



**Arcadis and IBI Group have entered into an agreement on a recommended, all-cash offer of C\$19.50 per share for Arcadis to acquire all issued and outstanding shares of IBI Group**

- Accelerates Arcadis' 2021-2023 'Maximizing Impact' business strategy:
  - Transformational step in the development of new digital solutions through the creation of a fourth Arcadis Global Business Area "Intelligence", combining IBI Group's leading Intelligence solutions and capabilities with Arcadis GEN
  - Strong geographic and business alignment creating opportunity to leverage the global footprint and client base of both firms while adding significant scale in North America and a strong position in Canada
  - Creates the new global leader for planning, designing and building the resilient cities of tomorrow
- Compelling offer for IBI Group shareholders representing a premium of 30% to the IBI Group share price as at 15 July 2022 and 40% to IBI Group's 30-day volume-weighted average price
- Transaction unanimously supported by IBI Group's Board of Directors and IBI Group's largest shareholder, the IBI Group Management Partnership, which has entered into a voting support agreement to support and vote in favour of the transaction

**Amsterdam, 18 July and Toronto, 18 July 2022 – Arcadis and IBI Group Inc. (TSX: IBG) ("IBI Group") jointly announced today that they have entered into an agreement for Arcadis to acquire all issued and outstanding shares of IBI Group for C\$19.50 per share. The acquisition of IBI Group's forward thinking, technology-driven design firm will strengthen Arcadis' digital leadership, complement its position in North America and drive global growth of its combined solutions.**

**Peter Oosterveer, Arcadis' Chief Executive Officer, said:**

*"The acquisition of IBI Group marks a significant milestone in the implementation of Arcadis' business strategy. Together with IBI Group's management team, we have big ambitions. Our shared vision to digitally transform our industries and provide clients with new and innovative technology enabled solutions differentiates us amongst our peers. Today's announcement will help accelerate this vision, leveraging Arcadis' global platform and IBI Group's strong track record by creating a strong fourth Global Business Area (GBA) "Intelligence", complementing the services and solutions we offer to clients through our three existing GBAs (Resilience, Places, Mobility).*

*IBI Group is a superb business with a rich history, a highly talented team and a strong cultural fit with Arcadis. We warmly welcome IBI Group's 3,500+ employees to the Arcadis family. By combining our talents and expertise, I am confident we will strengthen our role as a digital leader in our industry and simultaneously grow and enhance our geographical footprint.*

*The combination of Arcadis and IBI Group will amplify our ability to deliver the most innovative and impactful projects globally as well as locally, all aimed at improving the quality of life.”*

**Scott Stewart, IBI Group’s Chief Executive Officer, added:** *“The combination of IBI Group and Arcadis will accelerate our ability to define the cities of tomorrow. Arcadis has a stellar reputation developing solutions for major societal issues from climate change to urbanization. Bringing our talent and expertise together will allow us to bring IBI Group’s strategy to life in a way that will drive an even greater impact for our clients and people.*

*As a combined force, we will seed IBI Group’s Intelligence sector and technology initiatives across Arcadis’ broad global footprint. We will establish the leading and most diverse architectural firm in North America and potentially the world. In addition, we will expand IBI Group’s capabilities and depth in infrastructure and environmental services, amplifying our ability to support our clients’ missions for sustainable cities and communities.”*

### **ACCELERATING ARCADIS’ 2021-2023 “MAXIMIZING IMPACT” STRATEGY**

Following the implementation of its global operating model and the creation of the three Global Business Areas, Arcadis is well positioned to complement its strong organic growth with inorganic growth opportunities. The acquisition of IBI Group is fully in-line with Arcadis’ strategy and will accelerate the delivery of the 2021-2023 ‘Maximizing Impact’ targets. Digital leadership is a key tenet of the strategy, and the acquisition of IBI Group’s leading technology platform is a significant step in realizing this ambition. IBI Group also adds significant scale to Arcadis across its GBAs in North America and in particular in the attractive Canadian market. Its services are complementary to Arcadis’ service offerings providing substantial opportunities for synergies from leveraging Arcadis’ global footprint and client base. Combining IBI Group Buildings with Arcadis Places creates a global leader in the planning, designing and building of the resilient cities of tomorrow.

