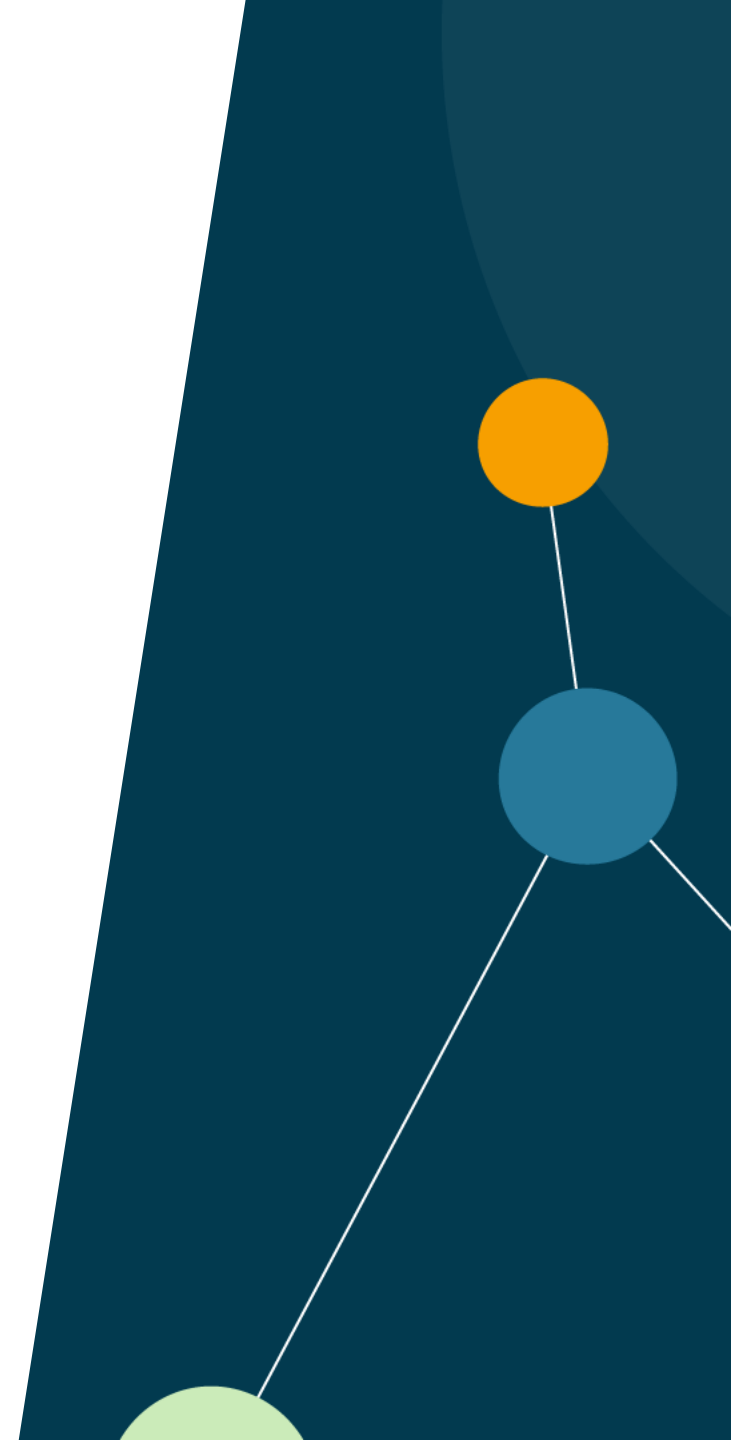


# Reflecting on Changing Gears

2016 – 2020

# Changing Gears

- Strategic plan for 2016-2020
- Strategic objective: accelerate growth by more focus
- Three key parts



# Results

- New supply chain implemented
- Sale of system integration activities  
*(Nsecure B.V., Nedap France s.a.s.)*
- Sales subsidiaries restructured
- First steps in consolidating back office activities
- Major shift in composition workforce  
*(47% of our current employees have joined since 1 January 2016)*
- Focus on market leadership







