



ROYAL IMTECH S.A.: interim liquidation report dated 23 October 2023

1. Settlement with financiers

During the last reporting period, the bankruptcy trustees reached agreements on an amicable arrangement with Royal Imtech's financiers. These agreements include a final discharge from the financiers of Royal Imtech and its subsidiaries of all their possible claims. As part of the agreements, a sum of approximately EUR 25.24 million was immediately made available to Royal Imtech's liquidation assets. The bankruptcy trustees will further allocate these proceeds among the liquidation assets of the various Imtech companies.¹ The financiers will not share in the settlement amount received by the liquidation assets or in the amounts of remaining liquidation assets in the relevant liquidation accounts. As a result, the bankruptcy trustees expect that the balances of Imtech Capital, Imtech Benelux Group and an escrow on the sale of Imtech Belgium (amounting to EUR 3.55 million) will also accrue to the Royal Imtech liquidation assets unencumbered. The financiers will also share to only a limited extent in future income in the bankruptcies.

The parties were willing to reach this settlement in order to achieve an efficient resolution of the bankruptcy and avoid lengthy proceedings and the ensuing costs. The arrangement between the parties was entered into voluntarily and the parties and bankruptcy trustees believe that the arrangement does justice to the interests of the joint creditors. The settlement was entered into by the parties involved without admission of any liability.

The creditors' committee issued positive advice on entering into the settlement. To the extent a conflict of interest existed within the creditors' committee, the conflicted members of the creditors' committee were not consulted in this regard. The delegated judges approved the settlement.

2. Financial impact for the liquidation assets

The delegated judges also approved the allocation of the proceeds and costs. For the liquidation assets of Royal Imtech itself, the settlement means that, of the above-mentioned cash payment of EUR 25 million, a total of EUR 19.75 million will be received and the remaining amount of EUR 5.25 million will accrue to the liquidation assets of other Imtech companies. This is detailed in the relevant interim liquidation reports of the various Imtech companies. Royal Imtech will also receive the escrow balance regarding the art proceeds of approximately EUR 244,000. Another major benefit of the settlement is the 'subordination' of the financiers in Royal Imtech's liabilities. The financiers currently represent around 90 percent of Royal Imtech's liabilities. While the financiers retain their claims in Royal Imtech's bankruptcy, they waive their distribution rights (except in respect of the net proceeds from claims against KPMG and the former directors, to the extent that these net proceeds exceed EUR 40 million). In that case, the financiers will receive one-third of the excess above EUR 40 million.

It is also relevant that the financiers will withdraw their claims in the bankruptcies of Imtech Holding GmbH and Imtech Deutschland GmbH to the extent that such claims lead to recourse claims against Royal Imtech. This is expected to 'release' Royal Imtech from the claim of EUR 478,334,318 submitted on behalf of the liquidation assets of the aforementioned companies in liquidation.

¹ For the allocation of proceeds and the debt overview, see paragraph 2 in the interim reports of the various Imtech bankruptcies.



All in all, the withdrawal of the financiers' claims results in a significant decrease in liabilities in favour of unsecured creditors:

Amounts owed	Royal Imtech
Currently outstanding estate debts	€2,115,334
Preferential liabilities (incl. disputed part) ²	€15,488,319
Bankruptcy trustee of Imtech Germany (contingent unsecured recourse claim)	€478,334,318
Financiers (unsecured)	€956,167,941 (arrangement D&O/KPMG proceeds)
Other unsecured debts (incl. disputed part)	€158,098,766
Old liability	€1,610,204,678
New liability	€175,702,419

3. Conclusion

Further reports on the developments will be provided in subsequent liquidation reports.

Kind regards,

J.G. Princen and F. el Houzi
Bankruptcy trustees

² The bankruptcy trustees have not yet completed their investigation into the tax debts. The tax authorities submitted a claim of around €10.6 million on account of the tax entity for turnover tax. In the bankruptcy trustees' preliminary opinion, this claim will, in the internal relationship, have to be borne (for the most part) by other Imtech entities. The preferential liabilities are therefore expected to be lower than currently shown in the overview.