designated hedging instruments in other comprehensive income as part of the foreign currency translation reserve from the date of discontinuation. The cumulative foreign currency differences on the hedging instrument relating to the effective portion of the hedge that has been accumulated in the foreign currency translation reserve in other comprehensive income remains there, until the hedged net investment is disposed of. Upon disposal, the translation reserve is transferred to profit or loss.

### **Interest rate risks**

The Group is exposed to risks related to changes in interest rates. The Group's liabilities bear both fixed and variable interests. This exposes the Group to fluctuations or variability in interest payments due to changes in interest rates. If interest rates increase, the Group's interest expense will also increase. Additionally, increases in interest rates would cause financing to be more expensive for future projects and acquisitions and would increase the cost of the Group's short-term borrowings. The Group's objective is to limit the effect of interest rate changes on its results by matching long term investment with long term (fixed interest) financing as much as possible. Currently, there are no interest rate hedges in place.

### **Significant Accounting Policies, Estimates and Uncertainties**

The Consolidated Financial Statements, incorporated by reference in this Prospectus, are prepared in conformity with IFRS as adopted by the European Union and Part 9 of Book 2 of the Dutch Civil Code, which requires the Group to make a number of estimates and assumptions. The Trading Update which included by reference in this Prospectus is derived from the recognition and measurement principles of IFRS, which also requires the Group to make a number of estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, liabilities, income and expenses, and the disclosure of contingent assets and liabilities. Estimates and

assumptions may differ from future actual results. The estimates and assumptions that the Group considers most critical and that have a significant inherent risk of causing a material adjustment are the following:

#### ***Impairments***

Impairment analyses, including in relation to property, plant and equipment and intangible assets, are performed whenever a triggering event has occurred to determine whether the carrying amount exceeds the recoverable amount. Goodwill is at least tested for impairment annually. For the purpose of goodwill impairment testing, the Group allocates goodwill to the cash-generating units. The recoverable amounts of an asset or cash-generating unit is the higher of its value in use and its fair value less costs of disposal. In assessing the value in use, the estimated future cash flows from the continuing use of the asset or cash generating unit are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit. The calculation of the value in use is based on the key assumptions listed in note 20 of the 2020 Consolidated Financial Statements. Key assumptions include growth rates, the discount rate and long-term EBIT margin.

Impairment analyses in relation to financial assets such as trade receivables, unbilled revenue on (completed) projects and other receivables are performed in accordance with the IFRS 9 expected credit loss model. Reference is further made to note 24 of the 2020 Consolidated Financial Statements.

#### ***Leases***

The Group's lease portfolio consists of vessels, property and equipment. The lease liability, right-of-use asset, interest expense and depreciation are impacted by the lease term, lease payments and discount rate. Key estimates, judgements and uncertainties with respect to the aforementioned areas are disclosed in note 19 of the 2020 Consolidated Financial Statements.

#### ***Deferred tax***

Recognised deferred tax assets are dependent on future taxable profits in excess of profits arising from the reversal of existing taxable temporary differences. The recognised amounts relate to tax groups that are profitable or are expected to be profitable in the foreseeable future. As of 31 December 2020, the Group had recognised deferred tax assets in an amount of €36.6 million and unrecognised deferred tax assets in an amount of €284.5 million (of which €11.2 million expire in five years or less). See note 17 of the 2020 Consolidated Financial Statements for further information on the Group's deferred tax assets, including the assumptions used in recognition and measurement of deferred taxes.

#### ***Employee benefits***

Actuarial assumptions are established to anticipate future events and are used in calculating pension and other post-retirement benefit and liabilities. These factors include assumptions with respect to interest rates, expected investment returns on plan assets, rates of future compensation increases, turnover rates and life expectancy. Actuarial gains and losses related to defined benefit plans are accounted for in other comprehensive income. See note 30 of the 2020 Consolidated Financial Statements for further information about the actuarial assumptions related to employee benefits.

#### ***Provisions***

The Group also makes assumptions used in estimating the effect of legal claims, asset retirement obligations and onerous contract provisions. The provisions in respect of onerous contracts are based on the obligation that the Group has with counterparties involved and represent the best estimate of the obligations. See note 31 of the 2020 Consolidated Financial Statements for further information about the provisions for other liabilities and charges.

#### ***Disposal group held for sale and discontinued operations***

Seabed Geosolutions has been presented as a disposal group held for sale and a discontinued operation since 30 June 2019. The unanticipated delay in the planned divestment was caused by circumstances beyond the control of the Company. The Group took action to respond to the change in circumstances and continued to pursue divestment of its stake in Seabed Geosolutions. On 30 March 2021, this resulted in the Group reaching a binding agreement with PXGEO Seismic Services Limited (PXGEO) to sell certain assets and the related business of its subsidiary Seabed Geosolutions for \$16 million (approximately €14 million) in cash. Completion of the divestment is expected for mid-2021, subject to customary closing conditions, with proceeds delivered to the Company at that time. The Group will retain the Hugin Explorer vessel as well as certain other assets and liabilities, including (i) potential liabilities related to claims by Magseis Fairfield against the Group relating to alleged infringement by Seabed Geosolutions of certain US patents owned by Magseis Fairfield and (ii) potential liability of the Group to, and claims of the Group against, ARGAS relating to events surrounding the termination of a contract with Saudi Aramco. Pending completion, Seabed Geosolutions remains classified as a disposal group held for sale and presented as a discontinued operation. The cash proceeds are in line with the book value of the divested business. The Group expects the proceeds cover anticipated restructuring costs and other cash liabilities related to wind down of the remaining parts of the Seabed Geosolutions' organisation. The negative EBIT impact, related to the restructuring and associated costs, is estimated at €8-10 million. This excludes potential liabilities related to claims by Magseis

Fairfield against the Group relating to alleged infringement by Seabed Geosolutions of certain US patents owned by Magseis Fairfield and potential liability of the Group to, and claims of the Group against, ARGAS relating to events surrounding the termination of a contract with Saudi Aramco.

#### **Recent Developments**

On 30 March 2021, the Group reached a binding agreement with PXGEO Seismic Services Limited (PXGEO) to sell certain assets and the related business of its subsidiary Seabed Geosolutions for \$16 million (approximately €14 million) in cash. See also "—Disposal group held for sale and discontinued operations

## BUSINESS

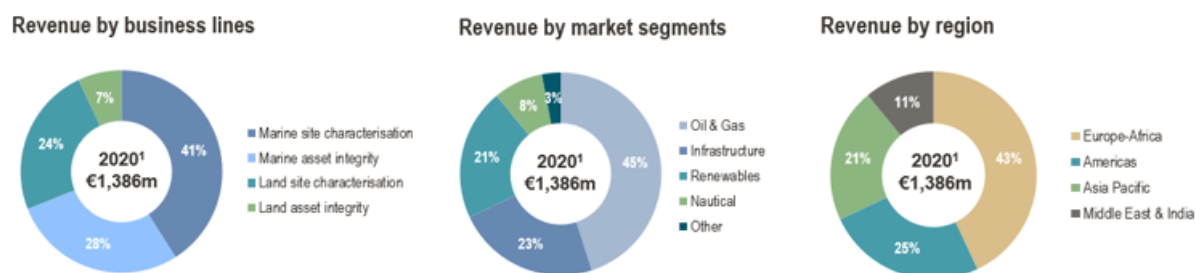
Certain information in this section relating to market environment, market developments, growth rates, market trends, industry trends, competition and similar information are estimates based on data compiled by governmental and professional organisations, consultants and analysts. Certain projections and other information set forth in this chapter have been derived from external sources, including, among others, the IEA (2020) Global Energy Review, the IEA (2019) Offshore Wind Outlook, the BP Energy Outlook 2020, the 4C Offshore Global Market Overview (Q1 2021), the Rystad Energy Covid-19 Report (January 2021), Rystad Energy Service Demand Cube database (January 2021), the Global Data Construction Intelligence Centre (January 2021), the International Monetary Fund (IMF) World Economic Outlook Update (January 2021), the Population Division of the UN Department of Economic and Social Affairs (UN DESA) World Urbanization Prospects (2018 Revision). The Group believes that these industry publications, surveys and forecasts are reliable, but the Group has not independently verified them and cannot guarantee their accuracy or completeness. Additional factors, which should be considered in assessing the usefulness of the market and competitive data, are described elsewhere in this Prospectus, including those set out in the chapter entitled "Risk Factors".

### Overview

The Group believes it is the world's leading Geo-data specialist, collecting and analysing comprehensive information about the Earth's surface, subsurface and the structures built upon it. The Earth is complex and continuously changing. Understanding this complexity is essential for designing, building and maintaining assets in a responsible manner. The Group's expertise allows its clients to safely and sustainably develop, design and operate their infrastructure, plants, structures and buildings. The Group provides a full range of services throughout the life cycle of clients' assets, starting with the acquisition of Geo-data, through to analytics of Geo-data and critical advisory services. This combination of acquisition, analysis and advisory services is reflected in the Group's integrated "triple-A" approach, which the Group uses to unlock insights from Geo-data to help its clients position, design, build and operate their assets in a safe, reliable, sustainable and efficient manner. This "triple-A" approach adds value for clients throughout the lifecycle of their assets, from project initiation, construction and operation until decommissioning. The Group serves a broad range of clients whose needs range from smaller, more modest assignments to the most challenging, multidisciplinary and integrated projects.

The Group is currently organised into four geographical regions: (i) Europe-Africa (E-A), (ii) Americas (AM), (iii) Asia Pacific (APAC) and (iv) Middle East & India (MEI). In each region the Group offers services for marine and land environments and operates the same four business lines: Marine Site Characterisation, Marine Asset Integrity, Land Site Characterisation and Land Asset Integrity. The Group's other activities consist of Seabed Geosolutions. On 30 March 2021, the Group reached a binding agreement with PXGEO Seismic Services Limited (PXGEO) to sell certain assets and the related business of Seabed Geosolutions, which is expected to be completed mid-2021. Within the four business lines, within all regions, the Group provides services to clients throughout the four market segments (Oil & Gas, Infrastructure, Renewables and Nautical). In Marine, the Group believes it offers the widest breadth of services amongst companies that are active in both site characterisation and asset integrity solutions, and in Land, the Group believes it is one of the few companies to offer integrated services across the world. The Group believes its ability to provide solutions throughout the full lifecycle of offshore wind farms, operational offshore platforms, high-rise buildings, industrial facilities, airports, bridges, tunnels, levies and other infrastructure, power line grids, railway tracks and pipelines distinguishes it from its competitors in terms of both site characterisation and asset integrity. The Group applies its innovative and often proprietary technology and solutions to serve clients in energy and infrastructure, both offshore and onshore, with a differentiating strength being the combination of innovation in technology and integrated digital solutions for its clients.

The following charts illustrate a breakdown of the Group's revenue from continuing operations in 2020 by business lines, by market segments and by geographical regions, respectively.



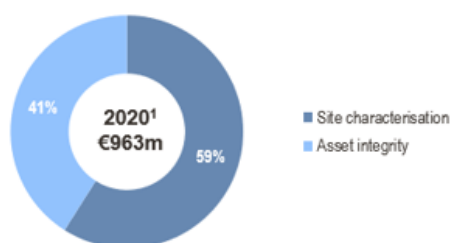
<sup>1</sup> Figures from continuing operations (excl. Seabed)

Source: Company data

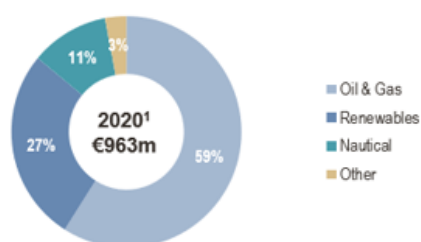
The following charts illustrate a further breakdown of the Group's revenue in 2020 by business lines and market segments for the Group's Marine and Land business, respectively.

## Marine business – Revenue split by market segments and by business lines

Marine business lines



Marine market segments

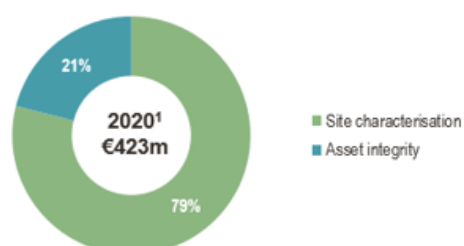


1 Figures from continuing operations (excl. Seabed)

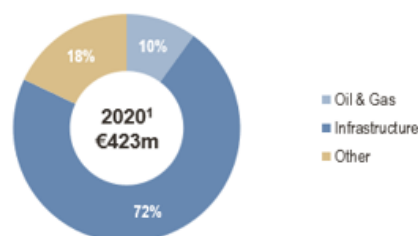
Source: Company data

## Land business – Revenue split by market segments and by business lines

Land business lines



Land market segments



1 Figures from continuing operations (excl. Seabed)

Source: Company data

The world is in a period of intense and accelerating change, including population growth, increasing wealth, urbanisation and climate change. The Group believes such key global developments make its services more critical than ever as over the coming decades they will lead to an increasing demand for energy, water, food, roads, rail, buildings, airports and flood defence. Moreover, technology is changing faster than ever before. This is affecting virtually every industry, opening up new opportunities for different, more effective ways of working. These global trends also lead to major challenges for the world, most notably climate change. The energy mix, infrastructure and built environments have to evolve if tomorrow's problems are to be solved in a sustainable manner. Through the Group's integrated digital solutions, it supports clients in dealing with the challenges of today and tomorrow. The Group therefore believes that the current long-term global developments will have a positive impact on the long-term growth of its key end markets and businesses. The Group's ambition is to support the transition towards carbon neutrality, sustainable infrastructure and climate resilience. For its own operations, the Group targets to be carbon neutral by 2035.

For clients in each of its key market segments Oil & Gas, Infrastructure, Renewables and Nautical the Group provides multiple services over the full lifecycle of assets, serving its diversified and long-standing client-base globally, from a local presence, providing them operational excellence through highly skilled staff and a flexible asset base. The Group is led by an experienced management team that is delivering on the Group's 'Path to Profitable Growth' strategy, which is based on the objectives of capturing the growth in energy and infrastructure markets, differentiating through integrated digital solutions and leveraging core expertise in new growth markets. The implementation of this strategy is supported by a clear focused approach on four enablers: people, clients, operational excellence and innovation.

The Company is a public limited liability company incorporated under Dutch law, with its corporate seat and headquarters in Leidschendam, the Netherlands. Until the moment the Ordinary Shares will be listed on Euronext Amsterdam, the Company's Certificates are listed on Euronext Amsterdam, as part of the Midkap index, the AMX (symbol: FUR). The Group has a market capitalisation of €928.197 million as of market close on the Latest Practicable Date. In Financial Year 2020 and Financial Year 2019, the Group reported (in each case from continuing operations) revenues of €1,386.3 million and €1,631.3 million, respectively, a loss of €72.0 million and €36.8 million, respectively, and Adjusted EBITDA of €162.0 million and €184.9 million, respectively.

## History

The Company was founded by Kees Joustra in 1962 as an onshore geotechnics company, named *Ingenieursbureau voor Funderingstechniek and Grondmechanica*, which translates as Engineering Company for Foundation



Technology and Soil Mechanics, in short 'Fugro'. In 1987, the Company was incorporated as Fugro McClelland B.V. a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) after the acquisition of its main competitor McClelland Engineers. After the acquisition of John E. Chance & Associates in 1991, the Company rapidly expanded to Australia, Singapore, Hong Kong, Saudi Arabia, the United States, France and England. In 1992, the need for more financial headroom to fund further growth led the Company to list on the Amsterdam Stock Exchange, making the Company a public limited liability company (*naamloze vennootschap met beperkte aansprakelijkheid*). The Company's name changed to Fugro N.V. in 1994.

In 2002, alongside Geotechnics and Survey, the Group introduced its third division, Geoscience. In 2003, the Group completed its largest acquisition to date by acquiring Thales Geosolutions. With this acquisition, the Group's position in the offshore survey market was strengthened and it became active in the development of remotely operated vehicles and deep-water diving operations. The Group continued its modernisation and expansion, with the addition of five seismic vessels and five multi-purpose vessels in the period from 2006 to 2008. The year 2008 marked a special year for the Group, as it acquired 19 companies, was included in the AEX index and received the *Koning Willem I Award*—the most prestigious recognition a company in the Netherlands can be awarded for excellence in entrepreneurship, endeavour and innovation. In 2013, the Group divested its exploration related seismic activities, which constituted the majority of its Geoscience division to CGG S.A., and combined its development seismic activities in the joint venture Seabed Geosolutions. The Group decided to focus on its activities providing site characterisation and asset integrity services, both in Marine and Land, and set-up its four global business lines Marine Site Characterisation, Marine Asset Integrity, Land Site Characterisation and Land Asset Integrity in 2016. As a consequence, the Group exited the marine construction and installation market in 2017 and designated its stake in Seabed Geosolutions as non-core.

The Group has acquired CGG's shareholding in Seabed Geosolutions, effective 30 December 2019, in order to facilitate this divestment. The buy-out of CGG's 40% non-controlling interest was achieved in stages, with 15% transferring immediately in 2019, and the transfer of the remaining 25% being completed in the first quarter of 2020. On 30 March 2021, the Group reached a binding agreement with PXGEO Seismic Services Limited (PXGEO) to sell certain assets and the related business of its subsidiary Seabed Geosolutions for \$16 million (approximately €14 million) in cash. Completion of the divestment is expected for mid-2021, subject to customary closing conditions, with proceeds delivered to the Company at that time.

## Strengths

The Group believes a number of key factors give it a competitive advantage, including:

### **World's leading Geo-data specialist**

The Group believes it is the world's leading Geo-data specialist with leadership market share positions in its core businesses. In Marine, the Group believes it offers the widest breadth of services amongst companies that are active in both site characterisation and asset integrity solutions, and in Land, the Group believes it is one of the few companies to offer integrated services across the world. Furthermore, the Group believes it is the global number one or number two participant in almost all the businesses in which it operates. The tables below detail the Group's competitive position in both the Marine and Land sectors.

#### Fugro's competitive position<sup>1</sup>

Marine	
Hydrography	1 Global
Geophysical Survey	1 Global
Geotechnical Investigation	1 Global
Geoconsulting	1 Global
Metocean	1 Global
Positioning & Construction Support	2 Global
Satellite Positioning	1 Global
ROV & Tooling	3 Global
Inspection Services (IRM)	2 Global

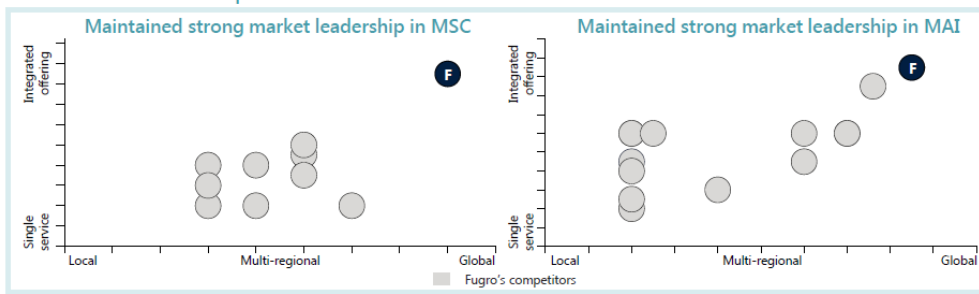
Land	
Geotechnical Investigation	1 Nearshore 2 Global
Road Inspection & Advice	1 USA
Power Line Inspection & Advice	2 Australia

<sup>1</sup> Management estimates.

Source: Company data

In relation to the Marine sector, the charts below show the Group's strong market position in Marine Site Characterisation (MSC) and Marine Asset Integrity (MAI).

### Marine market landscape<sup>1</sup>

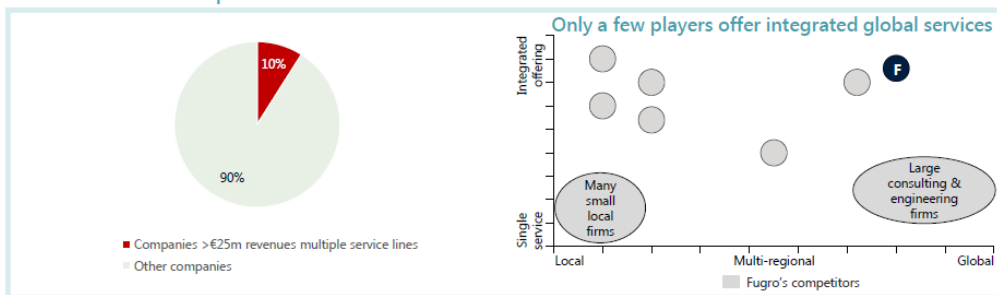


1 Management estimates.

Source: Company data

The charts below show the Group's strong market position in the Land Sector.

### Land market landscape<sup>1</sup>

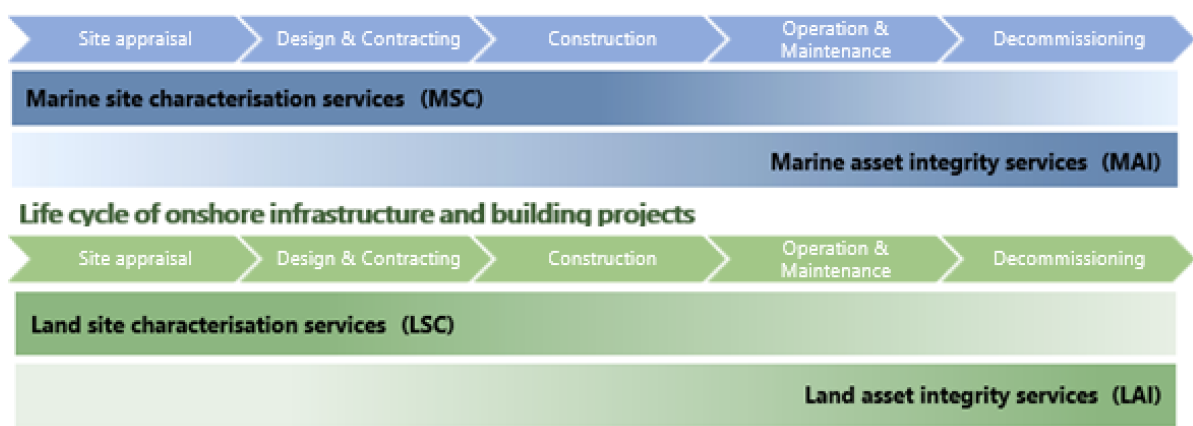


1 Management estimates.

Source: Company data

The breadth of the Group's services provides a key competitive advantage as the Group is able to provide its clients with an integrated service offering. The Group's Geo-data is essential to its clients for characterising their construction sites to facilitate the safe, reliable, cost effective and sustainable design and construction of their assets. The Group also provides information on the precise location and condition of assets, as they are being built and operated to optimise reliability, utilisation and longevity. For each of its Marine and Land Site Characterisation and Asset Integrity businesses, the Group is able to provide a full range of services and solutions for the life cycle of an asset. This process involves the acquisition of essential data, the analysis of this data to deliver critical information and the provision of advice that the Group's clients rely on to realise and operate their construction projects and infrastructure in a safer and more reliable, sustainable and efficient manner. This combination of acquisition, analytics and advisory services, as illustrated by the chart below, is reflected in the Group's integrated "triple-A" approach and, together with the Group's presence in both site characterisation and asset integrity, differentiates the Group from the competition of global and local participants who are fragmented both across services and geographically.

### Life cycle of offshore oil & gas and wind projects



Source: Company data

### **Critical and leading solutions provider in energy transition growth areas**

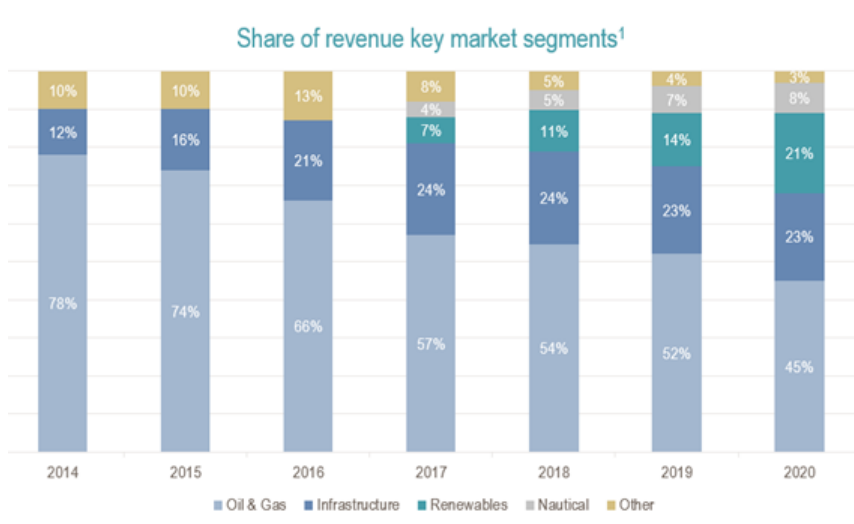
Critical and leading solutions provider in energy transition growth areas. The world is in a period of intense and accelerating change, as evidenced by population growth, rising urbanisation and climate change. These global developments, in particular climate change, lead to significant challenges for the world. Demand for energy continues to grow and drives policy around the globe to reduce carbon emissions. With its services and innovative solutions, the Group fulfils an important role in the ongoing energy transition. The Group's ambition is to support the transition towards carbon neutrality, sustainable infrastructure and climate resilience. For its own operations, the Group targets to be carbon neutral by 2035.

In 2020, the Group generated 21% of its revenues from the Renewables segment, mostly through its wide range of site characterisation and asset integrity services for the safe, efficient and sustainable development and construction of offshore wind farms. Initially a mostly European market, the Renewables market has increasingly become a global market in which the Group has a prominent position. In the Renewables segment, the Group has been able to leverage the overlap of assets, expertise, products and solutions of Renewables and Oil & Gas segments, as well as its long-standing relationships with European clients to expand to other geographies. Other actions that the Group has undertaken to diversify its business include: in the Oil & Gas segment, divesting non-core businesses such as trenching and cable laying, exiting the marine construction and installation business and the decision to sell Seabed Geosolutions; in the Infrastructure market, professionalising key account management with key clients in the engineering, procurement and construction segment as well as capitalising on the "triple-A" approach to ensure a safer, more reliable, sustainable and efficient planning and development; and in the Nautical segment, building relationships with naval and other governmental agencies who have an increasing desire to protect the oceans and coastal areas.

While the world transitions to more renewable energy sources, the Group continues to assist its clients who are active in the development of fossil fuels, while those remain an important part of the global energy mix, to safely, efficiently and responsibly develop (still vital) fossil fuels. The Group's technologies help identify and map oil see page from abandoned well sites and reduce the CO2 footprint of exploration activities and their environmental impact. In addition, the Group increasingly relies on its eight remote operations centres to manage data collection and analysis on autonomous vessels, which result in less personnel required on offshore locations, increasing safety while reducing the CO2 footprint for the Group and its clients. This, together with faster deliverables through cloud processing and automation, machine learning and an 'asset light'-strategy through mobile solutions, results in a quantifiable positive impact on sustainability for both the Group's Marine and Land businesses. The Group's innovations, such as autonomous vessels, mobile laser mapping systems and electric and CPT operations on land, will reduce the Group's and its clients' carbon footprint and increase efficiency and margins.

The Group itself is not directly involved in oil and gas exploration or production activities.

The following chart illustrates the Group's revenue share in its key market segments. The Group expects that its split of revenue share in the mid-term will continue in line with the trend it has seen from 2014 onwards.



<sup>1</sup> As of 2018, figures from continuing operations (excl. Seabed).

Source: Company data

### **Active in climate change adaptation and sustainable infrastructure growth areas**

Over the coming decades, population growth, economic development and urbanisation will result in increasing demand for energy, water, food, minerals, metals, housing, industrial plants and infrastructure. These global trends are also expected to lead to significant challenges for the environment and effects on climate change, including

such as extreme weather, flooding and water scarcity. As a result, the sustainable development and operation of the infrastructure, industrial plants, buildings and natural resources are becoming prominent concerns for the Group's clients. The Group is supporting and assisting its clients in the sustainable development and maintenance of their projects and assets and is expecting that demand for such climate change-related services (such as hydrography, water management and coastal resilience and protection work) to keep growing. The Group is also supporting the sustainable development of coastal and marine areas by actively contributing to Seabed 2030, an international initiative to map the entire ocean floor for scientific, environmental and economic purposes. The Group is a recognised private ocean science partner in initiatives led by the United Nations (including the UN Ocean Decade for Ocean Science), the International Hydrographic Organisation or the Intergovernmental Oceanographic Commission of UNESCO across the world.

In addition, the Group contributes to building and expanding modern infrastructure such as the safe, prompt and efficient maintenance and operation of power grids, railways and roads through cloud processing, automation and machine learning. In addition, the Group also provides services in connection with the positioning and inspection of its clients' assets.

#### ***Diversified and long-standing client base with limited concentration***

The Group has a wide and diversified client base, both across market segments and within each of the Group's key end market segments. In the Oil & Gas market segment, the Group provides its services to both oil and gas companies and services providers, such as construction and installation contractors and design and engineering companies. In the Renewables market segment, the Group works for both energy and utility companies and services providers, such as construction and installation contractors and design and engineering companies. In the Infrastructure market the Group's main client groups are government agencies, construction project developers, railroad operators, design and engineering contractors, construction and installation contractors and industrial companies. In the Nautical market, the Group's key clients are government agencies, port and harbour facilities, research institutes, telecom providers and shipping agencies. This wide and diversified client base results in the absence of significant client concentration, with only around 15 clients representing more than 1% of total revenues in 2020 each and typically no client representing more than 5% of total revenues in a single year. The Group's top clients vary from year-to-year, but typically include blue chip companies, such as Alcatel-Lucent, ENI, Equinor, Government of Hong Kong, Ørsted, Petrobras, Shell, TechnipFMC, Total, Trimble, and Woodside.

Within this broad client base, the Group has long-standing relationships with many of its clients, with some of those relationships going back decades, which in Group's view demonstrates the Group's client satisfaction and expertise. According to the feedback received from a number of key clients of the Group, the Group's clients especially appreciate its know-how, experience, technology, quality of services, integrated service delivery ("triple-A" approach) around the globe and strong safety performance.

#### ***Global player with local presence***

The Group has a global reach, with major hubs in each key region (Europe and Africa: Leidschendam, the Netherlands and Aberdeen and Wallingford, the United Kingdom; Americas: Houston, USA and Macaé, Brazil; Asia Pacific: Hong Kong, Singapore and Perth, Australia; Middle East and India: Dubai and Abu Dhabi, UAE) and a local presence in 61 countries in total. Although Europe still makes up a substantial part of the Group's total revenue, it has a well-balanced presence in each of its four regions, as illustrated by the chart below. Moreover, as an organisation benefitting from a global reach, the Group is able to offer its services throughout the year across geographies and seasons, reducing earnings volatility due to the Group's presence in diversified regional markets and economies, with standardisation of its services and solutions enabling the Group to deliver the same quality of integrated service packages to clients all over the world.

The Group combines its global reach with a local presence, with local offices being predominantly staffed by local employees. Often, large integrated projects can be fully resourced within the relevant regions. This ensures that the Group understands local business procedures, culture and traditions and allows the Group to compete against local participants, while, at the same time, drawing on its global reach, resources and expertise and the strength of group-wide cooperation.

#### ***Best in class, market agnostic asset base coupled with specialist workforce and strong safety culture***

The Group believes it is the only organisation with purpose-built geophysical and geotechnical vessels and that its fleet of 25 vessels is amongst the youngest in the industry (around 13 years vs. a useful life of up to 40 years), mitigating the need for substantial capital-intensive upgrades in the next few years. The Group's market agnostic asset base, expertise, products and solutions are able to serve clients across different end markets and geographies, providing the Group with flexibility to optimise utilisation, pricing and costs across multiple projects which are often in different sectors. The Group has further improved the flexibility of its fleet by focusing on a more balanced mix of paid working days between fully owned plus long-term charters on the one hand and short-term charters on the other hand, enabling the Group to meet demand variations during the course of a year and quickly relocate its fleet to meet revenue opportunities as required. Further, the Group is transitioning to a more asset light model, shifting toward more lightly crewed, sometimes uncrewed vessels and innovating to produce smaller, more modular and mobile solutions that can be remotely operated or operate autonomously. For example, the new

generation uncrewed surface vessels developed together with L3 ASV and SEA-KIT have a lower CO2 footprint, lower QHSSE exposure and can achieve higher operational time with increased accuracy compared to the Group's more traditional crewed surface vessels.

Clients value the Group for its operational excellence. As of 31 December 2020, the Group had approximately 9000 employees, with over 100 nationalities. The Group believes it is one of the largest employers of Geo-specialists in the world, employing, as of 31 December 2020, over 350 research and development engineers and 35 data scientists. The Group's highly skilled and trained staff also allows the Group to make optimal use of its state-of-the-art assets and provide high technology services and advice to clients.

Much of the Group's operations take place in challenging environments, hence safety is a key priority for the Group and also for its clients. Over the last decade, the Group has further developed and improved its equipment, systems and procedures and made significant improvements to its safety culture and performance. The Group continuously puts safety first by understanding the risks associated with its work and taking a proactive approach embedding appropriate safety standards and practices in its operations and workforce behaviour. This philosophy has been implemented in the Group's organisation-wide QHSSE management system. The Group continuously reviews potential areas for improvement and ensures, by thoroughly evaluating every incident and promoting visible leadership, a sense of responsibility throughout the organisation. The Group's clients value its outstanding safety performance (based on the Group's client research in 2018) and this is an important factor in acquiring and maintaining business from them. The Group's commitment to health and safety continues to be recognised by external organisations, as evidenced by the various awards and client recognitions that the Group and its employees have received (for example, the formal recognition by Abu Dhabi National Oil Company for safely completing the projects with solid Covid-19 mitigation measures in place, the 'Partnership of the Year 2019' award by Total E&P UK after the completion of 122 days of successful inspection, repair and maintenance operations across their offshore facilities and the site safety and environmental recognition award by the Airport Authority-Hong Kong Third Runway Division in recognition of excellent site safety management and performance and environmental commitment). For more information on the Group's risk management and safety framework, see also "—Environmental Matters and Safety".