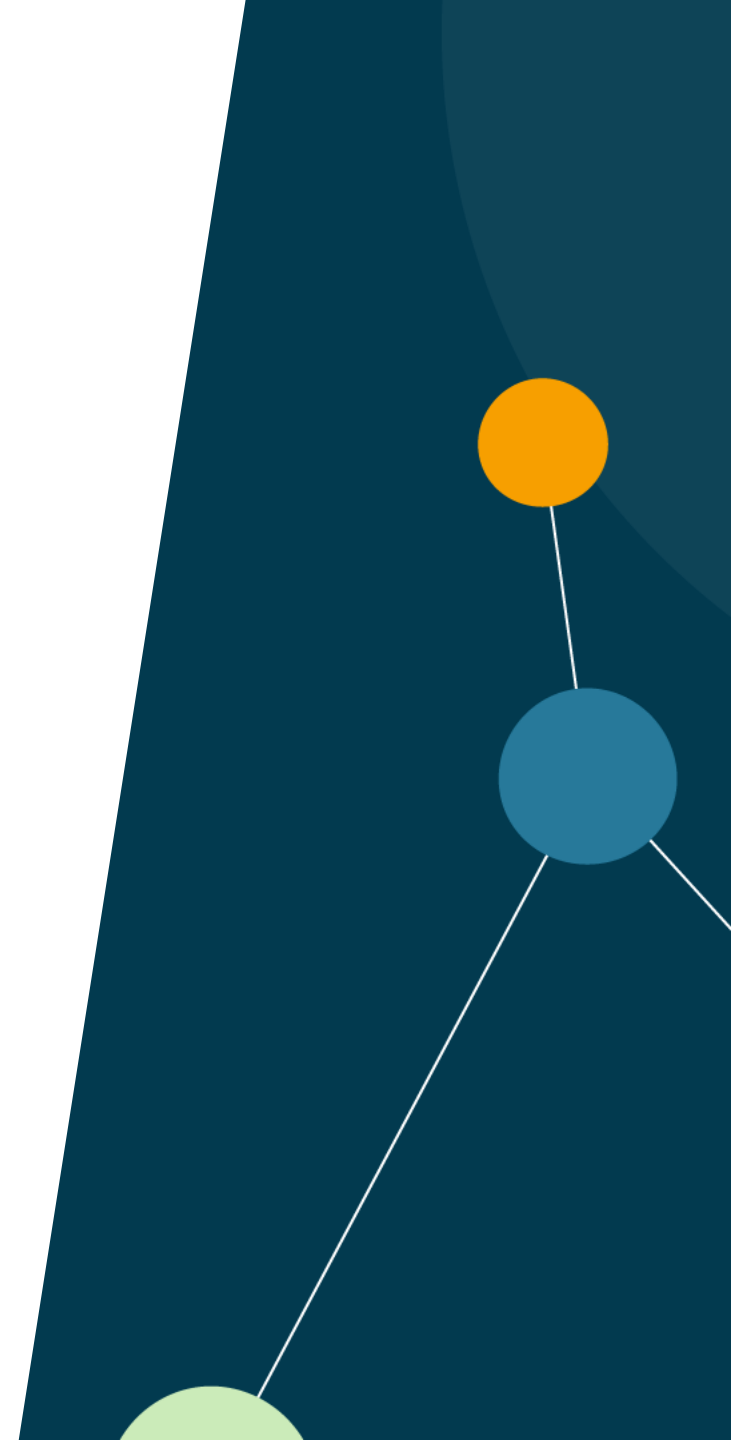
# Financial results 2016–2020

**Conclusion:**  
transformation  
achieved,  
but growth ambition  
has not been met.

(x € 1 mio)	2016		
Revenue	157,6	1	cagr
Recurring revenue	25,4	50,6	19 % cagr
EBIT	12,2	17,1	9 % cagr
EBIT margin	7 %	9 %	
ROIC	19 %	28 %	
Share price (31/12/2015 – 31/12/2020)	€ 30,80	€ 51,00	11 % cagr
Total dividends (2016 – 2020)		€ 10,90	
Total shareholder return (2016 – 2020)		101 %	

# Lessons learned

- Closer cooperation and more strategic execution power (management board)
- Dedicated teams with the right resources and a clear mandate (excellence workstreams)
- Agile strategy development process
- More employee involvement
- Monitoring of progress strategy







# The Nedap Story

Our guiding  
principles

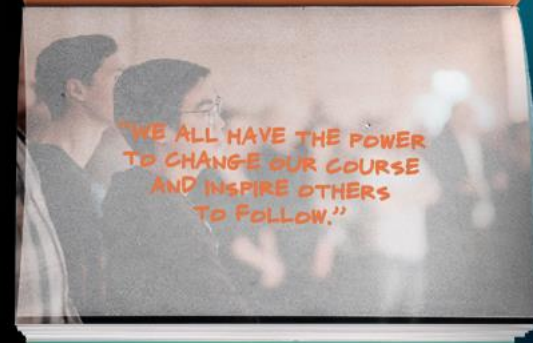




# The Nedap Story


Our guiding principles

## THE NEDAP STORY



Creating Technology for Life requires capable people with the right mindset. People who fully understand technology and are driven by the positive impact they can have in people's professional lives.

UNDER  
STAND



At Nedap, we are passionate about technology and how it can help people to become more successful and happier in their professional lives.

This, what we call **Technology for Life**, is our purpose and drives us in everything we do.





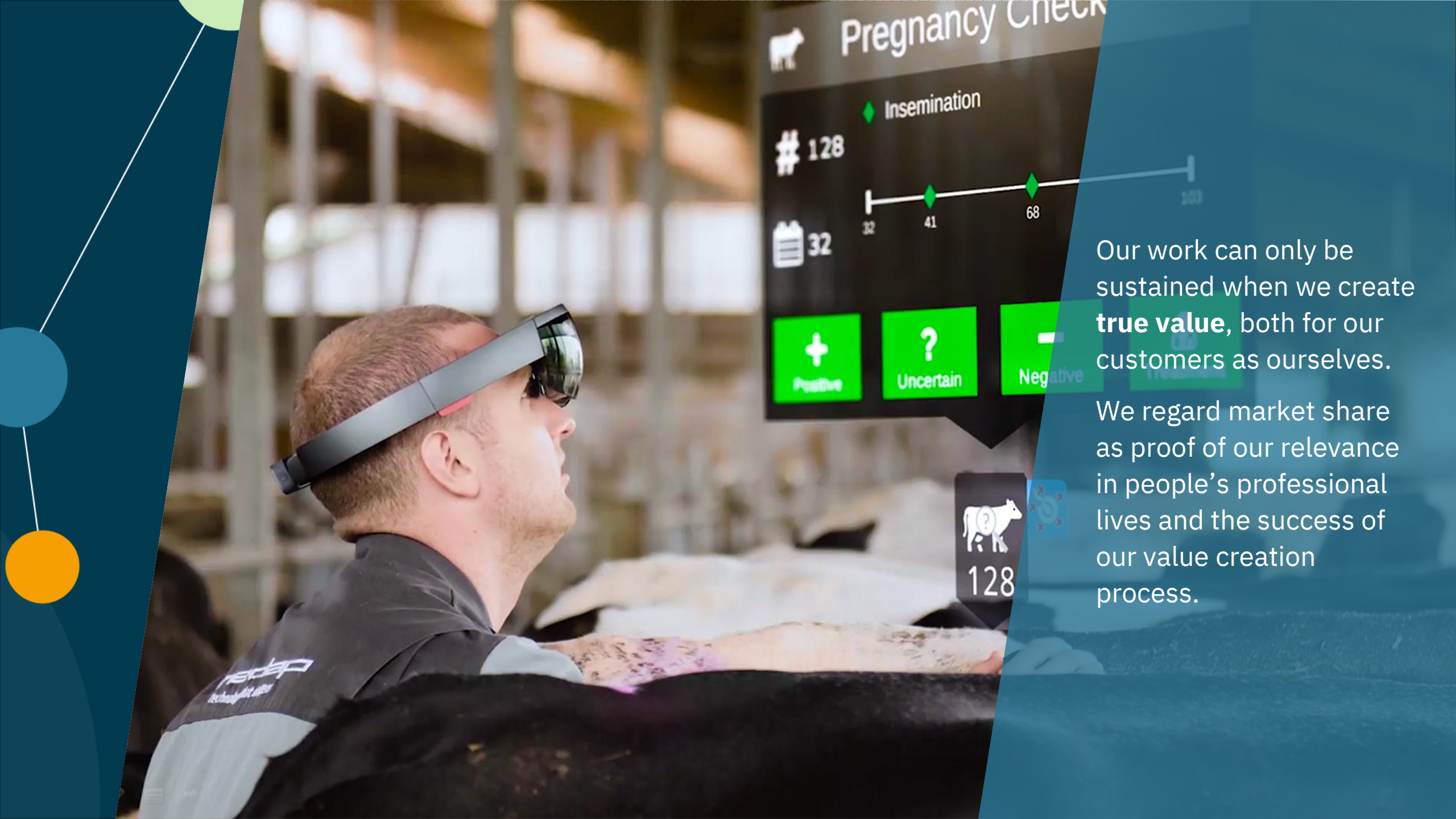
To apply technology  
in a way that it has  
a tangible positive impact  
on people's professional  
lives requires a people-  
centred approach;  
**First People,  
then Technology.**





