APPENDIX

Information regarding the sale of part of the business and assets of Imtech Technical Services Limited on 28 August 2015 as required by Statement of Insolvency Practice No.16 and Statement of Insolvency Practice No.13.

Background	***Company background and group structure*** Imtech Technical Services Limited ('ITS') is the parent company of the following entities all registered in the UK: • Imtech Engineering Services North Limited • Imtech Engineering Services Central Limited • Imtech Engineering Services London and South Limited • Inviron Holdings Limited • Capula Group Limited • Imtech Aqua Limited • Imtech Water Waste and Energy Limited ("IWWE"). These companies (and their subsidiaries) formed the UK division of the Imtech Group for which the parent company is Imtech UK Limited ("IUK"). The ultimate parent of the Imtech Group is Royal Imtech NV, a European technical solutions provider based in Netherlands and listed on the Euronext Amsterdam, employing 22,000 people globally. ITS's subsidiaries are involved in providing a number of technical solutions for clients including: • Mechanical and electrical contracting services; • Facilities management; • The provision of automation and real time IT services; and • The planning, design, construction and maintenance of waste, water and energy plants. Collectively the companies which undertake these services employ in excess of 2,000 employees. In addition, ITS employs 27 people in the head office located in Ashford, Middlesex. ***Insolvency events of other companies in the Imtech Group*** On 6 August 2015 Imtech's German division filed for insolvency in the German courts. This resulted in a number of claims and guarantees crystallising in Royal Imtech NV, as ultimate parent. On 11 August 2015 administrators in Holland were appointed over Royal Imtech NV and on 13 August they were appointed trustees in bankruptcy.

	Impact on the UK division of the Imtech Group As a result of the insolvency of Royal Imtech NV, payments were suspended between the group companies and the group cash pools were frozen. As a result the UK division has been unable to continue to fund trading operations. ITS only generates income from management recharges and dividends from other companies in the UK division. As a result of the cash pressures across the UK division, ITS has been unable to generate income to meet its liabilities as they fall due. In addition, the unwinding of a UK cash pool for all UK entities in the Imtech group has resulted in increasing intercompany liabilities owed by ITS to c£101.6m. As a result of the cash flow and balance sheet position, the directors resolved on 28 August 2015 that they were unable to continue to trade and therefore appointed Matthew Callaghan, Ian Green and Rob Lewis of PricewaterhouseCoopers LLP as Joint Administrators. Administration appointments have also been made over IUK (on 28 August 2015) and IWWE (on 1 September 2015). Both of these companies are not involved in the transaction detailed in this appendix. ***Sale of ITS's assets*** The Joint Administrators immediately sold substantially all of ITS's assets, being the share capital of the following subsidiaries: • Imtech Engineering Services North Limited • Imtech Engineering Services Central Limited • Imtech Engineering Services London and South Limited • Inviron Holdings Limited • Capula Group Limited • Imtech Aqua Limited and the benefit of intercompany receivables totalling £2.0m, to WM Bidco 1 Limited, WM Bidco 2 Limited and WM Bidco 3 Limited. A sale of the share capital of these entities was concluded to avoid the insolvency of these subsidiaries and preserve value. If the sale were not concluded then the insolvency of the subsidiaries would have created additional liabilities in relation to parent company guarantees of between £151.3m to £326.2m in ITS. In addition, it is unlikely that any value for the equity of the subsidiaries would have been preserved because, as a result of the nature of the business undertaken by the subsidiaries, it would have been challenging to trade the businesses whilst in administration for the following reasons: • Lack of available funding; • Risk of duress payments to creditors (e.g. Employment Agencies) given the current level of arrears;

	• Risk of existing customer contracts being cancelled due to insolvency clauses, and • Risk of employees leaving as a result of uncertainty in the business. As a result, it was felt that the transaction referred to above was in the best interests of the creditors of ITS for the reasons set out in the sections below.
The source of the administrators' initial introduction	PricewaterhouseCoopers LLP and PricewaterhouseCoopers Advisory NV have undertaken a variety of roles with Royal Imtech NV since February 2013. This work was advising the lenders to the Group on options with regard to the debt in the Group and on a rights issue made by the Group which was underwritten by certain lenders to the Group. Following the insolvency of Royal Imtech NV on 11 August 2015, PricewaterhouseCoopers LLP was introduced to the directors of IUK and ITS with a view to helping them to consider the subsequent implications for the UK division.
The extent of the administrators' involvement before the appointment	**Date(s) on which instructed:** 11 August 2015 **Service(s) provided / undertaken:** We were engaged by IUK on behalf of itself and all of its subsidiaries to undertake the following services. - Assisting the directors to identify, preserve and realise the UK group's value. This included working with the directors to assess the ability of the individual companies to continue to trade, establishing the funding requirement and any available sources of funding, and identifying and assisting the directors to run an accelerated sales process. - Helping the directors to consider the solvency of the individual companies. - Undertaking contingency planning for an insolvency process in some or all of the companies. As part of the accelerated sales process, Matthew Callaghan undertook sales negotiations in anticipation of the appointment of an administrator in some or all of the companies.
Alternative course(s) of action considered by the administrators and the possible financial outcome(s) of the alternative course(s) of action, including why it was not appropriate to trade the business and offer it for sale as a going concern during the administration	The following strategies were considered: - *ITS ceasing to trade and seeking a buyer or buyers for the operating companies that continue to trade.* The principal assets of ITS were the shares in its subsidiaries and intercompany debtors. During the accelerated sales process, there was a level of interest in two of the operating companies; Inviron and Capula. However, there was no material interest in the three Engineering Services businesses or Waste, Water and Energy, both of which has insufficient liquidity to continue