#### ***Differentiation through innovation and digitalisation***

The Group believes one of its key differentiating strengths is that it combines innovations in technology into integrated digital solutions for its clients. The Group is fully leveraging technological developments in the fields of visualisation, robotics, connectivity and advanced analytics in order to offer safer, faster, more efficient and higher quality services; all in a more sustainable way. As a result, the Group is supporting its clients on their own digitalisation evolution, a strategic priority for most of the Group's clients (for example, BP and Woodside who are moving towards fully uncrewed inspections). In addition, the Group is investing in innovations that have a proven potential for increased efficiency (for example, a new seafloor drill that saves time by allowing for tool changes at the seafloor level, eliminating the need to retract the drill to the sea level) and adapting the Group's business to provide higher margins (for example, by combining and analysing data acquired in site characterisation projects that can be combined with data from asset integrity projects). Such innovations can often be deployed across multiple end markets. Finally, novel applications of core technical competencies may result in offering the Group's existing services to potentially large new markets (for example, visual monitoring of bridges to assess the safety of the structure). The Group has developed a customised go-to-market process focused on value-based contracts realising the full value of innovation and bringing to market innovations within two to three years. The Group is also safeguarding the products of its innovation with patents and trade secret protection, wherever possible.

#### ***Resilient operating model with flexibility to respond to market environment***

The Executive Leadership Team has extensive experience and a proven track record of proactively driving a change in strategy following the oil price downturn from 2014 to 2018, which lends credibility to successfully delivering on the Group's 'Path to Profitable Growth' strategy announced in November 2018. The management team has increased exposure to non-Oil & Gas markets, such as new growth Renewables and Nautical markets, increased the focus on contract profitability, moved to more value-based pricing (away from volume driven work) and a flexible asset base (through good availability of seasonal charters and well-balanced combination of owned and chartered vessels), began exiting unprofitable and non-core businesses and undertook the digital transformation of the business. The team is also responsible for a number of cost base reduction initiatives over the past few years, such as during the period from 2014 to 2018 reducing headcount and remotely operated vehicles, each, by more than 20% and also further streamlining the Group's fleet from 33 owned and 11 long-term chartered vessels at year-end 2014 to 25 owned and four long-term chartered vessels (excluding Seabed Geosolutions' vessel) at year-end 2020. All of the above initiatives have resulted in a more flexible and resilient operating model, enabling the Group to withstand shocks and volatility in the industry. The Group's resilience was tested as a result of the volatility and uncertainty experienced in response to the Covid-19 pandemic and consequential impact on energy demand and investments globally. Immediately after the Covid-19 outbreak, the Executive Leadership Team adjusted the Group's cost structure and operating model by minimising the use of short-term charters, third party equipment and contracted personnel, reducing prices, implementing a hiring and salary freeze, cutting executive pay, implementing measures to reduce the workforce by up to 10%, reducing the workforce overhead costs, discretionary expenses and capital expenditures, and further optimising the Group's service offering through rationalisation of geographic

footprint. The implementation of the cost reduction programme is fully effective and has resulted in, annualised savings of around €130 million, €10 million in excess of the initial target of €120 million; in 2020, savings of around €95 million have been realised. As a result, the Company was able to report a modest year-on-year decline in margins, despite the significant revenue decline. For more information on the key factors affecting the Group's results of operations, see also "Operating and Financial Review—Key Factors Affecting the Group's Results of Operations".

## **Strategy**

The Group will continue to implement the three strategic objectives of its 'Path to Profitable Growth' strategy announced in November 2018: (i) Capture growth in energy and infrastructure, (ii) Differentiate by integrated digital solutions and (iii) Leverage core expertise in new growth markets. In addition, the Group intends to maintain a conservative financial policy.

### ***Capture growth in energy and infrastructure***

In the long term, population growth and urbanisation are driving the growth of the energy and infrastructure markets in most of the countries in which the Group operates, leading to growth in spending on offshore and onshore renewable power and electricity networks, railways, roads, bridges, tunnels and other infrastructure.

The Group expects to grow its services and will target high-margin contracts within these markets, improving its asset utilisation and restructuring service offerings in selected countries. Building on the Group's leading market positions, its people, know-how, state-of-the-art technologies and assets, strong client relations, and global reach with local presence (for more information on the key factors contributing to the Group's competitive advantage, see "Business—Strengths"), the Group believes it is well positioned to capture the long-term growth in these markets.

In the Marine business lines, the Group intends to increase its integrated offering of acquisition, analysis and advice of Geo-data, strengthen key account management and improve value-based bidding. The Group will continue to improve vessel utilisation and its operational excellence in every area to drive client satisfaction and cost efficiencies.

In the Land business lines, the Group targets further growth of its share of large complex infrastructure projects as the Group is one of the few companies that can offer integrated Geo-data acquisition, analysis and advice. By strengthening its relationship with key clients in the engineering, procurement and construction segment, the Group ensures that it is engaged from the very start of their projects and deliver a lower cost and more effective solution for them over the project lifecycle. Moreover, the Group is taking restructuring measures, including some leadership changes, overall cost reductions and closure of certain land services in certain African countries, Oman, Qatar and France, aimed at specific services in certain countries that the Group expects to lead to higher margins, resulting in improvements to the overall profitability of the Group's Land business lines.

The Group will also continue recruiting the best in class personnel and training graduates and further implement an optimised pricing strategy across its business lines by transitioning towards more value-based contracts.

### ***Differentiate by integrated digital solutions***

The Group is committed to maintaining its differentiated position as the most innovative Geo-data company across the markets in which it operates. The Group aims to continue to do so with strong client involvement to efficiently focus its research and development efforts on less capital-intensive solutions for the Group's clients, such as autonomous vessels and remote operations that aim to reduce the overall cost of development and operation of the Group's clients' assets. The Group's emphasis on integrated digital solutions, and in particular autonomous vessels and remote operations, has provided and is expected to continue to provide the Group with a critical advantage over its competitors due to client's need to work remotely as a result of the Covid-19 pandemic.

The Group believes integrated digital solutions and flexibility between owned and chartered vessels are key in successfully serving clients across different end markets and adequately and swiftly reacting to changing market conditions. The Group will therefore increasingly pursue an asset light strategy, shifting towards more lightly crewed, sometimes uncrewed, vessels. The Group will accelerate the implementation of robotics and analytics across all its service lines. Autonomous assets are less capital intensive than those operated today for the same function. Therefore, the Group expects maintenance capital expenditure to remain at approximately €40 million to €60 million per year for the mid-term. The Group wants to maintain the flexibility to be able to serve clients across different end markets and geographies in a timely and cost-efficient manner.

The Group is also increasingly providing its clients with the Group's Digital Foundation: a digital, four-dimensional model combining all Geo-data acquired throughout the lifetime of the asset, artificial intelligence-driven analytics and related decision making. The resulting comprehensive web-based interface provides clients with (near) real-time insight into location and design optimisation, change detection and simulation, with the ultimate goal of reducing the overall costs of development and operation of the Group's clients' assets.

### ***Leverage core expertise in new growth markets***

While the Group is already strongly positioned in supporting clients in its core markets (Oil & Gas, Renewables and Infrastructure), it will continue to pursue further growth opportunities in these markets. The Group believes it is well positioned to leverage its existing expertise to develop new activities in adjacent and new markets. These new markets are driven by global trends such as population growth, urbanisation and climate change. For example, as the number and size of offshore wind turbines is growing, the need for inspection for repair and maintenance is increasing, especially in North-West Europe and on the east coast of the United States. The Group can use its existing expertise in asset integrity monitoring for existing offshore windfarms. The Group is further leveraging its core expertise and assets to expand into the Nautical market, such as in fresh water sourcing, coastal defence and flood protection. Due to its diversified fleet, the Group is well positioned to support the growing demand in the Nautical market, allowing it to understand the characteristics of the oceans to manage diverse risks and opportunities. This growing demand originates from an increased need to acquire information about the ocean, the seabed, the sea level rise and coastal protection as a result of the main trends of climate change. The Group is committed to support diverse nautical clients' needs, including, for example, the growing market of cable route surveys for telecom infrastructure providers developing transatlantic communication infrastructures for their global networks.

### ***Maintain a conservative financial policy***

The Group intends to maintain a conservative financial policy. In addition to disciplined capital allocation, a key element of that policy is a focus on higher profitability through (i) volume growth in combination with continued disciplined cost management, benefiting from operating leverage and reduced investment needs due to state-of-the-art asset base, (ii) price recovery, driven by the Group being able to differentiate itself from its competitors and its ability to continue to supply wide-ranging services to the market, including during periods when demand will increase, particularly in the Oil & Gas and Renewables markets; and (iii) improved productivity and operational excellence through fully leveraging technology developments, increasing efficiencies in transactional and businesses processes through digitalisation, strengthening procurement, increasing the utilisation of assets and equipment and further leveraging of shared service centres. As a result of gradual improvement in profitability in combination with disciplined capital allocation, including selective technology differentiating acquisitions and divestment of non-core assets, the Group targets an annual positive free cash flow resulting in a reduction of net debt, deleveraging of the balance sheet, and consequently a net leverage<sup>1</sup> ratio below 1.5x (including the impact of IFRS 16). For more information on the mid-term targets, please see "Mid-term targets". The Group will only resume dividend payments once it considers its balance sheet to be sufficiently strong and net leverage is expected to structurally remain below 1.5x (including the impact of IFRS 16).

### **Strategy Implementation**

#### ***Covid-19 pandemic measures***

From the start of the Covid-19 pandemic in the first quarter of 2020, taking guidance from medical experts, the Group has been taking appropriate measures to keep its employees safe and healthy. This includes restrictions regarding non-essential travel, with international travel almost coming to a standstill. In addition, for those working at project sites, the Group has put additional mitigating measures in place, and marine staff follows strict crew-change protocols, including quarantine prior to mobilisation or crew rotation. Despite increased operational complexities, the Group has been able to adapt its processes and work procedures very quickly to this new reality and manages to continue its operations effectively. These measures were supported by an increasing demand for the Group's remote operations and communications tools.

In March 2020, when it became clear that the Covid-19 pandemic and deterioration of the oil and gas market would seriously impact the Group's business, the Group started implementing a cost-reduction program. This included minimising the use of short-term charters, third party equipment and contracted personnel, price reductions, a hiring and salary freeze, a cut on executive pay, measures to reduce the workforce by up to 10%, reducing overhead costs and further optimising service offering through rationalisation of the Company's geographical footprint. Based on these actions, the Group achieved approximately €95 million in 2020 as a result of these cost savings and approximately €130 million in annualised cost savings in 2021, which is €10 million in excess of the initial target of €120 million.

The Group is assessing the potential availability and impact of Covid-19 vaccines on its operations in 2021. Based on discussions with medical experts and current understanding of the various Covid-19 vaccines and their expected availability, the Group estimates that it will be well into the second half of 2021 before the benefits will potentially allow easing of the current Covid-19 restrictions and protocols in the workplace. Until such time arrives, the Group will continue to include rigorous management and response protocols in its approach to projects, tenders and client discussions.

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<sup>1</sup> Leverage is the ratio of Total Net Debt (including all debt and IFRS 16 lease liabilities, but not including guarantees unless called and not reimbursed) to Adjusted Consolidated EBITDA (both as defined in the Credit Facility Agreement) (measured quarterly on the basis of Total Net Debt on the measurement date and rolling 12 months Adjusted Consolidated EBITDA (both as defined in the Credit Facility Agreement)).



### *Environmental, social and government related topics*

Environmental, social and governance ("ESG") related topics feature more prominently in discussions with clients, investors and other stakeholders, including the Group's employees. The Group works closely with its clients and partners to build programmes to further improve safety and sustainability. The Group believes in sustainable development as a driver to help create a safe and liveable world. This requires balancing the short- and long-term interests of its stakeholders and integrating social and environmental factors into decision making.

The Group is committed to conduct its business safely, using innovation for continuous improvement, and to minimise the impact on the environment, reduce CO2 emissions while remaining compliant with relevant rules and regulations. The ESG topics with the highest priority for the Group's stakeholders and with the largest business impact, are at the center of the Group's sustainability approach; such as health and safety; diversity and inclusion; talent attraction, learning and development; emissions, energy use and energy transition; business ethics and compliance. These material topics support the Group's business objectives, purpose and contribution to five of the 17 United Nations (UN) Sustainable Development Goals ('Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all.', 'Goal 9: Build resilient infrastructure, promote sustainable industrialisation and foster innovation.', 'Goal 11: Make cities inclusive, safe, resilient and sustainable.', 'Goal 14: Conserve and sustainably use the oceans, seas and marine resources.' and 'Goal 15: Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss.') where the Group considers its contribution is most meaningful. The Group uses the Global Reporting Initiative (GRI) standards as a guidance and endorses the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.

The Group's focus on the energy transition relates to both the solutions that it provides, and the way in which it operates. The Group's ambition is to support the transition towards carbon neutrality, sustainable infrastructure and climate resilience. For the Group's own operations, the Group's ambition is to be carbon neutral by 2035, covering all direct and indirect emissions from its operations (scope 1 and scope 2 emissions specified in the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard). The Group has introduced programs that are dedicated to reduce the CO2 footprint of its vessels and other larger assets, among others by increasingly using lightly crewed vessels and remote services, as well as electrified and hybrid assets in the land site characterisation business line. For its physical offices, the Group targets at least 80% renewable energy consumption by 2025.

Safety is key to the Group's operations, therefore the Group is committed to provide a safe working place to its employees, contractors and clients. Additionally, the Group has a strong focus on health and safety, as it is an integral part of its operational management. Management is accountable for training of employees and a proactive approach, embedding appropriate standards and practices in operations and workforce behaviours.

The Group recognises the importance of fair pay and development opportunities for all, the need for diversity and inclusiveness at all levels within the organisation to tap into the broadest pool of talent, and a reduction of the Group's environmental footprint. The Group strives to be an equal opportunity employer that tries to value and promote diversity and to treat everyone with integrity and respect, irrespective of race, colour, religion, disability, national origin, genetic information, sex (including pregnancy), age, sexual orientation, gender (including gender identity and expression), marital status, protected veterans status, union affiliation, citizenship status or any other characteristic protected by applicable law.

The Group's global presence exposes it to regional and local laws, regulations, customs and practices, in at times, challenging political and economic environments. The Group is committed to adhere to applicable laws and regulations and the expectations of society at large, and to conduct business in a responsible manner. To ensure this, appropriate procedures and training are in place and the Group stimulates a culture that drives this commitment and adherence to its code of conduct throughout the organisation, and by its business partners.

Sustainability is part of the portfolio of the Chief Executive Officer ("CEO"). The Group's Global Director Safety & Sustainability coordinates the Group-wide development and implementation of the sustainability framework and reports directly to the CEO.

### **Mid-term targets**

*In this paragraph, the use of "mid-term" should not be read as an indication of any particular financial year. The below targets assume there will be no worsening of the Group's business related to effects from the Covid-19 pandemic beyond such effects that are reasonably foreseeable as of the date of this Prospectus. Any escalation of the Covid-19 pandemic, including any actions by businesses and governments in response to such escalation, may have an adverse impact on the Group's business.*

For the mid-term, the Company targets an EBIT margin of 8–12%, ROCE of 10-15% and a free cash flow of 4-7% of revenue, on expected revenues of €1.6–2.0 billion.

Drivers for the targeted improvement in profitability are mid-term revenue growth on the back of further diversification through strong growth in renewables, disciplined management of costs, working capital and liquidity, value-based pricing, digital transformation to increase efficiency and reorganisations.



In light of the Group's current asset base and less capital-intensive business model going forward, the Group expects average annual capital expenditure of around €80-110 million to support profitable organic growth (excluding Seabed Geosolutions) or €100-130 million (including Seabed Geosolutions).

For 2020, the Group had an Adjusted EBIT margin of 3.5%, free cash flow of 7.6% of revenues, revenues of €1.4 billion, capital expenditures of €81.2 million and ROCE of 4.6%. While the Group's mid-term targets relate to unadjusted EBIT margin, the Group does not expect nor forecast specific items.

## **Industry trends**

### **Sources of Information Presented in this section**

*The information presented in this section is taken or derived from a number of third party sources where indicated. Certain statements are based on the Company's own proprietary information, insights, opinions or estimates, see "Important Information—Market and Industry Information". Certain long-term projections and other information derived from third party sources set forth in this section were published prior to the onset of the Covid-19 pandemic and its impact on the global economy, including on industry sectors mentioned in this section. As of the date of this Prospectus, it is uncertain whether – should they be updated – such long-term projections and other information would be materially affected. The long-term projections and other information derived from third party sources and published after the onset of the Covid-19 pandemic may or may not take into account the Covid-19 pandemic and all of its potential repercussions.*

### **Market Trends**

Population growth, urbanisation, climate change and technology are key global developments that are shaping the world. The 2018 Revision of World Urbanization Prospects produced by the Population Division of the UN Department of Economic and Social Affairs (UN DESA) notes that the world population will grow by approximately 2.0 billion in comparison with today, while over 2.5 billion people are moving into urban areas by 2050, providing enormous challenges for infrastructure around the world. Rapidly developing technologies with connected devices and robotics enable more remote solutions, which can deliver sustainable operations. The Group believes that, advanced analytics, deep learning algorithms and artificial intelligence can be embedded in all operating routines, although cyber security is a key concern in this respect. With the growing necessity of a strong global response to limit climate change and its impact on society, an imminent and meaningful change in the world's energy mix is essential. The Group expects that increasingly, extreme weather patterns lead to the need to protect people and build safe living conditions.

In addition, the Group notes that governments, companies, and other organisations are increasingly experiencing active engagement by diverse stakeholder groups into their commitment to a more future proof world. Societal expectations regarding an organisation's contributions in the fields of ESG related aspects, such as carbon emissions, inclusive working and business ethics are on the rise.

These global developments are resulting in multiple industry trends which impact the Group's markets. These trends relate to energy transition, sustainable infrastructure, climate change adaptation and digitalisation.

#### *Energy transition*

Businesses are adapting to a transformation of the global energy sector from fossil-based systems of energy production and consumption to renewable energy sources. Switching from non-renewable sources like oil, natural gas and coal to renewable energy is enabled by technological advancements and a societal push toward sustainability. Spurred by structural changes to energy supply, demand and prices, the energy transition aims to reduce energy-related greenhouse gas emissions through various forms of decarbonisation.

#### *Sustainable infrastructure*

Although utility and transportation infrastructure is the backbone of any economy, most infrastructure was built decades ago and has gone past its original lifespan, safety and design criteria. Climate impact and deferred maintenance compound the challenges owners of these critical assets and networks face. The Group believes that sustainability in infrastructure is about life-time extension, repair and replacement of existing aging infrastructure, and building smarter new infrastructure. Complementing data-driven decision making, on the basis of high tech sensors, with risk-based expert inspections and assessment can support better prioritisation of spending due to the onset of predictive asset management. The Group believes that a good understanding of the current status of infrastructure assets and the interaction with its ever evolving surroundings and subsurface environment, is essential to increase safety and reduce total cost of ownership.

#### *Climate change adaptation*

Climate change will lead to more challenges in the future, even if global efforts to reduce emissions prove to be effective. Extreme weather and climate-related events that result in hazards, such as floods and droughts, are expected to become more frequent and intense in many regions. This may lead to many adverse impacts on ecosystems, economic sectors, and human health and well-being. Therefore, actions to adapt to climate change are considered paramount and should be tailored to the specific circumstances in different parts of the world. Governments and society actively taking measures to counter and mitigate risks related to the sea-level rise by adequate coastal defence infrastructure and systems, levee reinforcements and acquiring detailed knowledge of

the oceans to prevent flooding. In regions facing severe dry seasons, the need for innovative water sourcing and water management solutions is expected to increase.

### *Digitalisation*

Technology is changing faster than ever before. With the advent of the so-called fourth industrial revolution, devices all over the world are increasingly digitally connected, opening up new opportunities. Robotics allow persons to do things remotely, and the Group believes advanced analytics, deep learning algorithms and artificial intelligence will be embedded in all operating routines. These technologies are believed to disrupt almost every industry in every country and change the way people work. Companies are embracing new digital technologies to increase efficiency and reduce overall asset management cost. However, this change is not without risk. If everything is connected, devices can be hacked and robots taken over and reprogrammed if not protected well. Cyber security is a key concern. For more information on the effect of cyber risks, see also "Risk Factors—Cyber risk and the failure to maintain the integrity of the Group's operational or security systems or infrastructure, or those of third parties with which the Group does business, could have a material adverse effect on the Group's financial condition and operating results".

### ***Covid-19 and short-term impact on the Company's key end markets***

Early 2020, the world was suddenly confronted with the outbreak of a global health crisis from the Covid-19 pandemic, which impacted economic growth and investment activities worldwide. In an effort to slow down the spread of Covid-19, governments around the world adopted various measures, such as extended shutdowns of certain non-essential businesses, social distancing requirements and travel restrictions, which have negatively affected and are still negatively affecting global economic activity. The pandemic crisis has had, and is likely to continue to have, major implications for global economies and the energy use. In the first quarter of 2020, the global energy demand declined by 3.8%, year-on-year, relative to the first quarter of 2019, followed by a slow recovery in demand in the second half of the year, according to the IEA (2020) Global Energy Review (All rights reserved.). Although a recovery of global GDP of 5.5% is expected in 2021, according to International Monetary Fund (IMF) World Economic Outlook Update, January 2021, new strains of the virus are resulting in ongoing lockdown measures and increasing uncertainty around the extent to which this recovery will materialise. The multiple vaccine approvals since end of 2020 and start of global vaccinations a turnaround of the pandemic is foreseen in 2021. According to Rystad Energy Covid-19 Report (January 2021), economic activity is speeding up again, resulting in expected GDP growth and strengthening oil demand and price. Since the outbreak of the pandemic, investment budgets across industries have been hit hard, especially in the oil and gas sector. According to Rystad Energy Service Demand Cube database March 2021, exploration and production companies have cut their investments by as much as 25% in 2020 as a result of the steep reduction in oil prices in the first quarter of 2020 following a decline in demand caused by the Covid-19 pandemic and the actions taken by the Organisation of Petroleum Exporting Countries and other major oil producing nations ("OPEC+"), among other factors. According to Rystad Energy Covid-19 Report (January 2021), global oil demand is considered to have bottomed in Q2 2020 and could return to near 2019 levels at the end of 2021. For more information on the effect of the disruptions related to widespread public health concerns, including Covid-19, see "Risks Relating to the Group's Industry —Disruptions related to widespread public health concerns, including the ongoing spread of, long-term continuation or escalation of the Covid-19 pandemic have and are likely to continue to adversely affect the Group's business, liquidity, financial condition and results of operations."

On the other hand, the impact of the Covid-19 pandemic on the renewables, infrastructure and nautical markets has been limited, due largely to the continued growth in the offshore wind market and to aggressive governmental incentive programs, which have been put in place to support economic activity and which bolster the infrastructure and nautical markets that are largely dependent on governmental budgets. Above all, the pandemic has accelerated and intensified the attention for global developments, most notably climate change.

### ***Energy***

#### *Oil and gas*

According to BP Energy Outlook 2020, the global economy continues to grow over the next 30 years, driven by increasing wealth and living standards in the developing world, albeit a slower rate than in the past. According to the same source, global GDP annual growth estimates average around 2.6% over the next 30 years and the expansion in global activity is supported by an estimated increase in the world population by over 2.0 billion people to around 9.6 billion by 2050. The increase in income, particularly in China and India, is reflected in an increase of GDP per head, resulting in an increase in energy consumption per head.

According to BP Energy Outlook 2020, oil and natural gas are expected to be a key source of energy in the medium to long term. Gas investments are expected to continue to grow driven by increasing energy demand and switching from higher carbon emission sources (coal in particular) to gas. As production from current producing fields declines, new investments will be required to meet global oil demand. According to Rystad Energy Service Demand Cube database January 2021, the deviation from the long-term due to Covid-19 has resulted in a short-term decline in investments and budgets cuts for the industry, but investments are expected to return to growth from 2022 onwards.

Offshore oil & gas market spend, USD billion

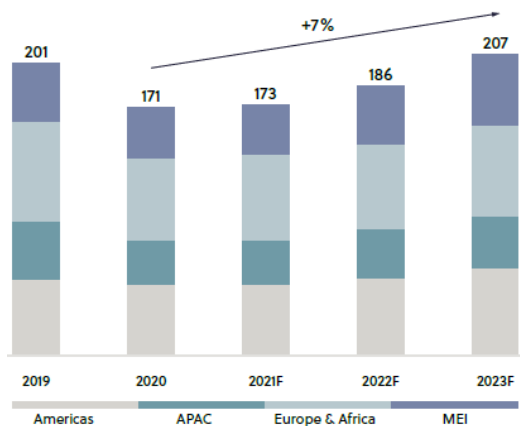


Figure 1: Offshore oil & gas market spend, US dollars billion (Source: Rystad Service Demand Cube, January 2021)

Offshore oil and gas spend is primarily driven by drilling and production activity and the number of sanctioned projects. The number of offshore final investment decisions (FIDs) has fallen to 39 in 2020, reflecting Covid-19 and lower oil price in 2020.

Number of offshore project final investment decisions

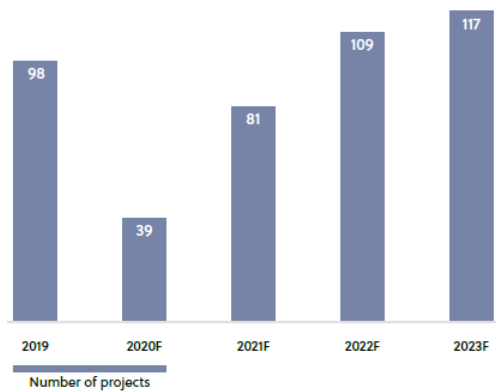


Figure 2: Number of offshore project final investment decisions (Source: Rystad Service Demand Cube, January 2021)

Looking ahead, investments are expected to gradually increase across the full life cycle of oil and gas projects, albeit to lower levels compared to 2012-2014.

### Renewables

The transition to low carbon energy resources will result in a fundamental shift in the global energy system. The demand growth in global energy in the upcoming decades is envisioned to be fully absorbed by a variety of renewable sources. The greater variety and growing share of renewable fuels means that the fuel mix is increasingly driven by customer choice rather than the availability of fuels. The IEA (2019) Offshore Wind Outlook (All rights reserved.) projects that the global offshore wind market, albeit smaller than the onshore market, grew nearly 30% per year between 2010 and 2018, benefitting from rapid technology improvements. The majority of the turbines has been so far installed in north-west Europe, but the trend is to rapidly expanding to other countries.

4C Offshore Global Market Overview (Q1 2021) Report projects that, over the next five years, many new offshore wind projects are scheduled to be completed around the world and installed capacity (medium to high certain projects) is expected to grow from 33 GW to 187 GW installed capacity between 2021 and 2030.

Below graph shows that, in line with global wind power capacity increases, offshore wind capital expenditure is projected to increase at a compounded annual growth rate of approximately 26% over the next 5 years, with a majority of the investments in Europe followed by Asia Pacific (APAC), while Americas shows a strong growth, albeit from a lower base.

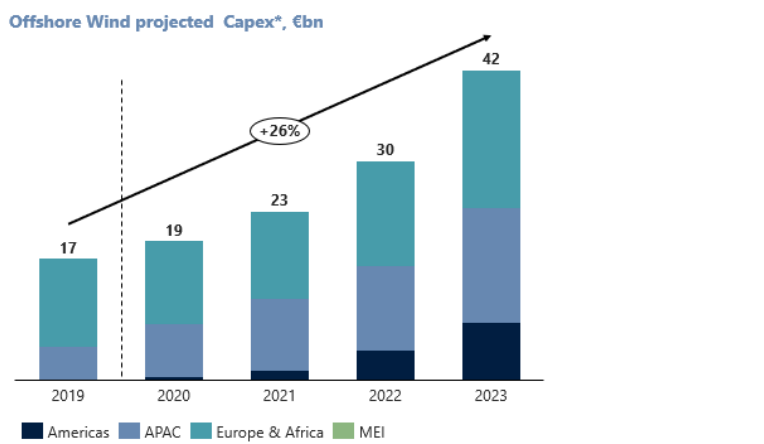


Figure 3: Offshore Wind projected Capex (\*excluding China), EUR billion (Source: 4C Offshore March 2021)

As the global offshore wind market grows, countries will increase their reliance on power generated from this source to meet demand. Activities such as inspections of cables and foundation, as well as monitoring of the asset integrity of offshore wind farms once fully operational will be increasingly important to prevent any issues that might cause the interruption of power supply.

### Infrastructure

Infrastructure investments are crucial for most advanced technologies and those at the early stages of development alike. The Group believes that, in mature economies, keeping pace with demand and building new and upgraded infrastructure is integral for efforts to sustain economic growth and that in developing economies, infrastructure can have a transformative impact on the lives of citizens and business prospects as roads are built, reliable electricity generation sources installed and clean water made available to all. The level of investments in infrastructure is directly correlated to economic growth. International Monetary Fund (IMF) World Economic Outlook Update, January 2021 notes that, although in 2020 the global GDP growth was negative due to the Covid-19 pandemic, it is expected that there will be a strong recovery from 2021 onwards. According to the Global Data Construction Intelligence Centre (January 2021), global infrastructure spend is expected to increase by approximately 29% between 2019 and 2024, from \$610 billion to \$784 billion. As investments in roads and electricity networks are expected to continue growing, there is an increasing need for competent site investigation, quality data collection and accurate interpretation and advice to assist construction management companies through condition monitoring and evaluation, contributing to the feasibility, design, engineering, construction, maintenance and decommissioning stages of buildings, highways, railways, bridges, tunnels, ports and airports.

### New growth markets

Coastal protection and land reclamation activities contribute to the sustainable growth of the water management sector. With rising sea levels threatening the viability of homes in coastal regions and deltas, the Group believes that, effective solutions for protection and water reclamation are crucial. Additionally, harsh weather patterns and natural disasters are increasingly impacting high density population areas in river deltas and low-lying areas. Coastal areas tend to have high population levels and will continue to be economically important. At the same time, increasingly cases of drought are resulting in low ground water levels, subsidence risk and foundation issues. All in all, the Group believes that these challenges are necessitating additional investments in general water management, flood protection and coastal defence projects.

The Group believes that global water security is related to scarcity, pollution and flood risk. These three challenges and their impact on people's daily lives are expected to intensify due to population growth, economic development, growing agricultural production and climate change on water availability, sea level rise and weather patterns. Growing water demand and declining precipitation in some regions will increase the pressure on the available resources, resulting in high levels of water stress in many regions.

In the Group's opinion, the effect of climate change, and the resulting need for mitigation measures to protect coast lines, also lead to a greater need for a thorough understanding of the oceans. This, in turn, increases the need for geospatial information. In general, the market for satellite positioning is set to continue to grow as a result of higher activity levels offshore, such as wind farm developments and maritime transport. This is compounded by increasingly remote technologies, innovations and increasing regulations regarding safety and sustainability.

### Business Lines

Until 2018, the Group was organised in a Marine, Land and Geoscience division. The Marine and Land division consisted each of two business lines: Site Characterisation and Asset Integrity. In 2019, the Marine and Land division were integrated at the top level. The Group is now managed by four regions which all operate the same four business lines (Marine Site Characterisation, Marine Asset Integrity, Land Site Characterisation and Land

Asset Integrity) and have the same 'blueprint' management structure in place. As a consequence of this reorganisation, the Group has changed its primary reporting to regional reporting, but the Group also continues to report key financials for what it now calls the Marine and Land businesses. Currently, the Geoscience division consists of Seabed Geosolutions.

The following is an overview of the services offered in the Group's four business lines: Marine Site Characterisation, Marine Asset Integrity, Land Site Characterisation and Land Asset Integrity. The Group's other activities take place in Seabed Geosolutions. The below table sets out the Group's revenue per division.

	Marine			Land			Total <sup>(1)</sup>		
	For the year ended 31 December								
(x € million)	2020	2019	2018	2020	2019	2018	2020	2019	2018
Oil and gas .....	573.0	808.8	796.6	44.2	41.5	46.3	617.2	850.3	842.9
Revenue growth (%)	(29.2)	1.5	9.2	6.5	(10.4)	(18.9)	(27.4)	0.9	7.2
Percentage of total (%)	41.3	49.6	51.3	3.2	2.5	3.0	44.5	52.1	54.3
Infrastructure ....	15.0	27.3	31.5	304.1	344.7	339.6	319.1	372.0	371.1
Revenue growth (%)	(45.1)	(13.3)	10.9	(11.8)	1.5	4.9	(14.2)	0.2	5.4
Percentage of total (%)	1.1	1.7	2.0	21.9	21.1	21.9	23.0	22.8	23.9
Renewables.....	263.8	214.4	171.7	31.4	19.3	—	295.2	233.7	171.7
Revenue growth (%)	23.0	24.9	64.8	62.7	—	—	26.3	36.1	64.8
Percentage of total (%)	19.0	13.1	11.1	2.3	1.2	—	21.3	14.3	11.1
Nautical .....	106.3	108.5	79.1	2.3	0.1	—	108.6	108.6	79.1
	(2.0)			2,200.			—		
Revenue growth (%)		37.2	39.3	0				37.3	39.3
Percentage of total (%)	7.7	6.7	5.1	0.2	0.0	—	7.8	6.7	5.1
Other <sup>(2)</sup> .....	5.0	12.6	7.0	41.2	54.2	80.9	46.2	66.8	87.9
Revenue growth (%)	0.6	80.0	(75.4)	(24.0)	(33.0)	(15.0)	(30.8)	(24.0)	(28.9)
Share of total revenue	0.4			3.0			3.3		
(%)		0.8	0.5		3.3	5.1		4.1	5.6
		1,171.	1,085.				1,386.	1,631.	1,552.
<b>Total .....</b>	<b>963.1</b>	<b>6</b>	<b>9</b>	<b>423.2</b>	<b>459.8</b>	<b>466.9</b>	<b>3</b>	<b>4</b>	<b>8</b>

(1) Excluding revenue from the Geoscience segment, which is currently held for sale and presented as discontinued operations.

(2) Other includes the Power and Mining market segments.

	Geoscience <sup>(1)</sup>		
	For the year ended 31 December		
(x € million)	2020	2019	2018
Oil and gas .....	62.8	135.6	97.2
Revenue growth (%) .....	53.7	39.5	31.2

(1) Revenue from the Geoscience segment, which is currently held for sale and presented as discontinued operations, is entirely related to Seabed Geosolutions.

The Group's market position, which encompasses multiple market sectors and business lines, gives it access to a wide diversity of clients, which may reduce the risks associated with overdependency on limited sources of revenue that some of the Group's competitors face. Furthermore, the Group's market position allows it to benefit from market / supply chain consolidation during market turbulence and economic downturn, unlike some of its small- to mid-size competitors. This has been observed, for instance, during the oil prices crash from mid-2014 until early 2016, and a similar trend was observed in 2020 as a result of the market disruption triggered by the Covid-19 pandemic.

### Marine Site Characterisation

#### Overview

The Group carries out technical studies, surveys and investigations to establish the characteristics of sites and routes to be developed, primarily for Oil & Gas and offshore wind projects. The Group provides its clients with a broad range of data acquisition, analytics and advice services, enabling them to make informed decisions, and the Group facilitates and de-risk complex and technically demanding projects. Additionally, the Group's solutions support the stewardship of natural resources and the sustainable development of large capital assets in the marine environment.