Designing and delivering  
Technology for Life  
requires a  
**long-term perspective.**

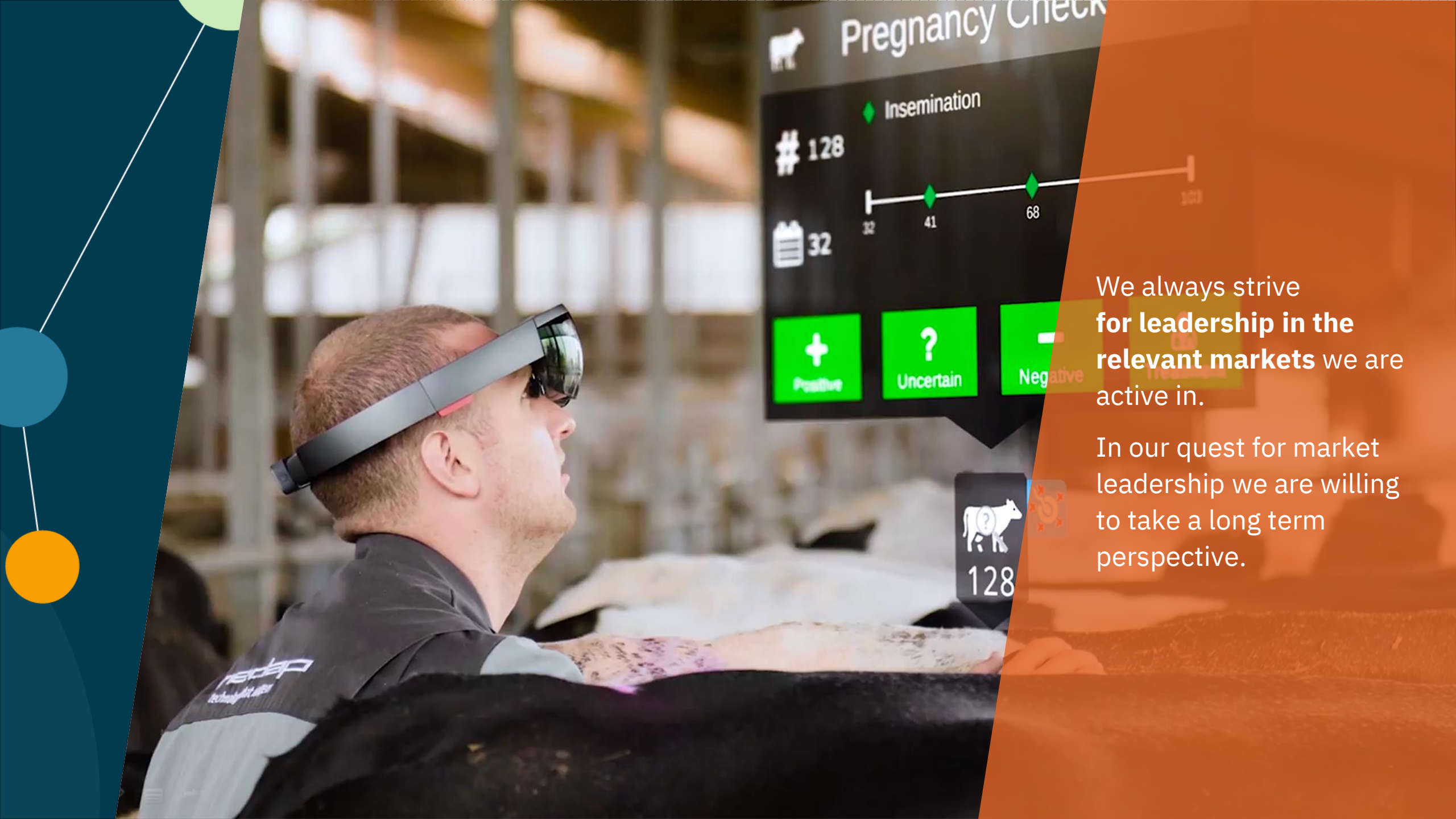
Being able to afford this  
perspective is essential  
for the continuity of our  
purpose.



Our work can only be sustained when we create **true value**, both for our customers as ourselves.

We regard market share as proof of our relevance in people's professional lives and the success of our value creation process.





We always strive  
**for leadership in the  
relevant markets** we are  
active in.

In our quest for market  
leadership we are willing  
to take a long term  
perspective.





**A high added value per employee** is the indicator for our success in converting market and technology insights into real market impact.