	to trade. By pursuing a transaction that did not result in the continuation of Engineering Services, it was highly probable that up to £151.3m of parental company grantees would crystallise in ITS. Overall, the creditor claims would have been greater and there remained significant uncertainty that a buyer would be able to transact with either Inviron or Capula before they faced liquidity issues and would be forced to cease trading.
	
	- *Ceasing to trade and seeking a buyer or buyers for the assets on a piecemeal basis.* The principal assets of ITS were the shares in its subsidiaries and intercompany debtors. In the event of the subsidiaries ceasing to trade and going through a process of realising their own assets on a piecemeal basis, it is unlikely that any equity value would be realised for the benefit of ITS as their shareholder, given the level of creditors in the underlying subsidiaries. In addition, given the risk of an increased level of claims under parent guarantees, it is unclear what, if any, recovery would be made in relation to the intercompany receivable. Overall, the realisations would have been lower and the creditor claims would have been greater.
	
	- *Trading of ITS and its subsidiaries following an Administration appointment and seeking a buyer (as a group or for each subsidiary individually).* It would have been challenging to trade the businesses whilst in administration for the following reasons:
	  - Lack of available funding;
	  - Risk of duress payments to creditors (e.g. Employment Agencies) given the current level of arrears;
	  - Risk of existing customer contracts being cancelled due to insolvency clauses, and
	  - Risk of employees leaving as a result of uncertainty in the business.
	Due to the above, it was not a viable option to trade the business of ITS and its subsidiaries.
	
	- *Liquidation of ITS and / or any of the subsidiaries.* This may have resulted in the termination of employee contracts and potentially customer contracts which were key drivers of value in the various companies. It is likely that all bonds and parental guarantees would have created claims on the estates of ITS and its subsidiaries and recovery of assets, mainly WIP and trade debtors, would have been more complex. Overall, the realisations would have been lower and the creditor claims would have been greater.
	
	- *Company Voluntary Arrangement of either ITS and / or any of the subsidiaries.* This was not possible as there was no funding available to continue to trade the subsidiaries.

Whether efforts were made to consult major creditors	The principal creditors of ITS are: Trade creditors - £0.7m Deferred income - £3.5m Intercompany creditors with parent companies - £53.3m Intercompany creditors with subsidiaries - £40.1m Intercompany creditors with other Imtech group companies - £8.1m. During discussions with potential purchasers the directors and PricewaterhouseCoopers LLP consulted with representatives of the parent companies including the Trustees in Bankruptcy of Royal Imtech NV.
Requests made to potential funders to fund working capital requirements	Following the appointment of administrators over the ultimate parent company no further funding was available from the Imtech group. Given the cash flow, magnitude of the funding requirement and solvency position of ITS and its subsidiaries, it would not have been possible to obtain any new external funding.
Details of registered charges with dates of creation	ITS had no charges registered at Companies House.
Whether or not the business or business assets have been acquired from an insolvency practitioner within the previous two years	We have consulted with the Directors who have confirmed that neither ITS nor any of the subsidiaries has been involved in a purchase of either a company or assets from an insolvency practitioner in the preceding 24 months
Marketing activities conducted by the Company and / or administrators	**Marketing activities undertaken:** Since 14 August 2015 the Directors, supported by PricewaterhouseCoopers LLP, have contacted a number of potential purchasers for some or all of the UK division. In total 65 parties, including trade purchasers and financial purchasers, have been contacted. The sales process was conducted over a period of 14 working days in which a total of 65 parties were contacted. Of those 65, only 22 expressed an interest in the business(es) and signed non-disclosure agreements. Over the short time period, only one offer for the majority of the division was received. A small number of firm expressions of interest were received for parts of the division, however, they were not deliverable within the timeframe and/or would have resulted in a lower recovery for creditors. No firm expressions of interest were received for IWWE or its business and assets. The level of response was, in part, a product of the distressed nature of the transaction which was being forced by a worsening liquidity position. The offer made by Endless LLP for substantially all of the subsidiaries of the UK division, (excluding IWWE),