The Group provides its services around the globe, managed from the Group's key hubs in the Netherlands, Aberdeen, Houston, Abu Dhabi, Singapore and Perth and locally. The Group provides its services across the different market segments and, hence are able to use the same vessels, people, laboratories and expertise to provide its services to Oil & Gas clients, offshore wind clients and any other client that requires Marine Site Characterisation services.

In 2019, revenues of the Marine Site Characterisation business line amounted to €649.6 million, representing 39.8% of the Group's total revenues. In 2020, revenues of the Marine Site Characterisation business line amounted to €569.2 million, representing 41% of the Group's total revenues.

## Services

The Group provides a complete range of Marine Site Characterisation services, including:

- **Geoconsulting.** The Group provides consulting services to its clients in relation to their projects based on geotechnical, geophysical and environmental data, throughout the duration of the client's project, with a focus on site characterisation. The Group's geoconsulting services include ground modelling and specialist geohazard risk assessments.
- **Geotechnical investigation.** The Group provides geotechnical services that optimise the functionality and longevity of its clients' assets, such as offshore wind farms, pipelines, production platforms, by providing risk analyses that combine geophysics, geology and geotechnical engineering. The Group does this by determining the subterranean soil characteristics via extraction of soil samples or core penetration testing, and logging of soil and rock layers, in water depth down to 3,000 meters.
- **Geophysical surveys.** The Group provides geophysical survey services for offshore wind farms, rig sites, power cable and pipeline routes and engineering field developments to reduce project risk and enhance safety, by mapping seabed soil characteristics through non-invasive techniques such as sound.
- **Seep surveys.** The Group provides seep surveys to help its clients locate active oil and gas reserves offshore by detecting hydrocarbon leakages (seeps) from active oil and gas reservoirs. The Group combines these surveys with geochemical analysis to reduce offshore exploration risk and cost.
- **Metocean measurement.** The Group provides commercial meteorological and oceanographic services and systems to measure, analyse, model and predict meteorological, oceanographic and environmental conditions in order to help clients reduce uncertainty in engineering specifications, support planning and enhance safety and operational efficiency.
- **Marine environmental services.** The Group integrates consultancy with ecological surveys and laboratory testing to support infrastructure planning, consenting and development, environmental protection and resource management.
- **Hydrographic surveys.** The Group carries out surveys relating to the production of navigations charts, route surveys for submarine cables, bathymetry for Exclusive Economic Zone assessment and hydrographic surveys for coastal zone mapping.

The Group acquires and interprets the data needed to carry out its Marine Site Characterisation services by using its expertise, innovative technology, specialised equipment and world-class laboratory facilities to turn raw data into valuable insight and knowledge for the Group's clients. Based on this knowledge, the Group provides its clients with advice on the best way to use a site for safe, efficient and sustainable construction of their asset. The Group's services enable its clients to make informed decisions reducing construction costs and installation and operational risks on technically demanding projects. Integrated solutions are often necessary in case of complex ground conditions, very large and heavy constructions, and in case of geohazard risks such as earthquakes and flooding.

## Competition and market

The Group believes it is the global leader in the Marine Site Characterisation business and the global number one or number two participant in almost all the Marine Site Characterisation services that it provides. The Marine Site Characterisation business line operates in the global Oil & Gas, Renewables and Nautical markets. The Group believes that it has the widest presence, the broadest range of integrated services and the most capacity and expertise throughout the globe and is therefore best able to service increasingly centrally managed requests from its global clients. The Group's competition mainly operates regionally. The Group believes it has a strong market leading position in Europe as the most mature offshore wind region. The Group is well positioned to capture the growth in this market; not only in Europe but also in other geographies such as the United States and Asia. The Group is particularly well positioned to undertake work globally and believes it has become a market leader in site characterisation services for offshore wind farms. The Group's main competitors are Acteon Group (UTEC and Benthic), Boskalis (Gardline and Horizon Geosciences), EGS, Geoquip Marine and MMT/Ocean Infinity.

## Marine Asset Integrity

### Overview

The Group provides its clients with offshore asset management; including inspection, repair and maintenance services, monitoring and remote systems technology and diverse testing and engineering capabilities to support the long-term safety and integrity of both natural and man-made marine assets. The Group's services provide project-wide support through the accurate positioning of vessels and infrastructure, the provision of positioning support for drilling and construction operations by the Group's clients, ongoing offshore assets protection and environmental management. In 2019, revenues of the Marine Asset Integrity business line amounted to €522.0 million, representing 32.0% of the Group's total revenues. In 2020, revenues of the Marine Asset Integrity business line amounted to €393.9 million, representing 28% of the Group's total revenues.

The Group is well positioned to leverage its existing experience to capture the expected growth in asset integrity monitoring for offshore windfarms, as the number and size of offshore wind turbines is growing. In addition, the Group's client relationships in and knowledge from the services provided in the Group's Marine Site Characterisation business line support the Group's business in the Marine Asset Integrity business lines. For example, if the Group provides its site characterisation services on the development stage of an asset, it might be better positioned to also provide its asset integrity services on that asset in the following stages.

#### *Services*

The Group provides a complete range of Marine Asset Integrity services consisting of:

- **Inspection, repair and maintenance.** The Group provides an extensive range of services designed to assess the condition of the underwater part of offshore assets and infrastructure and execute subsequent light repair and maintenance programs, including through use of its large fleet of ROVs.
- **Positioning & Construction support.** The Group provides survey systems, usually involving the use of ROVs, and related expertise to support the construction and decommissioning of offshore structures, wind farms, pipelines, cables and seabed production facilities.
- **Satellite Positioning.** The Group provides signal-based positioning subscription services by enhancing public satellite positioning data to a high accuracy and providing positioning equipment. The Group uses centimetre accuracy Differential Global Navigation Satellite Systems augmentation services that provide reliable and robust worldwide, real-time satellite positioning to oil and gas, merchant, offshore, research and naval operators.
- **Metoccean monitoring and weather forecasting.** The Group provides real-time monitoring and forecasting of weather, sea currents and environmental conditions, consisting of information on position, movement, orientation, physical condition and environmental conditions to support offshore operations in the marine environment.

The Group uses innovative scanning, monitoring, analytics and data management techniques to assess and report on structural behaviour and integrity and regulatory compliance, and to identify vulnerabilities before they pose a risk to clients' projects. These services are offered on a global basis.

#### *Competition and market*

In each region the Group operates in and within each service it provides, there are different competitors. The competitive landscape is therefore globally fragmented. The Group believes it is the only global player in most Asset Integrity services. The main competitors who also operate in multiple regions and provide different services, such as IRM, positioning and ROV tooling, are Boskalis (Horizon Geosciences), Deepocean, DOF Group, I-tech and Oceaneering International.

### **Land Site Characterisation**

#### *Overview*

The Group provides Geo-data solutions to its clients that are essential for characterising their construction sites and facilitating safe, reliable, cost effective and sustainable design and construction. With the environmental, geotechnical and geophysical data that the Group both acquires and interprets, ground characteristics and behaviours can be confidently determined, and potential hazards identified, allowing solutions to be modelled and managed. This enables the Group's clients to make informed decisions during the engineering, design and construction phases of infrastructure development projects, ultimately reducing project risk and costs. In 2019, revenues of the Land Site Characterisation business line amounted to €357.5 million, representing 21.9% of the Group's total revenues. In 2020, revenues of the Land Site Characterisation business line amounted to €333.9 million, representing 24% of the Group's total revenues.

#### *Services*

The Group's Land Site Characterisation business line services consist of:

- **Geotechnical investigation.** The Group provides the full suite of site investigation tools to support characterisation of the ground conditions and determination of ground risk factors for onshore projects anywhere in the world. The Group does this by determining the subterranean soil characteristics via extraction of soil samples or CPT, and logging of soil and rock layers.
- **Geophysical surveys.** The Group provides reliable, adaptive and highly innovative bundled geological and geophysical services, by mapping the subterranean soil characteristics through non-invasive techniques such as sound.
- **Laboratory testing and monitoring.** The Group provides static and dynamic pile testing, advanced monitoring services and advanced geotechnical laboratory testing of soils, rocks, foundations and

construction materials to support infrastructure developments. In addition, the Group's services are comprised of instrumentation and monitoring of building sites and constructions.

- **Geoconsulting.** The Group provides consulting services based on geotechnical and environmental data, which includes ground modelling and geohazard risk assessments. The Group offers customised advice for the entire lifespan of its clients' projects from planning and design through execution and into operation. This includes ground modelling and geohazard risk assessments, water resource management and flood control.
- **Nearshore geotechnical site investigation.** The Group provides comprehensive site investigation and installation services to support geotechnical projects in coastal locations, from the shoreline to depths of 40 meters.

#### *Competition and market*

The Land Site Characterisation is fragmented with many local participants. The Group's main competitors in the Land Site Characterisation business are Golder, Terracon and Tetra Tech. More specifically, there are only a few globally active competitors providing consulting services in Land Site Characterisation, such as Com-Smith, EGIS, Golder, Jacobs, Worley Parsons and WSP. However, they can compete only indirectly with the Group in other services by integrated offerings with subcontracted geotechnical and geophysical site investigation. The only sizeable competitor offering a full range of in-house Site Characterisation services is Terracon, who is only active in the United States. The Group's Land Site Characterisation services achieve solid market share on high profile complex projects, such as tunnels, bridges, high speed rail, high-rise buildings or nuclear power plants. The Group has leading positions in specific product market combinations (focused market segments in selected regions or countries), such as road management in North America and digital power network asset management in Australia.

### **Land Asset Integrity**

#### *Overview*

The Group provides its clients with information on the precise location and condition of assets as they are built and operated, to optimise asset reliability, utilisation and longevity. The Group's people, resources and technology inspect and monitor the condition and performance of critical infrastructure. The Group uses innovative scanning, monitoring, analytics and data management techniques to assess and report on structural integrity and regulatory compliance, and to identify infrastructure management vulnerabilities before they pose a risk. The Group's solutions and advice allow its clients to optimise maintenance programs of power distribution and transport networks, rail tracks, roads, pipelines and industrial facilities, and to extend the life of assets. This reduces clients' operational risks and costs while improving the safety and quality of services for their clients.

In 2020, revenues of the Land Asset Integrity business line amounted to €89.3 million, representing 6% of the Group's total revenues.

#### *Services*

The Group's Land Asset Integrity business line services consist of:

- **Rail.** The Group provides solutions to deliver accurate and up-to-date rail infrastructure data to the Group's clients to enable them to make informed decisions on investments and operations.
- **Roads.** The Group supplies innovative and customised roadway infrastructure data collection solutions to its clients, including government departments and private entities.
- **Power.** The Group provides innovative mapping techniques combined with cutting-edge data processing and cloud computing capabilities, to deliver an accurate and dynamic 3D virtual model of power company assets. The Group believes it has a leadership position in providing digital power network assets management in Australia.
- **Plants & pipelines.** The Group provides 3D digital infrastructure solutions that enables its clients to manage and utilise all existing infrastructure data and documentation to streamline plant operations via a cloud-based service.
- **Land and property.** The Group provides comprehensive topographic mapping services as well as fit-for-purpose data by using the latest technology, including highly-automated, digital data collection and cloud-based processing, analysis and hosted delivery.

#### *Competition and market*

The Land Asset Integrity market is fragmented and consists mainly of smaller projects which are served by local competitors, who compete on a project basis. Only a few specialised companies, such as AVEVA, Trimble and Worley Parsons, have specialised expertise in one service and offer this globally. And there are some competitors who offer one service package in a number of regions, such as WDM, Mermec and Ensco. Besides these global competitors, the Group is mainly competing against local companies.



## **Seabed Geosolutions**

### *Overview*

Seabed Geosolutions is classified as held for sale as the Group is finalising its divestment. Seabed Geosolutions is deemed non-core, since it only acquires data and as such its services do not include analytics and advice, that are key elements of the Groups "triple-A" approach. In addition, the type and size of Seabed Geosolutions' projects are different compared to the Group's core business. On 30 March 2021, the Group reached a binding agreement with PXGEO Seismic Services Limited (PXGEO) to sell certain assets and the related business of its subsidiary Seabed Geosolutions for \$16 million (approximately €14 million) in cash. Completion of the divestment is expected for mid-2021, subject to customary closing conditions, with proceeds delivered to the Group at that time. The Group will retain the Hugin Explorer vessel as well as certain liabilities, including (i) potential liabilities related to claims by Magseis Fairfield against the Group relating to alleged infringement by Seabed Geosolutions of certain US patents owned by Magseis Fairfield and (ii) potential liability of the Group to, and claims of the Group against, ARGAS relating to events surrounding the termination of a contract with Saudi Aramco. Pending completion, Seabed Geosolutions remains classified as a disposal group held for sale and presented as a discontinued operation. The cash proceeds are in line with the book value of the divested business. The Group expects the proceeds cover anticipated restructuring costs and other cash liabilities related to wind down of the remaining parts of the Seabed Geosolutions' organisation. The negative EBIT impact, related to the restructuring and associated costs, is estimated at €8-10 million. This excludes potential liabilities related to claims by Magseis Fairfield and potential liability of the Group to, and claims of the Group against, ARGAS. The Group has acquired CGG's shareholding in Seabed Geosolutions, effective 30 December 2019, in order to facilitate this divestment. The buy-out of CGG's 40% non-controlling interest was achieved in stages, with 15% transferring immediately in 2019, and the transfer of the remaining 25% being completed in the first quarter of 2020. Since then, the Group has been the sole owner of Seabed Geosolutions.

In 2019, revenues from the Geoscience division amounted to €135.6 million whilst the Group's total revenues (excluding Seabed Geosolutions) amounted to €1,631.3 million. In 2020, revenues of the Geoscience division amounted to €62.8 million, whilst the Group's total revenues (excluding Seabed Geosolutions) amounted to €1,386.3 million.

### *Services*

Seabed Geosolutions supports the optimal development and production of offshore oil and gas fields by providing high quality seismic data collected directly on the seabed. Seismic and, increasingly, exploration-related data are used for detailed reservoir characterisation and monitoring of the impact of production, and detection of potential geohazards; all with the ultimate goal of improving the oil recovery from a producing field. Seismic data is collected in water depths of up to 3,000 meters using individual seabed nodes. The acquired data is used for detailed reservoir characterisation, monitoring of the impact of production and detection of potential geohazards.

Seabed Geosolutions provides the Group's clients with critical insight that enables them to make confident, informed decisions on field and infrastructure development, as well as to optimise the speed, efficiency, quality and safety of extraction.

Seabed Geosolutions mainly uses Manta® nodes and CASE Abyss® nodes as receivers in transition zones, midwater and deepwater surveys, respectively. To conduct a survey, Seabed Geosolutions deploys receivers on the seafloor over the target area. Nodes, including Manta and CASE Abyss nodes, require large scale storing and recharging. Seabed Geosolutions deploys nodes either as node-on-a-wire, for shallow water, or deployment with ROVs for deeper water. Once the relevant receivers are deployed, shooting vessels shoot grids of shots in the target area, and such shots are recorded by the receivers.

### *Competition and market*

Ocean bottom seismic data acquisition is becoming increasingly competitive due to operational innovations creating a steep change in data acquisition efficiency and cost effectiveness, which expands the traditional boundaries of the seabed seismic market. Seabed Geosolutions' main competitors are Magseis Fairfield, BGP and Shearwater GeoServices.

Seabed Geosolutions is well positioned in this consolidating but growing market, given its track record as an experienced seabed data acquisition company, with both a strong technology portfolio and a broad range of technology solutions available in the market. Seabed Geosolutions is therefore in a position to address the full range of client needs, from shallow to deep water, and is one of the leading ocean bottom seismic acquisition contractors in the world.

### **Regions**

The Group is currently organised into four geographical regions: (i) Europe-Africa, (ii) Americas, (iii) Asia Pacific and (iv) Middle East & India. Each region operates the same four business lines: Marine Site Characterisation, Marine Asset Integrity, Land Site Characterisation and Land Asset Integrity.

The following table sets forth the Group's consolidated external revenues by region for the periods indicated. The geographic classification of external revenues listed below is based on the geographical location of the operating companies ('region of origin').

	Europe-Africa				Americas				Asia Pacific				Middle East and India				Total			
	For the year ended 31 December																			
	2019	2019	2019		2019	2019	2019		2019	2019	2019		2019	2019	2019		2019	2019	2019	
(€ million)	(incl IFRS 2020	(excl IFRS 2020	(adj. IFRS 2020	(1)	(incl IFRS 2020	(excl IFRS 2020	(adj. IFRS 2020	(1)	(incl IFRS 2020	(excl IFRS 2020	(adj. IFRS 2020	(1)	(incl IFRS 2020	(excl IFRS 2020	(adj. IFRS 2020	(1)	(incl IFRS 2020	(excl IFRS 2020	(adj. IFRS 2020	
	(16) <sup>(1)</sup>	(16) <sup>(2)</sup>	(3)		(16) <sup>(1)</sup>	(16) <sup>(2)</sup>	(3)		(16) <sup>(1)</sup>	(16) <sup>(2)</sup>	(3)		(16) <sup>(1)</sup>	(16) <sup>(2)</sup>	(3)		(16) <sup>(1)</sup>	(16) <sup>(2)</sup>	(3)	
Revenue	595.4	682.2	682.7	649.2	340.6	411.6	411.6	334.5	291.2	331.3	331.3	364.4	159.5	206.1	206.1	204.2	1,386.3	1,631.3	1,631.3	1,552.8
Reported growth (%).....	(12.7)	5.0	5.0		(17.3)	23.0	23.0		(12.1)	(9.1)	(9.1)		(22.6)	1.0	1.0		(15.0)	5.1	5.1	
Comparable growth (%) <sup>(4)</sup> .....	(11.1)	4.9	4.9		(12.6)	17.9	17.9		(10.0)	(11.4)	(11.4)		(20.4)	(3.5)	(3.5)		(12.4)	2.7	2.7	
EBITDA <sup>(5)</sup> .....	89.7	120.7	103.6	71.3	12.3	9.4	6.1	18.1	22.4	(3.2)		0.9	15.0	18.8	16.1	24.2	139.4	145.7	111.5	114.5
Adjusted EBITDA <sup>(5)</sup> .....	101.0	122.4	105.3	75.6	14.9	13.3	10.0	19.7	29.6	29.4	18.3	1.3	16.5	19.7	17.0	23.8	162.0	184.9	150.6	120.4
EBIT <sup>(5)</sup> .....	35.3	67.2	64.4	29.8	(13.0)	(15.6)	(15.9)	(1.5)	(3.5)	(31.5)	(31.9)	(17.7)	1.0	5.5	5.3	13.3	19.8	25.6	21.9	23.8
Adjusted EBIT <sup>(5)</sup> .....	46.8	71.4	68.6	35.4	(9.4)	(11.4)	(11.6)	0.1	6.3	1.4	1.0	(18.9)	4.5	6.6	6.3	12.9	48.2	68.0	64.3	29.5
Adjusted EBIT margin (%) <sup>(6)</sup> .....	7.9	10.5	10.1	5.5	(2.9)	(2.8)	(2.8)	0.0	2.2	0.4	0.3	(5.2)	2.8	3.2	3.1	6.3	3.5	4.2	3.9	1.9
Backlog next 12 months.	383.2	386.3	386.3	297.1	214.1	272.0	272.0	284.9	161.5	219.5	219.5	217.2	107.4	133.3	133.3	103.0	866.2	1,011.1	1,011.1	902.2
Comparable growth (%) <sup>(7)</sup> .....	2.7	27.2	27.2		(9.8)	(6.4)	(6.4)		(22.3)	(0.3)	(0.3)		(11.2)	27.2	27.2		(8.0)	9.9	9.9	
Capital employed <sup>(8)</sup> .....	404.0	524.3	527.0	475.8	198.7	272.1	271.8	249.5	155.1	153.8	155.0	198.6	117.0	160.2	158.3	148.5	874.8	1,096.9	1,096.9	1,207.9

(1) As reported, including the impact of IFRS 16.

(2) Adjusted to exclude the impact of IFRS 16 (unaudited).

(3) As reported in the 2019 Consolidated Financial Statements. The figures reported in the 2018 Consolidated Financial Statements have been adjusted to reflect Seabed as discontinued operations.

(4) Comparable growth refers to revenue growth calculated after applying the prior year's exchange rates to the revenue of the current period.

(5) Reconciliations with respect to EBITDA, EBIT, Adjusted EBITDA, Adjusted EBIT and Adjusted EBIT margin can be found in "Important Information—Non-IFRS financial measures and non-financial operating data". In Financial Year 2020, the items that have been adjusted for at the level of EBIT were as follows: Europe-Africa €(11.5) million, Asia-Pacific €(3.6) million, Americas €(9.8) million, Middle East and India €(3.5) million and total €(28.4) million. In Financial Year 2019, the items that have been adjusted for were as follows: Europe-Africa €(4.2) million, Asia-Pacific €(32.8) million, Americas €(4.3) million, Middle East and India €(1.1) million and total €(42.4) million. In Financial Year 2018, the items that have been adjusted for were as follows: Europe-Africa €(5.7) million, Asia-Pacific €1.2 million, Americas €(1.6) million, Middle East and India €0.3 million and total €(5.7) million.

(6) Adjusted EBIT margin is defined as Adjusted EBIT as a percentage of revenue for the relevant period.

(7) Comparable growth refers to growth in backlog for the next twelve months after applying the prior year's exchange rates to the backlog for the next twelve months of the current period.

(8) Capital employed for 2019 has been restated as per the definition applicable from 1 January 2020. For total capital employed, 2018 (adjusted) figures have not been adjusted to reflect Seabed Geosolutions as discontinued operations.

## Digital Transformation and Innovation

Technology is changing faster than ever before. The Group's clients are embracing digital solutions to increase efficiency and reduce the overall cost of development and operation of their assets. The Group is developing an integrated set of tools, a data lake, and combined with Geo-data the Group collects, the Group supports its clients with their own digitalisation evolution through what the Group calls its Digital Foundation, a new concept of interacting with clients. This digital, four-dimensional model combines all Geo-data acquired throughout the lifetime of the asset, artificial intelligence-driven analytics and related decision-making. The result is a comprehensive web-based interface, providing clients with (near) real-time insight into location and design optimisation, change detection and simulation; all with the ultimate goal of reducing the overall cost of development and operation of their assets.

In order to enable this new client relationship, the Group is digitally transforming the way it works along six building blocks: remote operations, robotics, autonomous, advanced analytics, connected data and client interfaces.

- **Remote operations.** The Group is able to perform tasks as if it were offshore, but are actually in an office environment, thereby improving safety for the Group's employees and operational flexibility and efficiency. The Group currently has eight remote operations centres in place, throughout the world. In 2020, the Group has logged close to 100,000 project hours.
- **Robotics.** Robotics enables improvements in remote operations. For example, the Group's robotic proprietary seabed drilling control system, the SEADEVIL™, improves the quality of drilling and sampling activities by controlling seafloor penetration from the seabed in a safer and more efficient manner. For the Group's services provided in the Land business line it developed a vehicle that can perform CPT operations fully automated.
- **Autonomous.** The Group's autonomous technology, such as uncrewed surface vessels (the "USVs"), improves safety due to reduced offshore staff exposure, leads to more efficient operations with faster data collection and delivery and creates more sustainable operations through a smaller environmental footprint than conventional marine survey operations.
- **Advanced analytics.** By using advanced analytics the Group enhances the understanding and risk management of its clients' assets. For example, the Group is better able to service electricity grids through the use of the Group's Roames technology whereby every pole, every wire, and everything within the proximity of the network is digitally scanned, uploaded to the cloud, and analysed using artificial intelligence. The result is a comprehensive digital archive providing the Group's clients with (near) real-time insight, via a web-based interface, into location and design optimisation, change and fault detection and economic simulation capability; this data insight ultimately lowers maintenance costs and can extend the lifetime of the asset.
- **Connected data.** As a Geo-data company the Group focuses on offering more value from Geo-data faster. Connected data delivers the toolset to achieve a quicker, better way to gain access to Geo-data, as well as the ability to obtain insights from it using advanced analytics and integration with other datasets to support secured client interfaces.
- **Client interfaces.** The Group's transformation on client interfaces is represented by new Geo-data platforms, such as Gaia-insight—an online platform that creates a real-time window to the subsurface through a network of monitoring sensors, which feeds data into the platform where they are immediately processed and analysed to present results to the client. Gaia-insight integrates site investigation, real-time geotechnical and structural monitoring and third-party data, and provides the analytics required to lower ground risk and accelerate construction project schedules.

The Group believes digitalisation and technological innovation are key differentiators. As a result, the Group is fully leveraging technology developments in the field of visualisation, robotics, connectivity and advanced analytics in order to offer safer, faster, more efficient and higher quality services; all in a more sustainable way. The Group is also digitally transforming the way it operates while creating a digital foundation as a new concept of how the Group interact with its clients. This results in multiple value propositions: the Group can operate safer and more efficiently and deliver data faster and of a higher quality, all of which results in a more sustainable way of doing business. The Group's focus on developing advanced remote and automated solutions have proven particularly valuable during the Covid-19 pandemic, as Covid-19 made the clients more than ever dependent on remote services like those provided by the Group, in order to conduct their most critical operations.

### Intellectual Property

The Group continuously seeks the most effective and appropriate protection for its high-performance equipment, technologies, software and business processes. The Group's patents, trademarks, trade secrets, copyrights and other statutory protection protect the Group's innovations and proprietary technology. The Group's intellectual property collectively represent a material business asset. As of year ended 31 December 2020, the Group held approximately 300 granted national patents under the laws of, among others, the United States, the Netherlands and the United Kingdom. In 2020, the Group filed 69 new patent families. However, no single patent, trademark, trade secret, copyright, license or piece of technical information is of material importance to the Group's business taken as a whole.

### Contractual Arrangements

The Group acquires most of its business through tenders, resulting in a variety of different contract types such as project contracts, framework agreements and multiple year subscription agreements, with terms varying from weeks to years. The price structures vary from lump sum to day rates and from payment at project completion, payment upon completion of certain milestones, payment of a down payment up to 15% of the contract value or payment after a period of time after project completion or a combination thereof.

The Group regularly hires sub-contractors to perform services or supplies equipment under the contracts for which the Group is the main contractor.

## Employees

As of 31 December 2020, the Group employs approximately 9000 employees in 61 countries.

The Group is a service provider and talented, motivated and engaged employees are critical to achieving its strategic objectives. To that end, the Group works with leading universities and other knowledge institutes in their respective fields to find strong candidates and further support the scientific know-how of the Group's current employees. Furthermore, the Group works around the globe in markets which benefit from knowledge of local business procedures, culture and traditions. As a result, the Group's office locations are predominantly staffed with local people from over 100 nationalities.

For the year ended 31 December 2020, the Group's personnel expenses including wages, salaries, bonuses and social security, pension and other benefits equated to €585.0 million. Some of the Group's employees participate in certain defined benefits schemes and defined contribution plans. Some of the Group's employees also participate in share incentive schemes, which allows certain employees to acquire shares in the Company. For a discussion of certain of the Group's incentive plans and its pension scheme, see "Management, Employees and Corporate Governance".

## Research and Development

The Group's global market position is greatly dependent on high-performance equipment, data and information management systems and modelling and consultancy solutions. Consequently, research, development and innovation are core to the Group's strategy (for more information on research, development and innovation, as part of the Group's strategy, see "—Strategy—Differentiate by integrated digital solutions"). In 2020, the Group spent approximately 2.6% of its revenue on research and development and technology innovation.

The Group believes it is one of the largest employers of Geo-specialists in the world, employing over 350 research and development engineers and 35 data scientists as of 31 December 2020. The Group's research and development and innovation activities are performed in the centres of expertise: research and development centres, consultancy centres and laboratories.

In its research and development centres, the Group develops hardware and software for the acquisition of data regarding the Earth's surface and subsurface. A significant part of the Group's research & development activities concern improvements to existing technologies and the development of software for data transfer and information management. Key challenges include handling 'big data', real-time monitoring, cloud solutions, robotics and remote/autonomous systems. The Group's principal research and development centres are located in the United States, Norway, United Kingdom, Netherlands, Germany, Hong Kong and Australia.

In its consultancy centres, the Group develops data interpretation methods and risk models for consultancy services such as geotechnical engineering, geological hazard assessments, water resources, flood management studies, metocean and geospatial modelling and marine environmental impact assessments. The key challenge of these centres is the analysis, integration and transformation of large amounts of real-time data into information for decision-makers. The consultancy centres provide technical support to the Group's local consultancy groups around the world. The Group's main consultancy centres are based in the United States, Brazil, United Kingdom, Netherlands, Germany, Belgium, France, Hong Kong, Singapore and Australia.

As of 31 December 2020, the Group had a global network of 36 independent geotechnical, construction materials and marine environment laboratories. Having dedicated testing facilities enables the Group to safeguard the quality and reliability of survey results for its clients. All of the Group's laboratories use state-of-the-art equipment to perform testing, analysis and reporting at locally and internationally accepted standards. At its geotechnical laboratory facilities, the Group analyses soil and rock samples for onshore and offshore projects around the world. The Group's construction materials testing laboratories maintain industry-recognised certifications and practices to sample, test, observe and verify construction materials and methods. At its marine environmental laboratories in the United Kingdom, the Group performs benthic, sediment, chemistry, microbiology and water quality analysis for marine environmental impact assessments and feasibility studies.

Through the Group's global network of research and development centres, its engineers and data scientists participate in international research programs to access the latest knowledge in their field. In joint research and development activities with institutes, universities and industries, the Group combines the strengths of its market knowledge and operational experiences with leading research insights and technological developments. The Group is involved in research programs in the field of offshore wind, subsea mining, remote geotechnical seabed surveys, sedimentation risks in coastal environments, real-time dike monitoring, eScience for management of point cloud data, parameter testing for offshore pile foundations and real-time kinematic precise point positioning network platforms for global navigation satellite system data.

The Group develops a significant degree of its technology in close cooperation with clients through research and development centre testing and project delivery.

In addition, the Group follows recent developments and takes these into account when investing and developing a new technology. For instance, the Group has been focused on capitalising on the increasing need to reduce the

number of people offshore, thereby maximising the benefits of its remote operations centres (for more information on the Group's remote operations, see "—Digital Transformation and Innovation"). In fact, the Group believes that, the Covid-19 pandemic has clearly demonstrated the value of the Group's advanced remote and automated solutions, supporting its clients in their critical operations in a safe and efficient manner.

### **Property, Plant and Equipment**

The Group's material property, plant and equipment are grouped into five categories: (i) land and buildings, (ii) plant and equipment, (iii) vessels, (iv) fixed assets under construction and (v) other.

#### **Vessels**

As of 31 December 2020, the Group operates a combined fleet of 25 vessels (survey, geotechnical and inspection, repair and maintenance vessels) excluding the vessel operated by Seabed Geosolutions, five USVs and 69 remotely operated vehicles ("ROVs") and seven autonomous underwater vehicles ("AUVs"). The Group believes it is the only company with purpose-built geophysical and geotechnical vessels and that its fleet is the youngest in the industry (around 13 years), pre-empting the need for capital intensive upgrade in the next few years. The Group's vessels can have a useful life of up to 35 to 40 years.

The Group believes it is a leader in the operation of advanced, multi-purpose USVs. In 2020, the Group accumulated operational project experience with its newly delivered nine-metre Fugro Blue Shadow designed for medium-to large-scale hydrographic survey applications. USVs are more cost-effective to build and are safer and more efficient to operate. The deployment of these USVs to acquire data shortens project durations and reduces QHSSE exposure because the vehicle operation and data analysis is done without offshore personnel.

The Group has established a strategic partnership with SEA-KIT International for the development of a fleet of next generation USVs, capable of deploying AUVs and ROVs. Two of these 12-metre Fugro Blue Essence vessels will become operational in 2021. Over the coming years, the Group will further expand its fleet of USVs with a 24-metre inspection and intervention vessel. USVs consume up to 95% less fuel than traditional vessels, supporting the Group's aim to become carbon neutral by 2035. In 2020, the Group introduced the first fully electric ROV (Blue Volta). This inspection class ROV will be installed on and operated from the Blue Essence. This development is a key milestone in the development of the Group's fleet of autonomous, sustainable vehicles capable of performing surface and sub-surface data acquisition, inspection and intervention. Smart ROVs, equipped with smart edge-device cameras, will be introduced in the second half of 2021.

The Group carries out its services mainly through its own vessels and a limited number of long-term charters, and to a lesser extent seasonal charters. The Group is gradually directing its capital expenditures towards lightly manned, remotely operated, more modular and in some cases fully autonomous, vessels and vehicles and are therefore increasingly operating an asset light model.

The Group is transitioning to a more flexible and asset light model, shifting towards more lightly crewed, sometimes even uncrewed vessels, innovating to produce smaller, more modular and more mobile solutions that can be remotely operated or operate autonomously. For example, the new generation uncrewed surface vessels developed together with L3 ASV can operate at lower cost than crewed vehicles in an increasing number of geophysical projects. The Group's key assets are protected by exclusivity agreements with technology providers. The Group has further improved the flexibility of its fleet by focusing on a more balanced mix of paid working days between fully owned plus long-term charters on the one hand and short-term charters on the other hand (in 2020 the division was approximately 68%/32% respectively), as a result of which the Group is better able to meet demand variations during the course of a year and quickly relocate its fleet to meet revenue opportunities. As a result, over the period 2014-2020 the Group's fleet utilisation (owned vessels and long-term leases) has averaged 66% annually. Moreover, the Group is able to utilise most of its assets to serve clients across different end markets and in different jurisdictions, providing the Group with flexibility to optimise pricing and costs across multiple different projects often in different markets.

#### **Operational assets**

##### *CPT systems*

As of 31 December 2020, the Group operates 113 CPT systems, which can be mobilised as road-going 6x6 trucks or a variety of tracked and crawler units, suited to traversing soft, water-logged terrain or entering sites with limited access. CPTs provide a rapid, in situ and cost-effective means of quantifying the geotechnical and geo-environmental properties of soils and of investigating unexploded ordnance risk.

##### *Geotechnical drilling rigs*

Geotechnical drilling rigs are used to take samples through borehole drilling. Such soil samples are analysed at in-house soil and rock testing laboratories to determine design parameters. As of 31 December 2020, the Group operates 228 onshore and 12 offshore geotechnical drilling rigs.

### *Jack-up barges*

As of 31 December 2020, the Group operates 31 jack-up barges, which are self-elevating platforms where the buoyant hull is fitted with a number of movable legs as a result of which it is capable of raising its hull over the surface of the sea. These multipurpose jack-up barges are engineered for complex site investigations and marine construction projects.

### *Onshore operations centres*

As of 31 December 2020, the Group has eight onshore operations centres, from which it provides remote support for the precise positioning and inspection of clients' offshore assets.