This allows us to continuously invest in our employees and organisation, further **improving our capabilities.**





Our people, our culture and our perspective on leadership collectively form the basis of our **distinctive capabilities.**

It is the core reason we are uniquely qualified to create **Technology for Life.**



The Nedap Story

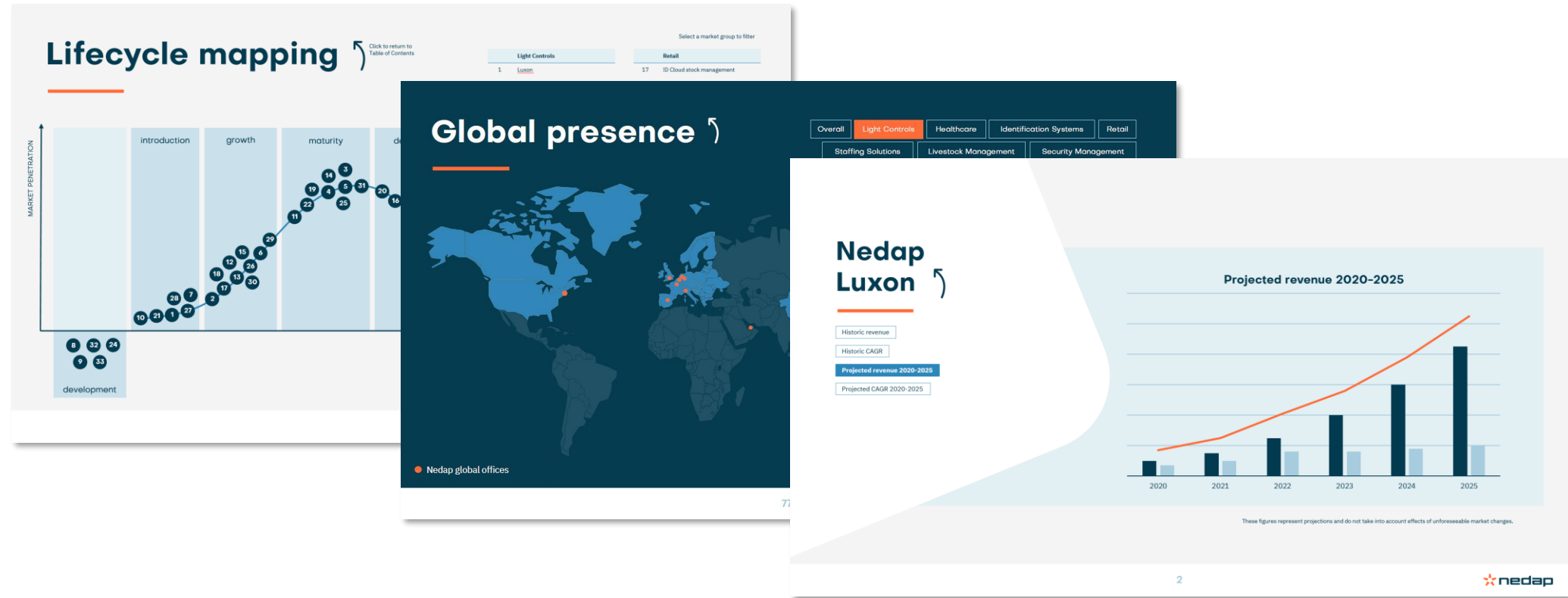
Strategic Stories

Roadmaps

Strategic Calendar



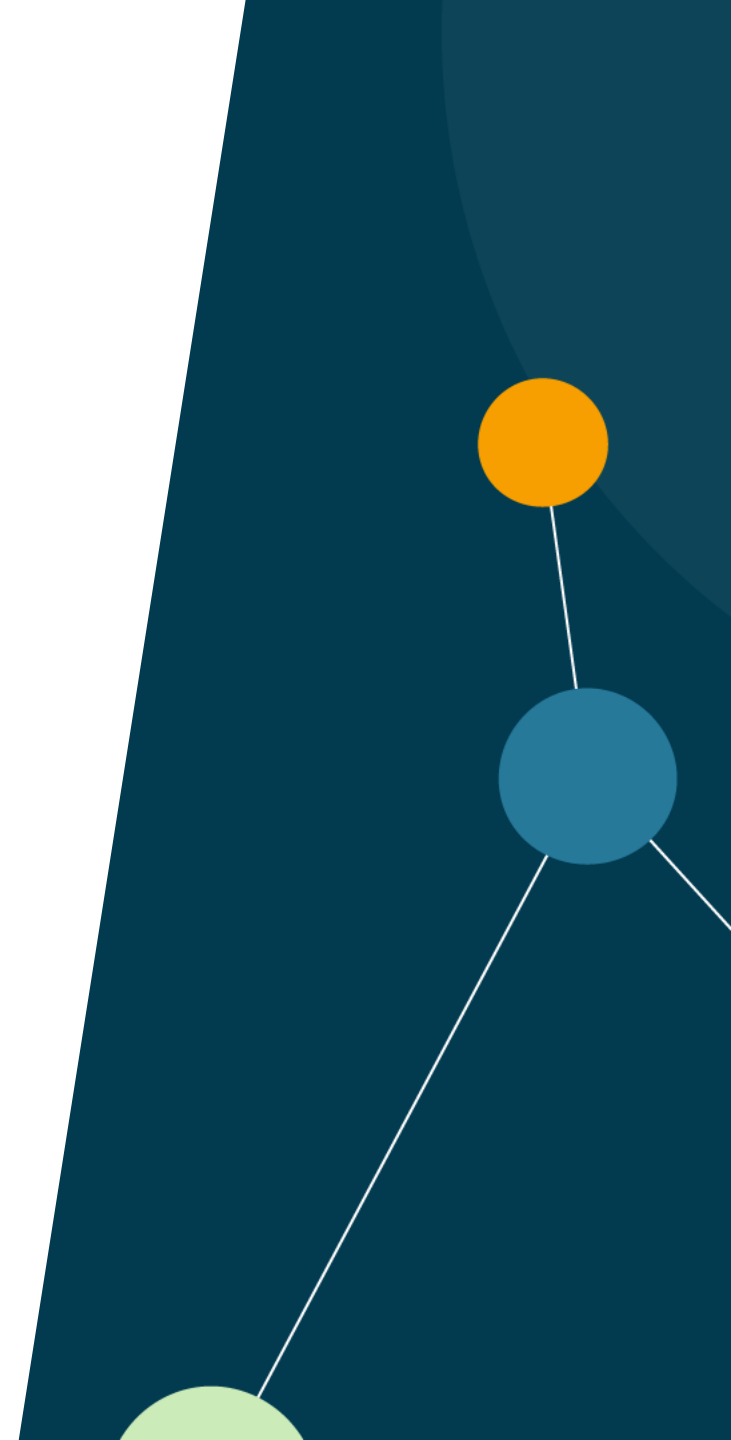
# Thorough analysis of proposition portfolio



