

Agenda



Agenda for the Annual General Meeting of Shareholders ('AGM') of TKH Group NV, to be held at Restaurant 't Hagen, Scholtenhagenweg 36, Haaksbergen, the Netherlands, on Thursday 7 May 2015, at 2:30 p.m

1 Opening

2 Annual report for 2014, annual financial statements for 2014, dividend and discharge

- a. Presentation of the report of the Executive Board and the annual financial statements for the 2014 financial year
- b. Discussion of the remuneration policy implemented in 2014
- c. Proposal to adopt the annual financial statements prepared by the Executive Board for the 2014 financial year
- d. Explanation of the policy concerning reserves and dividends
- e. Declaration of the dividend for 2014 and the timing of payment
- f. Proposal to discharge the members of the Executive Board of their management duties
- g. Proposal to discharge the members of the Supervisory Board of their supervisory duties

3 Reappointment of Mr A.E. Dehn as member of the Executive Board

4 Remuneration of the Supervisory Board

5 Authorisation of the Executive Board to repurchase shares in the company

6 Reappointment of the Executive Board as the competent authority to decide on:

- a1. the issuance of ordinary shares
- a2. restriction or exclusion of shareholders' pre-emptive rights with respect to the issuance of shares referred to in Item a1
- b1. the issuance of cumulative financing preference shares
- b2. restriction or exclusion of shareholders' pre-emptive rights with respect to the issuance of shares referred to in Item b1

7 Any other business and close

Explanatory notes

Item 2

- b. Information on the remuneration of Executive Board members during the 2014 financial year, as stated in the notes to the consolidated annual financial statements on page 137-138 will be put forward for discussion.
- c. The policy of the TKH Group NV ("TKH") is aimed at securing an attractive return for the shareholder, which is reflected in an appropriate dividend policy. Healthy balance sheet ratios are very important to the continuity of the company. In determining the distributable dividend, TKH takes into account the amount of profit the company needs to retain to carry out its plans in the medium term, while maintaining a solvency rate of at least 35%. In light of the growth targets for the coming years, TKH will aim for a payout of between 40% and 70%.
- d. The shareholders at the AGM will be asked to approve the payment of a dividend for 2014 of € 1.00 per (depository receipt of) a share (2013: € 0.75). Based on the weighted average outstanding shares, this amounts to a pay-out ratio of 44.8% of the net profit before amortisation and one-off income and expenses, and 46.7% of the net profit. Based on the outstanding shares at the end of 2014, the pay-out ratio amounts to 48.0% of the net profit before amortisation and one-off income and expenses and 50.0% of the net profit. The proposal is for the dividends to be charged to reserves, with the option of either cash or stock. If the option is not exercised, the dividend will be paid in cash to holders of (deposi-

tary receipts of) ordinary shares, subject to withholding of the dividend tax owed. The stock dividend will be declared one day after the option period expires, based on the average share price during the final five days of trading of said option period, which ends on 27 May 2015. Stock dividends will only be paid out in whole shares; fractional shares will be converted into cash in accordance with the terms and conditions of the bank or banks managing the shareholding for the shareholder. The bank managing the shareholding for the shareholder can make a decision based on the applicable general terms and conditions, even if it has not received any specific instructions from the shareholder. The dividend will become payable, in either cash or stock, on 1 June 2015. When applying for the shares issued as payment for the dividend to be admitted for trading on Euronext Amsterdam, TKH will claim an exemption from the prospectus requirement, based on Section 5 (4) (e) of the Dutch Financial Supervision Act (Wet financieel toezicht). This proposal also incorporates the proposal to the shareholders at the AGM to designate the Executive Board, for a period of six months commencing on 7 May 2015, as the company body authorised to resolve, subject to approval by the Supervisory Board, to issue the number of ordinary shares required to distribute the stock dividend and to preclude the pre-emptive rights with respect to said share issue.

Item 3

Mr A.E. (Arne) Dehn (1969) is appointed member of the Executive Board on 1 August 2011. His appointment is for a period of 4 years, on the understanding that the term of four years will end after the first AGM which will be held after four years after this appointment. As announced, the Supervisory Board propose the reappointment of Mr Dehn.

Mr Dehn has indicated that he is prepared to serve another term. Accordingly, the Supervisory Board recommends the reappointment of Mr Dehn as a member of the Executive Board. The appointment is for a period of four years from the time of conclusion of this AGM until the conclusion of the AGM of 2019.