	represented the best outcome for all stakeholders within the timeframe available.
Valuations of the business or the underlying assets	A valuation of the business was not obtained because a sales process was undertaken for the UK division, as summarised above. The principal assets of ITS were: Goodwill - £77.3m Intercompany receivables - £40.0m Investment in subsidiaries - £28.8m As explained above, as a result of the cashflow pressure in the group both prior to and following the insolvency of Royal Imtech NV, the companies within the UK division were unable to continue to trade. As a result it was felt that the most appropriate way to establish the value of the assets of ITS as set out above was to undertake a sales process of the UK division.
The date of the transaction	28 August 2015
The identity of the purchaser	WM Bidco 1 Limited, WM Bidco 2 Limited and WM Bidco 3 Limited.
Any connection between the purchaser and the directors, shareholders or secured creditors of the Company or their associates	There are no connections that we are aware of.
Whether the purchaser was independently advised	**The purchaser was independently advised by:** *Walker Morris LLP*
The names of any directors, or former directors, of the Company who are involved in the management or ownership of the purchaser, or of any other entity into which any of the assets were / will be transferred	All Directors transferred across during the transaction.
Whether any directors had given guarantees for amounts due from the Company to a prior financier, and whether that financier is financing the new business	The Directors had not provided any guarantees for amounts due from ITS to a prior financier.
Details of the assets involved and the nature of the transaction	**Assets sold:** Share capital of the following entities - Imtech Engineering Services North Limited - Imtech Engineering Services Central Limited - Imtech Engineering Services London and South Limited - Inviron Holdings Limited - Capula Group Limited - Imtech Aqua Limited Other assets in ITS: The business Business equipment IT contracts **Assets excluded:** Share capital of IWWE **Any other relevant information as to the nature of the transaction:** As part of the sale agreement, the purchaser procured the repayment to ITS of intercompany balances due from three of the

	subsidiaries whose shares it acquired. The total repaid was £1,882,991.
The consideration for the transaction, terms of payment, and any condition of the contract that could materially affect the consideration	**Amount of consideration:** Initial consideration is £9 as follows: £1 for the business of ITS £1 for the business equipment of ITS £1 for the IT contracts of ITS £1 for the issued share capital of Imtech Engineering Services North Limited £1 for the issued share capital of Imtech Engineering Services Central Limited £1 for the issued share capital of Imtech Engineering Services London and South Limited £1 for the issued share capital of Inviron Holdings Limited £1 for the issued share capital of Imtech Aqua Limited £1 for the issued share capital of Capula Group Limited **Date paid:** 28 August 2015 **Amount of any deferred consideration:** up to £1,000,000 **Date(s) on which deferred consideration due:** contingent on a trigger event occurring **Conditions determining payment of deferred consideration:** a trigger event is a disposal or sale **Details of security obtained for deferred consideration:** none **Terms that could materially affect the consideration:** None that are likely to affect the initial proceeds. Deferred consideration will only be received if there is a disposal or sale of the shares of a relevant company, including the purchase of its own shares.
Any options, buy-back arrangements or similar conditions attached to the contract of sale	Not applicable
If the sale is part of a wider transaction, a description of the other aspects of the transaction	As part of the transaction, IUK has agreed to provide certain confirmations to the purchaser in relation to tax matters. Additionally, the purchaser has agreed to procure the repayment to IUK of a balance of £117,000 owed to it by Imtech Engineering Services Central Limited.
Likely Outcome for creditors	**Secured creditors:** ITS had no secured creditors. **Preferential creditors:** There are no preferential creditors as all employees were transferred to the purchaser. **Unsecured creditors:** It is too soon to forecast what the likely return for unsecured non- preferential creditors will be. This is due to material uncertainties as to the level of unsecured liabilities, including parent company guarantees.
The sale and the purpose of administration	The statutory purpose of administration is to achieve one of these objectives:-

	(a) rescuing the Company as a going concern, or if that is not possible or if (b) would achieve a better result for the creditors than (a) (b) achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration), or finally, if that is not possible (c) realising the Company's assets to pay a dividend to secured or preferential creditors. In this case, the joint administrators are pursuing objective (b) as it was not possible to rescue the Company as a going concern. The joint administrators confirm that the sale enables the statutory purpose to be achieved. The joint administrators also confirm that the price achieved was the best reasonably obtainable in all the circumstances. The sale has also preserved over 95% of jobs in IUK, ITS and is subsidiaries, and will allow the solvent operating companies to continue to trade and repay creditors during the ordinary course of business. In addition, the continuation of trading within these subsidiaries has mitigated a substantial level of potential bond, warranty and parental guarantee claims that otherwise would have likely had a claim with ITS. The transfer of ITS employees to the purchaser has extinguished employment-related claims from these individuals, thus further reducing ITS's liabilities.