# Thorough analysis of proposition portfolio

First  
observation:

Portfolio offers ample  
growth potential



# Thorough analysis of proposition portfolio

Second  
observation:

Market leadership  
requires accelerated growth





**We need to  
Step Up!**

# Step Up!

## step up **verb**

stepped up; stepping up; steps up

**1 a** : to come forward

*// stepped up to claim responsibility*

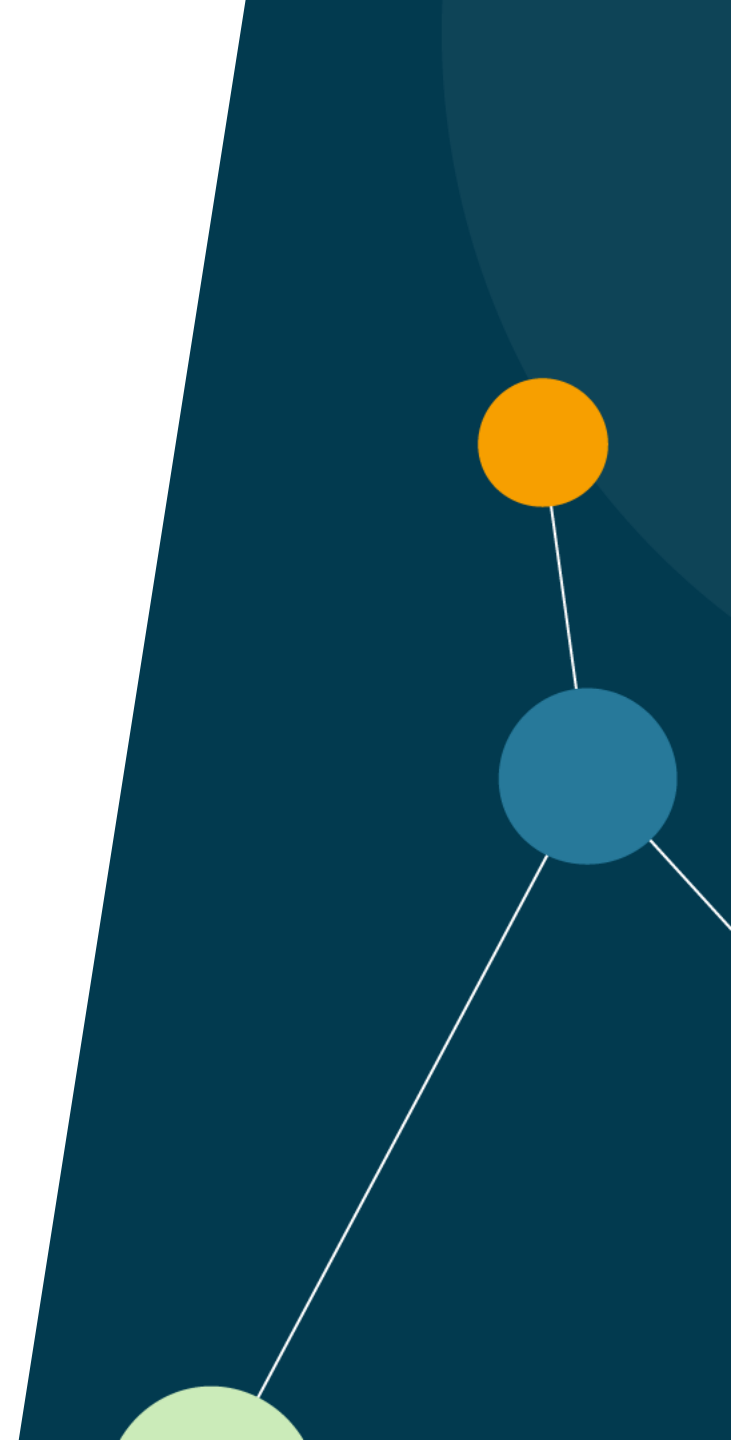
*// stepped up to claim responsibility*

**b** : to succeed in meeting a challenge (as by increased effort or improved performance)

**2** : to undergo an increase

*// business is stepping up*

**3** : to receive a promotion





# How to Step Up?



# Business units

Market focus

Entrepreneurship

Fragmentation

Complexity

Implicit

Execution



# Common Strategic Drivers

# RADICALLY CLEAR





**ALWAYS  
DELIVER**





# FULL NEDAP POWER



**RADICALLY  
CLEAR**

**ALWAYS  
DELIVER**

**FULL NEDAP  
POWER**



A decorative graphic on the left side of the slide, featuring a dark blue background with a network of white lines connecting four colored circles: a light green circle at the top, a teal circle to the left, and an orange circle at the bottom.