### *Sale and leaseback*

On occasion, the Group enters into "sale and leaseback" transactions in respect of certain assets (including vessels) whereby the Group sells an asset to a third party and leases back that asset from the third party. The Company sometimes provides guarantees of its Group Companies' obligations under such arrangements.

## **Environmental Matters and Safety**

The Group's operations are exposed to a variety of risks arising from different laws and regulations in the jurisdictions where the Group operates, as well as international conventions, extreme weather and other hazardous operating conditions, which could result in injury to personnel, loss of life, environmental pollution and damages to or loss of equipment. The Group has safety compliance programs staffed by full-time professional employees and a program for developing, implementing and managing the Group's responsibility for the health and safety of its employees and the environments in which it operates. Company-wide initiatives focus on the development of the Group's environmental management systems.

The Group has a group-wide risk management framework in place to identify and manage risks and internal controls. The Group's activities are executed under OHSAS 18001, ISO 45001, ISO 14001 and similar certified management systems. The Group's strategy and related standards, policies and practices are implemented across its activities; every employee and contractor is expected to abide by the QHSSE management systems, including the industry wide 'Nine Life Saving Rules'. The Group aims to adhere to local and international guidelines and legislation, and to apply and promote (industry) best practices and initiatives in line with the Group's human rights policy, code of conduct and core values. Employees receive regular safety training, and the Group frequently reviews potential areas of improvement. At group level, the Group has a corporate department for QHSSE and the Group has support functions within each region. At the Board of Management level, sustainability is part of the portfolio of the Chief Executive Officer. The Group's Global Director Safety & Sustainability coordinates the group-wide development and implementation of the sustainability framework and reports directly to the Chief Executive Officer. The following chart illustrates the Group's continued efforts to improve its safety culture since 2014.

The Group strives to limit the environmental impact of its operations by complying with environmental regulations for all its operations and where possible by further implementing solutions to reduce its environmental footprint. The Group's ambition is to be carbon neutral by 2035, covering all direct and indirect emissions from its operations (scope 1 and scope 2 emissions specified in the Greenhouse Gas Protocol Accounting and Reporting Standard).

The Group works as a service provider and consultant, and in that role assists its clients with solutions to develop, build and operate their projects sustainably. The impact of the Group's own operations is limited to the assets used for data acquisition, laboratories, transport and office environments. As the Group does not own or operate any industrial assets or production facilities, its own operations have a relatively low impact on the environment. The Group's carbon footprint principally comes from carbon dioxide emissions from its vessels, either owned or chartered, followed by road and air transport, and thereafter the running of office and laboratory environments.

The Group actively manages the risks and opportunities flowing from climate change for its own business operations and recognises its responsibility in climate change mitigation and adaptation. The Group aims to further improve reporting on climate-related risks and opportunities. In 2020, the Group set a new step by starting to use the Task Force on Climate-related Financial Disclosures framework of the Financial Stability Board. Guided by the framework, the Group increased its insight into the potential impacts of climate change on the organisation by conducting a qualitative assessment. This allows the Group to better understand and validate the resilience of its organisation in the light of the risks and opportunities relating to climate change. At this stage the Group has not yet included a detailed scenario analysis, or a quantitative assessment of the financial impact. These elements of the framework will be included in future analyses.

## **Risk Management**

Risk management is an essential element of the Group's culture, corporate governance, strategy development and operational and financial management. The Group experiences strategic, operational, financial and compliance risks for which it has a Risk Management framework in place in order to identify and manage risks and internal controls. The Group has a layered control environment. The Group's first level of the control environment consists of its employees and their management. The Group's employees undertake these activities in accordance with the applicable authorisation matrix, that is updated regularly by the Board of Management in consultation with the

Executive Leadership Team. Every employee has an obligation to obtain an appropriate level of understanding regarding their roles and responsibilities and to carry them out correctly and completely, by complying with the Group's internal procedures and applicable laws and regulations. The Group's second level of the control environment consists of its regional and business line management and support functions, such as QHSSE, financial and management control, procurement, IT, tax, human resources, insurance, marketing, treasury and legal. This level is actively involved in the Group's risk management and compliance activities to issue guidance and to support and monitor the first level controls. The third level of the Group's control environment consists of the independent internal audit department that reports to the Board of Management and the audit committee of the Supervisory Board (the "**Audit Committee**") on the structure, existence and effectiveness of the risk management and internal control systems. For more information on the Audit Committee, see "Management, Employees and Corporate Governance—Supervisory Directors—Supervisory Board Committees—Audit Committee". The Board of Management holds ultimate responsibility for risk management and determines the Group's risk appetite. The Executive Leadership Team also performs comprehensive assessments of the Group's strategic, operational, financial and compliance risks.

## **Insurance**

The Group has global and local insurances in places that provide coverage for various claims from third parties, subject to customary conditions and exclusions. The global insurance includes insurances for general third-party liability, professional indemnity, vessel liability, charterers liability, crime and employment practice liability and directors & officers liability.

In recent years, certain trends in the general insurance market have made obtaining coverage on reasonable terms and for affordable premiums more difficult. The Group believes that a number of different factors have contributed to this trend. These include, among others, the increased costs of coverage as a result of losses due to increasingly frequent catastrophic events resulting in increasing losses for insurance companies, increased reinsurance premiums driving up insurance companies' rates, increased claim costs due to an increase in frequency and severity of claims, and decreased risk appetite of insurance companies due to reduced interest rates which have adversely affected insurers' profitability and restricted the classes of businesses and lines of insurance they are willing to underwrite.

In certain instances, the Group manages its insurance portfolio by securing multi-year contracts from leading insurance companies with the possibility of renewing biennially, which helps the Group mitigate premium increases and insurance conditions. Some of the local insurance include coverage for employee liability, automotive liability, (small) vessel liability and aviation liability.

## **Regulatory Matters**

The Group operates in international waters and in countries around the world, and, as such, is subject to a wide range of international conventions, laws and regulations, including laws and regulations in relation to:

- exports and imports;
- currency;
- taxes;
- occupational health and safety;
- protection of the environment; and
- anti-corruption.

The Group is subject to FCPA, the UK Anti-Bribery Act and other relevant anti-corruption laws. The Group enforces an anti-corruption policy to prohibit personnel from offering, paying or requesting anything of value to any person if it is known, or there is a reason to believe, that all or part of such payment will or may be used to gain an unfair advantage. The Group continues to focus on enhancing anti-corruption routines, training and controls, and will continue to perform due diligence on subcontractors, joint venture partners, agents and other third parties involved in its business.

Antitrust laws in the jurisdictions where the Group operates are designed to encourage competition and generally prohibit business activities that constitute unreasonable restraints on trade. Compliance with antitrust laws is addressed by the Group's code of conduct and related compliance training, although these measures may not be sufficient to detect all potential violations. Many countries impose restrictions on imports, exports and other dealings with certain other countries, persons or groups. Export laws may control trading of commodities or technologies that are strategically important because they have the potential to be used for governmental purposes. More specifically, the Group uses certain equipment, such as certain types of hydrophones, which the Dutch, US and other governments consider to be "dual-use" in the sense that certain equipment may have civil as well as military applications. Consequently, the Group must occasionally apply for and maintain licenses to import and export such "dual-use" equipment. Additionally, laws may cover travel to or from a sanctioned country, imports, exports, transits, new investments, and other related topics.

MARPOL is the main international convention aimed at preventing and limiting covering pollution of the marine environment by ships from operational or accidental causes. The Group maintains compliance with MARPOL and other relevant environmental conventions and regulations in the jurisdictions where the Group operates.

The Group believes that it has complied in all material respects with these regulations, but the Group cannot give assurances that, or that any future changes in the requirements or modes of enforcement of these laws and regulations will not have a material adverse effect on the Group's business, financial condition, result of operations or cash flows. For more information on regulatory and compliance risks, see "Risk Factors—Legal and Regulatory Risks—The Group faces regulatory and compliance risks, which may have an adverse impact on its reputation, business and financial condition."

### Legal and Arbitration Proceedings

As of the Latest Practicable Date or during the 12 months preceding the date of this Prospectus, there are or have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) that may have, or have had in the recent past, significant effects on the Company and/or the Group's financial position or profitability.

The Group is involved in out-of-court disputes, litigation and arbitral proceedings as well as administrative proceedings in the ordinary course of business, for example claims from or against customers regarding project delays and execution, which may involve substantial claims for damages and other payments.

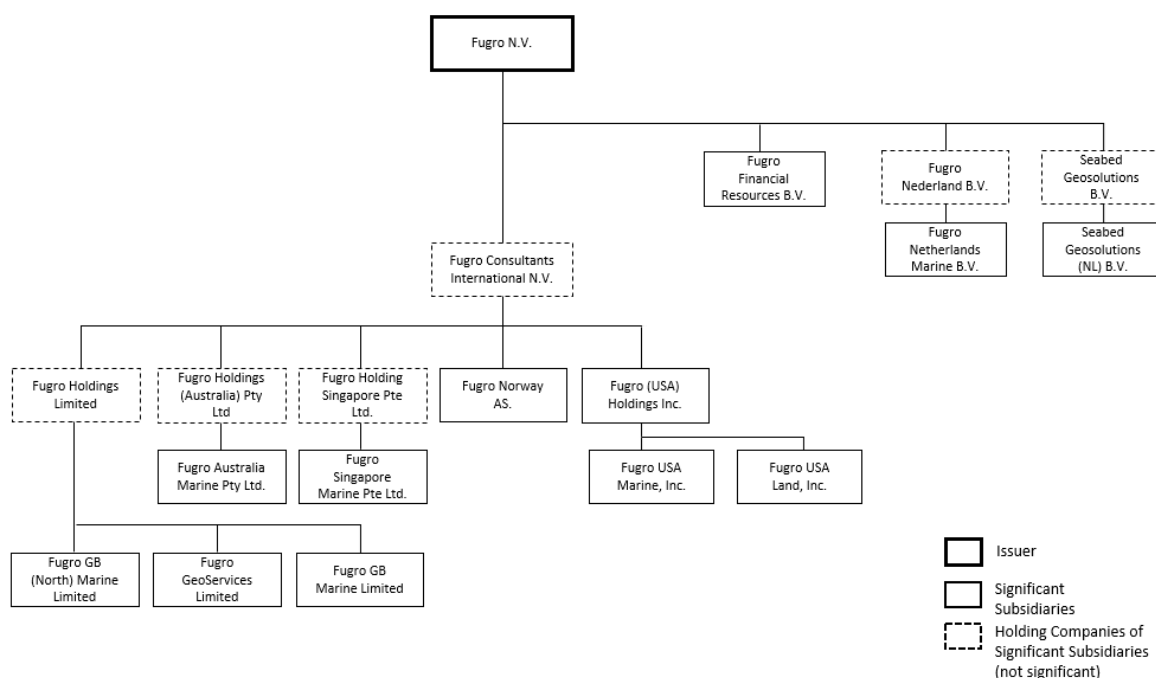
### Material Contracts

The Group has no material contracts, other than those contracts entered into in the ordinary course of business, except for those in the section "Operating and Financial Review—Liquidity and Capital Resources—Financing Arrangements".

### Group Structure

The Company is a holding company without material direct business operations. The principal assets of the Company are the equity interests it directly or indirectly holds in its Group Companies.

The Company's significant subsidiaries together with their holding companies are shown in the below chart:





A list of the Company's significant subsidiaries is set forth below:

<b>Name of the significant subsidiary</b>	<b>Country of incorporation</b>	<b>Shareholding (%)</b>
Fugro Financial Resources B.V.....	The Netherlands	100
Fugro (USA) Holdings Inc.....	USA	100
Fugro USA Marine, Inc.....	USA	100
Fugro USA Land, Inc.....	USA	100
Fugro Netherlands Marine B.V.....	The Netherlands	100
Fugro Australia Marine Pty Ltd.....	Australia	100
Fugro GB (North) Marine Limited.....	UK	100
Fugro GeoServices Limited.....	UK	100
Fugro Singapore Marine Pte Ltd.....	Singapore	100
Fugro Norway AS.....	Norway	100
Seabed Geosolutions (NL) B.V.....	The Netherlands	100
Fugro GB Marine Limited.....	UK	100

## MANAGEMENT, EMPLOYEES AND CORPORATE GOVERNANCE

This section summarises information concerning the Board of Management, the Executive Leadership Team, the Supervisory Board, the Group's employees and the Company's corporate governance. It is based on relevant provisions of Dutch law as in effect on the date of this Prospectus, the Articles of Association, the rules of procedure that regulate internal matters concerning the functioning and internal organisation of the Board of Management and the Executive Leadership Team (the "**Board of Management Rules**"), the rules of procedure regulating the duties and the distribution of the same of the Supervisory Board and of its committees (the "**Supervisory Board Rules**" below) and the charters of the Supervisory Board committees.

This summary does not purport to give a complete overview and should be read in conjunction with, and is qualified in its entirety by reference to, the relevant provisions of Dutch law as in force on the date of this Prospectus and the Articles of Association (for the avoidance of doubt, following the Amendment Articles of Association (as defined below)), the Board of Management Rules, the Supervisory Board Rules and the charters of the Supervisory Board committees. The Articles of Association in the governing [Dutch language](#) and in an unofficial [English translation](#) thereof are available on the Company's website. The Board of Management Rules, the Supervisory Board Rules and the charters of the Supervisory Board committees in the governing English language (only) are available on the Company's website.

### Management Structure

The Company has a two-tier board structure consisting of the Board of Management and the Supervisory Board.

The Board of Management is entrusted with the management of the Company. Certain senior managers have been appointed to manage the Company together with the Board of Management, together they constitute the Executive Leadership Team. As at the date of this Prospectus, the provisions in the BW that are commonly referred to as the "large company regime" (*structuurregime*) do not apply to the Company. Note that the Company may meet the large company regime requirements in the future, which will have an impact on the governance described below.

### Board of Management

#### ***Powers, responsibilities and functioning***

The Board of Management is responsible for the management of the Company's operations as well as the operations of the Group, subject to the supervision by the Supervisory Board. The Board of Management's responsibilities include, among other things, defining and achieving the Company's objectives, determining the Company's strategy and risk management policy, and day-to-day management of the Company's operations. Pursuant to the Articles of Association and the Board of Management Rules, the Managing Directors will divide their tasks among themselves in mutual consultation, subject to the approval of the Supervisory Board. In performing their duties, the Managing Directors are required to be guided by the interests of the Company and its business enterprise, taking into consideration the interests of the Group's stakeholders (which include but are not limited to its customers, its employees and the holders of Shares).

The Board of Management must timely provide the Supervisory Board with all information necessary for the exercise of the duties of the Supervisory Board. The Board of Management is furthermore required to notify the Supervisory Board in writing of the main features of the strategic policy, the general and financial risks and the management and control systems of the Company, at least once per year. The Board of Management must additionally submit certain important decisions to the Supervisory Board and/or the General Meeting for approval, as more fully described below.

The Board of Management as a whole is authorised to represent the Company. In addition, each Managing Director individually has the authority to represent the Company. Pursuant to the Articles of Association, the Board of Management is authorised to appoint proxy holders (*procuratiehouders*) who are authorised to represent the Company within the limits of the specific delegated powers provided to them in the proxy.

#### ***Board of Management Rules***

In accordance with the Articles of Association, the Board of Management has adopted the Board of Management Rules.

#### ***Composition, appointment and removal***

The Articles of Association provide that the Supervisory Board determines the number of Managing Directors. As of the date of this Prospectus, the Board of Management consists of two Managing Directors.

The General Meeting appoints the Managing Directors. In case a Managing Director is to be appointed, the Supervisory Board shall make a binding proposal. The proposal must be included in the notice of the General Meeting at which the appointment will be considered and needs to provide the name of, and information on, at least one candidate. The General Meeting may at all times overrule the binding nature of a proposal by a resolution adopted by an absolute majority of the votes cast, provided such majority represents more than one third of the issued share capital. If this part of the capital is not represented at the meeting, but an absolute majority of the votes

cast is in favour of a resolution to overrule the binding nature of the nomination, a new meeting may be convened at which the resolution to overrule the binding nomination may be passed by an absolute majority of the votes cast, regardless of the part of the capital represented at the meeting. If no nomination for a vacant position of the Board of Management has been made or no nomination for such position has been made in due time, the General Meeting may appoint a Managing Directors at its discretion by an absolute majority of the votes cast. The Supervisory Board may grant the title chief executive director and the title chief financial officer to a Managing Director.

The General Meeting may at any time suspend or dismiss a Managing Director. Unless at the proposal of the Supervisory Board, a resolution to suspend or dismiss a Managing Director may be passed only by the General Meeting with a majority of two-thirds of the votes cast, which majority must represent more than one-half of the issued capital. A resolution of the General meeting to suspend or dismiss a Managing Director at the proposal of the Supervisory Board requires an absolute majority of the votes cast. The Supervisory Board may at all times suspend but not dismiss a Managing Director. The General Meeting must within three months after the effective date of the suspension, either resolve to dismiss the Managing Director, or to set aside or maintain the suspension, failing which the suspension shall cease. A resolution to maintain the suspension may be passed only once and the suspension may be maintained for a period not exceeding three months as from the day on which the General Meeting has passed the resolution to maintain the suspension. The suspended Managing Director must be given the opportunity to account for his or her actions at that meeting. If the General Meeting has not resolved within the period set for the maintaining of the suspension either to dismiss the Managing Director or to set aside the suspension, the suspension shall cease.

The Articles of Association provide that in the event of one or more Managing Directors being absent or prevented from acting, the remaining Managing Directors or the only remaining Managing Director shall be temporarily charged with the entire management of the Company.

Furthermore, the Articles of Association provide that in the event of all the Managing Directors or the only Managing Director being absent or prevented from acting, the Supervisory Board shall be temporarily charged with the management of the Company; the Supervisory Board shall in such event be empowered to designate one or more temporary Managing Directors. In the event of absence, the Supervisory Board shall as soon as possible proceed to such measures as are necessary in order that a definitive filling of the vacancy or vacancies may be effected. Prevented from acting means that a Managing Director is temporarily unable to perform his duties as a result of: (i) suspension, (ii) illness or (iii) inaccessibility, in the events referred to under (ii) and (iii) without the possibility of contact for a period of 5 days between the Managing Director concerned and the Company, unless the Supervisory Board sets a different term.

#### ***Term of appointment***

Pursuant to the Articles of Association, Managing Directors are appointed for a maximum term of four years, provided that, unless a Managing Director resigns earlier, his appointment period shall end immediately after the annual General Meeting that will be held in the fourth calendar year after the date of his appointment or reappointment. Mr. Heine is appointed for a second four-year term expiring at the annual General Meeting of 2023. On 12 May 2021, the extraordinary General Meeting appointed Ms. Geelen for a first four-year term expiring at the annual General Meeting of 2025.

#### ***Board meetings and decisions***

Pursuant to the Board of Management Rules, the Managing Directors shall endeavour that Board of Management resolutions are, whenever possible, adopted unanimously. Where unanimity cannot be reached and Dutch law, the Articles of Association or the Board of Management Rules do not prescribe a larger majority, resolutions of the Board of Management are adopted by a simple majority vote. Each Managing Director has one vote at a meeting of the Board of Management. In the event of a tie vote, the resolution will be adopted by the Supervisory Board. Pursuant to the Board of Management Rules, the Board of Management may only adopt resolutions at a meeting if a majority of the Managing Directors entitled to vote is present or represented.

The Board of Management must obtain the approval of the Supervisory Board and the General Meeting for resolutions entailing a significant change in the identity or nature of the Company or its business. This includes in any event: (i) the transfer of the business enterprise, or practically the entire business enterprise, to a third-party; (ii) concluding or cancelling a long-lasting cooperation of the Company or a subsidiary with another legal person or company or as a fully liable general partner in a partnership, provided that the cooperation or cancellation is of material significance to the Company; and (iii) acquiring or disposing of a participating interest in the share capital of a company with a value of at least one third of the Company's assets, as shown in the consolidated balance sheet with explanatory notes according to the last adopted Annual Accounts by the Company or a subsidiary of the Company.

Certain other important resolutions of the Board of Management identified in the Articles of Association require the approval of the Supervisory Board.

In addition, pursuant to the Articles of Association, the Supervisory Board may determine that certain specific resolutions of the Board of Management, as clearly defined in the Board of Management Rules or in a resolution adopted by the Supervisory Board to that effect with a notification thereof to the Board of Management, are subject

to its approval. The current list of those decisions as determined by the Supervisory Board is set out in the Board of Management Rules. The list of decisions include, among others, (i) to appoint and dismiss the head of internal audit, (ii) to approve the audit plan drawn up by the internal audit function, (iii) to enter into a transaction with a legal entity or natural person holding at least ten percent of the Ordinary Shares that is of material significance to the Company and/or such legal entity or such natural person, (iv) on subjects where a Supervisory Director has a conflict of interest as referred to in the Supervisory Board Rules and (v) all other resolutions of which the Supervisory Board decides that these shall be subject to the approval of the Supervisory Board.

In each of the abovementioned situations, the lack of approval (whether of the General Meeting or from the Supervisory Board) does not affect the authority of the Board of Management or the Managing Directors to represent the Company.

Pursuant to the Board of Management Rules, resolutions can also be adopted without holding a meeting, provided that the proposals have been brought to the attention of all of the Managing Directors, none of the Managing Directors entitled to vote has objected to this form of decision making and the resolutions are adopted in writing.

### **Conflict of interest**

Dutch law provides that a managing director of a Dutch public limited liability company, such as the Company, may not participate in the adoption of resolutions (including deliberations in respect of these) if he or she has a direct or indirect personal interest conflicting with the interests of the company. Such a conflict of interest only exists if in the situation at hand the Managing Director is deemed to be unable to serve the interests of the Company and the business connected with it with the required level of integrity and objectivity. Pursuant to the Board of Management Rules, each Managing Director shall immediately report any (potential) personal conflict of interest concerning a Managing Director to the chairperson of the Supervisory Board and to the other Managing Directors and shall provide all information relevant to the (potential) conflict. The Supervisory Board decides whether a reported (potential) conflict of interest qualifies as a conflict of interest within the meaning of Dutch law, without the respective Managing Director being present.

If no resolution can be adopted by the Board of Management as a consequence of such a personal conflict of interest, the resolution concerned will be adopted by the Supervisory Board. All transactions in which there are conflicts of interests with Managing Directors will be agreed on terms that are customary in the sector concerned, require the prior approval of the Supervisory Board and are disclosed in the Company's management report.

The existence of a (potential) personal conflict of interest does not affect the authority to represent the Company, as described under "—Powers, responsibilities and functioning" above.

### **Managing Directors**

At the date of this Prospectus, the Board of Management is composed of the following two Managing Directors:

<b>Name</b>	<b>Year of birth</b>	<b>Position</b>	<b>Member as of</b>	<b>Term expires</b>
Mark R.F. Heine	1973	Chief Executive Officer	2015	2023
Barbara P.E. Geelen	1974	Chief Financial Officer	2021	2025

The nomination of Barbara Geelen was presented on 22 March 2021 and adopted by the Company's extraordinary General Meeting on 12 May 2021. The appointment of Ms. Geelen allows for the proper succession of Paul A.H. Verhagen who announced on 12 January 2021 that he wanted to step down as Chief Financial Officer after the General Meeting on 22 April 2021.

The Company's registered address, Veurse Achterweg 10, 2264SG Leidschendam, the Netherlands, serves as the business address for all Managing Directors and all other Executive Leadership Team Members.

#### *Mark Rembold Frodo Heine*

Mark Heine joined the Group in 2000 and has served in various positions, including among others, geodesist on various onshore and offshore survey projects, managing director Africa, regional manager Europe-Africa, Director of the Survey division, Executive Committee member and division director Marine. He served as director of several joint ventures in China, the United Kingdom and the United States. He was appointed to the Board of Management in April 2015 and was appointed as Chief Executive Officer in October 2018. Mr. Heine holds a MSc in Geodetic Engineering from Delft University of Technology. He is a member of the board of directors and vice-chair of marine contractors association IRO and member of the board of directors of Global Marine Group. Additionally, he was a member of the board of directors of International Marine Contractors Association.

#### *Barbara Pauline Elisabeth Geelen*

Barbara Geelen was appointed to the Board of Management and as Chief Financial Officer on 12 May 2021. Ms. Geelen has extensive experience in financial management, including corporate finance, project financing, strategic planning, (re)structuring, mergers and acquisitions and management information systems. From 2014 until 2021, she served as CFO and statutory member of the Executive Board at HES International. In addition, Ms. Geelen held several positions in supervisory and management boards of companies within the HES International group of companies. Prior to that Ms. Geelen held various (leading) roles at ABN AMRO and gained experience in equity

and high yield capital markets transactions, restructuring of companies and managing client teams, among others in the energy sector. She has extensive international experience, having been stationed in London and Singapore. Ms. Geelen holds a MSc of the Faculty Bedrijfswetenschappen from the University of Nijmegen, the Netherlands.

### Executive Leadership Team

The Executive Leadership Team is responsible for the day-to-day management of the Company and is collectively responsible for the performance of the Company and its business, the implementation of the Company's strategy and group wide policies, systems and processes. The Executive Leadership Team is bound to the Board of Management Rules. Notwithstanding the Executive Leadership Team responsibilities, the rights and obligations of the Board of Management under Dutch law, the Articles of Association and the Dutch Corporate Governance Code issued on 8 December 2016 (the "**Dutch Corporate Governance Code**") remain in full force and effect. The Board of Management therefore is accountable for the actions and decisions of the Executive Leadership Team and has ultimate responsibility for general affairs of the Company's business and the general affairs of the Group.

The Board of Management determines the number of Executive Leadership Team Members, subject to Supervisory Board approval. The Executive Leadership Team Members who are not Managing Directors can be appointed to and removed from the Executive Leadership Team by the Board of Management, subject to approval by the Supervisory Board. Such Executive Leadership Team Members can be suspended by the Board of Management, subject to approval by the chairman of the Supervisory Board.

Each Managing Director and each other Executive Leadership Team Member has one vote at a meeting of the Executive Leadership Team. Resolutions of the Executive Leadership Team can only be adopted in a meeting of the Executive Leadership Team where at least the majority of all members of the Executive Leadership Team entitled to vote is present or represented and the majority of the Managing Directors entitled to vote is present or represented. Unless the Board of Management Rules prescribe a larger majority, all resolutions of the Executive Leadership Team are adopted by a simple majority of the votes cast, provided that a resolution can only be adopted if such majority includes the majority of the Managing Directors entitled to vote. In the case of a tie vote, which does not include a tie vote between the Managing Directors entitled to vote, the CEO, if entitled to vote, and in his absence the CFO, if entitled to vote, shall decide.

Pursuant to the Board of Management Rules, resolutions of the Executive Leadership Team can also be adopted without holding a meeting, provided that the proposals have been brought to the attention of all Executive Leadership Team Members, none of the Managing Directors entitled to vote has objected to this form of decision making and the resolutions are adopted in writing. Pursuant to the Board of Management Rules, Executive Leadership Team Members who are not a Managing Director are subject to similar rules as Managing Directors in relation to conflicts of interests as described above under "—Board of Management—Conflict of interest".

Resolutions validly adopted by the Executive Leadership Team in accordance with the Board of Management Rules shall also be deemed resolutions adopted by the Board of Management. The Board of Management retains the authority to adopt resolutions within the scope of the authority of the Executive Leadership Team without the participation of the other Executive Leadership Team Members.

At the date of this Prospectus, the Executive Leadership Team is composed of the following members:

Name	Year of birth	Title	Member of Executive Leadership Team since
Mark R.F. Heine	1973	Chief Executive Officer	2019
Barbara P.E. Geelen	1974	Chief Financial Officer	2021
Erik-Jan Willem Bijvank	1969	Group Director Europe – Africa	2020
Edward Saade	1955	Group Director Americas	2019
Amar Umap	1972	Group Director Asia Pacific	2019
Timothy (Tim) Lyle	1977	Group Director Middle East & India	2019
Erwin Hoogeveen	1968	Group Director Human Resources	2019
Wim Julia Jacobus Herijgers	1975	Group Director Development & Digital Transformation	2019
Annabelle Madeleine Carole Vos	1978	General Counsel and Chief Compliance Officer	2019

*Mark Rembold Frodo Heine*

For more information on Mark Rembold Frodo Heine's business experience, see "—Managing Directors".

*Barbara Pauline Elisabeth Geelen*

For more information on Barbara Pauline Elisabeth Geelen's business experience, see "—Managing Directors".

*Erik-Jan Willem Bijvank*

Erik-Jan Willem Bijvank joined the Company in January 2020 as Group Director for the Europe & Africa region. He has previously spent over 20 plus years with Stork, a Fluor Corporation company. He fulfilled several senior management roles both in the Netherlands and the UK and held directorships in the countries included in the regions under his responsibility (including in Azerbaijan, Trinidad & Tobago, Norway, Saudi Arabia, Australia, Kuwait and Bahrain). From 2012 to 2017, Mr. Bijvank was Senior Vice President for Stork UK and Africa, based in Stork's regional headquarters in Aberdeen. In 2018, he became Regional Vice President of Stork International, where he focused on developing and implementing a growth strategy for the Stork brands in the UK, the Middle East, Central Asia, Australia and New Zealand. He was a member of the Global Management Team throughout that period. During his time in the UK, Mr. Bijvank was a board member of Step Change in Safety and vice-chairman of the Offshore Contractors Association. He holds an MSc from Universiteit Twente and a Master of Project Management from Western Carolina University.

*Edward Saade*

Edward Saade joined the Company in 2003 and has served in various positions and locations across the Americas Region: OpCo Managing Director in San Diego, California (hydrography and geophysical surveys) and Frederick, Maryland (geospatial and government contracts), Regional Geospatial Manager-Americas, Regional Director of the Survey Division-Americas in Houston, Texas (where he is still based), Regional Director Marine Division, and his current role as Group Director-Americas Region and member of the Executive Leadership Team. In addition, he also serves as the President of Fugro USA. Mr. Saade holds a Bachelor of Arts Degree in Geology from the University of California at Santa Barbara and completed several years of graduate school research in Marine Geophysics at the University of Hawaii, Manoa. He is a Registered Geophysicist in California and the Chairperson of the US Government National Oceanic and Atmospheric Administration (NOAA) Hydrographic Services Review Panel.

*Amar Umap*

Amar Umap joined the Company in February 2017 as Regional Director Marine for the Asia Pacific region and became Group Director for the same region in May 2019. He is a Board Member of Ecosoft (Singapore based social enterprise) since 2017. He has previously worked for several multinational companies, including Technip, Global Industries, McDermott International Inc. in various management and operational roles in Asia Pacific, India, Middle East and USA. Mr. Umap graduated from the Indian Institute of Technology, Kharagpur with a Bachelor of Technology in Civil Engineering and holds a Global Executive MBA from INSEAD.

*Timothy (Tim) Lyle*

Tim Lyle joined the Company in 2006 as an engineering geologist and project manager in the UK. He has since served in several management positions in the Company including country manager for Oman and the United Arab Emirates, Regional Director of Europe and is currently serving as Group Director of the Middle East & India region. Mr. Lyle holds a bachelor engineering degree from Camborne School of Mines, University of Exeter.

*Erwin Hoozeveen*

Erwin Hoozeveen joined the Company as Chief Human Resources Officer in 2016 and was appointed as member of the Executive Leadership Team in May 2019. He is a director of IEHR Consultancy B.V. and previously, he worked in various HR leadership roles with Seafox, CEVA Logistics, Dockwise, BMC Software and Getronics. During his tenure with Dockwise, Mr. Hoozeveen was appointed Chief Operating Officer & Member-Management Board at Fairstar Heavy Transport NV and tasked to integrate both companies. Mr. Hoozeveen holds a BA in Human Resources Management from Avans Hogeschool in Breda.

*Wim Julia Jacobus Herijgers*

Wim Herijgers joined the Company in 2014. He holds the position of Group Director Development & Digital Transformation. In this role, he is responsible for the Global Business Line strategy, Innovation, Operational & Commercial Excellence and building and implementing Integrated Digital Solutions for the Group's clients. Previously, he was the Global Business Line Director Asset Integrity for the Company's Marine business. Before joining the Company, he was Principal at the Boston Consulting Group for over 12 years. Mr. Herijgers holds an MBA from INSEAD and an MSc in Electrical Engineering from Delft University of Technology.

*Annabelle Madeleine Carole Vos*

Annabelle Vos joined the Company in January 2016 as General Counsel and Chief Compliance Officer. She was appointed member of the Executive Leadership Team upon its inception in May 2019. Prior to joining the Company, Ms Vos worked in private practice for 11 years at De Brauw Blackstone Westbroek, a Dutch law firm, in their M&A and corporate litigation practice groups. Ms Vos holds a Master of Law degree from Leiden University and a Master of International Relations and International Economics from Johns Hopkins University. Ms Vos is a member of the Contracts and Insurance Committee of the International Marine Contractors Association (IMCA).

## **Supervisory Board**

### ***Powers, responsibilities and functioning***

The Supervisory Board supervises the conduct and policies of the Board of Management and the general course of affairs of the Company and its business enterprise. The Supervisory Board also provides advice to the Board of Management. In performing its duties, the Supervisory Directors are required to be guided by the interests of the Company and its business enterprise, taking into consideration the interests of the Group's stakeholders (which include but are not limited to its customers, its suppliers, its employees and the holders of Shares). The Supervisory Board must also observe the corporate social responsibility issues that are relevant to the Group. The Supervisory Board is responsible for the quality of its own performance. The Supervisory Board may, at the Company's expense, seek the advice which it deems desirable for the proper performance of its duties. The Supervisory Board has drawn up a profile, taking account of the nature and the activities of the enterprise of the Company. The Supervisory Board shall discuss the profile at the occasion of each amendment thereof in the General Meeting.

### ***Supervisory Board Rules***

In accordance with the Articles of Association, the Supervisory Board has adopted the Supervisory Board Rules.

### ***Composition, appointment and removal***

The Articles of Association provide that the Supervisory Board determines the number of Supervisory Directors. The General Meeting appoints the Supervisory Directors. In case a Supervisory Director is to be appointed, the Supervisory Board shall make a binding proposal. The proposal must be included in the notice of the General Meeting at which the appointment will be considered and needs to provide the information as indicated in the Articles of Association. The General Meeting may at all times overrule the binding nature of a proposal by a resolution adopted by an absolute majority of the votes cast, provided such majority represents more than one-third of the issued share capital. If this part of the capital is not represented at the meeting, but an absolute majority of the votes cast is in favour of a resolution to overrule the binding nature of a nomination, a new meeting may be convened at which the resolution to overrule the binding nomination may be passed by an absolute majority of the votes cast, regardless of the part of the capital represented at the meeting. If no nomination has been made for a vacant position of the Supervisory Board or no nomination for such position has been made in due time, the General Meeting may appoint a Supervisory Director at its discretion by an absolute majority of the votes cast. The Supervisory Board shall appoint one of the Supervisory Directors as chairman and shall appoint one of the Supervisory Directors as vice-chairman.

