

**DEME GROUP NV**  
Limited liability company  
Scheldedijk 30  
2070 Beveren-Kruibeke-Zwijndrecht  
VAT BE0787.829.347  
RLE GENT division DENDERMONDE  
(the “**Company**”)

**REPORT OF THE BOARD OF DIRECTORS OF MARCH 19, 2025 IN ACCORDANCE WITH  
ARTICLE 7:199 OF THE CODE OF COMPANIES AND ASSOCIATIONS**

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**1. INTRODUCTION**

This report was drawn up by the board of directors of the Company (the “**Board of Directors**”) in accordance with article 7:199 of the Code of Companies and Associations (the **CCA**) and relates to the proposal to the shareholders to renew, at the extraordinary general meeting scheduled for May 21, 2025 (or such other date, if the required attendance quorum is not reached on May 21, 2025), the authorisation to the Board of Directors with respect to the authorised capital up to a maximum (cumulative) amount (excluding share premium) of EUR 7,000,000 in accordance with the terms and conditions set out below.

The purpose of this special report is to inform the shareholders of the specific circumstances in which the Board of Directors wishes to avail itself of the authorisation with respect to the authorised capital and the purposes it wishes to achieve doing so.

**2. PROPOSED AUTHORISATION WITH RESPECT TO THE AUTHORISED CAPITAL**

The current authorisation to the Board of Directors was granted by the extraordinary general meeting of June 29, 2022 of CFE SA (pursuant to which the Company was incorporated by demerger) and published in the Annexes to the Belgian Official Gazette of July 1, 2022.

The proposal of the Board of Directors concerns a renewal of the current authorisation.

Capital increases under this authorisation will be carried out in accordance with the conditions set out by the Board of Directors, as set out in article 8 of the articles of association, specifically authorising the Board of Directors, in accordance with article 7:200 CCA, to carry out such capital increase by incorporation of reserves, the issue of subscription rights and convertible bonds, with limitation or cancellation of the statutory preferential subscription rights, as the case may be in favour of one or more specific persons other than members of the personnel of the Company or its subsidiaries.

The authorisation is granted for a period of five years from the date of the publication of the amendment to the articles of association in the Annexes to the Belgian Official Gazette.

In the event that the Company receives a communication from the Financial Services and Markets Authority that it has been notified of a public takeover bid for the securities of the Company, the Board of Directors may, in accordance with article 7:202, second paragraph, 2° CCA, only avail itself of its authorisation with respect to the authorised capital if the aforementioned notification was received not later than three years after the date of the extraordinary general meeting that renewed the authorisation.

### **3. SPECIAL CIRCUMSTANCES AND PURPOSES FOR THE USE OF THE AUTHORISED CAPITAL**

The Board of Directors is of the opinion that it may be appropriate to make use of the authorised capital whenever the specific circumstances surrounding the implementation of a capital increase so require. The technique of the authorised capital provides increased flexibility, confidentiality, cost saving and speed of execution that may be required to ensure the best possible governance (and capitalisation) of the Company. In certain circumstances, the relatively complex and time-consuming procedure of convening an extraordinary general meeting for a capital increase may impede a rapid and efficient response to certain developments on the capital markets or certain opportunities or necessities that present themselves to the Company.

The Board of Directors may, for instance, consider making use of the authorised capital in the following circumstances:

- (i) in the event of a public takeover bid or imminent public takeover bid for the securities of the Company;
- (ii) to finance an investment that is of strategic importance to the Company or its affiliated companies;
- (iii) in the event of urgent necessity to restore the financial position of the Company or one of its affiliated companies;
- (iv) in the event of an imbalance between the Company's equity capital and the borrowed capital, in order to safeguard the sound solvency of the Company (more specifically, in the circumstances described in Articles 7:228 and 7:229 CCA);
- (v) in the context of the award of an optional dividend, regardless of whether (all or part of) the dividend is paid directly in shares or the dividend is paid in cash and the funds received can subsequently be used entirely or partially to subscribe for new shares, in each case, with or without an additional cash payment;
- (vi) when the convening of a shareholders' meeting may lead to a premature announcement of the transaction in question, which may be detrimental to the Company; and
- (vii) capital operations in the context of incentives to senior personnel and executives of the Company or its affiliated companies.

Since it is impossible to give in advance an exhaustive list of the specific circumstances in which and the purposes for which the Board of Directors may use the authorised capital, the circumstances and purposes cited above should not be taken to be exhaustive.

The Board of Directors shall be able to use the authorised capital insofar as this is in the interest of the Company. In its decision concerning the use of the authorised capital, the Board of Directors will pay special attention to the continuity of operations of the Company and/or its affiliated companies and to the stability of its shareholder structure that is required for this.

With regard to point (i) above, the Board of Directors will in light of the actual circumstances examine whether or not the potential acquisition of control by a third party serves the interests of the Company and its shareholders and, where appropriate, whether the deployment of the authorised capital under those circumstances constitutes a suitable defence or deterrent.

With regard to points (ii) to (vii), the Board of Directors will examine whether there are sufficient reasons that justify the deployment of the authorised capital (e.g. speed of execution or confidentiality) and whether the use of the authorised capital, also taking into account the condition of the financial markets, is an appropriate measure.

The conditions set out in this report governing the use of the authorised capital and the specific circumstances in which, and the purposes for which the authorised capital may be used should be interpreted in the broadest sense.

The Board of Directors,

Beveren-Kruikeke-Zwijndrecht, March 19, 2025,

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Luc Bertrand  
Director

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Koen Janssen  
Director