### **SIGNIFICANT VALUE CREATION FOR ARCADIS SHAREHOLDERS**

The acquisition of IBI Group for an aggregate consideration of approximately C\$873 million (c. €664 million<sup>1</sup>), represents 11.5x IBI Group’s estimated 2022 EBITDA<sup>2</sup>, or 9.6x post synergies, and is expected to be immediately accretive to Arcadis’ 2022E adjusted earnings per share and operating profit margins. Annual cost synergies of C\$15 million per annum are expected to be fully realized within three years after the closing date, and more substantial revenue synergies are expected given the highly complementary business models with significant cross-selling opportunities across the combined client base.

### **ATTRACTIVE OFFER FOR IBI GROUP SHAREHOLDERS**

The offer of C\$19.50 per share provides shareholders with a premium of 30% to IBI Group’s closing share price on 15 July 2022, 32% to IBI Group’s 10-day volume-weighted average share price and 40% to IBI Group’s 30-day volume-weighted average share price. The fact that the consideration is cash will provide securityholders with certainty of value and liquidity. All directors and senior officers of IBI Group have entered into voting support agreements pursuant to which they have agreed to support and vote

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<sup>1</sup> CAD / EUR FX Rate used: 0.7609 as of 15-Jul-2022

<sup>2</sup> As per median Bloomberg consensus as of 15-Jul-2022: C\$76m

in favour of the transaction. In addition, IBI Group's largest shareholders, IBI Group Management Partnership and its affiliated partnerships, together representing approximately 33% of the shares eligible to vote at IBI Group's special meeting of shareholders to be held to consider the transaction, have also entered into a voting support agreement to support and vote in favour of the transaction.

#### LEVERAGING DIGITAL EXCELLENCE THROUGH FOURTH GBA: INTELLIGENCE

Through IBI Group, Arcadis will significantly enhance its development capabilities, more than doubling its software developers. Combining IBI Group Intelligence and Arcadis Gen into a new fourth Global Business Area will create an industry leading platform of world class software and systems design, systems integration, digital client solutions and innovation capabilities. The Intelligence GBA will be a growth enabler for the existing GBAs Resilience, Places and Mobility, and provide meaningful opportunities for efficiencies and enhanced client delivery, and further improve resource planning and productivity.

#### FULLY SECURED TRANSACTION FINANCING

The transaction will be financed with debt and is expected to result in a *pro forma* net debt to adjusted EBITDA ratio upon closing within Arcadis' targeted leverage range of 1.5-2.5x.

#### TIMING CONSIDERATIONS AND CONDITIONS TO THE TRANSACTION

Completion of the transaction, which will be implemented by way of a plan of arrangement under the *Canada Business Corporations Act*, is subject to certain customary closing conditions, including (i) IBI Group shareholder approval at a special meeting of IBI Group's shareholders (the "Special Meeting") by no less than 66 2/3% of the votes cast at the Special Meeting; (ii) court approval; (iii) applicable regulatory approvals; and (iv) certain other closing conditions customary for a transaction of this nature.

IBI Group's largest shareholders, IBI Group Management Partnership and its affiliated partnerships, together representing approximately 33% of the votes, have entered into a voting support agreement to support and vote in favour of the transaction. Further, IBI Group's directors and its senior officers have each entered into a voting support agreement to support and vote in favour of the transaction.

The arrangement agreement includes customary provisions relating to non-solicitation, subject to customary "fiduciary out" provisions.

The transaction is expected to be completed in the second half of 2022.