The General Meeting may at any time suspend or dismiss a Supervisory Director. Unless at the proposal of the Supervisory Board, a resolution to suspend or dismiss a Supervisory Director may be passed only by the General Meeting with a majority of two-thirds of the votes cast, which majority must represent more than one-half of the issued capital. A resolution of the General Meeting to suspend or dismiss a Supervisory Director at the proposal of the Supervisory Board requires an absolute majority of the votes cast. The General Meeting must within three months after the effective date of the suspension, either resolve to dismiss the Supervisory Director, or to set aside or maintain the suspension, failing which the suspension shall cease. A resolution to maintain the suspension may be passed only once and the suspension may be maintained for a period not exceeding three months as from the day on which the General Meeting has passed the resolution to maintain the suspension. The suspended Supervisory Director must be given the opportunity to account for his or her actions at that meeting. If the General Meeting has not resolved within the period set for the maintaining of the suspension either to dismiss the Supervisory Director or to set aside the suspension, the suspension shall cease.

The Articles of Association provide that in the event of one or more Supervisory Directors being absent or prevented from acting, the remaining Supervisory Directors or the only remaining Supervisory Director shall be temporarily charged with the entire supervision of the Company.

Furthermore, the Articles of Association provide that in the event of all the Supervisory Directors or the only Supervisory Director being absent or prevented from acting, the Board of Management shall designate one or more temporary replacements charged with the responsibilities of the Supervisory Board for the period that all Supervisory Directors remain prevented from acting. In the event that all positions on the Supervisory Board are vacant, the Board of Management shall designate one or more temporary replacements charged with the responsibilities of the Supervisory Board, including selecting and nominating Supervisory Directors for appointment by the General Meeting. Prevented from acting means that a Supervisory Director is temporarily unable to perform his duties as a result of: (i) suspension, (ii) illness or (iii) inaccessibility, in the events referred to under (ii) and (iii) without the

possibility of contact for a period of 5 days between the Supervisory Director concerned and the Company, unless the Supervisory Board sets a different term.

#### ***Term of appointment***

Supervisory Directors are appointed for a maximum term of four years, provided that, unless a member of the Supervisory Board resigns at an earlier date, his or her term of office lapses on the day of the first annual General Meeting to be held in the fourth year after the year of his or her appointment. A Supervisory Director may be reappointed for a term of not more than four years at a time, with due observance of the provision in the previous sentence. A Supervisory Director may be a Supervisory Director for a period not longer than twelve years, which period may or may not be interrupted, unless the General Meeting resolves otherwise. The Supervisory Board has prepared a retirement schedule for the Supervisory Directors.

#### ***Meetings and decisions***

Pursuant to the Supervisory Board Rules, the Supervisory Directors shall endeavour that Supervisory Board resolutions are, whenever possible, adopted unanimously. Where unanimity cannot be reached and the law, the Articles of Association or the Board of Management Rules do not prescribe a larger majority, resolutions of the Supervisory Board are adopted by a simple majority vote. Each Supervisory Director has one vote at a meeting of the Supervisory Board. In the event of a tie vote, the chairman of the Supervisory Board shall decide. Pursuant to the Supervisory Board Rules, the Supervisory Board may only adopt resolutions at a meeting if a majority of the Supervisory Directors entitled to vote is present or represented.

Pursuant to the Supervisory Board Rules, resolutions can also be adopted without holding a meeting, provided that the proposals have been brought to the attention of all of the Supervisory Directors, a majority of the Supervisory Directors entitled to vote voted in favour of the resolutions in question and the resolutions are adopted in writing or other reproducible electronic communication, with due observance of the previous paragraph.

The Supervisory Board shall meet at least five times a year and, furthermore, at any Supervisory Director's request. Meetings of the Supervisory Board are attended by the Managing Directors, save for certain meetings as described in the Supervisory Board Rules. The other members of the Executive Leadership Team will be invited to attend Supervisory Board meetings on a regular basis.

#### ***Conflict of interest***

Similar to the rules that apply to the Managing Directors as described above, Dutch law provides that a supervisory director of a Dutch public limited liability company, such as the Company, may not participate in the adoption of resolutions (including deliberations in respect of these) if he or she has a direct or indirect personal interest conflicting with the interests of the company.

A Supervisory Director, other than the chairman or the vice-chairman of the Supervisory Board must report any (potential) conflict of interest to the chairman of the Supervisory Board, or in the chairman's absence, the vice-chairman of the Supervisory Board. The chairman of the Supervisory Board must report any (potential) conflict of interest to the vice-chairman of the Supervisory Board or, in the vice-chairman's absence, to the other Supervisory Directors. The vice-chairman of the Supervisory Board must, without delay, report any (potential) conflict of interest to the chairman of the Supervisory Board or, in the chairman's absence, to the other Supervisory Directors. The Supervisory Director concerned must provide all relevant information, including any relevant information concerning his or her spouse, registered partner or other life companion, foster child and relatives by blood or marriage up to the second degree. The Supervisory Board decides whether a reported (potential) conflict of interest qualifies as a conflict of interest within the meaning of Dutch law, without the respective Supervisory Director being present.

If as a result of such a personal conflict of interest all Supervisory Directors are unable to participate in the deliberations and the decision-making process and no resolution of the Supervisory Board can be adopted, the resolution will be adopted by the General Meeting.

All transactions in which there are conflicts of interests with Supervisory Directors will be agreed on terms that are customary in the sector, require the approval of the Supervisory Board and are disclosed in the Company's management report.

#### ***Supervisory Directors***

At the date of this Prospectus, the Supervisory Board is composed of the following six Supervisory Directors:

<b>Name</b>	<b>Year of birth</b>	<b>Position</b>	<b>Member as of</b>	<b>Term expires</b>
Sjoerd S. Vollebregt	1954	Chairman and Supervisory Director	2020	2024
Petronella ("Petri") H.M. Hofsté	1961	Vice chair and Supervisory Director	2015	2023
Antonio J. Campo Meija	1957	Supervisory Director	2014	2022
Rohinton ("Ron") Mobed	1959	Supervisory Director	2020	2024
Adriana ("Anja") H. Montijn – Groenewoud	1962	Supervisory Director	2015	2023



*Sjoerd S. Vollebregt*

*Petronella H.M. ("Petri") Hofsté*

Antonio Jose Campo Meija

*Rohinton ("Ron") Mobed*

*Adriana Helena ("Anja") Montijn-Groenewoud*

Marc J.C. de Jong

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PolyTech A/S. He was previously a member of the supervisory board of First Sensor AG and the Technical University Eindhoven. He is the owner and the CEO of InnoMarket (Consultancy) B.V. and was previously CEO of LM Wind Power A/S, a market-leading producer of wind turbine blades, active across Europe, the Americas and Asia. Before that, Mr. de Jong held senior executive positions at Royal Philips, where he also served in the Group Management Committee, Philips Lighting and NXP Semiconductors.

### **Supervisory Board Committees**

The Supervisory Board has three subcommittees: an Audit Committee, a nomination committee (the "**Nomination Committee**") and a remuneration committee (the "**Remuneration Committee**"). Each of the committees has a preparatory and advisory role only, the decision-making power and ultimately responsibility vests in the Supervisory Board. In accordance with the Supervisory Board Rules, the Supervisory Board has drawn up rules on each committee's duties and internal proceedings. The committees consist of Supervisory Directors who are appointed for such committees by the Supervisory Board. The committees report their findings to the Supervisory Board, which is ultimately responsible for all decision-making.

#### *Audit Committee*

The Audit Committee prepares the Supervisory Board's decision making regarding the supervision on the integrity and quality of the Company's financial reporting and the effectiveness of the Company's internal risk management and control systems and assists and advises the Supervisory Board in this respect.

The Audit Committee focuses on monitoring the Board of Management in matters regarding relations with the internal and external auditors, the Company's funding, the application of information and communication technology, including risks related to cybersecurity and the Company's tax policy.

In addition, the Audit Committee has duties related to the functioning of the internal audit function and the external auditor, the Company's financial reporting and risk management.

The Audit Committee meets as often as required to ensure proper functioning of the Audit Committee, and whenever one or more of its members have requested such meeting, but in any event at least five times a year.

The Audit Committee consists of Petri Hofsté (chair), Ron Mobed and Marc de Jong.

The charter for the Audit Committee is published on the Company's website under <https://www.fugro.com/about-fugro/corporate-governance/codes-and-regulations>.

#### *Nomination Committee*

The Nomination Committee prepares the Supervisory Board's decision making regarding the appointment and reappointment of Managing Directors and Supervisory Directors. The Nomination Committee focuses on preparing the selection criteria and appointment procedures for Managing Directors and Supervisory Directors, and proposing the composition profile of the Supervisory Board. It also periodically assesses the size and composition of the Board of Management and the Supervisory Board, and the functioning of the individual Managing Directors and Supervisory Directors. The Nomination Committee also prepares proposals for appointment and reappointment of Managing Directors and Supervisory Directors. It supervises the Board of Management's policy on selection criteria and appointment procedures for senior management and advises the Supervisory Board on the drawing up of the Company's diversity policy for the composition of the Board of Management, the Executive Leadership Team and the Supervisory Board. The Nomination Committee meets whenever one or more of its members have requested a meeting.

The Nomination Committee consists of Sjoerd Vollebregt (chairman), Antonio Campo and Anja Montijn.

The charter for the Nomination Committee is published on the Company's website under <https://www.fugro.com/about-fugro/corporate-governance/codes-and-regulations>.

#### *Remuneration Committee*

The Remuneration Committee prepares the Supervisory Board's decision making regarding the proposed remuneration policy and the determination of the remuneration of individual Managing Directors within the framework of the remuneration policy, including severance payments, and assists and advises the Supervisory Board in this respect.

The responsibilities of the Remuneration Committee include preparing a proposal for the Supervisory Board concerning the remuneration policy for the Managing Directors to be adopted by the General Meeting, and on the remuneration of the individual Managing Directors. The Remuneration Committee advises the Supervisory Board on the contractual terms for the management services agreements with Managing Directors. Furthermore, the committee must prepare a proposal for the Supervisory Board concerning the long-term incentive plan regarding the granting of Ordinary Shares and/or options to the Managing Directors and other senior management of the Group, including the terms and conditions governing this, to be adopted by the General Meeting and approving the grants under this plan on behalf of the Supervisory Board. In addition, the Remuneration Committee prepares a proposal for the Supervisory Board concerning the remuneration of the Supervisory Directors for adoption by the

General Meeting. The Remuneration Committee also prepares a remuneration report which includes *inter alia* the remuneration policy for the Board of Management as adopted by the General Meeting and an explanation how this policy has been implemented in the past financial year, for discussion at the General Meeting. The Remuneration Committee meets whenever one or more of its members have requested a meeting.

The Remuneration Committee consists of Anja Montijn (chair), Antonio Campo and Sjoerd Vollebregt.

The charter for the Remuneration Committee is published on the Company's website under <https://www.fugro.com/about-fugro/corporate-governance/codes-and-regulations>.

### **Maximum Number of Supervisory Positions of Managing Directors and Supervisory Directors**

Restrictions apply with respect to the overall number of supervisory positions that a managing director or supervisory director (including a one-tier board) of "large Dutch companies" may hold. The term "large Dutch companies" applies to Dutch public limited liability companies, Dutch private limited liability companies and Dutch foundations as referred to in article 2:297a (1) BW, that at two consecutive balance sheet dates, without subsequent interruption on two consecutive balance dates, meet at least two of the following three criteria: (i) the value of the company's/foundation's assets according to its balance sheet together with explanatory notes, on the basis of the purchase price or manufacturing costs exceeds €20 million; (ii) its net turnover in the applicable year exceeds €40 million; and (iii) its average number of employees in the applicable year is 250 or more.

Note that the terms "large Dutch companies" as defined in this paragraph and the paragraph "—Diversity" and the "large company regime" (*structuurregime*) as referred to under "—Management Structure" refer to different concepts.

A person cannot be appointed as a managing or executive director of a "large Dutch company" if he or she already holds a supervisory position at more than two other "large Dutch companies" or if he or she is the chairperson of the supervisory board or one-tier board of another "large Dutch company". Also, a person cannot be appointed as a supervisory director or non-executive director of a "large Dutch company" if he or she already holds a supervisory position at five or more other "large Dutch companies", whereby the position of chairperson of the supervisory board or one-tier board of another "large Dutch company" is counted twice.

The Company meets the criteria of a large Dutch company; all Managing Directors and Supervisory Directors comply with these rules.

### **Diversity**

On 11 February 2021, a bill (*Wetsvoorstel inzake evenwichtige man vrouw verhouding in de top van het bedrijfsleven*) introducing stricter gender diversity measures was adopted by the Second Chamber of the Dutch House of Representatives (*Tweede Kamer*). The bill is expected to enter into force in 2021. Once the bill enters into force, Dutch listed companies will have to comply with a quota of at least one-third for both women and men on supervisory boards. The quota will apply to new appointments, i.e. companies can reappoint a Supervisory Director without complying with the one-third quota, but only where this happens within eight years after the year of the Supervisory Director's first appointment. A new appointment not in accordance with the one-third quota will in principle be regarded as null and void (*nietig*). As a result, the person in question will not become a Supervisory Director of the Company. As of the date of this Prospectus, the Company would comply with these new rules if they would be in force as described in the draft of the legislative proposal as the Supervisory Board comprises four men (two-thirds) and two women (one-third).

### **Potential Conflicts of Interest and Other Information**

There are no potential conflicts of interests between any duties to the Company, of Supervisory Directors, Managing Directors or other Executive Leadership Team Members, and their private interests and or other duties. There is no family relationship between any Managing Director, any Supervisory Director or Executive Leadership Team Member.

During the last five years, none of the Supervisory Directors, Managing Directors, or other Executive Leadership Team Members has: (i) been convicted of fraudulent offenses; (ii) served as a director or officer of any entity subject to bankruptcy proceedings, receivership, liquidation or companies put into administration; or (iii) been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies), or disqualification by a court from acting as a member of the administrative, management or supervisory body of an issuer, or from acting in the management or conduct of the affairs of any company.

There are no arrangements or understandings with major holders of Shares, suppliers, customers or others pursuant to which any Supervisory Director, Managing Director, or other Executive Leadership Team Member was selected as a member of such management or supervisory bodies or Executive Leadership Team Member of the Company.

### **Board of Management Remuneration**

The Supervisory Board has established the remuneration of the individual Managing Directors, in accordance with the Board of Management remuneration policy as adopted, and arrangements for remuneration in the form of

(certificates of) Ordinary Shares or rights to subscribe for (certificates of) Ordinary Shares as approved by the General Meeting on 30 April 2020.

The compensation package for the Board of Management consists of the following components which are discussed in more detail below: (i) fixed base salary, (ii) short-term incentive ("**STI**") consisting of an annual cash bonus opportunity, (iii) long-term incentive ("**LTI**") consisting of conditional performance shares, and (iv) pension and other benefits:

#### ***Fixed base salary***

Fixed base salaries of the Managing Directors are determined by the Supervisory Board (based on advice of the Remuneration Committee) and set in line with the median of the labour market reference group. Once a year, the Supervisory Board determines whether, and if so, to what extent the base salaries will be adjusted. Regularly, the outcome of external benchmarking by an independent consultant is taken into consideration.

#### ***Short-term incentive (STI, annual bonus)***

Each Managing Director is eligible for an annual bonus. The bonus may vary from 0% to 100% of fixed base salary, with 67% only being attained when targets are achieved. The STI is linked to financial targets (75%) and to non-financial (personal) targets (25%). The non-financial targets give the possibility to take for example health and safety, ESG/sustainability and personal development goals into consideration.

To ensure continued alignment of the STI with the Company's strategy and to enable adequate responses to the challenges the Company is facing, flexibility with respect to the STI targets is important. Therefore, at the beginning of each financial year, the Supervisory Board will set the STI targets, based on the budget and taking into account the strategic goals of the Company.

The Supervisory Board will also determine the relative weight for the selected targets and the applicable performance zones for each target (financial and non-financial). These performance zones determine the performance levels below which no pay-outs are made, at which 100% pay-out is made, and at which the maximum pay-out is made. There is no overshoot possibility for the non-financial targets. The maximum possible STI pay-out for achievement of financial targets is 1.67. The Supervisory Board ensures that the targets are challenging, realistic and consistent with the Company's strategic goals.

After the end of the financial year, the Remuneration Committee determines to what extent the targets have been met. The Supervisory Board, following a proposal from the Remuneration Committee, will decide upon the STI to be awarded over the past financial year. The STI, if any, is paid after adoption by the General Meeting of the Annual Accounts.

The metrics that will be used for the financial targets and their weighting will be disclosed at the beginning of the financial year in the remuneration report regarding the previous year. After the end of each financial year, the performance on each of the metrics is disclosed as a percentage of target performance.

#### ***Long-term incentive plan***

To strengthen the alignment with the interests of holders of Shares, the LTI consists of performance shares which are conditionally granted annually to Managing Directors (and to other senior management). These shares vest after three years, conditional on the achievement of predetermined targets, which are focused on long-term value creation. Vesting is also subject to continuous employment with exceptions in connection with retirement, long-term disability and death.

The number of granted performance shares was set for a period of three years in 2018. A new three-year period started with the grant on 1 March 2021. The principle being that the expected value as percentage of fixed base salary of the Managing Directors is as follows: CEO: 100% and CFO: 90%..

Conditional grants under the LTI are made each year in the open period immediately following the publication of the annual results. The performance period is from 1 January of the year of granting to 31 December three years later. The maximum number of shares that can vest after three years equals 175% of the conditionally granted number of shares (only in the case that maximum performance is achieved on all criteria). As of the granting in 2018, the criteria used for vesting and their relative weight are as follows: total shareholder return (TSR): 37.5%, ROCE: 37.5%, strategic target: 25%.

TSR is defined as the share price increase, including reinvested dividends. TSR is measured over a three-year (calendar year) period based on a three-month average of the last three months of the year before grant and before vesting date. The relative position within the peer group determines the award level. The composition of the peer group is evaluated on a yearly basis, among others, in light of corporate events, and comprises Arcadis, Boskalis, Core Laboratories, Fluor, John Wood Group, Oceaneering International, Schlumberger, Subsea 7, TechnipFMC, Transocean and WorleyParsons.

Each year at granting, the Supervisory Board will determine the performance criteria with respect to ROCE, taking into account the ROCE target for the year of vesting. Return will be based on the net operating profit after tax defined by the Company as a percentage of a three points average capital employed in the last three reporting

periods (NOPAT), excluding impairments; capital employed will be corrected for impairments (these will be set back when applying the vesting criteria).

The strategic target is part of the LTI as achieving strategic goals is an important driver for long-term value creation. Each year at granting, the Supervisory Board sets a strategic target to be achieved in the coming three-year period. These targets are derived from the Company's strategy to create long-term value for its holders of Shares and other stakeholders. Examples would be a target related to the Company's long-term goal to develop more business opportunities outside the oil and gas market, a target related to new business development based on innovative technology or an ESG target.

Achievement of the performance targets is determined by the Supervisory Board in the first quarter of the year following the three-year performance period. The vesting period starts at the first day following the grant date. Vested shares have a holding (lock-up) period of 2 years and may be partly sold only to meet tax requirements at vesting. The holders of performance shares are not entitled to shareholders' rights, including the right to dividends, during the period between granting and vesting.

#### ***Pensions and other benefits***

The pension contribution for the Managing Directors is in line with market practice. In accordance with Dutch law, tax deductible pension accruals are only possible for the part of salary up to €112,189 (2021). The Managing Directors are compensated by a non-tax deductible, age dependent pension contribution, which allows building up pension out of net salary, resulting in pension costs for the Company at a similar level as before the legislative changes per 1 January 2015. In 2019, the Company transferred all employees in the Netherlands to a new defined contribution plan up through the legal maximum pensionable salary. The Managing Directors also participate in this plan up through the legal maximum.

The fringe benefits of the Managing Directors are commensurate with the position held and include expense and relocation allowances, a company car and health and accident insurance.

The Company does not grant loans, advance payments or guarantees to Managing Directors.

#### ***Adjustments to variable remuneration***

Pursuant to Dutch law, the remuneration of managing directors may be reduced or managing directors may be obliged to repay (part of) their variable remuneration to the company if certain circumstances apply. Any variable remuneration component conditionally awarded to a managing director in a previous financial year which would, in the opinion of the supervisory board, produce an unfair result due to extraordinary circumstances during the period in which the predetermined performance criteria have been or should have been applied, the supervisory board will have the discretionary power to adjust the value downwards or upwards.

In addition, the supervisory board will have the authority under the Dutch Corporate Governance Code and Dutch law to recover from a managing director any variable remuneration awarded on the basis of incorrect financial or other data (claw back). The supervisory board may furthermore adjust the variable remuneration (to the extent that it is subject to reaching certain targets and the occurrence of certain events) to an appropriate level if payment of the variable remuneration were to be unacceptable according to the requirements of reasonableness and fairness.

#### **Remuneration for the Board of Management in 2020**

##### ***Fixed base salary***

As was announced in the remuneration report prepared by the Remuneration Committee in 2017, part of the 2017 Annual Report, as of 26 April 2018 (the date of the annual General Meeting in 2018), the annual fixed base salary of the CEO has been increased from €600,000 to €660,000 gross per year and the annual fixed base salary of the CFO who served the Company until 22 April 2021 was increased from €450,000 to €500,000 gross per year. Both salary increases were based on the outcome of external benchmarking by an independent consultant. The Supervisory Board also took into account the fact that the fixed base salary of the CEO had not been increased since 2014 and that of the CFO had never been increased since his appointment per 1 January 2014. In 2019 and 2020, the fixed base salaries of the then serving Managing Directors did not change. Due to the exceptional circumstances caused by the Covid-19 pandemic, the then serving Managing Directors (and the other members of the Executive Leadership Team) decided to voluntarily reduce their fixed base salary with 10% from May up to and including December 2020. Barbara Geelen who was appointed CFO on 12 May 2021 was not yet in office in 2020, and therefore did not receive any remuneration.

##### ***Short-term incentive***

The Remuneration Committee evaluated the performance of the Board of Management in 2020 in relation to the targets that had been set for the year. The financial metrics applied for the STI in 2020 were: adjusted EBIT margin, working capital percentage, business cash flow and adjusted net profit. The actual 2020 performance in relation to the performance zones that had been set for each of the financial targets, resulted in a bonus of 33.3% of the 2020 fixed base salary.

The personal targets consisted of specific targets for each individual board member and were related to: (i) for CEO: refinancing, divestment of Seabed Geosolutions and restructuring of the Land business; (ii) for CFO: refinancing, divestment of Seabed Geosolutions and improvement of financial forecasting.

The evaluation of performance on these personal targets resulted in a bonus of 16.7% of 2020 fixed base salary. The total of financial and personal targets would result in a bonus of 50% of fixed base salary. As earnings per share of the Company were negative in 2020, the Remuneration Committee proposed to reduce the bonuses to 75% of the calculated amounts, in line with the practice applied to other senior staff in the Company that are eligible for a bonus. This resulted in a bonus for the then serving Managing Directors of 37.5% of fixed base salary. On 18 February 2021, the Supervisory Board discussed the proposal of the Remuneration Committee and agreed with it.

#### *Long-term incentive*

As of 2014, a mix of conditional performance shares and performance options were granted under as long-term incentive (LTI) to Managing Directors and other senior management members. These have been granted per 31 December 2014, 2015 and 2016. As of 2017, the form of conditional grants has been changed – in line with market practice – from a mix of performance shares and performance options to conditional grants in the form of performance shares only. Furthermore, the moment on which LTI grants are made was shifted to the open period immediately following the publication of the annual results, instead of as per 31 December. As a result, the grants at the end of 2017 were shifted to 1 March 2018. These changes as of 2017 have been approved by the annual General Meeting in 2017.

The vesting date of the performance shares and performance options granted as per 31 December 2016 was 26 February 2020. On 18 February 2020, following the advice of the Remuneration Committee, the Supervisory Board decided that the targets for vesting of these performance shares and performance options were partly achieved because the ROCE target (50% weight) met the threshold, resulting in a 12.5% vesting, and the TSR ranking (50% weight) was 6, resulting in a 25% vesting. As a result, these performance shares and performance options vested for 37.5% on 26 February 2020.

The following table shows an overview of conditional performance shares and performance options held by the Managing Directors who were in office during the whole Financial Year 2020. Mr. Verhagen's term as member of the Board of Management ended on 22 April 2021.

#### **Long-term incentive**

	<b>M.R.F. Heine</b>	<b>P.A.H. Verhagen</b>
<b>Performance shares</b>		
Outstanding on 31 December 2019	101,250	91,250
Not vested on 26 February 2020 as a result of partly achieving the targets	(7,031)	(7,031)
Vested on 26 February 2020, as a result of partly achieving the targets	(4,219)	(4,219)
Granted on 26 February 2020	58,000	40,000
Outstanding on 31 December 2020	148,000	120,000
Outstanding on 31 December 2020 after share consolidation per 18 December 2020	74,000	60,000
<b>Performance options</b>		
Outstanding on 31 December 2019	22,500	22,500
Not vested on 26 February 2020 as a result of partly achieving the targets	(14,062)	(14,062)
Vested on 26 February 2020 as a result of partly achieving the targets	(8,438)	(8,438)
Outstanding on 31 December 2020	0	0

The following table shows an overview of shares and options held by Mark Heine and Paul Verhagen, who served as CFO until 22 April 2021. The numbers include for each member 3,125 restricted shares with a vesting period of 3 years as of 1 March 2018 and thereafter a lock-up period of 2 years. These restricted shares were granted per 1 March 2018 as bonus for the performance regarding 2017 (approved by the annual General Meeting in 2018).

#### **Number of shares and options**

	<b>M.R. F. Heine</b>	<b>P.A.H. Verhagen</b>
<b>Shares</b>		
31 December 2019	22,350	28,730
31 December 2020 after 2:1 share consolidation per 18 December 2020	26,684	32,378
<b>Options</b>		



31 December 2020 after 2:1  
share consolidation per 18  
December 2020

4,219

4,219

#### *Vesting of 2018 performance shares*

On 1 March 2021 the performance shares which were granted on 1 March 2018 vested for the Board of Management and other senior management. The TSR target resulted in a 50% vesting, the ROCE target resulted in a 47.5% vesting, and the strategic target resulted in a 130.5% vesting.

The total vesting over the period 2018–2020 therefore amounted to 69.2% which was rounded to 70%. The table below shows the vested performance shares for the Board of Management.

#### **Long-term incentive**

	<b>M.R.F. Heine</b>	<b>P.A.H. Verhagen</b>
<b>2018 Performance shares<sup>1</sup></b>		
Grant 1 March 2018	16,000	20,000
Vested per 1 March 2021	11,200	14,000

(1) Numbers after 2:1 share consolidation per 18 December 2020.

#### *Total remuneration Board of Management in 2019-2020*

The table below gives an overview of the remuneration of the Board of Management in 2019–2020. In this table the value of the LTI is not based on the vesting of shares and options in 2020 but on the value of the performance shares granted in March 2019 as included in the Remuneration Report of the 2019 Annual Report.

#### **Remuneration Board of Management 2019-2020**

<b>(in €)</b>	<b>M.R.F. Heine</b>		<b>P.A.H. Verhagen</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Fixed base salary <sup>1</sup>	616,000	660,00	466,670	483,34
Short-term incentive (STI) <sup>1</sup>	247,500	320,00	187,500	145,00
Pension costs including disability insurance and related costs	34,800	33,94	37,073	59,89
Pension compensation	63,844	62,35	80,270	76,84
Severance	—	—	—	—
Sub Total	962,144	1,076,280	771,514	765,07
Long-term incentive plan <sup>3</sup>	381,593	382,54	286,141	288,97
<b>Total</b>	<b>1,343,737</b>	<b>1,458,821</b>	<b>1,057,655</b>	<b>1,054,035</b>

(1) In 2020, the Executive Leadership Team (including the then serving Managing Directors) took a 10% fixed base salary reduction from 1 May through 31 December 2020

(2) STI 2020 is related to 2020 performance, paid in 2021; STI 2019 is related to 2019 performance, paid in 2020

(3) The Long-term incentive plan (LTI) refers to the IFRS 2 expense as included in the financial statements, and does not reflect the value of the shares at the vesting/release date.

#### *Other benefits*

The members of the Board of Management receive customary fringe benefits (including a company car).

#### **Remuneration for members of the Executive Leadership Team in 2020**

The table below provides the aggregate amount of remuneration for the Financial Year 2020 of the Executive Leadership Team.

	<b>Short-term employee benefits</b>	<b>Post-employment benefits</b>	<b>Severance</b>	<b>Share-based payment<sup>(1)</sup></b>	<b>Total</b>
<b>(in €)</b>					
Board of Management	1,861,420	57,072	—	733,740	2,652,232
Senior managers	2,491,494	142,305	—	441,010	3,074,809
<b>Executive Leadership Team</b>	<b>4,352,914</b>	<b>199,377</b>	<b>—</b>	<b>1,174,750</b>	<b>5,727,041</b>

(1) Costs of share-based compensation are based on accounting standards (IFRS-EU) and do not reflect the value of the shares at the vesting/release date.

## Supervisory Board Remuneration

### Remuneration policy for the Supervisory Board

On the basis of the Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement (the "**Shareholder Rights Directive II**"), the remuneration policy for the Supervisory Board has been submitted for adoption to the annual General Meeting of 2020. The current remuneration of the Supervisory Board was determined by the annual General Meeting in 2011.

The Supervisory Board draws up the Supervisory Board remuneration policy based on advice from the Remuneration Committee. The remuneration policy will be evaluated regularly and will be put forward for adoption by the annual General Meeting at least every four years. The Supervisory Board remuneration policy is geared to attract and retain members that contribute to the desired composition with regard to expertise, experience, diversity and independence, as set out in the profile of the Supervisory Board. The policy aims to reward Supervisory Board members for the time spent and the responsibilities of their role, including but not limited to the responsibilities imposed by the Dutch Civil Code, Dutch Corporate Governance Code and the Articles of Association.

The remuneration for Supervisory Board members consists of the following elements: (i) a fixed remuneration and a committee fee, which varies for the Chair, Vice-Chair and other Supervisory Directors, to reflect the time spent and the responsibilities of the role; (ii) an attendance allowance per meeting held outside the country of residence, to compensate for additional time spent to attend meetings, and (iii) a reimbursement for actual costs in the performance of the duties for the Company.

Committee impact and responsibility is deemed to be comparable, hence no difference in committee fees. For remuneration purposes, the Remuneration Committee and the Nomination Committee are considered a combined committee. The Remuneration Committee uses external benchmark information to assess market comparability of the remuneration. Remuneration levels are aimed at the median of Dutch listed companies with a two-tier board structure comparable in size and scope.

The following overview reflects standing remuneration practice.

#### Remuneration Supervisory Board

Fixed remuneration per year	• Chairman €70,000
	• Vice-Chairman €55,000
	• Member €50,000
Committee fee per year	• Chairman €10,000
	• Member €8,000
Attendance allowance for meetings outside country of residence	€5,000 per meeting
Expenses	Reimbursement of actual incurred costs

The remuneration is not dependent on the results of the Company. Supervisory Directors will not be awarded remuneration in the form of shares and/or rights to shares. In addition, the Company does not grant loans, advance payments, guarantees, shares or rights to shares. In exceptional circumstances the Supervisory Board may decide to temporarily deviate from its remuneration policy based on a proposal of the Remuneration Committee. The derogations can concern increasing remuneration and/or committee fees in case a significant increase in time investment by its members is necessary to serve the long-term interests and sustainability of the Company as a whole, or to assure its viability, e.g. in case someone is asked to act as delegated member of the Supervisory Board. In such a case the additional remuneration will be €1,500 per half-day.

### Remuneration of the Supervisory Board in 2020

The following table provides an overview of the remuneration awarded to the Supervisory Directors who were in office during the Financial Year 2020. Mr. Noy served as chairman of the Supervisory Board until 12 May 2021. Mr. de Jong who was appointed Supervisory Director on 12 May 2021 was not yet in office in 2020, and therefore was not awarded any remuneration. For the past 5 years the remuneration level did not change. In line with the Executive Leadership Team, the Supervisory Board decided to voluntarily reduce its remuneration with 10% as from 1 April until 31 December 2020.



## Remuneration Supervisory Board 2020

(x €)	Fixed fee	Committee fee	Attendance allowance	Total
H.L.J. Noy (chairman)	64,750	9,250	—	74,000
P.H.M. Hofsté (vice-chair per 1 May 2020)	49,625	8,750	—	58,375
A.J. Campo	46,250	7,400	5,000	58,650
R. Mobed	30,000	4,800	—	34,800
A.H. Montijn	46,250	9,250	—	55,500
Sj. S. Vollebregt	3,750	600	—	4,350

No shares or rights to shares in the Company were awarded to Supervisory Directors as part of their remuneration.

## Pensions for the Supervisory Board

At the date of this Prospectus, there are no amounts reserved or accrued by the Company or its subsidiaries to provide pension, benefit, retirement or similar benefits for current Supervisory Directors.

## Equity Holdings

### Equity holdings Managing Directors

The number of (certificates of) Ordinary Shares, performance shares, share options and performance options owned by the Managing Directors as of the Latest Practicable Date is set forth in the table below.

Name	Total (certificates of) Ordinary Shares	Total performance shares	Total Options	Total performance options
Mark R.F. Heine	37,884	140,500	4,219	—
Barbara P.E. Geelen	—	56,250	—	—

### Equity holdings Supervisory Directors

The table below sets forth, the number of (certificates of) Ordinary Shares owned by Supervisory Directors as of the Latest Practicable Date.

Name	Total (certificates of) Ordinary Shares
Ron Mobed <sup>1</sup>	6,245
Sjoerd S. Vollebregt <sup>1</sup>	20,000
Marc J.C. de Jong	400

<sup>(1)</sup> The Supervisory Directors acquired (certificates of) Ordinary Shares, participated in the Rights Issue and held the following number of (certificates of) Ordinary Shares as per 31 December 2020: R. Mobed held 6,245 and Sj. S. Vollebregt held 20,000 (certificates of) Ordinary Shares.

### Equity holdings members of the Executive Leadership Team

The number of (certificates of) Ordinary Shares, restricted shares, share options, performance shares and performance share options owned by members of senior management as of the Latest Practicable Date is set forth in the table below.