In accordance with the rules concerning the nomination of candidates for the Executive Board, as included in the articles of association of TKH Group NV, the nomination of Mr Dehn is binding. The AGM may reject the binding nature of a binding nomination by an absolute majority of the votes cast, representing at least one-third of the issued capital. If the AGM rejects the binding character at the nomination, a new binding nomi-

nation will be made by the Supervisory Board, which will be submitted to a new AGM.

The proposed reappointment is submitted for advice to the Central Works Council, in which the Central Works Council has advised positively.

Mr Dehn has a German nationality and has ample international management experience. He has a Masters degree in Marketing, International Business and Organizational Development. The curriculum vitae of Mr Dehn can also be downloaded from TKH's website www.tkhgroup.com and is, at the request of holders of (depository receipts of) shares, available obtained free of charge at TKH Group NV.

Over the past four years, Mr Dehn made a clear contribution to the further development of the activities of the business segment Building Solutions and in particular the sub-segment vision & security systems. Through this contribution and his

broad international management experience and knowledge, Mr Dehn has been a valuable member of the Executive Board.

On 1 August 2011 TKH Group NV has an employment contract of indefinite period with Mr Dehn. The elements of the employment contract with Mr Dehn are in accordance with the items which are mentioned in the remuneration report of TKH's annual report 2014 (pages 137-138). The basic salary (Total Regular Income: TRI) of Mr. Dehn is € 266,000. For the basic salary (Total Regular Income = TRI) and performance bonus

(Short Term Incentive: STI) it has not been deviated from the Executive Board's remuneration policy as adopted by the General Meeting of Shareholders on 28 April 2005 and as mentioned in the remuneration report. As for the share scheme (Long Term Incentive: LTI) the regulations as expressed in the remuneration report also apply. There is no 'change of control' paragraph in the employment contract. Mr Dehn participates in the pension scheme of the Executive Board. Mr Dehn holds 39,784 (depository receipt of) shares TKH Group NV.

Item 4

For the remuneration policy of the Supervisory Board we refer to page 138 of the annual report 2014. A change in the remuneration is desirable to bring it into line with the market and in view of the increased workload of the Supervisory Board, its Chairman and the Board's committees. It is proposed that as of 1 January 2015 the remuneration of the Chairman of the Supervisory Board be increased from € 42,500 to € 47,000 a year and the remuneration of the members of the Supervisory Board be increased from € 32,500 to € 36,000 a year. It is proposed to increase the remuneration for a membership of a committee as

follows. Increase of the remuneration of the Chairman of respectively the Audit Committee and Remuneration Committee from € 7,000 to € 8,000 and for each member of both the Audit Committee and Remuneration Committee from € 5,000 to € 6,000. Remuneration of the membership of the Selection and Appointment Committee is not yet granted. In accordance with Article 20 of the articles of association the AGM is asked to adopt the remuneration of the members of the Supervisory Board in accordance with this proposal.

Item 5

This concerns a proposal to authorise the Executive Board, for a period of 18 months from 7 May 2015 and within the limits of the law and the articles of association, to repurchase for valuable consideration, on the stock market or otherwise, shares or depository receipts for shares in the company up to a maximum of 10% of the issued capital of TKH at the time of repurchase. TKH shall not hold, through the repurchase of shares, more than 10% of the issued capital at the time of repurchase. The price of the shares/depository receipts for shares being repurchased must be between the amount equal to the par value they represent, on the one hand, and the amount equal to one-hundred-and-ten

percent (110%) of the market price, on the other. Market price is defined as the average of the highest price on each of the five trading days preceding the date of acquisition of a depository receipt as shown in the Official Price List of Euronext Amsterdam NV. The price for priority shares shall be equal to their par value. The price for cumulative financing preference shares and cumulative protection preference shares will be equal to the sum that TKH would have to pay by virtue of the provisions of the TKH articles of association if the shares were being withdrawn.

Item 6

This concerns a proposal to designate the Executive Board, for a period of 18 months commencing on 7 May 2015, as the body that is authorised, subject to the approval of the Supervisory Board, to decide to issue ordinary shares and cumulative financing preference shares, including the granting of rights to subscribe to shares, with due regard for the following provision.

The designation will apply to ordinary shares and cumulative financing preference shares up to and including ten percent (10%) of the total nominal value of the shares that have been

placed at the time of the issue, plus ten percent (10%) of the total nominal value of the shares that have been placed at the time of the issue if the issue occurs as part of a merger, takeover or strategic partnership.

Renewal of the Executive Board's authority to act as the body issuing shares, including the granting of rights to subscribe to shares, will be voted on separately for each type of share. The same applies to the authorisation to exclude pre-emptive rights.

