

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 3 May 2018, at 2:30 p.m.

1 Opening

2 Report of the Executive Board, annual financial statements, dividend and discharge

- a. Presentation of the report of the Executive Board and the annual financial statements for the 2017 financial year
- b. Discussion of Corporate Governance at TKH
- c. Discussion of the remuneration policy in 2017
- d. Adoption of the annual financial statements for the 2017 financial year
- e. Explanation of the policy concerning reserves and dividends
- f. Declaration of the dividend for 2017 and the timing of its payment
- g. Discharge of the members of the Executive Board for their management duties
- h. Discharge of the members of the Supervisory Board for their supervisory duties

3 Supervisory Board vacancy

- a. Notification of Supervisory Board vacancy and the profile to the AGM
- b. Opportunity to make recommendations by the AGM, with due regard for the profile
- c. Announcement to the AGM of the Supervisory Board's recommendation to reappoint Mr. A.J.P. De Proft MSc, to the Supervisory Board, in the position of chairman, if the AGM do not invoke their right of recommendation
- d. Proposal to the AGM to reappoint Mr. A.J.P. De Proft MSc, as a member of the Supervisory Board, in the position of chairman, if the shareholders do not invoke their right of recommendation

4 Appointment member of the Executive Board

5 The engagement of the external auditor to audit the annual financial statements for the 2019 financial year

6 Proposal to amend the articles of association

7 Authorisation of the Executive Board to acquire shares in the company

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

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

9 Any other business and close

Explanatory Notes

ITEM 2

- b. The application and implementation of the Dutch Corporate Governance Code within TKH will be explained to the AGM. The profile of the Supervisory Board will also be discussed in this context.
- c. Information on the remuneration of Executive Board members during the 2017 financial year, as stated in the remuneration report on page 76-77 of the Report of the Executive Board as part of the TKH Annual Report 2017, will be put forward for discussion.
- e. The policy of TKH Group NV ('TKH') is aimed at securing an attractive return for the shareholder, which is reflected in an appropriate reserve and 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 -as in previous years- for a pay-out of between 40% and 70%.
- f. The AGM will be asked to approve the payment of a dividend for 2017 of € 1.20 per (depository receipt of an) ordinary share (2016: € 1.10). Based on the outstanding shares at year-end 2017, this amounts to a pay-out ratio of 52.2% of net profit before amortization and one-off income and expenses attributable to shareholders, and 57.0% of net profit. The proposal is for the dividends to be charged to reserves in cash. The dividend will be payable on 14 May 2018.

ITEM 3

Mrs. M.E. van Lier Lels and Mr. A.J.P. De Proft MSc will resign at the end of the AGM of 3 May 2018 in accordance with the schedule of retirement. According to the by-laws of the Supervisory Board and the articles of association of TKH, Mr. De Proft may be reappointed for a further period of four years. Mr. De Proft has indicated that he is available for reappointment. Mrs. Van Lier Lels is no longer eligible for reappointment because she has reached the term limit of three terms of four years each. The succession of Mrs. Van Lier Lels was already provided for last year by the appointment of an extra member of the Supervisory Board, as a result of which the number of Supervisory Board members was temporarily increased to six.

As usual, the so-called telescope system for reappointing the new board member to the Supervisory Board will be used so that the entire procedure can be completed in a single meeting.

The procedure is as follows:

- a. The AGM is notified of the vacancy arising from the resignation of Mr. De Proft in accordance with the schedule of retirement. The reappointment of Mr. De Proft is not subject to a special right of recommendation from the Central Works Council, as described in Section 19 (sub 8) of the company's articles of association. This vacancy must be filled in accordance with the position profile defined for the Supervisory Board. The profile defined for the Supervisory Board is published on the company website, www.tkhgroup.com.
- b. The shareholders at the AGM are given an opportunity to recommend to the Supervisory Board, with due regard for the position profile, candidates for nomination as members of the

Supervisory Board. The Central Works Council was notified of the vacancy and the profile. For the reappointment of Mr. De Proft, the Central Works Council has indicated that it will not exercise its right of recommendation.

- c. The Supervisory Board nominates Mr. A.J.P. De Proft MSc as a candidate for reappointment to the Supervisory Board -based in part on the profile specified for the Supervisory Board- on the condition that the AGM does not invoke their right of recommendation. The Supervisory Board has discussed the reappointment of Mr. De Proft, and its remaining members are of the unanimous opinion that his knowledge and experience match the desired expertise, as set out in the profile drawn up by the Supervisory Board. The other members of the Supervisory Board consider the reappointment of Mr. De Proft to be in the best interests of TKH, given his extensive knowledge gained at international companies and his experience in the technological field, but also in view of the dedication with which he fulfilled his role as chairman of the Supervisory Board during the past year.

Mr. De Proft is 57 years old and earned his engineering degree from KU Leuven (Belgium). He started his career in Silicon Valley (USA) as an applications engineer. For most of the rest of his career, he was employed at ICOS Vision Systems, a global leader in inspection equipment for semiconductors, where he worked as CEO. Mr. De Proft is currently CEO & President of Septentrio Satellite Navigation, chairman of the Executive Board of IMEC, chairman of the Executive Board of Quest For Growth and Manager of ADP Vision (all established in Belgium).

For the purpose of this appointment, these existing positions and related term limits were taken into consideration. This nomination is in compliance with the legal limitations on the number of supervisory functions a person may hold under the Dutch Management and Supervision Act (Wet bestuur en toezicht). Mr. De Proft is of Belgian nationality, and holds 2,000 shares in TKH.

The Central Works Council was notified in time of the convocation of the AGM, so that it might form an opinion with regard to this nomination, in accordance with Section 2 (158)

(sub 4) of the Dutch Civil Code. The chairman of the Central Works Council, or a member of the Central Works Council designated by the chairman, may explain the Central Works Council's opinion to the AGM.