# Step Up!

2021-2025







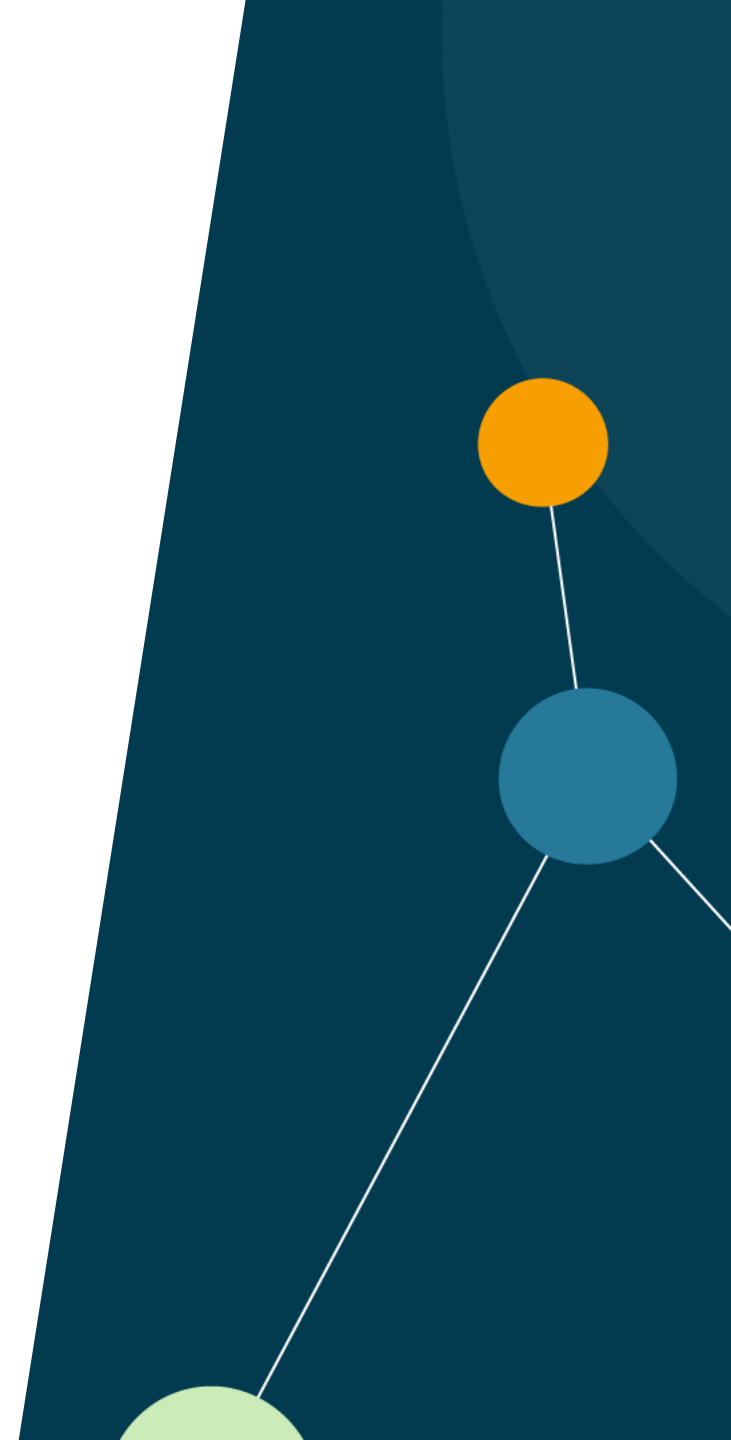
# Long term perspective on value creation

2021-2025



# Long-term perspective on value creation

- Nedap's shared value creation in the markets where Nedap participates
  - value for **people**, the **environment** and **society**
  - healthy **financial** results.
- Focus on long term **commercial** success and our intrinsic motivation to do this in **sustainable** way will reinforce each other
- Positive impact by creating Technology for Life