Name	Total (certificates of) Ordinary Shares	Total restricted shares	Total share options	Total performance shares	Total performance share options
Erik-Jan Bijvank	-	5,133	-	24,250	-
Wim Herijgers	4,825	-	-	29,250	750
Erwin Hoozeveld	2,758	-	-	25,000	750
Tim Lyle	4,450	-	1,500	29,000	-
Ed Saade	3,220	-	-	29,000	750
Amar Umap	4,425	-	-	29,000	750
Annabelle Vos	4,475	-	-	25,000	750

## Equity Plans

The Group operates equity-settled share-based payment plans. For Managing Directors and other selected senior employees, a long-term incentive plan is in place since 2014. Under this plan, performance awards have been granted on an annual basis subject to continued services. In addition, the Group operates a share option scheme with only service conditions for other eligible and selected employees. As per 1 January 2021, the share option scheme has been replaced by a restricted share units plan for selected Group employees with only continuous employment vesting conditions.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made. Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the

number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value.

If awards do not vest due to non-market conditions and/or service conditions not being met, no expense is recognised. Awards that include a market condition are treated as vested irrespective of whether the market condition is satisfied, provided that all other (non-market) performance conditions and/or service conditions are satisfied.

The grant-date fair value of equity-settled share-based payment awards granted to employees is recognised as personnel expense, with a corresponding increase in equity, over the vesting period of the award. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the company's best estimate of the number of equity shares that will ultimately vest. The expense or credit in the consolidated statement of comprehensive income for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

On 30 November 2020, the extraordinary General Meeting (the "EGM") adopted a resolution to amend the Company's articles of association that were in place at the time of the EGM in order to consolidate the Ordinary Shares through a share consolidation. As a result of this share consolidation, two (certificates of) Ordinary Shares were consolidated into one (certificate of) Ordinary Share, for which trading in the certificates of Ordinary Shares started on 21 December 2020. The numbers of outstanding awards under the Group's share-based payment plans have also been adjusted in December 2020 to reflect this share consolidation.

#### *Long-term incentive plan*

The long-term incentive plan for Managing Directors and other selected senior employees, effective as of 1 January 2014, consists of performance shares (and consisted of performance options prior to the amendment in 2017). Vesting is subject to continuous employment and performance measurement. The performance period is three years starting on 1 January in the year of the grant.

The maximum number of performance shares that can vest after three years equals 175% of the conditionally granted number of shares (only in the case that maximum performance is achieved on all criteria). The performance targets and their relative weights are as follows:

<b>Performance targets</b>	<b>2017-2020</b>	<b>2014-2016</b>
ROCE	37.5%	50.0%
TSR	37.5%	50.0%
Strategic targets	25.0%	-

- 1 ROCE is calculated as net operating profit after tax (NOPAT) over the last 12 months, including discontinued operations, as a percentage of a three points average adjusted capital employed;
- 2 Total shareholder return (TSR) is defined as share price increase, including reinvested dividends. TSR is measured over a three-year period based on a three-month average period measured immediately prior to the start and end date of the performance period. The relative position within the peer group determines the vesting level; and
- 3 Strategic target achievement is determined by the Supervisory Board in the first quarter of the year following the three-year performance period for the Board of Management and for other employees by the Board of Management.

#### *Share option scheme*

The Group's share option scheme allows some assigned Group employees, who do not participate in the long-term incentive plan, to acquire shares in the Company. A share option entitles the employee to purchase Ordinary Shares in the Company. The vesting period for the options granted up to and including 31 December 2016 was three years starting on 1 January of the year following the grant date. The vesting period of the options granted from 2018 is three years starting at the grant date. The maximum contractual option life is six years. The options granted are not subject to any further conditions of vesting, except that the option holder remains employed by Fugro or one of its subsidiaries. The Board of Management and the Supervisory Board decide annually on the granting of options. As of 1 January 2021, the share option scheme has been replaced by the restricted share units plan.

#### *Restricted share units plan*

Under the Group's restricted share units (RSU) plan, rights to acquire Ordinary Shares are granted to eligible Group employees selected by the Board of Management annually based on their performance and position. The grants are subject to a three year vesting schedule. Vesting is subject to continuous employment by Fugro or one of its subsidiaries. Upon vesting, Ordinary Shares will be delivered to the employee involved.

#### *Restricted shares*

The vesting of restricted shares is only dependent on continued services during the vesting period. The grant date fair value of the awards is the share price at date of grant adjusted for expected dividends during the vesting period.

### **Restrictions on transferability of performance shares and restricted shares**

Ordinary Shares that result from the vesting of performance shares and restricted shares are registered in the name of the grantee in the Company's shareholders' register, where they are retained and subject to an exception for sale to cover transactions (sale of Ordinary Shares to cover taxes due as a result of vesting) cannot be sold, transferred, assigned or encumbered, nor be the subject of any transaction with the same effect, for a period of two years or until the end of grantee's employment, whichever is shorter.

### **Employment, Service and Severance Agreements**

The service agreements (*overeenkomst van opdracht*) of the Managing Directors are governed by Dutch employment law. The terms and conditions of these service agreements have been aligned with the relevant provisions in the current employment agreements and the Dutch Corporate Governance Code. The service agreements have been entered into for a term of four years. The service agreements contain general severance provisions which provide for compensation for the loss of income resulting from a termination of employment of up to a maximum of one year's fixed base salary which in principle is applicable in the event of termination or annulment of the agreement unless this is for cause and/or reasons which are exclusively or mainly found in imputable acts or omissions on the side of the Managing Director involved. This severance payment is also applicable when the termination is justified by such change of circumstances that the Managing Directors cannot reasonably be expected to continue the performance of their function/services as a statutory director of the Company. This may be the case, for example, if the Company is liquidated, is merged with or taken over by a third party, is subject to an important reorganisation or to a major change of policy. This severance payment is in addition to a three months' notice period for both parties.

The Supervisory Directors do not have an employment, service or severance contract with the Company.

### **Liability of Managing Directors and Supervisory Directors**

Under Dutch law, the Managing Directors and Supervisory Directors may be liable towards the Company for damages in the event of improper or negligent performance of their duties. They may be jointly and severally liable for damages towards the Company for infringement of the Articles of Association or of certain provisions of the BW. In addition, they may be liable towards third parties for infringement of certain provisions of the BW. In certain circumstances, they may also incur additional specific civil and criminal liabilities.

### **Insurance**

Managing Directors, Supervisory Directors and certain other directors and/or officers of the Group are insured under an insurance policy taken out by the Company against damages resulting from their conduct when acting in their capacities as directors or officers.

### **Indemnification**

Pursuant to the Articles of Association, and unless Dutch law provides otherwise, the following will be reimbursed to current and former Managing Directors and Supervisory Directors: (i) the reasonable costs of conducting a defence against claims based on acts or failures to act in the exercise of their duties or any other duties currently or previously performed by them at the Company's request; (ii) any damages or fines payable by them as a result of an act or failure to act as referred to under (i); and (iii) the reasonable costs of appearing in other legal proceedings in which they are involved as current or former Managing Directors or Supervisory Directors, with the exception of proceedings primarily aimed at pursuing a claim on their own behalf.

There shall be, however, no entitlement to reimbursement if and to the extent that: a Dutch court has established in a final and conclusive decision that the act or failure to act of the person concerned can be characterised as willful (*opzettelijk*), intentionally reckless (*bewust roekeloos*) or seriously culpable (*ernstig verwijtbaar*) conduct, unless Dutch law provides otherwise or this would, in view of the circumstances of the case, be unacceptable according to standards of reasonableness and fairness; or the costs or financial loss of the person concerned are covered by an insurance and the insurer has paid out the costs or financial loss. The Company may take out liability insurance for the benefit of the persons concerned. The Supervisory Board may give further effect to the above with respect to Managing Directors. The Board of Management may give further effect to the above with respect to Supervisory Directors.

### **Pension Schemes**

The Group makes contributions to a number of pension plans, both defined benefit plans as well as defined contribution plans, that provide pension benefits for employees upon retirement in a number of countries. The retirement age is in line with the provisions in the different plans. The most important plans relate to plans in the Netherlands, United Kingdom and the United States.

In the Netherlands, the Group provided a pension plan based on average salary. This plan qualified as a defined benefit scheme. The pension entitlements from this plan are insured with an insurance company that guarantees the accrued pension entitlements. In 2018, this pension plan was terminated and has been replaced by a new plan pension plan, qualified as a defined contribution scheme, that is applicable as of 2019. The accrued pension

entitlements up to 2018 remained at the insurer and indexation is provided to these accrued pension entitlements for active participants

In the United Kingdom, the Group operates two defined benefit pension schemes. For Fugro Holdings, the company operates a final salary defined benefit pension scheme. The scheme is an HMRC registered pension scheme and is subject to standard UK pensions and tax law. The Robertson Research International Group Pension Scheme is a funded, defined benefit pension plan. The pension schemes have been closed in previous years for new participants, but include the on-going obligations to their members (both former and present employees). The pension schemes assets are held in separate Trustee-administered funds. The schemes includes indexation in line with RPI. The valuation of the Robertson Research International Group Pension Scheme resulted in a net defined benefit asset as per 31 December 2020.

In the United States of America, the Group operates a 401K plan for its employees. The Group contributes towards the deposits of its employees in accordance with agreed rules and taking into account the regulations of the Internal Revenue Service, the US tax authority. This plan qualifies as a defined contribution plan.

#### Trade Union Relations and Works Council

Good labour-management relations are fundamental to the Group. The Group manages its relation with unions, works councils and other employee representative bodies professionally and pro-actively. At the date of this Prospectus, the Group has good labour-management relationships in all the countries it is active in and there are no disputes, strikes or work stoppages affecting its operations. Presently the Group is working closely with unions, works councils and other employee representative bodies in various countries to reduce its headcount as a result of the Covid-19 pandemic. For more information on the measures taken by the Group in order to reduce its headcount in various countries, see "Operating and Financial Review—Key Factors Affecting the Group's Results of Operations—Covid-19".

#### Employees

The table below provides an overview of the total and average numbers of employees of the Group for the years ended 31 December 2020, 2019 and 2018. These numbers are measured in full time equivalent personnel (the "FTEs") (excluding associates) and include the disposal group Seabed Geosolutions.

	For the year ended 31 December 2020			For the year ended 31 December 2019			For the year ended 31 December 2018		
	Netherlands	Other countries	Total	Netherlands	Other countries	Total	Netherlands	Other countries	Total
Technical staff	768	6,467	7,235	671	6,829	7,5	623	6,971	7,594
Management and administrative staff	214	1,275	1,489	284	1,868	2,152	271	1,879	2,150
Temporary and contract staff	139	286	425	182	243	425	198	323	521
<b>Total number of employees</b>	<b>1,121</b>	<b>8,028</b>	<b>9,149</b>	<b>1,137</b>	<b>8,940</b>	<b>10,077</b>	<b>1,092</b>	<b>9,173</b>	<b>10,265</b>
Average number of employees during the year	1,129	8,484	9,613	1,114	9,057	10,171	1,042	9,113	10,155

Since 31 December 2020, there have been no significant changes in the number of FTEs employed by the Group (which includes the disposal group Seabed Geosolutions).

#### Corporate Resolutions

At the annual General Meeting held on 22 April 2021, the General Meeting resolved to, among others, amend the Articles of Association (the "**Amendment Articles of Association**") to provide for the termination of the Certification of its Ordinary Shares. The changes to the Articles of Association can be categorised as follows: (i) changes directly related to the termination of the Certification, (ii) changes indirectly related to the termination of the Certification, (iii) changes related to the capital of the Company, (iv) a general update of the Articles of Association reflecting recent and upcoming changes in applicable law and regulation and (v) changes related to the affirmation of the Call Option (as defined in "Description of Share Capital") granted by the Company to the Foundation Protective Preference Shares.

**Corporate Governance Code**

The Dutch Corporate Governance Code applies to all Dutch companies listed on a government-recognised stock exchange, whether in the Netherlands or elsewhere. The Dutch Corporate Governance Code therefore applies to the Company. The Dutch Corporate Governance Code contains a number of principles and best practice provisions in respect of management boards, supervisory boards, shareholders and the general meeting, financial reporting, auditors, disclosure, compliance and enforcement standards.

The Company is required to disclose in its management report whether or not it applies the provisions of the Dutch Corporate Governance Code and, if it does not apply those provisions, to explain the reasons why.

***Compliance with the Dutch Corporate Governance Code***

The Company acknowledges the importance of good governance. The Company agrees with the general approach and is committed to adhering to the best practices of the Dutch Corporate Governance Code as much as possible. Following the termination of the Certification, the Company will fully comply with the Dutch Corporate Governance Code.

## DESCRIPTION OF SHARE CAPITAL

The following paragraphs summarise information concerning the Company's share capital and material provisions of the Articles of Association following the Amendment Articles of Association and the termination of the Certification and applicable Dutch law.

The Articles of Association following the Amendment Articles of Association in the governing [Dutch language](#) and in an unofficial [English translation](#) thereof are available on the Company's website. See also "Management, Employees and Corporate Governance" for a summary of material provisions of the Articles of Association, Board of Management Rules, Supervisory Board Rules and Dutch law relating to the Board of Management and the Supervisory Board.

### General

The Company is a public limited liability company (*naamloze vennootschap*) incorporated under the laws of the Netherlands on 5 October 1987 and was named Fugro-McClelland B.V. The seat of the Company is in Leidschendam and address at Veurse Achterweg 10, 2264 SG Leidschendam. The Company's telephone number is +31 703111422 and its website is [www.fugro.com](http://www.fugro.com). The Company is registered in the Commercial Register of the Chamber of Commerce (*Handelsregister van de Kamer van Koophandel*) under number 27120091 and its legal entity identifier ("LEI") is 7245000R8GNBDSZ396.

### Corporate Purpose

Pursuant to article 2 of the Articles of Association, the corporate objects of the Company are to participate in, conduct the management of and finance other enterprises with the same or similar objects or the object of which may be conducive to those of the Company, to carry out measurements, to collect data and to provide information in the fields of soil mechanics, foundations engineering, geodetics, geology, oceanography, environmental conditions and all allied fields and furthermore to render advice and to conduct the management for the purposes of the design and execution of works and for the purposes of the exploration and exploitation of minerals, all this in the widest sense, and further to do all things that may be incidental or conducive to the foregoing, and finally to guarantee debts of third parties.

### Share Capital

#### ***Authorised and issued share capital of the Company***

The authorised share capital of the Company amounts to €20,000,000 and is divided into (i) 180,000,000 Ordinary Shares with a nominal value of €0.05 each, (ii) 200,000,000 Protective Preference Shares with a nominal value of €0.05 each, (iii) 10,000,000 Financing Preference Shares with a nominal value of €0.05 each (which can be subdivided into two series of 5,000,000 Financing Preference Shares) and (iv) 10,000,000 Convertible Financing Preference Shares with a nominal value of €0.05 each (which can be subdivided into two series of 5,000,000 Convertible Financing Preference Shares). As soon as Convertible Financing Preference Shares become Ordinary Shares in accordance with "– Conversion of Convertible Financing Preference Shares", the number of Convertible Financing Preference Shares in the authorised capital decreases, and the number of Ordinary Shares in the authorised capital increases, by a number equal to the number of Convertible Financing Preference Shares that have as of that moment become Ordinary Shares. The issued share capital as at the date of this Prospectus consists of 103,190,366 Ordinary Shares and no Protective Preference Shares, Financing Preference Shares and Convertible Financing Preference Shares.

As of the date of this Prospectus, 1,700,969 Certificates are held by the Company. As of 31 March 2021, the Certificates held by the Company had a book value of €151.7 million. All issued Shares are fully paid-up and are subject to, and have been created under, the laws of the Netherlands. On 22 April 2021, the General Meeting resolved to amend the Company's articles of association that were in place at the time of the General Meeting in relation to the termination of the Certification. See also "Management, Employees and Corporate Governance

Corporate Resolutions"

#### ***Conversion of Convertible Financing Preference Shares***

Convertible Financing Preference Shares may be converted at the request of the holder thereof into Ordinary Shares subject to such conditions as shall have been set by the body authorised to issue shares, with the prior approval of the Supervisory Board upon the first issue of the respective series of Convertible Financing Preference Shares. These conditions shall form part of the resolution to issue the Convertible Financing Preference Shares. If the number of Convertible Financing Preference Shares issued to third parties is less than 5% of the number of Ordinary Shares issued to third parties, the Board of Management shall be empowered with the prior approval of the Supervisory Board to convert these Convertible Financing Preference Shares into Ordinary Shares, provided the Board of Management notifies this to the holders of Convertible Financing Preference Shares. The conversion shall become effective on the date of the placing of the respective notices.

### History of share capital

Set out below is an overview of the amount of the Company's authorised and issued share capital for the financial years ended 31 December 2020, 2019 and 2018.

(number of Shares)	Year ended 31 December					
	2020		2019		2018	
	Authorised	Issued	Authorised	Issued	Authorised	Issued
Share capital			320,000,000	84,572,525	320,000,000	84,572,525
Ordinary Shares	390,000,000	103,190,366	140,000,000	84,572,525	140,000,000	84,572,525
Protective Preference Shares	210,000,000	103,190,366	-	-	160,000,000	-
Financing Preference Shares	160,000,000	-	10,000,000	-	10,000,000	-
Convertible Financing Preference Shares	10,000,000	-	10,000,000	-	10,000,000	-
	10,000,000					

The EGM approved a share consolidation and an increase of the Company's authorised share capital on 30 November 2020. Following this approval, on 14 December 2020, the authorised share capital increased from €16,000,000 consisting of, among others, 140,000,000 Ordinary Shares (pre-share consolidation) with nominal value €0.05 to €30,000,000 consisting of, among others, 420,000,000 Ordinary Shares (pre-share consolidation) with nominal value €0.05. On 18 December 2020, the Company completed the consolidation of every two existing Ordinary Shares with €0.05 nominal value into one Ordinary Share with €0.10 nominal value. As a result, the Company's authorised share capital changed to €30,000,000 consisting of, among others, 210,000,000 Ordinary Shares with nominal value €0.10. This share consolidation did not impact total equity. There was no change in the Company issued share capital which continued to amount to €10,319,036.60, but the aggregate number of shares issued and fully paid up decreased from 206,381,732 to 103,190,366.

On 9 February 2021, the authorised share capital decreased to €16,000,000 consisting of, among others, 140,000,000 Ordinary Shares with nominal value of €0.05.

Furthermore, at the annual General Meeting held on 22 April 2021, the General Meeting approved an increase of the Company's authorised share capital. Pursuant to the Amendment Articles of Association, the authorised share capital shall be increased to €20,000,000 consisting of 180,000,000 Ordinary Shares, 200,000,000 Protective Preference Shares, 10,000,000 Financing Preference Shares and 10,000,000 Convertible Financing Preference Shares, each with a nominal value of €0.05.

### The Certificates

#### Termination of the Certification

In connection with the Refinancing, the Company announced its intention to terminate the Certification. The management board of the Foundation Trust Office (the "**Foundation Trust Office Board**") has resolved to terminate the Certification in accordance with the Certificate Terms. The Certificate Terms shall be amended on or around the date of this Prospectus in light of the termination of the Certification. The Board of Management has been informed about and has approved such resolution of the Foundation Trust Office Board. The Certificates will cease to exist upon delivery of the Ordinary Shares underlying the Certificates to the securities accounts of the Holders of Certificates at the Settlement Date.

If and when the Company terminates the Certification, and as a result of the abolition of the Stichting Continuïteit Fugro, a foundation incorporated under the laws of Curaçao (*stichting*), its call option on cumulative preference shares B in the share capital of Fugro Consultants International N.V. and Fugro Financial International N.V., the Company will have removed two out of three mechanisms that promote the stability and continuity of the Group. The Foundation Protective Preference Shares, which brings the governance of the Company in line with the Dutch Corporate Governance Code, shall be the remaining measure.

### Shareholders' Register

The Shares are in registered form (*op naam*). No share certificates (*aandeelbewijzen*) are or may be issued. The Board of Management shall keep a register of Ordinary Shares, a register of Protective Preference Shares, a register of Financing Preference Shares and a register of Convertible Financing Preference Shares, which registers shall together constitute the shareholders' register of the Company. The shareholders' register may be kept in electronic form. If requested, the Board of Management will provide a holder of Shares, usufructuary or pledgee of such Shares with an extract from the shareholders' register relating to his or her title to a Share free of charge. If the Shares are

encumbered with a right of usufruct (*vruchtgebruik*) or a right of pledge (*pandrecht*), the extract will state to whom such rights will fall to.

The Company's shareholders' register records the names and addresses of the holders of Shares, the number of Shares held, the date on which the Shares were acquired, the date of acknowledgement and/or service upon the Company of the instrument of transfer, the amount paid on each Share and the date of registration in the shareholders' register. In addition, each transfer or passing of ownership is registered in the shareholders' register. The shareholders' register also includes the names and addresses of persons and legal entities with a right of pledge or a right of usufruct on those Shares, the date on which they acquired such a right and the date of acknowledgement or service upon the Company of the instrument of transfer.

At the Settlement Date, the Ordinary Shares for which Certificates have been issued on the Record Date, will be transferred to an intermediary as referred to in the Dutch Securities Giro Transactions Act for inclusion in a collective deposit or to a central institution as referred to in the Dutch Securities Giro Transactions Act for inclusion in the giro deposit, the name and the address of the intermediary, respectively the central institution, shall be included in the Company's shareholder register, under cover of the date on which those Ordinary Shares became included in a Collective Deposit, respectively the Giro Deposit.

### **Issuance of Shares**

The General Meeting, or the Board of Management, to the extent so authorised by the General Meeting for a specific period with due observance of the applicable statutory provisions, may resolve to issue Shares. The General Meeting is only authorised to resolve to issue Shares subject to the approval of the Supervisory Board. A valid resolution of the General Meeting to issue or to designate the Board of Management to do so, as referred to above, shall require, in addition to the approval of the Supervisory Board, a prior or simultaneous resolution of approval by each group of shareholders of the same class whose rights are prejudiced by the issue. The above also applies to the granting of rights to subscribe for Shares, such as options, but is not required for an issue of Shares pursuant to the exercise of a previously acquired right to subscribe for Shares. The authorisation may be extended by specific consecutive periods with due observance of applicable statutory provisions. The Company may not subscribe for its own Shares on issue. Ordinary Shares, Financing Preference Shares and Convertible Financing Preference Shares may be issued only against payment in full; Protective Preference Shares may be issued against payment of at least one-fourth of the nominal amount of said share.

See "—Call Option Foundation Protective Preference Shares for more information on the right of the Foundation Protective Preference Shares to subscribe for Protective Preference Shares following the execution of the Amendment Articles of Association.

On 22 April 2021, the General Meeting designated the Board of Management as the corporate body which is authorised for a period of 18 months as of 22 April 2021 until 22 October 2022, to, subject to the approval of the Supervisory Board, resolve on the issue of – and/or on the granting of rights to acquire Ordinary Shares and/or all classes of Financing Preference Shares and Convertible Financing Preference Shares in which the authorised capital of the Company is divided and to limit or exclude pre-emptive rights in relation to such issuances or grants. The authorisation of the Board of Management is limited to 10% of the issued capital of the Company at the date of the General Meeting.

### **Pre-emptive Rights**

Upon the issue of Protective Preference Shares, none of the holders of Shares shall have a pre-emption right in respect of the shares to be issued. Upon the issue of a series of Financing Preference Shares or Convertible Financing Preference Shares, each holder of Shares, with the exception of the holders of Protective Preference Shares, shall have a pre-emption right in respect of the Shares to be issued pro rata to the aggregate amount of his Shares, without prejudice of the below. Upon the issue of Ordinary Shares, each holder of Ordinary Shares and each holder of Financing Preference Shares or Convertible Financing Preference Shares shall have a pre-emption right in respect of the Shares to be issued pro rata to the aggregate amount of his Shares, without prejudice to the below.

Holders of Shares do not have pre-emptive rights in respect of Shares issued (i) to employees of the Company or of a Group Company; (ii) against payment other than in cash; or (iii) to a person exercising a previously acquired right to subscribe for Shares. These pre-emptive rights and non-applicability of pre-emptive rights also apply in case of the granting of rights to subscribe for the respective Shares.

Pre-emptive rights in respect of Ordinary Shares, Financing Preference Shares and Convertible Financing Preference Shares may be restricted or excluded by a resolution of the General Meeting, unless and insofar the Board of Management is authorised by the General Meeting to do so. If and insofar the Board of Management has not been authorised to restrict or exclude pre-emptive rights, the General Meeting has the power to limit or exclude pre-emptive rights. If less than one-half of the issued capital is represented at the meeting, a majority of at least two-thirds of the votes cast is required for a resolution by the General Meeting to restrict or exclude the pre-emption rights. A resolution to restrict or exclude pre-emptive rights is subject to the approval of the Supervisory Board. The designation will only be valid for a specific period and may be extended by specific consecutive periods with due



observance of applicable statutory provisions. Unless provided otherwise in the designation, the designation cannot be withdrawn. As set out above, the Board of Management is currently designated by the General Meeting until 22 October 2022 to, subject to the approval of the Supervisory Board, limit or exclude pre-emptive rights accruing to holders of Shares in relation to the issue of Ordinary Shares and/or all classes of Financing Preference Shares and Convertible Financing Preference Shares in which the authorised capital of the Company is divided.

#### **Acquisition by the Company of its Shares**

The Company may acquire fully paid-up Shares at any time for no consideration or, subject to Dutch law and the Articles of Association if: (i) the distributable part of the equity is at least equal to the total purchase price of the repurchased Shares; (ii) the aggregate nominal value of the Shares which the Company acquires, holds or holds as pledge or which are held by a subsidiary does not exceed 50% of the issued share capital; and (iii) the Board of Management has been authorised by the General Meeting to repurchase Shares. The General Meeting's authorisation is valid for a specific period with due observance of applicable statutory provisions. As part of the authorisation, the General Meeting must specify the number of Shares that may be acquired, the manner in which the Shares may be acquired and the price range within which the Shares may be acquired.

No authorisation from the General Meeting is required for the acquisition of fully paid up Shares for the purpose of transferring these Shares to employees of the Company or of a Group Company pursuant to any applicable equity plan, provided that the Shares are quoted on an official list of a stock exchange.

The Company may not cast votes on, and is not entitled to dividends paid on, Shares held by it nor will such Shares be counted for the purpose of calculating a voting quorum. Pledges or usufructuaries of a Share owned by the Company or a subsidiary are not excluded from exercising voting rights if the right of pledge or usufruct was created before the Share was owned by the Company or such subsidiary and the voting rights were transferred to the respective pledgee or usufructuary. For the computation of the profit distribution, the Shares held by the Company in its own capital shall not be included. The Board of Management is authorised, subject to approval of the Supervisory Board, to dispose of the Company's own Shares held by it.

On 22 April 2021, the General Meeting authorised the Board of Management for a period of 18 months as of 22 April 2021 until 22 October 2022, to, subject to the approval of the Supervisory Board, cause the Company to repurchase Ordinary Shares in its own capital, up to a maximum of 10% of the issued capital at the date of acquisition, provided that the Company will hold no more Ordinary Shares in stock than at maximum 10% of the issued capital, either through purchase on a stock exchange or otherwise, at a price, excluding expenses, not lower than the nominal value of the Ordinary Shares and not higher than 10% above the average of the closing price of the Ordinary Shares, as the case may be, on Euronext Amsterdam for the five business days preceding the date on which the repurchase is made.

#### **Transfer of Shares**

A transfer of an Ordinary Share or the creation of a restricted right (*beperkt recht*) thereto requires a deed drawn up for that purpose and the acknowledgment of the transfer by the Company in writing. Such acknowledgement is not required if the Company itself is a party to the deed. The same applies to the creation of a right of pledge (*pandrecht*) or right of usufruct (*vruchtgebruik*) on a Share, provided that a right of pledge may also be created without acknowledgement by or service of notice on the Company, subject to the relevant provisions of the law.

All Ordinary Shares for which Certificates have been issued at the Record Date will be included in the giro system within the meaning of the Dutch Securities Giro Transactions Act by transfer or issuance to Euroclear Nederland or to an intermediary, recording in writing that it is a book-entry shares. The Ordinary Shares shall be recorded in the shareholders' register of the Company in the name of Euroclear Nederland or the relevant intermediary.

The transfer of Ordinary Shares which are included in the giro system within the meaning of the Dutch Securities Giro Transactions Act is effected in accordance with the provisions of the Dutch Securities Giro Transactions Act. The same applies to the establishment of a right of pledge and the establishment or transfer of a right of usufruct on these book entry rights.

For each transfer of Protective Preference Shares, Financing Preference Shares and Convertible Financing Preference Shares the approval of the Board of Management is required.

#### **Capital Reduction**

The General Meeting may resolve to reduce the issued share capital by a cancellation of Shares or by a reduction of the nominal amount of the Shares by means of an amendment to the Articles of Association. A resolution to cancel Shares may only relate to Shares held by the Company itself. The General Meeting may, with the approval of the Board of Management, resolve to cancel with repayment all the Protective Preference Shares that are paid up other than at the expense of the Protective Preference Shares Reserve, and/or all the Financing Preference Shares or Convertible Financing Preference Shares of a particular series, regardless by whom these are held without prejudice to the below. With regard to Protective Preference Shares that have been paid-up from the Protective Preference Shares Reserve, no repayment shall be made to the Protective Preference Shares Foundation and the nominal value of such shares may be added to the Protective Preference Shares Reserve. A

resolution of the General Meeting to reduce the share capital requires a majority of at least two-thirds of the votes cast, if less than half of the issued and outstanding share capital is present or represented at the General Meeting. A resolution to reduce the capital shall in addition require the prior or simultaneous approval by each group of holders of Shares of the same class whose rights are prejudiced.

In addition, Dutch law contains detailed provisions regarding the reduction of capital. A resolution to reduce the issued share capital shall not take effect as long as creditors have legal recourse against the resolution.

## **Dividends and Other Distributions**

### ***General***

Distribution of profits only takes place following the adoption of the Annual Accounts from which it appears that the distribution is allowed. The Company may only make distributions, whether a distribution of profits or of freely distributable reserves, to its holders of Shares if its equity exceeds the sum of the paid-in and called-up share capital plus the reserves as required to be maintained by Dutch law or by the Articles of Association. See "Dividend Policy" for a more detailed description regarding dividends.

### ***Annual profit distribution***

A distribution of profits other than an interim distribution is only allowed after the adoption of the Company's Annual Accounts (*i.e.*, non-consolidated) by the General Meeting, and the information therein will determine if the distribution of profits is legally permitted for the respective financial year.

### ***Right to reserve***

Dividends are to be paid out of the profit for distribution on the Protective Preference Shares (if any). Next, if possible, a dividend is to be paid on the Financing Preference Shares of each series (if any) and on the Convertible Financing Preference Shares of each series (if any). The Board of Management, subject to the approval of the Supervisory Board, may resolve to reserve any amount remaining out of the profits or a part of the profits realised during a financial year after application of the above. The profits remaining after being allocated to the reserves shall be put at the disposal of the General Meeting. The Board of Management, subject to the approval of the Supervisory Board, shall make a proposal for that purpose.

Without prejudice to the above, the Board of Management may, subject to the approval of the Supervisory Board, decide that payments to the holders of Shares shall be at the expense of reserves which the Company is not prohibited from distributing by virtue of Dutch law or the Articles of Association.

### ***Interim distribution***

Subject to Dutch law and the Articles of Association, the Board of Management may, subject to the approval of the Supervisory Board, resolve to make an interim distribution of profits provided that it appears from an interim statement of assets signed by the Board of Management that the Company's equity does not fall below the sum of called-up and paid-in share capital plus the reserves as required to be maintained by Dutch law or by the Articles of Association.

### ***Distribution in kind***

The Board of Management may, subject to the approval of the Supervisory Board, decide that a distribution on Ordinary Shares shall not take place as a cash payment but as a payment in the form of Ordinary Shares.

### ***Profit ranking of the Ordinary Shares***

All of the Ordinary Shares issued and outstanding, will rank equal.

In the event of insolvency, any claims of the holders of Shares are subordinated to those of the creditors of the Company. This means that an investor could potentially lose all or part of its invested capital.

### ***Payment***

Payment of any future dividend on Ordinary Shares in cash will in principle be made in euro. Any dividends on Ordinary Shares that are paid through Euroclear Nederland will be automatically credited to the relevant accounts of the holders of Ordinary Shares. There are no restrictions in relation to the payment of dividends under Dutch law in respect of the holders of Shares who are non-residents of the Netherlands. Payments of profit and other payments are announced in a notice by the Company. A shareholder's claim to payments of profits and other payments lapses five years and one day after the day on which the claim became payable. Any profit or other payments that are not claimed within this period will be considered to have been forfeited to the Company and will be carried to the reserves of the Company.

## **Response Measures**

The Company's protection against a hostile takeover depends after the termination of the Certification on the possibility of the Company to issue Protective Preference Shares. The aim of this protective measures is to safeguard the interests of the Company and of its Group Companies and of all parties concerned in the best possible

way, including the Company's position as an independent service provider and to deter influences in conflict with these interests which might affect the independent position or the continuity and identity of the Company and its Group Companies. The protective measure is utilised, especially in a takeover situation, when it is in the interest of the Company to protect its independence and in order to define the Company's position in relation to that of the party attempting the takeover situation and such party's plans. This enables the Company to, when necessary, look for alternatives to an unwelcome third party. The protective measure is not to be used to protect the Board of Management's own position. Due to the uncertainty regarding the situations with which the Company could be confronted, the use of protective measures in circumstances other than the one described above cannot be discounted. According to management information, 50% of Dutch companies listed on the Amsterdam Exchange Index (AEX) and the Amsterdam Midkap Index (AMX) and the majority of Dutch companies listed on Euronext Amsterdam have in place protective measures in the form of, or similar to, protective preference shares.

#### **Call Option Foundation Protective Preference Shares**

The Foundation Protective Preference Shares was incorporated under Dutch law on 21 September 2001 and has its seat in the municipality of Leidschendam-Voorburg, the Netherlands and address at Veurse Achterweg 10, 2264 SG, Leidschendam, the Netherlands. The Foundation Protective Preference Shares is registered in the Commercial Register of the Chamber of Commerce (*Handelsregister van de Kamer van Koophandel*) under number 27244665.

The objectives of Foundation Protective Preference Shares are to attend to the Company's interests and of the Company's businesses as well as the businesses of the entities that form part of the Group, in such way that the Company's interests and the interests of the relevant businesses as well as the interests of all parties involved, are safeguarded to the extent possible, and that the Company and the relevant businesses are defended to the extent possible against factors that could negatively affect the independence and/or continuity and/or identity of the Company and the relevant businesses, as well as all activities which are incidental to or which may be conducive to any of the foregoing.

The Foundation Protective Preference Shares aims to achieve its objectives independently from the Company by: acquiring Protective Preference Shares and by exercising the rights attached to such Protective Preference Shares.