- d. If the AGM does not invoke their right of recommendation, a proposal will be made at the AGM to reappoint Mr. De Proft MSc as a member of the Supervisory Board, in the position of chairman, for a term that will expire at the end of the first AGM held four years after the appointment.

ITEM 4

The Supervisory Board nominates Mr. H.J. Voortman MSc for appointment by the AGM as member of the Executive Board. The appointment is for a period of four years from the time of closing of the AGM on 3 May 2018 until the closing of the AGM in 2022.

In accordance with the rules on the nomination of candidates for the Executive Board, as included in the articles of association of TKH Group NV, the nomination of Mr Voortman by the Supervisory Board is binding. The AGM can cancel the binding nature of a nomination by resolution passed with an absolute majority of the votes cast, representing at least one-third of the issued capital. Should the AGM cancel the binding nature of the nomination, a new binding nomination will be drawn up by the Supervisory Board, which will be submitted to a new AGM.

The proposed appointment has been submitted to the Central Works Council for advice and to determine an opinion and the Central Works Council has made a positive recommendation.

Mr. Voortman has been employed by TKH since 2004 and within TKH has been responsible for the VMI Group as CEO since 2010. Mr. Voortman has also served on the Management Board of TKH since 2015. Mr. Voortman is of Dutch nationality and graduated as an atomic physicist at Utrecht University. Mr. Voortman's experience within the Industrial Solutions business segment with a successful track record for the business development of the manufacturing systems sub-segment means that he is a very suitable candidate to lead the Industrial Solutions business segment from the Executive Board. Mr. Voortman has also proved to be a valuable member of the Management Board.

The terms and conditions of the agreement with Mr. Voortman are in line with the remuneration policy applicable to the members of

TKH's Executive Board, which is presented in the remuneration report in the 2017 Annual Report (pages 76-77). The basic salary (TRI) and the performance bonus (Short Term Incentive: STI) are both subject to the remuneration policy adopted by the AGM and as stated in the remuneration report referred to above. As regards the share purchase scheme (Long Term Incentive: LTI), the applications as set out in the remuneration report also apply. There is no 'change of control' clause in the agreement. A claw-back clause applies. Mr. Voortman participates in the pension plan of the Executive Board. Mr. Voortman holds 9,179 (depository receipts of) ordinary shares and 39,750 option rights on (depository receipts of) ordinary TKH shares as of the date on which this meeting is convened.

The curriculum vitae of Mr. Voortman and the main elements of the agreement entered into in connection with his appointment are also published on the website of TKH Group NV (www.tkhgroup.com).

With the approval of the AGM, as of 3 May 2018 the Executive Board will consist of J.M.A. (Alexander) van der Lof MBA (CEO), E.D.H. (Elling) de Lange MBA (CFO) and H.J. (Harm) Voortman MSc (Member).

ITEM 5

Pursuant to Section 32.1 of the articles of association, the AGM is authorised to engage an external auditor to audit the financial statements. The Audit Committee has independently evaluated the performance of Ernst & Young Accountants LLP (EY) as the external auditor for the financial year 2017 and the effectiveness of the audit process, partly by means of feedback from interested parties within TKH. In view of the outcome of this evaluation and of what was subsequently adopted with regard to the planning and execution of the external audit for the financial year ended 31 December 2017, the Audit Committee advised the Supervisory

Board to nominate EY for reappointment as the external auditor of TKH for the audit of the financial statements for the 2019 financial year.

On the recommendation of the Audit Committee, the Supervisory Board proposes to the AGM that EY once again be commissioned to audit the TKH financial statements for the financial year 2019. The audit will be carried out under the responsibility of Mr. A.E. Wijnsma, partner at EY.

ITEM 6

It is proposed to bring the articles of association into line with current regulations and legislation, in part because of the revised Corporate Governance Code. We refer to the triptych drawn up for this purpose, which contains the full text of the proposed amendments to the articles of association as well as an explanation of the provisions to be amended for shareholders and holders of depositary receipts. From now until the day of the meeting, this triptych will be available for inspection at the offices of TKH and will be published on the TKH website. The aforementioned document is also available free of charge to shareholders and holders of depositary receipts and can be downloaded from the website (www.tkhgroup.com).

In accordance with the provisions of Section 35 (sub 1) of the articles of association of TKH, the above-mentioned proposals to amend the articles of association have been approved by the Supervisory Board.

The proposed amendments to the articles of association also include the proposal to grant authorisation to each director of TKH, as well as to each civil-law notary, candidate civil-law notary, lawyer and paralegal of De Brauw Blackstone Westbroek in Amsterdam, to execute the deed of amendment of the articles of association and to do everything else that is considered useful or necessary in the opinion of the authorised representative.

ITEM 7

This concerns a proposal to authorize the Executive Board, for a period of 18 months from 3 May 2018 and within the limits of the law and the articles of association, to repurchase for valuable consideration, on the stock market or otherwise, (depository receipts of) 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 (depository receipts of) ordinary 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 of) ordinary share as shown in the Official Price List of Euronext Amsterdam N.V. 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 8

Proposal to designate the Executive Board, for a period of 18 months commencing on 3 May 2018, as the body that is authorized, subject to the approval of the Supervisory Board, to decide to (i) issue ordinary shares and cumulative financing preference shares, including the granting of rights to subscribe to shares and (ii) restrict or exclude pre-emptive rights, 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, if the issue

occurs for general purposes, 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.

The extension of the designation of the Executive Board as the body authorized to issue shares, including the granting of rights to subscribe for shares, shall be voted on separately for each type of share. The same applies for the authorization to exclude the right of pre-emption.