IBI Group expects to hold the Special Meeting to consider the transaction in September 2022 and to mail the management information circular for the Special Meeting in the coming weeks. Further details regarding the terms of the transaction are set out in the arrangement agreement, which will be publicly filed by IBI Group in due course under its issuer profile at [www.sedar.com](http://www.sedar.com). Additional information regarding the terms of the Arrangement Agreement, the background to the transaction, the rationale for the recommendations made by the special committee and the board of directors of IBI Group and how IBI Group shareholders can participate in and vote at the Special Meeting will be provided in the management information circular for the Special Meeting which will

also be filed by IBI Group under its issuer profile at [www.sedar.com](http://www.sedar.com). Shareholders are urged to read these and other relevant materials when they become available.

### ADVISORS

Goldman Sachs served as exclusive financial advisor to Arcadis, and Stikeman Elliott LLP as legal counsel to Arcadis.

Committed financing was provided by Goldman Sachs together with Bank of America.

National Bank Financial served as exclusive financial advisor and Blake, Cassels & Graydon LLP as legal counsel to the Special Committee of IBI Group, and Bennett Jones LLP as legal counsel to IBI Group.

### CONFERENCE CALL

Arcadis will hold a conference call at 14:00 hours CET today, during which Peter Oosterveer (Arcadis CEO) and Virginie Duperat-Vergne (Arcadis CFO) will discuss the acquisition. A live audiocast of the conference call can be accessed through [this link](#) or found on the Arcadis Investor Relations website. A replay will be available within 24 hours following the call.

### ABOUT ARCADIS

Arcadis is a leading global Design & Consultancy organization for natural and built assets. Applying our deep market sector insights and collective design, consultancy, engineering, project and management services we work in partnership with our clients to deliver exceptional and sustainable outcomes throughout the lifecycle of their natural and built assets. We are 29,000 people, active in over 70 countries that generate €3.4 billion in revenues. We support UN-Habitat with knowledge and expertise to improve the quality of life in rapidly growing cities around the world. [www.arcadis.com](http://www.arcadis.com).

### ABOUT IBI GROUP

IBI Group is a technology-driven design firm with global architecture, engineering, planning, and technology expertise spanning over 60 offices and 3,500+ professionals around the world. IBI Group generated revenues of C\$444m (with 50% from Buildings, 32% from Infrastructure and 18% from Intelligence) and adj. EBITDA of C\$68m. For nearly 50 years, its dedicated professionals have helped clients create livable, sustainable, and advanced urban environments. IBI Group believes that cities thrive when designed with intelligent systems, sustainable buildings, efficient infrastructure, and a human touch. They are defining the cities of tomorrow. Follow IBI Group on [LinkedIn](#), [Instagram](#), [Facebook](#), and [Twitter](#). [www.ibigroup.com](http://www.ibigroup.com)

### FOR FURTHER INFORMATION PLEASE CONTACT:

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## REGULATED INFORMATION

This press release contains information that qualifies or may qualify as inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

## FORWARD LOOKING STATEMENTS

Statements included in this press release that are not historical facts (including any statements that assume the completion of the transaction, the benefits of the transaction, the timing and ability of the companies to satisfy the conditions to closing the transaction (if at all), statements concerning investment objectives, other plans and objectives of management for future operations or economic performance, or assumptions or forecasts related thereto) are forward-looking statements. These statements are only predictions and are not guarantees. Actual events or the results of our operations could differ materially from those expressed or implied in the forward-looking statements, including the inability of the companies to satisfy the conditions to closing the transaction on terms announced (or at all). Forward-looking statements are typically identified by the use of terms such as “may”, “will”, “should”, “expect”, “could”, “intend”, “plan”, “anticipate”, “estimate”, “believe”, “continue”, “predict”, “potential” or the negative of such terms and other comparable terminology. The forward-looking statements are based upon our current expectations, plans, estimates, assumptions and beliefs that involve numerous risks and uncertainties. Assumptions relating to the foregoing involve judgments with respect to, among other things, regulatory approvals, the ability of the companies to complete the transaction on terms announced, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond our control. Although we believe that the expectations reflected in such forward-looking statements are based on reasonable assumptions, our actual results and performance could differ materially from those set forth in the forward-looking statements.