To this end, the Company has entered into a call option agreement with the Foundation Protective Preference Shares pursuant to which the Foundation Protective Preference Shares was granted the right to acquire Protective Preference Shares in the Company's share capital. Following the execution of the Amendment Articles of Association, the call option agreement described above shall be terminated. The Articles of Association shall from such moment include that the Foundation Protective Preference Shares may subscribe for up to the number of Protective Preference Shares included in the Company's authorised capital from time to time, provided that immediately following the issue, the number of Protective Preference Shares issued may not exceed half (1/2) of the total number of Shares issued and outstanding (the "**Call Option**"). The Call Option may be exercised more than once by the Foundation Protective Preference Shares. Furthermore, the Board of Management may, subject to the approval of the Supervisory Board, further implement the Call Option whether or not by agreement. The terms of such implementation may be amended by the Board of Management, subject to the approval of the Supervisory Board. The Board of the Foundation operates completely independently from the Company. The Call Option can be exercised by the Foundation if, at the sole discretion of the Foundation Protective Preference Shares the independence, continuity or identity of the Company and the enterprises maintained by the Company and the companies affiliated with the Company in a group are threatened. The Call Option may be exercised at the discretion of the Foundation Protective Preference Shares in such cases, which are not necessarily limited to a takeover or hostile takeover.

If the Foundation Protective Preference Shares exercises the Call Option, the Company shall issue such number of Protective Preference Shares as for which the Call Option is exercised. Pursuant to the Articles of Association, the Protective Preference Shares may be issued to the Foundation Protective Preference Shares subject to the obligation for the Foundation Protective Preference Shares to pay up in cash only one-fourth (1/4) of the nominal value of each Protective Preference Share issued. The Foundation Protective Preference Shares shall be required to pay up any additional amounts only if and when the Board of Management, with the approval of the Supervisory Board, will have claimed such additional payments. The Company shall (i) upon a request of the Foundation Protective Preference Shares or (ii) at the discretion of the Board of Management with the approval of the Supervisory Board, form a non-distributable reserve equal to the amount of the payment obligation on the Protective Preference Shares if the right to subscribe for Protective Preference Shares were to be exercised in full and the Protective Preference Shares were issued against payment in full (the "**Protective Preference Shares Reserve**"). The Board of Management, subject to the approval of the Supervisory Board and with the consent of the Foundation Protective Preference Shares, may resolve to convert the Protective Preference Shares reserve into a distributable reserve, following which conversion the first sentence and the other provisions of this paragraph shall continue to apply.

Furthermore, the Protective Preference Shares Reserve shall, at the discretion of the Board of Management, be formed at the expense of the Company's profits or the Company's reserves, subject to the approval of the Supervisory Board.

The Foundation Protective Preference Shares is exclusively entitled to the Protective Preference Shares Reserve.

Protective Preference Shares issued to the Foundation Protective Preference Shares may be paid up at the expense of the Protective Preference Shares Reserve (if formed), at the request of the Foundation Protective Preference

Shares. If and when Protective Preference Shares will be issued at the expense of the Protective Preference Shares Reserve, the full nominal value thereof shall be paid up at the expense of the Protective Preference Shares Reserve.

The Foundation Protective Preference Shares may each time, after it has subscribed for Protective Preference Shares by exercising the Call Option, require the Company to cancel those Protective Preference Shares. See "—Capital Reduction" for more information.

Pursuant to the Articles of Association, the Foundation Protective Preference Shares may not dispose of or encumber the Protective Preference Shares without the consent of the Board of Management and the Supervisory Board. In deviation from the preceding sentence, the Foundation Protective Preference Shares may pledge the Protective Preference Shares without the consent of the Board of Management and the Supervisory Board, provided that the voting rights attached to the Preference Shares do not pass to the pledgee and the pledge is solely for the benefit of a lender in the context of financing the payment on Protective Preference Shares to be subscribed for by the Foundation Protective Preference Shares.

The Foundation Protective Preference Shares is independent from the Company. The Foundation Protective Preference Shares is managed by the Board of the Foundation, the composition of which is intended to ensure that an independent judgment may be made as to the interests of the Company.

The Foundation Protective Preference Shares meets the independence requirement as referred to article 5:71(1)(c) FMSA.

### **Exchange Controls and other Provisions relating to non-Dutch holders of Shares**

Under Dutch law, subject to the 1977 Sanction Act (*Sanctiewet 1977*) or otherwise by international sanctions, there are no exchange control restrictions on investments in, or payments on, Shares (except as to cash amounts). There are no special restrictions in the Articles of Association or Dutch law that limit the right of holders of Shares who are not citizens or residents of the Netherlands to hold or vote on Shares.

### **General Meetings and Voting Rights**

#### ***General Meetings***

General Meetings must be held in Leidschendam, Rotterdam, Amsterdam, The Hague, Arnhem or Haarlemmermeer (Schiphol), the Netherlands, as the person convening the meeting shall deem fit. The annual General Meeting must be held at least once a year, within six months after the end of the financial year. Extraordinary General Meetings may be held, as often as the Board of Management or the Supervisory Board deems desirable. In addition, one or more holders of Shares, who solely or jointly represent at least the percentage of the issued capital as required by law, which currently is at least one-tenth of the issued capital, may request that a General Meeting be convened, the request setting out in detail matters to be considered. If no General Meeting has been held within eight weeks of the holder(s) of Shares making such request, such holder(s) will be authorised to request in summary proceedings a District Court to convene a General Meeting. Within three months the Board of Management has considered it plausible that the equity of the Company has decreased to an amount equal to or lower than one-half of the paid-up part of the capital, a General Meeting will be held to discuss any requisite measures.

The convocation of the General Meeting must be published through an announcement by electronic means. The notice must state the subject to be dealt with, the time and place of the meeting, the record date, the manner in which holders of Shares, pledgees with the right to attend and speak at a General Meeting (the "**Meeting Rights**") and usufructuaries with Meeting Rights (the "**Persons Entitled To Attend General Meetings**") may register and exercise their rights, the time on which registration for the meeting must have occurred ultimately, as well as the place where the meeting documents may be obtained, and such other information as may be required by Dutch law. The notice must be given by at least such number of days prior to the day of the meeting as required by Dutch law, which is currently 42 days.

The agenda for the annual General Meeting must, among other things, include the adoption of the Annual Accounts, the discussion of any substantial change in the corporate governance structure of the Company and the allocation of the profit, insofar as this is at the disposal of the General Meeting. At least every four years, the adoption of the remuneration policies for the Board of Management and Supervisory Board is to be included in the agenda. In addition, the agenda shall include such items as have been included therein by the Board of Management, the Supervisory Board or holders of Shares (with due observance of Dutch law as described below). If the agenda of the General Meeting contains the item of granting discharge to the Managing Directors and Supervisory Directors concerning the performance of their duties in the financial year in question, the matter of the discharge shall be mentioned on the agenda as separate items for the Board of Management and the Supervisory Board respectively. The agenda shall include such items as one or more holders of Shares and others entitled to attend General Meetings, representing, at least the percentage of the issued and outstanding share capital as required by law (which as of the date of this Prospectus is 3%), have requested the Board of Management by a motivated request to include in the agenda, at least 60 days before the day of the General Meeting. No resolutions may be adopted on items other than those which have been included in the agenda.

The General Meeting is in principle chaired by the chairperson of the Supervisory Board. Managing Directors and Supervisory Directors may attend a General Meeting. In these General Meetings, they have an advisory vote. The chairperson of the General Meeting may decide at his or her discretion to admit other persons to the General Meeting.

Each holder of Shares (as well as other persons with voting rights or Meeting Rights) may attend the General Meeting, address the General Meeting and exercise voting rights *pro rata* to his or her shareholding, either in person or by proxy. Holders of Shares may exercise these rights if they hold the Shares on the record date as required by Dutch law, which is currently the 28<sup>th</sup> day before the day of the General Meeting, and they or their proxy have notified the Company of their intention to attend the General Meeting in writing or by any other electronic means that can be reproduced on paper at the address and by the date specified in the notice of the General Meeting. The convocation notice shall state the record date and the manner in which the Persons Entitled To Attend General Meetings may register and exercise their rights.

Meetings of holders of Shares of a specific class, whereby the Protective Preference Shares, each series of Financing Preference Shares and each series of Convertible Financing Preference Shares each qualify as a specific class, will be held as frequently and wherever such meeting is required by virtue or any statutory regulation or any regulation in the Articles of Association.

#### **Voting rights**

Each Share confers the right to cast one vote in the General Meeting. Subject to certain exceptions provided by Dutch law or the Articles of Association, resolutions of the General Meeting are passed by a simple majority of votes cast, regardless of which part of the issued share capital such votes represent. Pursuant to Dutch law, no votes may be cast at a General Meeting in respect of Shares which are held by the Company or any of its subsidiaries.

#### **Amendment of the Articles of Association**

The General Meeting may resolve to amend the Articles of Association, but only on a proposal of the Board of Management that has been prior approved by the Supervisory Board. Insofar as a resolution to amend the Articles of Association brings about a change in the rights vested in the holders of Protective Preference Shares, or the holders of Financing Preference Shares or the holders of Convertible Financing Preference Shares, such resolution requires the approval of the meeting of holders of Protective Preference Shares, or the meeting of holders of Financing Preference Shares, or the meeting of holders of Convertible Financing Preference Shares, as the case may be. A proposal to amend the Articles of Association must be included in the agenda. A copy of the proposal, containing the verbatim text of the proposed amendment, must be lodged with the Company for the inspection of every holder of Shares until the end of the General Meeting.

#### **Legal merger / legal division**

The General Meeting may pass a resolution to effect a legal merger or a legal division. A resolution by the General Meeting requires a majority of at least two-thirds of the votes cast, if less than one half of the issued share capital is present or represented at the meeting, and otherwise it requires a simple majority of the votes cast. A proposal to effect a legal merger or a legal division must be stated in the notice.

#### **Dissolution and liquidation**

The Company may be voluntarily dissolved by a resolution of the General Meeting, with a simple majority of the votes cast, but only on a proposal of the Board of Management that has been prior approved by the Supervisory Board.

If the General Meeting has resolved to dissolve the Company, the Board of Management must carry out the liquidation of the Company, under the Supervisory Board's supervision, unless otherwise resolved by the General Meeting. During liquidation, the provisions of the Articles of Association will remain in force as far as possible.

The balance of the assets of the Company remaining after all liabilities and the costs of liquidation shall be distributed among the holders of Shares in accordance with the Articles of Association. The balance shall first be distributed on the Protective Preference Shares (if any), followed by payment on the Financing Preference Shares (if any) and the Convertible Financing Preference Shares (if any). Any amount remaining after such distributions shall be distributed among the holders of Ordinary Shares in proportion of their number of Ordinary Shares.

#### **Annual Accounts and Semi-Annual Accounts**

Annually, within four months after the end of the financial year, the Board of Management must prepare the Annual Accounts and make them available for inspection by holders of Shares at the offices of the Company. The Annual Accounts must be accompanied by an auditor's statement, a management report (including a report of the Supervisory Board) and certain other information required under Dutch law. The Annual Accounts must be signed by all Managing Directors and all Supervisory Directors. If the signature of one or more of them is missing, this will be stated and reasons for this omission will be given. The Annual Accounts must be filed with the AFM within four months after the end of the financial year. At that time, the financial statements need not yet have been adopted by the General Meeting.

The Annual Accounts, the auditor's statement, the management report (including a report of the Supervisory Board) and the other information required under Dutch law must be made available to the holders of Shares for review as from the day of the notice convening the annual General Meeting where they are discussed until the conclusion of such meeting. The Annual Accounts must be adopted by the General Meeting. The Board of Management must send the adopted Annual Accounts to the AFM within five business days after adoption.

The Company must prepare, make publicly available and file with the AFM a semi-annual financial report as soon as possible, but at the latest three months after the end of the first six months of the financial year. If the semi-annual financial report is audited or reviewed, the independent auditor's audit or review report, respectively, must be published together with the semi-annual financial report.

### **Dutch Financial Reporting Supervision Act**

On the basis of the Dutch Financial Reporting Supervision Act (*Wet toezicht financiële verslaggeving*) (the "**FRSA**") the AFM supervises the application of financial reporting standards by, among others, companies whose corporate seat is in the Netherlands and whose securities are listed on a regulated Dutch or foreign stock exchange, such as the Company.

Pursuant to the FRSA, the AFM has an independent right to (i) request an explanation from the Company regarding its application of the applicable financial reporting standards if, based on publicly known facts or circumstances, it has reason to doubt that the Company's financial reporting meets such standards and (ii) recommend the Company to make available further explanations. If the Company does not comply with such a request or recommendation, the AFM may request that the enterprise chamber of the court of appeal in Amsterdam (*Ondernemingskamer van het Gerechtshof te Amsterdam*) (the "**Enterprise Chamber**") orders the Company to (i) provide an explanation of the way it has applied the applicable financial reporting standards to its financial reports or (ii) prepare its financial reports in accordance with the Enterprise Chamber's instructions.

### **Rules Governing Obligations of Shareholders to Make a Public Takeover Bid**

Pursuant to the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*) ("**FMSA**"), and in accordance with European Directive 2004/25/EC, also known as the Takeover Directive, any shareholder who (individually or jointly with (an) other shareholder(s)) directly or indirectly obtains control of a Dutch listed company (on a regulated market within the meaning of the FMSA) is required to make a public takeover bid for all issued and outstanding shares in that company's share capital. Such control is deemed present if a (legal) person is able to exercise, alone or acting in concert, at least 30% of the voting rights in the general meeting or general meeting of such listed company (subject to an exemption for major shareholders who, acting alone or in concert, already had such stake in the company at the time of that company's initial public offering).

In addition, it is prohibited to launch a public takeover bid for shares of a listed company, such as the Ordinary Shares, unless an offer document has been approved by the AFM. A public takeover bid may only be launched by way of publication of an approved offer document unless a company makes an offer for its shares. The public takeover bid rules are intended to ensure that in the event of a public takeover bid, among others, sufficient information will be made available to the shareholders, that the shareholders will be treated equally, that there will be no abuse of inside information and that there will be a proper and timely offer period.

### **Squeeze-out Proceedings**

Pursuant to article 2:92a BW, a shareholder who for his or her own account contributes at least 95% of the issued share capital of a public company with limited liability (*naamloze vennootschap*) incorporated in the Netherlands may institute proceedings against such company's minority shareholders jointly for the transfer of their shares to him or her. The proceedings are held before the Enterprise Chamber and can be instituted by means of a writ of summons served upon each of the minority shareholders in accordance with the provisions of the Dutch Code of Civil Procedure (*Wetboek van Burgerlijke Rechtsvordering*). The Enterprise Chamber may grant the claim for squeeze-out in relation to all minority shareholders and will determine the price to be paid for the shares, if necessary after appointment of one or three experts who will offer an opinion to the Enterprise Chamber on the value to be paid for the shares of the minority shareholders. Once the order to transfer becomes final before the Enterprise Chamber, the person acquiring the shares shall give written notice of the date and place of payment and the price to the holders of the shares to be acquired whose addresses are known to him or her. Unless the addresses of all of them are known to him or her, he or she is required to publish the same in a daily newspaper with nationwide circulation.

The offeror under a public takeover bid is also entitled to start squeeze-out proceedings if, following the public takeover bid, the offeror contributes at least 95% of the outstanding share capital and represents at least 95% of the total voting rights. The claim of a takeover squeeze-out needs to be filed with the Enterprise Chamber within three months following the expiry of the acceptance period of the offer. The Enterprise Chamber may grant the claim for squeeze-out in relation to all minority shareholders and will determine the price to be paid for the shares, if necessary after appointment of one or three experts who will offer an opinion to the Enterprise Chamber on the value to be paid for the shares of the minority shareholders. In principle, the offer price is considered reasonable if

the offer was a mandatory offer or if at least 90% of the shares to which the offer related were received by way of voluntary offer.

The Dutch takeover provisions of the FMSA also entitle those minority shareholders that have not previously tendered their shares under an offer to transfer their shares to the offeror, provided that the offeror has acquired at least 95% of the outstanding share capital and represents at least 95% of the total voting rights. In regard to price, the same procedure as for takeover squeeze-out proceedings initiated by an offeror applies. The claim also needs to be filed with the Enterprise Chamber within three months following the expiry of the acceptance period of the offer.

There are no other specific statutory squeeze-out proceedings at a lower level of control, however, it is not uncommon for the offeror under a public offer and the target to agree on a post-offer restructuring transaction pursuant to which the offeror may require the target to sell its assets to the offeror against payment of a consideration equal to the offering price. Such a transaction is subject to the approval of the general meeting of shareholders of the target. The remaining minority shareholders will receive their relative portion of the purchase price of this sale through a liquidation distribution in cash as part of the liquidation process of the target. Such a transaction can usually be implemented if the offeror has obtained a supermajority acceptance of the offer which is lower than 95%.

### **Obligations to Disclose Holdings**

Holders of Shares may be subject to notification obligations under the FMSA. Such shareholders are advised to seek professional advice on these obligations.

#### **Shareholders**

Pursuant to the FMSA, any person who, directly or indirectly, acquires or disposes of an actual or potential interest in the capital or voting rights of the Company must notify the AFM without delay, if, as a result of such acquisition or disposal, the percentage of capital interest or voting rights held by such person in the Company reaches, exceeds or falls below any of the following thresholds: 3%, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95%. Potentially a threshold of 2% will be added to this list. It is not yet clear if and when this change will enter into effect.

For the calculation and composition of the percentage of the capital interest a person holds, both the Certificates and the Ordinary Shares are considered to be an actual interest in the capital of the Company. As a result, the termination of the Certification will not lead to a notification obligation of an amended capital interest.

This is different for the calculation and composition of the percentage of the interest in voting rights a person holds. Before the termination of the Certification, such holder is considered to have a potential voting right that could be exercised if the Certificates were to be exchanged for Ordinary Shares. As a result of the termination of the Certification, such person's voting interest will be considered to have changed from a potential to an actual interest in the voting rights of the Company. A notification obligation arises if as a result of the termination of the Certification a notification threshold in the composition of the percentage of voting interest (either from a potential interest to an actual interest, or the other way around) is reached or crossed, even though no change occurs in the calculation of the total voting interest held.

A notification requirement also applies if a person's capital interest or voting rights reaches, exceeds or falls below the abovementioned thresholds as a result of a change in the Company's total outstanding share capital or voting rights. Such notification has to be made no later than the fourth trading day after the AFM has published the Company's notification of the change in its outstanding share capital.

Under the FMSA, the Company is required to notify the AFM without delay of the changes in its share capital or voting rights, if its issued share capital or voting rights changes by 1% or more compared to the Company's previous notification. The Company must furthermore notify the AFM within eight days after each quarter, in the event its share capital or voting rights changed by less than 1% in that relevant quarter or since the Company's previous notification.

In addition, each person who is or ought to be aware that, as a result of the exchange from an actual or potential interest, such as the exercise of options for shares, such actual or potential capital or voting interest in the Company, reaches, exceeds or falls below any of the following thresholds: 3%, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95%, vis-à-vis his most recent notification to the AFM, irrespective of whether a threshold for the total interest is reached, exceeded or crossed, must give notice to the AFM no later than the fourth trading day after he or she became or ought to be aware of this change. Potentially a threshold of 2% will be added to this list.

The AFM keeps a public register of all notifications made pursuant to these disclosure obligations and publishes all notifications received by it. The shareholder notifications referred to in this section should be made electronically through the notification system of the AFM.

Controlled entities, within the meaning of the FMSA, do not have notification obligations under the FMSA, as their, direct and indirect, interests are attributed to their (ultimate) parent. Any person may qualify as a parent for purposes of the FMSA, including an individual. A person who has a 3% or larger interest in the Company's share capital or voting rights and who ceases to be a controlled entity for these purposes must immediately notify the AFM. As of that moment, all notification obligations under the FMSA will become applicable to the former controlled entity.

For the purpose of calculating the percentage of capital interest or voting rights, the following interests must, *inter alia*, be taken into account: (i) shares and voting rights directly held (or acquired or disposed of) by any person; (ii) shares and voting rights held (or acquired or disposed of) by such person's controlled entity or by a third party for such person's account or by a third party with whom such person has concluded an oral or written voting agreement; (iii) voting rights acquired pursuant to an agreement providing for a temporary transfer of voting rights against a payment; (iv) shares which such person (directly or indirectly) or third party referred to above, may acquire pursuant to any option or other right to acquire shares; (v) shares which determine the value of certain cash settled financial instruments such as contracts for difference and total return swaps; (vi) shares that must be acquired upon exercise of a put option by a counterparty; and (vii) shares which are the subject of another contract creating an economic position similar to a direct or indirect holding in those shares. Special attribution rules apply to shares and voting rights which are part of the property of a partnership or other community of property. A holder of a pledge or right of usufruct in respect of shares can also be subject to the reporting obligations, if such person has, or can acquire, the right to vote on the shares. The acquisition of (conditional) voting rights by a pledgee or beneficial owner may also trigger the reporting obligations as if the pledgee or beneficial owner were the legal holder of the shares.

For the purpose of calculating the percentage of capital interest or voting rights, the following instruments qualify as 'shares': (i) shares; (ii) depositary receipts for shares (or negotiable instruments similar to such receipts); (iii) negotiable instruments for acquiring the instruments under (i) or (ii) (such as convertible bonds); and (iv) options for acquiring the instruments under (i) or (ii).

The notification to the AFM should indicate whether the interest is held directly or indirectly, and whether the interest is an actual or a potential interest.

Gross short positions in shares must also be notified to the AFM. For these gross short positions the same thresholds apply as for notifying an actual or potential interest in the capital and/or voting rights of a Dutch listed company, as referred to above, and without any set-off against long positions.

In addition, pursuant to Regulation (EU) No 236/2012, each person holding a net short position attaining 0.2% of the issued share capital of a Dutch listed company is required to notify such position to the AFM. Each subsequent increase of this position by 0.1% above 0.2% must also be notified. Each net short position equal to 0.5% of the issued share capital of a Dutch listed company and any subsequent increase of that position by 0.1% will be made public via the AFM short selling register. To calculate whether a natural person or legal person has a net short position, their short positions and long positions must be set off. A short transaction in a share can only be contracted if a reasonable case can be made that the shares sold can actually be delivered, which requires confirmation of a third-party that the shares have been located. The notification shall be made no later than 15:30 CET on the following trading day.

### **Management**

Pursuant to the FMSA, each Managing Director and each Supervisory Director must notify the AFM: (i) immediately following the termination of the Certification and the admission to listing and trading of Ordinary Shares of the number of, Ordinary Shares and options he or she holds and the number of votes he or she is entitled to cast in respect of the Company's issued share capital, and (ii) subsequently of each change in the number of Ordinary Shares or options he holds and of each change in the number of votes he is entitled to cast in respect of the Company's issued share capital, immediately after the relevant change. If a Managing Director or Supervisory Director has notified a change in shareholding to the AFM under the FMSA as described above under "—Obligations to Disclose Holdings—Shareholders" above, such notification is sufficient for purposes of the FMSA as described in this paragraph.

Furthermore, pursuant to the Regulation (EU) No 596/2014 of the European Parliament and the Council on market abuse (the "**Market Abuse Regulation**") and the regulations promulgated thereunder, persons discharging managerial responsibilities (each a "**PDMR**"), must notify the AFM and the Company by means of a standard form of any transactions conducted for his or her own account relating to the Ordinary Shares or debt instruments of the Company or to derivatives or other financial instruments linked thereto.

PDMRs within the meaning of the Market Abuse Regulation include: (a) any Managing Director or Supervisory Director member of the Company; or (b) a senior executive who is not a member of the bodies referred to in point (a), who has regular access to inside information relating directly or indirectly to the Company and power to take managerial decisions affecting the future developments and business prospects of the Company.

In addition, pursuant to the Market Abuse Regulation and the regulations promulgated thereunder, certain persons who are closely associated with PDMRs for purposes of the Market Abuse Regulation, are required to notify the AFM of any transactions conducted for their own account relating to the Ordinary Shares or debt instruments of the Company or to derivatives or other financial instruments linked thereto. The Market Abuse Regulation and the regulations promulgated thereunder, cover, *inter alia*, the following categories of persons: (i) the spouse or any partner considered by national law as equivalent to the spouse; (ii) dependent children; (iii) other relatives who have shared the same household for at least one year at the relevant transaction date; and (iv) any legal person, trust or partnership whose, among other things, managerial responsibilities are discharged by a person referred to under (i) to (iii) above which is directly or indirectly controlled by such a person, which is set up for the benefit of such a person, or the economic interest of which is substantially equivalent to those of such a person.



The notifications pursuant to the Market Abuse Regulation described above must be made to the AFM no later than the third business day following the relevant transaction date. Under certain circumstances, these notifications may be postponed until all transactions within a calendar year have reached a total amount of €5,000 (calculated without netting). Any subsequent transaction must be notified as set forth above. Notwithstanding the foregoing, Managing Directors and Supervisory Directors need to notify the AFM of each change in the number of Ordinary Shares and options that they hold and of each change in the number of votes they are entitled to cast in respect of the Company's issued share capital, immediately after the relevant change.

#### **Non-compliance**

Non-compliance with the disclosure obligations set out in the paragraphs above is an economic offense (*economisch delict*) and may lead to the imposition of criminal prosecution, administrative fines, imprisonment or other sanctions. The AFM may impose administrative penalties or a cease-and-desist order under penalty for non-compliance. If criminal charges are pressed, the AFM is no longer allowed to impose administrative penalties and vice versa, the criminal prosecution is no longer allowed if administrative penalties have been imposed. Furthermore, a civil court can impose measures against any person who fails to notify or incorrectly notifies the AFM of matters required to be correctly notified. A claim requiring that such measures be imposed must be instituted by the Company and/or one or more holders of Shares who alone or together with others represent(s) at least 3% of the issued share capital or are able to exercise at least 3% of the voting rights. The measures that the civil court may impose include:

- an order requiring the person violating the disclosure obligations to make appropriate disclosure;
- suspension of voting rights in respect of such person's Ordinary Shares for a period of up to three years as determined by the court;
- voiding a resolution adopted by a General Meeting, if the court determines that the resolution would not have been adopted if the voting rights of the person who is obliged to notify had not been exercised, or suspension of a resolution until the court makes a decision about such voiding; and
- an order to the person violating the disclosure obligations to refrain, during a period of up to five years as determined by the court, from acquiring Ordinary Shares and/or voting rights in Ordinary Shares.

#### **Public registry**

The AFM does not issue separate public announcements of these notifications. It does, however, keep a public register of all notifications under the FMSA on its website ([www.afm.nl](http://www.afm.nl)). Third parties can request to be notified automatically by e-mail of changes to the public register in relation to a particular company's shares or a particular notifying party.

#### **Identity of holders of Shares and distribution of information**

The Company may, in accordance with Chapter 3A of the Dutch Securities Giro Transactions Act, request Euroclear Nederland, admitted institutions, intermediaries, institutions abroad, and managers of investment institutions, to provide certain information on the identity of its holders of Shares. Such requests may only be made during a period of 60 days up to the day on which the General Meeting will be held. No information will be given on holders of Shares with an interest of less than 0.5% of the issued share capital. A holder of Shares who, individually or together with other holders of Shares, holds an interest of at least 10% of the issued share capital may request the Company to establish the identity of its holders of Shares. This request may only be made during a period of 60 days until (and not including) the 42<sup>nd</sup> day before the day on which the General Meeting will be held.

If a request as referred to in the previous paragraph has been made by either the Company or a holder of Shares in accordance with the previous paragraph, holders of Shares who, individually or with other holders of Shares, hold Shares that represent at least 1% of the issued and outstanding share capital or a market value of at least €250,000, may request the Company to disseminate information that is prepared by them in connection with an agenda item for a General Meeting. The Company can only refuse disseminating such information, if received less than seven business days prior to the General Meeting, if the information gives or could give an incorrect or misleading signal or if, in light of the nature of the information, the Company cannot reasonably be required to disseminate it.

#### **Related Party Transactions**

The Shareholder Rights Directive II establishes requirements in relation to the exercise of certain shareholder rights attached to voting shares in relation to general meetings of companies which have their registered office in a Member State of the European Union and the shares of which are admitted to trading on a regulated market situated or operating within a Member State of the European Union.

The Dutch act to implement the Shareholder Rights Directive II (*Wet bevordering van de langetermijnbetrokkenheid van aandeelhouders*) (the "**Dutch SRD Act**") entered into force on 1 December 2019. The Dutch SRD Act, among other things, added new rules on related party transactions to the BW and provides that "material transactions" with "related parties" not entered into within the ordinary course of business or not concluded on normal market terms, must be approved by the supervisory board, or, in the case of a one-tier board, the (non-executive members of the) board of directors, and be publicly announced at the time that the transaction is entered into. In addition, certain

items in respect of any such related party transaction not concluded on normal market terms must be disclosed in the explanatory notes to the company's annual accounts. If information is required to be published at an earlier stage under the Market Abuse Regulation, that requirement prevails. The supervisory board, or, in the case of a one-tier board, the board of directors, is required to establish an internal procedure to periodically assess whether transactions are concluded in the ordinary course of business and on normal market terms.

Any director or shareholder that is involved in the transaction with the related party cannot participate in the deliberations or decision-making with respect to the related party transaction concerned. As long as not all of the directors are excluded on the basis that they are involved in the relevant transaction, no approval from the general meeting will be required. In this context: a "related party" is interpreted in accordance IFRS-EU (IAS 24 (Related Party Disclosures)) and includes a party that has "control" or "significant influence" over the company or is a member of the company's key management personnel; and a transaction is considered "material" if information about the transaction would constitute inside information within the meaning of the Market Abuse Regulation and is concluded between the company and a related party (which for this purpose in any event includes one or more shareholders representing at least 10% of the issued share capital or a managing director or supervisory director). Certain transactions are not subject to the approval and disclosure provisions of articles 2:167 through 2:170 DCC, including transactions concluded between a company and its subsidiary).

### **Market Abuse Regulation**

The rules on preventing market abuse set out in the Market Abuse Regulation are applicable to the Company, the Managing Directors, other insiders and persons performing or conducting transactions in the Company's financial instruments. Certain important market abuse rules that are relevant for investors are described hereunder.

The Company is required to make inside information public. Pursuant to the Market Abuse Regulation, inside information is information of a precise nature, which has not been made public, relating, directly or indirectly, to the issuer or to one or more financial instruments, and which, if it were made public, would be likely to have a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments. Unless an exception applies, the Company must without delay publish inside information which directly concerns the Company by means of a press release, and post and maintain it on its website for at least five years. The Company must also provide the AFM with this inside information at the time of publication.

It is prohibited for any person to make use of inside information by acquiring or disposing of, for its own account or for the account of a third party, directly or indirectly, financial instruments to which that information relates, as well as an attempt thereto (insider dealing). The use of inside information by cancelling or amending of an order concerning a financial instrument also constitutes insider dealing. In addition, it is prohibited for any person to disclose inside information to anyone else (except where the disclosure is made strictly as part of the person's regular duty or function) or, whilst in possession of inside information, recommend or induce anyone to acquire or dispose of financial instruments to which the information relates. Furthermore, it is prohibited for any person to engage in or attempt to engage in market manipulation, for instance by conducting transactions which could lead to an incorrect or misleading signal of the supply of, the demand for or the price of a financial instrument.

The Company and any person acting on its behalf or on its account is obliged to draw up an insiders' list of persons working for the Company and having, on a regular or incidental basis, knowledge of inside information. The Company is obliged to update the insider list and provide the insider list to the AFM upon its request. The Company and any person acting on its behalf or on its account is obliged to take all reasonable steps to ensure that any person on the insider list acknowledges in writing the legal and regulatory duties entailed and is aware of the sanctions applicable to insider dealing and unlawful disclosure of inside information.

A PDMR is not permitted to (directly or indirectly) conduct any transactions on its own account or for the account of a third party, relating to Shares or debt instruments of the Company or other financial instruments linked thereto, during a closed period of 30 calendar days before the announcement of an interim financial report or a management report of the Company.

### **Non-compliance**

In case of non-compliance with the market abuse rules set out above, the AFM has the power to take appropriate administrative sanctions, such as fines and/or other administrative measures in relation to possible infringements. Non-compliance with the market abuse rules set out above could also constitute an economic offense (*economisch delict*). The public prosecutor could press criminal charges resulting in fines or imprisonment. If criminal charges are pressed, it is no longer allowed to impose administrative penalties and vice versa. The AFM shall in principle also publish any decision imposing an administrative sanction or measure in relation to an infringement of the Market Abuse Regulation.

### **Insider Trading**

The Company has adopted insider trading rules in respect of the reporting and regulation of transactions in the Company's securities by Managing Directors, Supervisory Directors and its employees. The Company and any person acting on its behalf or on its account is obligated to draw up an insider list, to promptly update the insider list and provide the insider list to the AFM upon its request. The Company and any person acting on its behalf or on its account is

obligated to take all reasonable steps to ensure that any person on the insider list acknowledges in writing the legal and regulatory duties entailed and is aware of the sanctions applicable to insider dealing, market manipulation and unlawful disclosure of inside information.

#### **Transparency Directive**

The Netherlands is the Company's home member state for the purposes of Directive 2004/109/EC (as amended by, among others, Directive 2013/50/EU) as a consequence of which the Company is subject to the FMSA in respect of certain ongoing transparency and disclosure obligations.

## MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

### Major Shareholders

The following table sets forth information with respect to the beneficial ownership of each Shareholder who owns 3% or more of the Company's share capital or voting rights as of the Latest Practicable Date. The percentages are as shown in the register of the AFM.

Shareholder	Direct or indirect holding	Percentage of share capital	Percentage of Voting Rights
NN Group N.V.	18,981,233	16.74%	16.74%
ASR Nederland N.V.	8,649,940	7.63%	7.63%
H.M. van Heijst	4,037,960	3.91%	3.91%
Goldman Sachs Group Inc	3,311,569	3.21%	3.21%
Citadel Advisors LLC	3,118,048	3.02%	3.02%

Except as disclosed above, the Company is not aware of any person who, on the date of this Prospectus, directly or indirectly, has a beneficial interest of 3% or more in the Company's share capital.

Each Ordinary Share gives the right to cast one vote at the General Meeting. All holders of Shares have the same voting rights.

The Company is not aware of any arrangement that may, at a subsequent date, result in a change of control, other than in connection with the Foundation Protective Preference Shares.

### Related Party Transactions

The Group has related party relationships with its subsidiaries, equity-accounted investees and key management personnel. Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation.

#### Related party transactions 2021

##### Transactions with key management personnel

The Group's key management personnel consists of Managing Directors, Executive Leadership Team and Supervisory Board. The Executive Leadership Team consists of the two Managing Directors and seven senior managers. The Board of Management controls the Executive Leadership Team. The key management compensation, based on amounts recognised in the statement of comprehensive income, as per 31 March 2021, is set forth below.