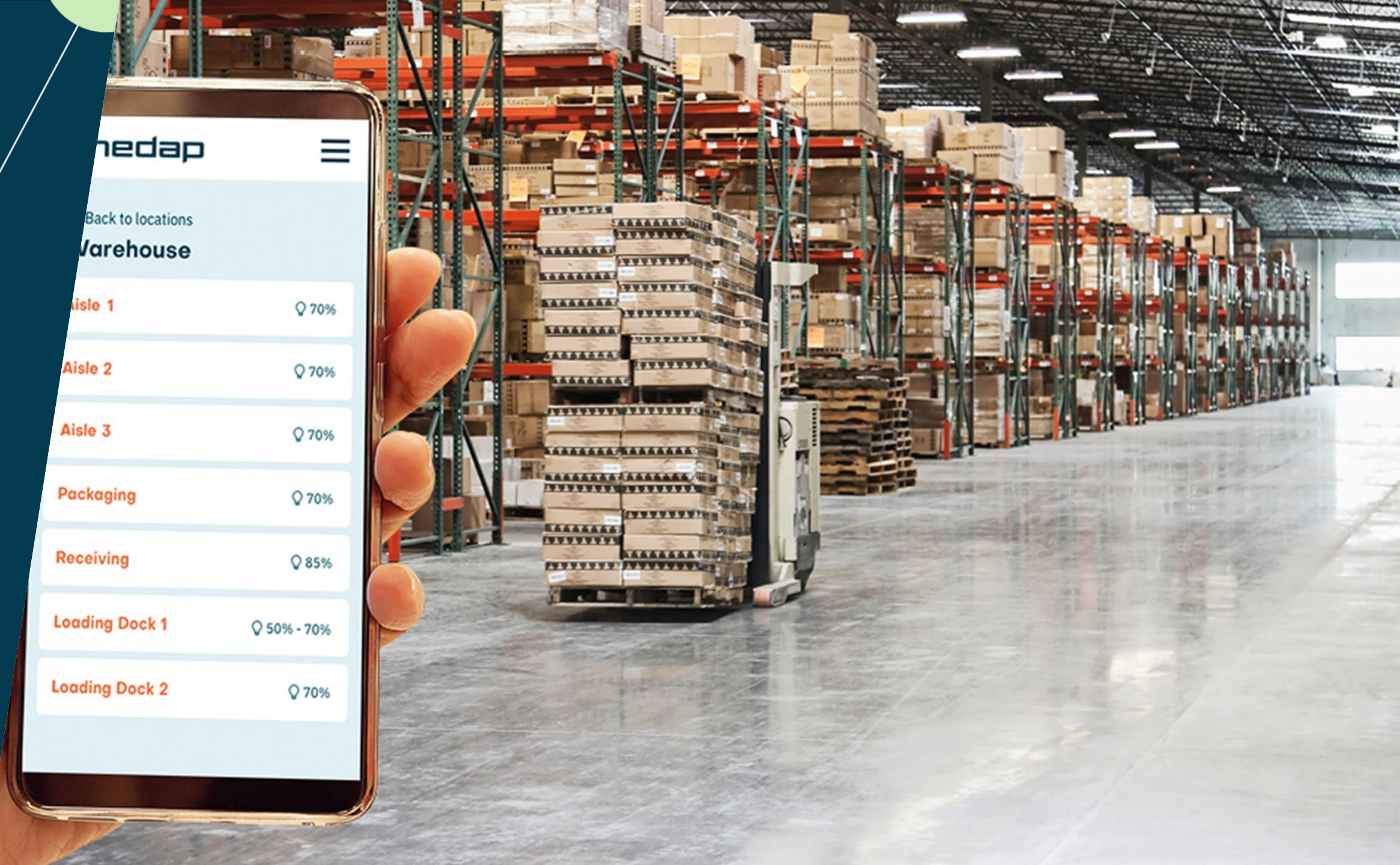












nedap



[Back to locations](#)

## Warehouse

Aisle 1

💡 70%

Aisle 2

💡 70%

Aisle 3

💡 70%

Packaging

💡 70%

Receiving

💡 85%

Loading Dock 1

💡 50% - 70%

Loading Dock 2

💡 70%



















# Shared value creation

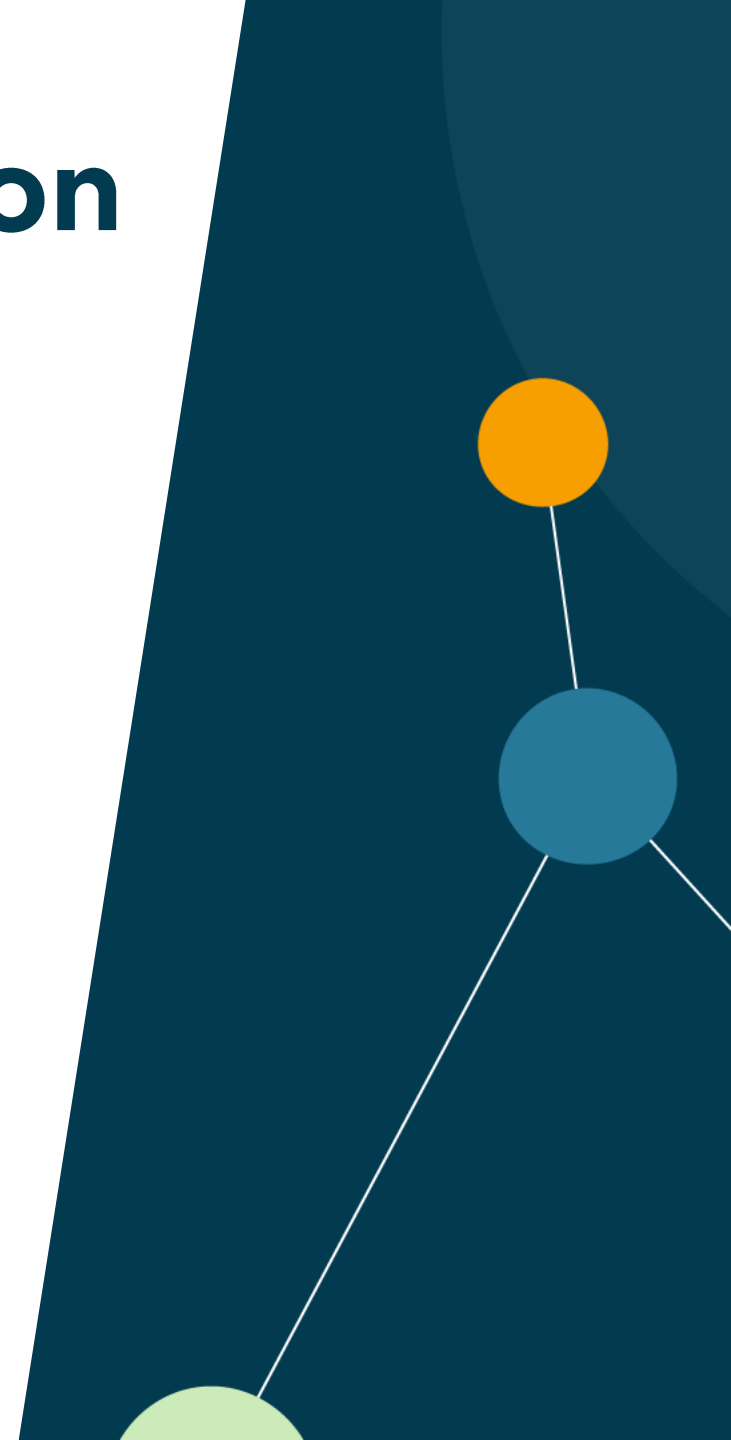
- Our impact on the markets where we operate (what we do)
- Our impact related to business operations (how we do it)
- Our impact on the people that work for us





# Clear sustainability ambition will increase our impact

- Stakeholder dialogue to define the material themes
  - Our positive **environmental** impact in the markets we operate
  - Our **social** impact on the people that work for us
  - Our **governance** perspective
- In 2021 our ambition level will be defined
- Basis for a more quantitative transparent reporting of the progress





# **Financial Ambition**

## **2021-2025**



# Financial ambition Step Up!

## Towards 2025:

- an autonomous **high-single-digit revenue** growth
- a growing operating **margin towards 15%**  
*(excluding one-offs)*
- return on invested capital (**ROIC**) that outgrows profitability