(In €)	Short-term employee benefits	Post-employment benefits	Severance	Share-based payment	Total
Board of Management	443,446	11,298	—	355,637	810,381
Senior managers	772,179	35,691	—	151,610	959,480
<b>Executive Leadership Team (subtotal)</b>	<b>1,215,626</b>	<b>46,989</b>	<b>—</b>	<b>507,247</b>	<b>1,769,861</b>
Supervisory Board	109,250	—	—	—	109,250
<b>Total Q1 2021</b>	<b>1,324,876</b>	<b>46,989</b>	<b>—</b>	<b>507,247</b>	<b>1,879,111</b>

##### Other related party transactions

The Group has not entered into any material transactions with other related parties as per the Latest Practicable Date.

#### Related party transactions 2020

##### Transactions with key management personnel

In 2020, the Group's key management personnel consisted of Managing Directors, Executive Leadership Team and Supervisory Board. In 2020, the Executive Leadership Team consisted of the two Managing Directors and seven senior managers. The Board of Management controls the Executive Leadership Team. The key management compensation, based on amounts recognised in the statement of comprehensive income, is set forth below.

(In €)	Short-term employee benefits	Post-employment benefits	Severance	Share-based payment <sup>1</sup>	Total 2020 <sup>2</sup>
Board of Management	1,861,420	68,148	—	733,740	2,663,308
Senior managers	2,491,494	142,305	—	441,010	3,074,809

**Executive Leadership Team (subtotal)**

	4,352,914	210,453	—	1,174,750	5,738,117
Supervisory Board	365,450	—	—	—	365,450
<b>Total 2020</b>	<b>4,718,364</b>	<b>210,453</b>	<b>—</b>	<b>1,174,750</b>	<b>6,103,567</b>

- (1) Costs of share-based compensation are based on accounting standards (IFRS 2 expense) and do not reflect the value of the shares at the vesting/release date.
- (2) The seven senior managers were part of the Executive Leadership Team during the twelve months of 2020. Accordingly, their compensation for the entire twelve-month period was included in the table above.

*Transactions with key management personnel in connection with the Rights Issue*

The Managing Directors, certain senior managers and certain Supervisory Directors participated in the Rights Issue privately and on an arm's length basis. These transactions are not compensation and as such no expense was recorded during the period. The amount of the transactions during 2020 and the outstanding balances as of 31 December 2020 are as follows:

(In €)	<b>Number of (certificates of) shares acquired</b>	<b>Issue price paid</b>	<b>Number of (certificates of) shares disposed of</b>	<b>Number of (certificates of) shares held at 31 December 2020</b>
Board of Management	33,522	€1.64 - €4.69	—	59,062
Senior managers	2,189	€2.12	—	2,338
<b>Executive Leadership Team (subtotal)</b>	<b>35,711</b>		<b>—</b>	<b>61,400</b>
Supervisory Board	44,245	€1.69 - €4.82	—	44,245
<b>Total 2020</b>	<b>79,956</b>		<b>—</b>	<b>105,645</b>

*Other related party transactions*

The Group has not entered into any material transaction with other related parties in 2020.

**Related party transactions 2019**

*Transactions with key management personnel*

In 2019, the Group's key management personnel consisted of Managing Directors, Executive Leadership Team and Supervisory Board. In 2019, the Executive Leadership Team consisted of the three Managing Directors and six senior managers. The Board of Management controls the Executive Leadership Team. The key management compensation, based on amounts recognised in the statement of comprehensive income, is set forth below.

(In €)	<b>Short-term employee benefits</b>	<b>Post-employment benefits</b>	<b>Severance</b>	<b>Share-based payment<sup>1</sup></b>	<b>Total 2019<sup>2</sup></b>
Board of Management	2,360,500	313,150	450,000	1,049,192	4,172,842
Senior managers	1,433,113	119,111	—	444,876	1,997,100
<b>Executive Leadership Team (subtotal)</b>	<b>3,793,613</b>	<b>432,261</b>	<b>450,000</b>	<b>1,494,068</b>	<b>6,169,942</b>
Supervisory Board	439,000	—	—	—	439,000
<b>Total 2019</b>	<b>4,232,613</b>	<b>432,261</b>	<b>450,000</b>	<b>1,494,068</b>	<b>6,608,942</b>

- (1) Costs of share-based compensation are based on accounting standards (IFRS-EU) and do not reflect the value of the shares at the vesting/release date.
- (2) The six senior managers became part of Fugro's key management personnel as of 1 May 2019, i.e. the date the Executive Leadership Team became effective. The senior managers therefore became a related party in the context of IAS 24.19f as of that date. Since the senior managers were not a related party in the period 1 January 2019 to 30 April 2019, their compensation for this period was excluded from the table above. The Board of Management and Supervisory Board are a related party and part of the key management personnel in the context of IAS 24 for the twelve-month period ended 31 December 2019. Accordingly, their compensation for the twelve-month period 2019 was included in the table above.

*Other related party transactions*

The Group has not entered into any significant joint ventures in 2019. The Group has also not entered into any material transaction with other related parties in 2019.

**Related party transactions 2018**

*Transactions with the Board of Management*

In 2018, Managing Directors held 0.06% (2017: 0.3%) of the outstanding Shares and/or Certificates. Managing Directors also participated in the Company's share option scheme. In September 2018, Mr. Ø. Løseth resigned as the chair of the Board of Management. Mr. M. Heine has succeeded Mr. Ø. Løseth as chair of the Board of

Management and CEO as per 1 October 2018. The remuneration of the Board of Management for 2018 and 2017 is set forth below.

(in €)	M.R.F. Heine		P.A.H. Verhagen		B.M.R. Bouffard	
	2018	2017	2018	2017	2018	2017
Fixed base salary	502,500	450,000	483,336	450,000	450,000	450,000
Compensation pension contribution	61,042	59,618	76,841	75,936	66,567	65,608
Short-term incentive	151,000	75,000	145,000	75,000	121,000	75,000
Pension costs (including disability insurance)	45,469	43,505	59,890	59,032	41,041	43,385
Severance	—	—	—	—	—	—
	<u>760,011</u>	<u>628,123</u>	<u>765,067</u>	<u>659,968</u>	<u>678,608</u>	<u>633,993</u>
Long-term incentive plan	133,580	—	161,498	—	133,580	—
<b>Total</b>	<b>893,591</b>	<b>628,123</b>	<b>926,565</b>	<b>659,968</b>	<b>812,188</b>	<b>633,993</b>

(in €)	P. van Riel**		Ø. Løseth		S.J. Thomson		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
Fixed base salary	300,000	600,000	590,000	—	—	160,086 *	2,325,836	2,110,086
Compensation pension contribution	49,189	96,847	—	—	—	53,216	253,639	351,225
Short-term incentive	90,000	99,600	330,000	—	—	—	837,000	324,600
Pension costs (including disability insurance)	26,084	43,129	137,608	—	—	50,481	310,092	239,532
Severance	—	—	—	—	—	450,000	—	450,000
			1,057,608	—	—	—	3,726,567	3,745,443
	<u>465,273</u>	<u>839,576</u>	<u>08</u>	<u>—</u>	<u>—</u>	<u>713,783</u>	<u>67</u>	<u>43</u>
Long-term incentive plan	131,856	—	—	—	—	—	560,514	—
<b>Total</b>	<b>597,129</b>	<b>839,576</b>	<b>08</b>	<b>—</b>	<b>—</b>	<b>713,783</b>	<b>81</b>	<b>43</b>

\* Fixed base salary comprised a fixed salary until July 2017 compensated by allowances of the insurer due to sickness leave of this former board member and a payment of €77,586 for outstanding vacation days.

\*\* After P. van Riel stepped down from the Board of Management, he rendered some services in 2018 for Fugro for which he gets compensated for the amount of €70,000.

There were no guarantees or obligations towards or on behalf of the Board of Management in 2018.

The Board of Management compensation, based on amounts recognised in the statement of comprehensive income, is set forth below.

(In €)	Short-term employee benefits	Post-employment benefits	Severance	Share-based payment <sup>1</sup>	Total 2018 <sup>2</sup>
Board of Management	3,162,836	563,731	—	971,105	4,697,672

(1) Costs of share-based compensation are based on accounting standards (IFRS-EU) and do not reflect the value of the shares at the vesting/release date. The comparative information for 2018 was revised, to reflect the full IFRS expense for the year for share-based compensation received by the members of the Board of Management. The expense disclosed in the 2018 financial statements only related to the IFRS expense for the year for the grant made in 2018, and excluded the expense for earlier grants that were still vesting in 2018.

(2) The 2018 compensation above excluded the six senior managers who became part of Fugro's key management personnel as of 1 May 2019, because they were not a related party (i.e. no key management personnel) in the context of IAS 24 during 2016.

#### Annual bonus

In 2018, each member of the Board of Management was eligible for an annual bonus. The bonus varied from 0% to 100% of fixed base salary, with 66.7% being applicable when targets were achieved. Targets are set yearly by the Supervisory Board, based on the budget and taking into account the strategy aspirations. Financial targets determine 75% of the bonus, non-financial or personal targets determine the remaining 25%. For each of the financial targets, a performance zone is set, with no bonus below the threshold level and the maximum bonus when performance exceeds the upper end of the performance zone. There will be no overshoot possibility for personal targets. The maximum multiplier for financial targets is therefore 1.67. The Supervisory Board ensures that the targets are challenging, realistic and consistent with the Group's strategy.

The measures used and their relative weight are as follows:

Financial targets:	Adjusted EBIT margin	35%
	Working capital	20%
	Adjusted cash flow	20%
Non-financial (personal) targets		25%

The non-financial targets give the possibility to include, among others, health and safety, corporate social responsibility and personal development goals as targets into the bonus programme.

The Remuneration Committee evaluated the performance of the Board of Management in 2018 in relation to the targets that had been set for the year. The financial metrics applied for the STI in 2018 were: adjusted EBIT margin (weight 35%), working capital percentage (weight 20%) and adjusted cash flow after investments (weight 20%). The actual 2018 performance in relation to the performance zones that had been set for each of the financial targets resulted in a bonus of 34.7% of the 2018 fixed base salary. The personal targets (weight 25%) consisted of several targets for the Board of Management as a team (e.g. updating strategy), in addition to some specific targets for each individual board member.

The evaluation of performance on these personal targets resulted in a bonus of 8.3% to 13.4% of 2018 fixed base salary. The total of financial and personal targets would result in a bonus of 43.0% to 48.0% of fixed base salary. As earnings per share of Fugro were negative in 2018, the Remuneration Committee proposed to reduce the bonuses to 62.5% of the calculated amounts, in line with the practice applied to other senior staff this year in Fugro that is eligible to a bonus. This resulted in a bonus for Managing Directors of 26.9% to 30.0% of fixed base salary. On 22 February 2019, the Supervisory Board discussed the proposal of the Remuneration Committee and agreed with it. Mr. Løseth, who stepped down from the Board of Management as of 1 October 2018 for personal reasons and whose management services agreement was terminated per 31 December 2018, was entitled to a contractually agreed bonus relating to 2018 of 50% of his fixed annual salary of €660,000 gross. This was approved by the extraordinary General Meeting of 14 December 2017.

As at 31 December 2018, the following performance shares for the Board of Management under the long-term incentive plan were outstanding.

Year of issue	Duration	Number of participants	Granted	Outstanding at 1 January 2018	Forfeited in 2018	Vested in 2018	Outstanding at 31 December 2018
2014	3 years	4	48,750	47,187	47,187	—	—
2015	3 years	4	48,750	43,437	2,500	—	40,937
2016	3 years	5	60,000	50,937	7,500	—	43,437
2018	3 years	4	162,000	-	58,000	—	104,000
<b>Total</b>			<b>319,500</b>	<b>141,561</b>	<b>115,187</b>	<b>—</b>	<b>188,374</b>

The Managing Directors received 162,000 performance shares in 2018 (2017:nil).

As at 31 December 2018, the following performance options for the Board of Management under the long-term incentive plan were outstanding.

Year of issue	Duration	Number of participants	Granted	Outstanding at 1 January 2018	Forfeited in 2018	Exercise d in 2018	Outstanding at 31 December 2018	Exercisable at 31 December 2018	Exercise Price (€)
2014	6 years	4	97,500	94,375	94,375	—	—	—	17.26
2015	6 years	4	97,500	86,875	5,000	—	81,875	—	15.06
2016	6 years	5	120,000	101,875	15,000	—	86,875	—	14.55
<b>Total</b>			<b>315,000</b>			<b>—</b>	<b>168,750</b>	<b>—</b>	

In 2018, the Group granted 77,050 (2017: nil) restricted shares to the Board of Management of which 50,000 shares were granted to the former board member Øystein Løseth as at 1 January 2018. A number of 27,050 of (restricted) shares were granted on 1 May 2018 to the other Managing Directors, 8,300 shares for Paul van Riel and 6,250 for each of the other board members. A number of 50,000 shares and 8,300 shares were respectively forfeited and vested in 2018.

The below table provides an overview of the outstanding number of options for the (former) Managing Directors in respect of the share option scheme.

	Year	Number of options			In €		Number of months			
		Number at 1-1-2018	Granted in 2018	Exercised in 2018	Forfeited in 2018	Number at 31-12-2018	Exercise price	Share price at exercise day	Expiring date	Bonus
P. van Riel	2012	60,000	—	—	60,000	—	44.52		31-12-2018	8
	2013	55,000	—	—	—	55,000	43.315		31-12-2019	8
<b>Total</b>		<b>115,000</b>	<b>—</b>	<b>—</b>	<b>60,000</b>	<b>55,000</b>				
P.A.H. Verhagen	2013-2014	30,000	—	—	—	30,000	43.315		31-12-2019	
<b>Total</b>		<b>30,000</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>30,000</b>				
W.S. Rainey	2012	53,000	—	—	53,000	—	44.52		31-12-2018	8
	2013	47,000	—	—	—	47,000	43.315		31-12-2019	8
<b>Total</b>		<b>100,000</b>	<b>—</b>	<b>—</b>	<b>53,000</b>	<b>47,000</b>				
A. Jonkman	2012	53,000	—	—	53,000	—	44.52		31-12-2018	8
	2013	47,000	—	—	—	47,000	43,315		31-12-2019	8
<b>Total</b>		<b>100,000</b>	<b>—</b>	<b>—</b>	<b>53,000</b>	<b>47,000</b>				
<b>Total</b>		<b>345,000</b>	<b>—</b>	<b>—</b>	<b>166,000</b>	<b>179,000</b>				

#### Supervisory Board

The remuneration of the Supervisory Board in 2018 is set forth below.

(In €)	2018	2017
H.L.J. Noy, Chairman	80,000	80,000
J.C.M. Schönfeld, Vice-Chairman	65,000	65,000
A.J. Campo	88,000	88,000
P.H.M. Hofsté	58,000	58,000
A.H. Montijn	60,000	60,000
D.J. Wall	83,000	88,000
<b>Total</b>	<b>434,000</b>	<b>439,000</b>

There are no loans outstanding to the Supervisory Directors and no guarantees given on behalf of Supervisory Directors. The Supervisory Board compensation, based on amounts recognised in the statement of comprehensive income, is set forth below.

(In €)	Short-term employee benefits	Post-employment benefits	Severance	Share-based payment	Total 2018 <sup>1</sup>
Supervisory Board	434,000	—	—	—	434,000

(1) The 2018 compensation above excluded the six senior managers who became part of Fugro's key management personnel as of 1 May 2019, because they were not a related party (i.e. no key management personnel) in the context of IAS 24 during 2016.

#### Other related party transactions

The Group has not entered into any significant joint ventures in 2018. The Group has also not entered into any material transaction with other related parties in 2018.



## INDEPENDENT AUDITORS

Ernst & Young Accountants LLP, independent auditors, has audited the 2020 Consolidated Financial Statements, the 2019 Consolidated Financial Statements and the 2018 Consolidated Financial Statements, and has issued unqualified independent auditor's reports thereon, which are incorporated by reference in this Prospectus.

Ernst & Young Accountants LLP is an independent registered audit firm with its principal place of business at Boompjes 258, 3011 XZ Rotterdam, the Netherlands. The office address of the independent auditor that signed the independent auditor's reports is Antonio Vivaldistraat 150, 1083 HP Amsterdam, the Netherlands. The auditors of Ernst & Young Accountants LLP are members of the Royal Netherlands Institute of Chartered Accountants (*Koninklijke Nederlandse Beroepsorganisatie van Accountants*).

## GENERAL INFORMATION

### Admission to Listing and Trading

Application has been made for the admission to listing and trading of all the Ordinary Shares on Euronext Amsterdam. Subject to acceleration or extension of the timetable for the Listing, the Company expects that the Ordinary Shares will be admitted to listing and trading on Euronext Amsterdam, and that trading in the Ordinary Shares will commence on the First Trading Date. The symbol "FUR" will remain unchanged. The ISIN (International Security Identification Number) will be NL00150003E1. The Ordinary Shares are expected to be part of the Amsterdam Midkap Index (AMX).

The Certificates are currently listed on Euronext Amsterdam under the symbol "FUR" and ISIN NL00150004A7. Barring unforeseen circumstances, it is expected that the last day of trading in the Certificates will be on 25 May 2021. Upon the termination of the Certification, which is expected to take place on the Settlement Date, subject to amendment of the Company's articles of association, the Foundation Trust Office will deliver the Ordinary Shares underlying to Certificates to each Holder of Certificates who holds Certificates on the Record Date, as a result of which the Certificates will cease to exist without any action to be taken by any of such holders.

The Ordinary Shares will be delivered in book-entry form through the facilities of Euroclear Nederland in accordance with its normal settlement procedures applicable to equity securities. The address of Euroclear Nederland is Herengracht 459-469, 1017 BS Amsterdam, the Netherlands.

No Ordinary Shares or other securities are being offered or sold under this Prospectus. As a result, the ownership or voting interest in the Company will not be diluted.

ABN AMRO Bank N.V. is acting as Listing Agent with respect to the listing of the Ordinary Shares on Euronext Amsterdam. The address of ABN AMRO Bank N.V. is Gustav Mahlerlaan 10, 1082 PP Amsterdam, the Netherlands.

The costs to the Company in connection with the listing and admission to trading of the Ordinary Shares are approximately €350,000.

At the annual General Meeting held on 22 April 2021, the General Meeting resolved, among others, to amend the Company's articles of association that were in place at the time of the General Meeting to, among others, facilitate the termination of the Certification, including amendment of the Company's articles of association that were in place at the time of the General Meeting. The termination of the Certification was duly authorized by a resolution of the Foundation Trust Office Board.

In addition, the Listing was duly authorised by a resolution of the Board of Management passed on 19 May 2021, which resolution was approved by a resolution of the Supervisory Board.

### Timetable

Subject to acceleration or extension of the timetable for, or withdrawal of, the Listing, the timetable below sets forth the expected key dates for the Listing.

Event	Expected Date	Time CET
Last trades in Certificates	25 May 2021	17:30 CET
First Trading Date	26 May 2021	9:00 CET
Last settlement date of Certificates on Euronext Amsterdam	27 May 2021	17.30 CET
Settlement Date	28 May 2021	

### Availability of Documents

The following documents (or copies thereof) may be obtained free of charge from the Company's website ([www.fugro.com](http://www.fugro.com)):

- this Prospectus
- the Articles of Association
- the Trading Update for the three months ended 31 March 2021
- the 2020 Consolidated Financial Statements, including the notes thereto and the independent auditor's report thereon, but excluding any documents incorporated by reference therein
- the 2019 Consolidated Financial Statements, including the notes thereto and the independent auditor's report thereon, but excluding any documents incorporated by reference therein
- the 2018 Consolidated Financial Statements, including the notes thereto and the independent auditor's report thereon, but excluding any documents incorporated by reference therein.

## DEFINITIONS

The following definitions are used in this Prospectus:

<b>2016 Convertible Notes</b>	The €190.0 million aggregate principal amount of 4.00% unsecured notes due 26 October 2021 issued by the Company on 26 October 2016
<b>2017 Convertible Notes</b>	The €100.0 million aggregate principal amount of 4.50% unsecured notes due 2 November 2024 issued by the Company on 2 November 2017
<b>2018 Annual Report</b>	The Group's management report for the year ended 31 December 2018
<b>2018 Consolidated Financial Statements</b>	The Group's audited consolidated financial statements as of and for the years ended 31 December 2018
<b>2019 Annual Report</b>	The Group's management report for the year ended 31 December 2019
<b>2019 Consolidated Financial Statements</b>	The Group's audited consolidated financial statements as of and for the years ended 31 December 2019
<b>2020 Annual Report</b>	The Group's management report for the year ended 31 December 2020
<b>2020 Consolidated Financial Statements</b>	The Group's audited consolidated financial statements as of and for the years ended 31 December 2020
<b>AFM</b>	The Dutch Authority for the Financial Markets ( <i>Stichting Autoriteit Financiële Markten</i> )
<b>Alternative Withholding Tax</b>	The alternative dividend withholding tax proposed by the Dutch State Secretary for Finance in a proposal of law on 25 March 2021
<b>Amendment Articles of Association</b>	The amendment of the articles of association as adopted at the annual General Meeting on 22 April 2021 to, among others, provide for the termination of the Certification
<b>Annual Accounts</b>	The annual accounts referred to in article 2:391 BW
<b>ARGAS</b>	Argas Co Ltd
<b>Articles of Association</b>	The articles of association of the Company as they will read when implemented at the Settlement Date
<b>Audit Committee</b>	The audit committee of the Supervisory Board
<b>AUVs</b>	Autonomous underwater vehicles
<b>BEPS</b>	The Organisation for Economic Co-operation and Development Base Erosion and Profit Shifting project
<b>Board of Management</b>	The board of management ( <i>raad van bestuur</i> ) of the Company
<b>Board of Management Rules</b>	The rules governing the internal proceedings of the Board of Management and of the Executive Leadership Team
<b>BW</b>	Dutch Civil Code
<b>Call Option</b>	Call option granted by the Company to the Foundation Protective Preference Shares in the Articles of Association
<b>Certificates</b>	Certificates representing Ordinary Shares in the capital of the Company
<b>Certificate Terms</b>	The terms and conditions of the Foundation Trust Office laid down in a notarial deed governing the Certificates, to be amended in light of the termination of the Certification on or around the date of this Prospectus
<b>Certification</b>	The certification of the Company's Ordinary Shares
<b>CET</b>	Central European Time
<b>Charter Agreement</b>	The agreements in which the Sale-and-Leaseback are documented
<b>Charterer</b>	Fugro Singapore Marine Pte. Ltd. or Fugro Netherlands Marine B.V.
<b>Code</b>	Section 1221 of the Internal Revenue Code of 1986, as amended

<b>Company</b>	Fugro N.V., a public limited liability company ( <i>naamloze vennootschap</i> )
<b>Consolidated Financial Statements</b>	The audited consolidated financial statements of the Group for the years ended 31 December 2020, 31 December 2019 and 31 December 2018
<b>Conversion Securities</b>	The Ordinary Shares in the Company into which the 2016 Convertible Notes and 2017 Convertible Notes are convertible
<b>Convertible Financing Preference Shares</b>	Cumulative convertible financing preference shares in the Company's share capital, with a nominal value of €0.05 each, which can be subdivided into two series of five million (5,000,000) cumulative convertible financing preference shares, series CPA1 and CPA2
<b>Covid-19</b>	The Coronavirus
<b>CPT</b>	Cone penetration testing
<b>Credit Facility</b>	The Term Loan and the Revolving Credit Facility
<b>Credit Facility Agreement</b>	The credit facility agreement relating to the €450.0 million senior term and revolving credit facility, which became effective on 14 December 2020 pursuant to the amendment and restatement agreement entered into on 30 November 2020 among the Company, certain of its subsidiaries, ABN AMRO Bank N.V., Barclays Bank PLC, BNP Paribas S.A., Netherlands Branch, Coöperatieve Rabobank U.A., Credit Suisse (Switzerland) Ltd, ING Bank N.V. and HSBC Bank plc as lenders and Coöperatieve Rabobank U.A. as agent and Security Agent
<b>Dutch Corporate Governance Code</b>	The Dutch corporate governance code issued on 8 December 2016
<b>Dutch SRD Act</b>	The Dutch act to implement the Shareholder Rights Directive II ( <i>Wet bevordering van de langetermijnbetrokkenheid van aandeelhouders</i> )
<b>EGM</b>	The Company's extraordinary General Meeting held on 30 November 2020
<b>EIA</b>	US Energy Information Administration
<b>Enterprise Chamber</b>	The Dutch enterprise chamber of the court of appeal in Amsterdam
<b>ESG</b>	Environmental, social and governance
<b>EU</b>	European Union
<b>Euro or €</b>	The lawful currency of the European Economic and Monetary Union
<b>Euroclear Nederland</b>	Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.
<b>Euronext Amsterdam</b>	Euronext in Amsterdam, a regulated market of Euronext Amsterdam N.V.
<b>Executive Leadership Team</b>	The Group's executive leadership team
<b>Executive Leadership Team Member</b>	A member of the Executive Leadership Team
<b>FCPA</b>	The US Foreign Corrupt Practices Act
<b>Financial Year 2018</b>	The year ended 31 December 2018
<b>Financial Year 2019</b>	The year ended 31 December 2019
<b>Financial Year 2020</b>	The year ended 31 December 2020
<b>Financial Year 2021</b>	The year ending 31 December 2021
<b>Financing Preference Shares</b>	Cumulative financing preference shares in the Company's share capital, with a nominal value of €0.05 each, which can be subdivided into two series of five million (5,000,000) cumulative financing preference shares, series FP1 and FP2
<b>First Trading Date</b>	The date on which trading in the Ordinary Shares on an "as-if-and-when-delivered" basis on Euronext Amsterdam commences which is expected to be on Wednesday 26 May 2021
<b>FMSA</b>	Dutch Financial Markets Supervision Act ( <i>Wet op het financieel toezicht</i> )
<b>Foundation Protective Preference Shares</b>	Stichting Beschermingspreferente aandelen Fugro, a foundation incorporated under the laws of the Netherlands

<b>Foundation Trust Office</b>	Stichting Administratiekantoor Fugro, a foundation incorporated under the laws of the Netherlands ( <i>stichting</i> )
<b>Foundation Trust Office Board</b>	Board of the Foundation Trust Office
<b>FRSA</b>	Dutch Financial Reporting Supervision Act ( <i>Wet toezicht financiële verslaggeving</i> )
<b>FTEs</b>	Full time equivalent personnel
<b>General Meeting</b>	General meeting of the Company, being the corporate body that consists of holders of Shares with voting rights, pledgees with voting rights and usufructuaries' with voting rights at a General Meeting, or where the context so requires, the physical or virtual meeting in which Persons Entitled To Attend General Meetings assemble
<b>Geo-data</b>	Information related to the Earth's surface, subsurface and the structures built on it
<b>Group</b>	The Company and its Group Companies
<b>Group Company</b>	The Company's subsidiaries within the meaning of article 2:24b BW
<b>Guarantee</b>	The guarantee and indemnity deed by which the Company guarantees the obligations under the Charter Agreement
<b>Guarantor Test</b>	One of the requirements relating to the guarantee of all amounts payable to the finance parties under the Credit Facility, which provides that the Company must ensure that the Guarantors represent not less than 85% of EBITDA of the Group and not less than 70% of gross assets (excluding all right-of-use assets and goodwill) at certain specified moments in time.
<b>Guarantors</b>	The Company and certain subsidiaries of the Company that will provide a guarantee of all amounts payable to the finance parties under the Credit Facility, subject to limitations imposed by applicable law and certain agreed security principles.
<b>Holder of Certificates</b>	Each person holding Certificates
<b>IAS</b>	International Accounting Standards
<b>IEA</b>	International Energy Agency
<b>IFRS</b>	The International Financial Reporting Standards as adopted by the European Union
<b>IMF</b>	International Monetary Fund
<b>Independent Auditor</b>	Ernst & Young Accountants LLP
<b>Intercreditor Agreement</b>	The intercreditor agreement that will be entered into among the Lenders, certain of the Company's other creditors, the Company and certain of its subsidiaries, and the Security Agent, which became effective on
<b>ISIN</b>	International securities identification number
<b>ITAR</b>	The US International Traffic in Arms Regulation
<b>Latest Practicable Date</b>	21 May 2021, the last practicable date prior to the date of this Prospectus for ascertaining certain information contained in the Prospectus
<b>LEI</b>	Legal Entity Identifier
<b>Lenders</b>	ABN AMRO Bank N.V., Barclays Bank PLC, BNP Paribas S.A., Netherlands Branch, Coöperatieve Rabobank U.A., Credit Suisse (Switzerland) Ltd., HSBC Bank plc and ING Bank N.V. as lenders
<b>Listing</b>	Listing and admission to trading of all the issued Ordinary Shares on Euronext Amsterdam
<b>Listing Agent</b>	ABN AMRO Bank N.V.
<b>LTI</b>	Long-term incentive compensation package for the Board of Management
<b>Managing Director</b>	A member of the Board of Management

<b>Market Abuse Regulation</b>	Regulation (EU) No 596/2014 of the European Parliament and the Council
<b>MARPOL</b>	The International Convention for the Prevention of Pollution from Ships
<b>Meeting Rights</b>	The right to attend and speak at a General Meeting
<b>Nomination Committee</b>	The nomination committee of the Supervisory Board
<b>Offering</b>	The equity offering consisting of an underwritten rights offering, and together with the Share Subscription Offering comprising the Rights Issue.
<b>OPEC+</b>	The Organisation of Petroleum Exporting Countries and other major oil producing nations
<b>Ordinary Shares</b>	The ordinary shares in the Company's share capital, with a nominal value of €0.05 each
<b>Owners</b>	ICoN Scout Pte. Ltd. and ICON Voyager Pte. Ltd.
<b>PDMR</b>	Persons discharging managerial responsibilities
<b>Persons Entitled To Attend General Meetings</b>	Holders of Shares, Holders of Certificates (if any), pledgees with Meeting Rights and usufructuaries' with Meeting Rights
<b>Prospectus</b>	This prospectus dated 26 May 2021
<b>Prospectus Regulation</b>	Regulation (EU) 2017/1129, as amended
<b>Protective Preference Shares</b>	Cumulative protective preference shares in the Company's share capital, with a nominal value of €0.05 each
<b>Protective Preference Shares Reserve</b>	A non-distributable reserve equal to the amount of the payment obligation on the Protective Preference Shares if the right to subscribe for Protective Preference Shares were to be exercised in full and the Protective Preference Shares were issued against payment in full.
<b>Q1 2020</b>	The three-month period ended 31 March 2020
<b>Q1 2021</b>	The three-month period ended 31 March 2021
<b>QHSSE</b>	Quality, Health, Safety, Security and Environment
<b>Record Date</b>	means 17:40 CET on or around 27 May 2021
<b>Refinancing</b>	The refinancing of the Company which was completed in December 2020, comprising of a cornerstone placement, the Rights Issue, amounts borrowed under the Credit Facility and cash from the Group's balance sheet for the repayment of the then existing €575 million revolving credit facility, the repurchase and/or redemption of 2016 Convertible Notes, a pre-payment under the Sale-and-Leaseback and payment of fees
<b>Registered Shareholder</b>	Each holder of registered Ordinary Shares other than the Foundation Trust Office
<b>Regular Dividend Withholding Tax</b>	The Dutch dividend withholding tax under the Dutch Dividend Withholding Tax Act 1965 ( <i>Wet op de dividendbelasting 1965</i> )
<b>Remuneration Committee</b>	The remuneration committee of the Supervisory Board
<b>Revolving Credit Facility</b>	The Group's €250 million revolving credit facility with a maturity of December 2023, arranged by, among others, ABN AMRO Bank N.V., Barclays Bank PLC, BNP Paribas S.A., Netherlands Branch, Coöperatieve Rabobank U.A., Credit Suisse (Switzerland) Ltd, ING Bank N.V. and HSBC Bank plc
<b>Rights Issue</b>	The c. €197.1 million rights issue announced by the Company on 19 October 2020 and completed on 14 December 2020, comprising the Offering and the Share Subscription Offering.
<b>ROCE</b>	Return on Capital Employed
<b>ROV(s)</b>	Remotely Operated Vehicle(s)
<b>RRI</b>	Robertson Research International Group Pension Scheme

<b>Sale-and-Leaseback</b>	The sale and leaseback arrangements for the Fugro Scout and Fugro Voyager vessels, which the Company entered into on 23 December 2015
<b>Security Agent</b>	Coöperatieve Rabobank U.A.
<b>SER</b>	The Economic and Social Council ( <i>Sociaal Economische Raad</i> )
<b>Settlement Date</b>	The date on which the termination of the Certification becomes effective, which is expected to be on or around 28 May 2021
<b>Share Subscription Offering</b>	The offer to subscribe for Ordinary Shares through the exercise of the non-transferable rights in connection with the Rights Issue.
<b>Shareholder</b>	Each Registered Shareholder and each Holder of Certificates, and after termination of the Certification, each holder of the underlying Ordinary Shares.
<b>Shareholder Rights Directive II</b>	Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC
<b>Shares</b>	The Ordinary Shares, the Protective Preference Shares, the Financing Preference Shares and the Convertible Financing Preference Shares
<b>STI</b>	Short-term incentive compensation package for the Board of Management
<b>Supervisory Board</b>	The supervisory board ( <i>raad van commissarissen</i> ) of the Company
<b>Supervisory Board Rules</b>	The rules regarding the Supervisory Board's functioning and internal organisation
<b>Supervisory Director</b>	A member of the Supervisory Board
<b>Term Loan</b>	The Company's €200 million term loan, with a maturity of December 2023, arranged by, among others, ABN AMRO Bank N.V., Barclays Bank PLC, BNP Paribas S.A., Netherlands Branch, Coöperatieve Rabobank U.A., Credit Suisse (Switzerland) Ltd, ING Bank N.V. and HSBC Bank plc
<b>the Netherlands</b>	The part of the Kingdom of the Netherlands located in Europe
<b>Trading Update</b>	The Q1 2021 trading update, which is incorporated by reference in this Prospectus
<b>UK or United Kingdom</b>	The United Kingdom of Great Britain and Northern Ireland
<b>US or United States</b>	United States of America
<b>USVs</b>	Uncrewed surface vessels
<b>US dollars or \$</b>	The US Dollar, the lawful currency in the United States

#### **COMPANY**

**Fugro N.V.**  
Veurse Achterweg 10  
2264 SG Leidschendam  
the Netherlands

#### **LEGAL ADVISER TO THE COMPANY**

**De Brauw Blackstone Westbroek N.V.**  
Claude Debussylaan 80  
1082 MD Amsterdam  
the Netherlands

#### **INDEPENDENT AUDITORS**

**Ernst & Young Accountants LLP**  
Antonio Vivaldistraat 150  
1083 HP Amsterdam  
the Netherlands

#### **LISTING AND PAYING AGENT**

**ABN AMRO BANK N.V.**  
Gustav Mahlerlaan 10  
1082 PP Amsterdam  
the Netherlands