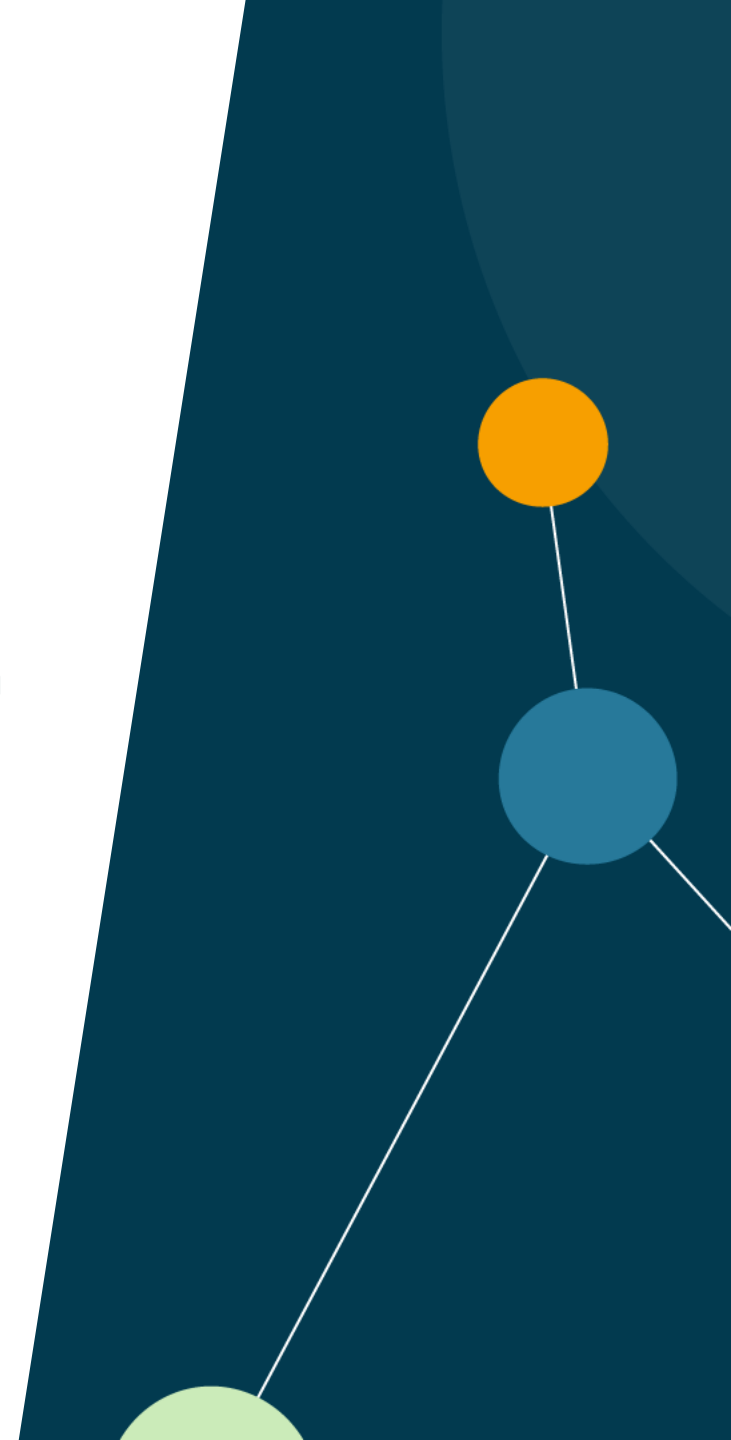
*Our defined financial ambitions is based on the assumption that the Covid-19 pandemic will be controlled during 2021 and that the global economy will recover after the crisis.*



# Capital structure

To ensure our long term perspective and focus on growth and innovation we need a strong financial position

- **solvency** rate of at least 50% and **Net debt/EBITDA** of a maximum of 1.5
  - *Temporary deviation from this target is possible for strategic reasons*
- profits are paid out as **dividend** to shareholders, after deduction of the amount needed for investments in profitable growth and the intended financial structure



# Executing Strategy



# Monitoring Strategy progress



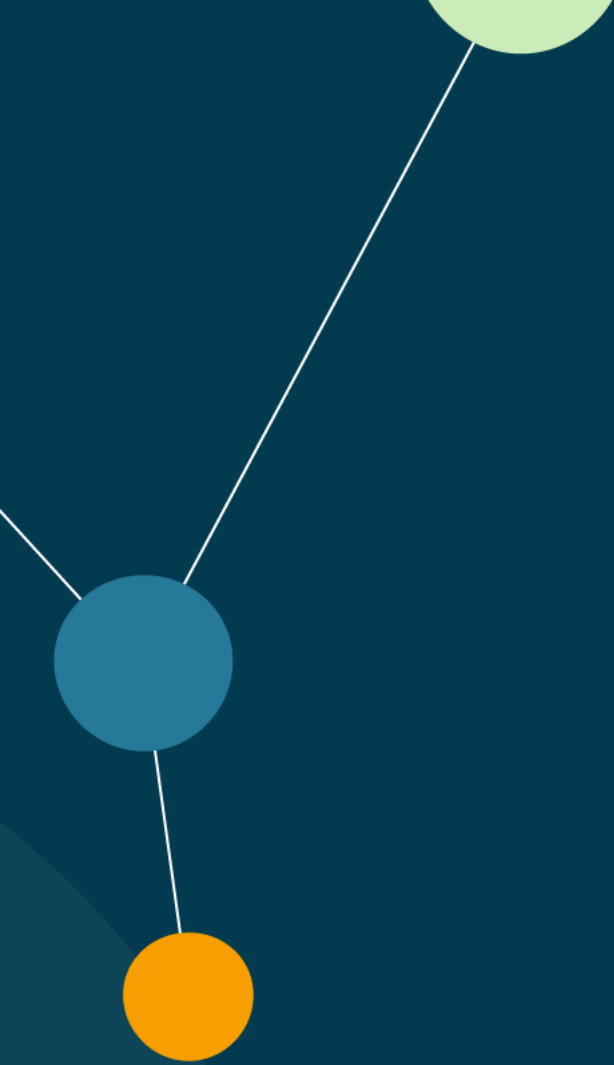
Annual review on propositions, strategic risks and financial mid term perspective



Regular business reflection and discussion per BU



Leadership sessions to tap on 'Full Nedap power'





# Summary

- Fundamental transformation achieved
- Great team built
- Ample growth opportunities
- Focus on market leadership
- Time to Step Up!

