

Investor Presentation

March 2024



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This presentation contains the Board of Directors' forward-looking statements and expectations based on current insights and assumptions, which are subject to known and unknown risks and uncertainties. A number of factors could cause actual results or events to differ from the Board of Directors' expectations, such as changes in the economic climate, developments on specific markets, orders from individual customers and/or other developments. Nedap cannot be required to update the forward-looking statements contained in this document or held responsible for doing so, regardless of whether they are related to new information, future events or suchlike, unless Nedap is required to do so by law.

Nedap N.V. (“Nedap”)

nedap.com

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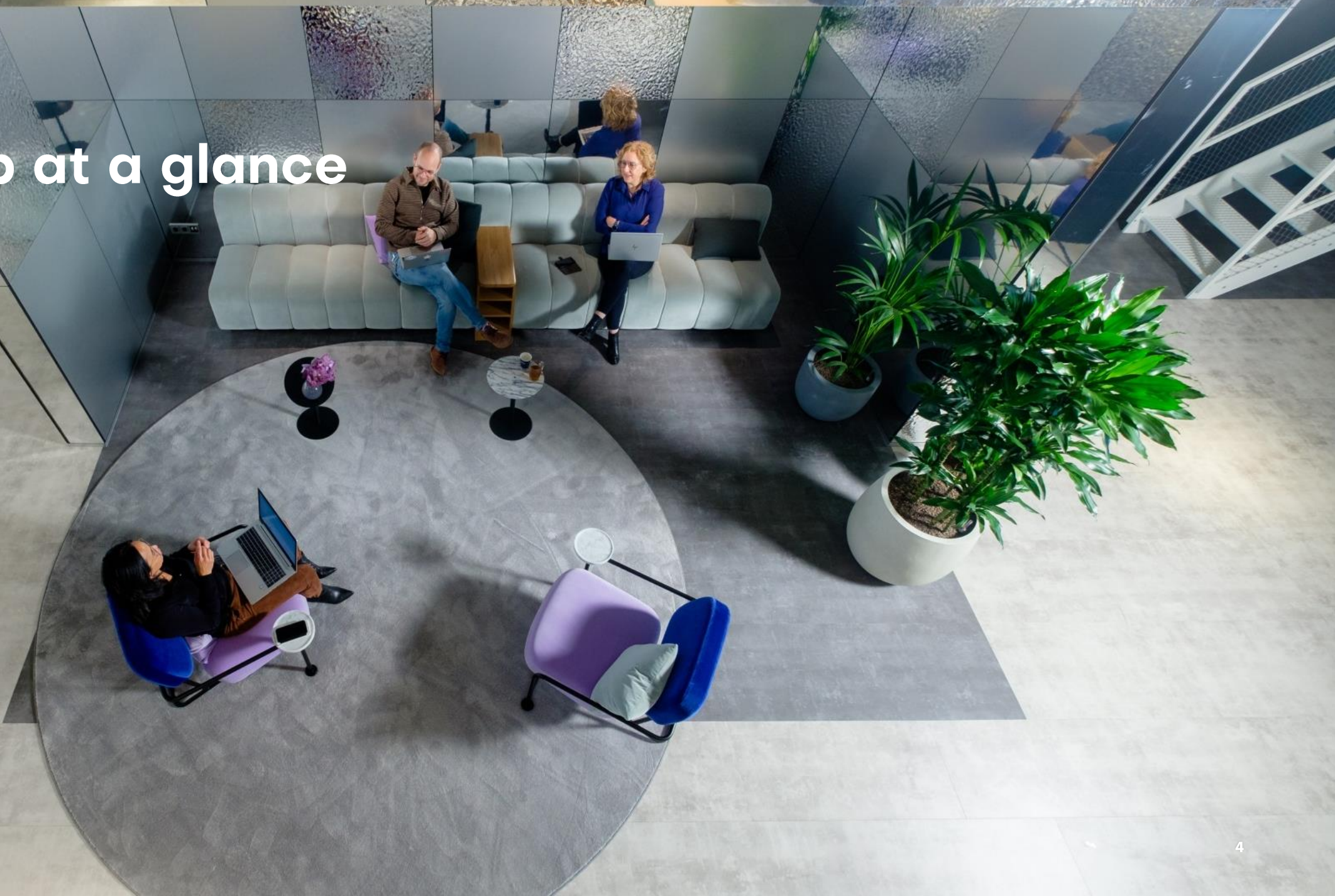
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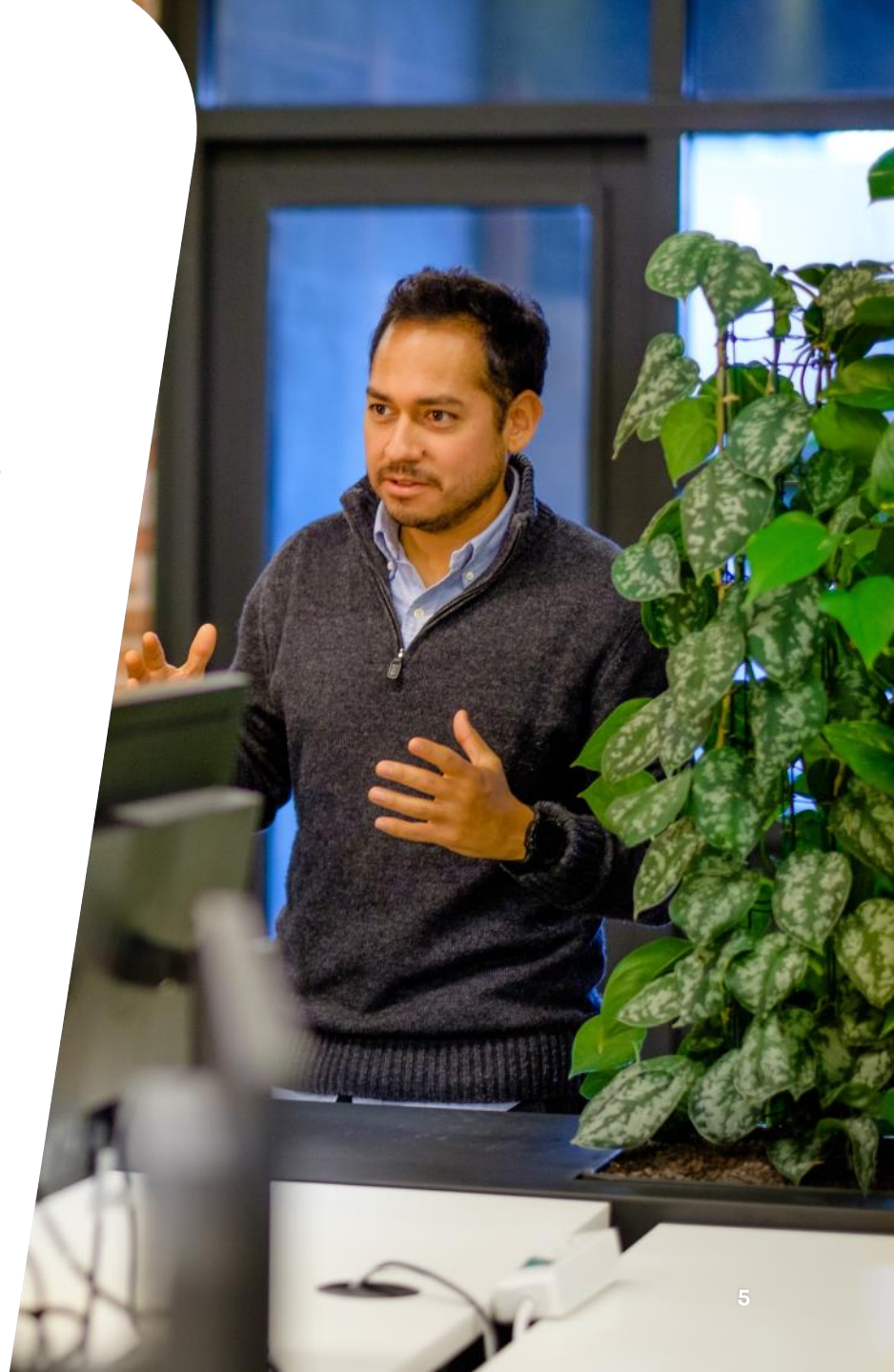
Nedap at a glance



Nedap at a glance

Technology for Life

- Nedap focuses on **Technology for Life**: developing technological solutions that make people more successful and happier in their professional lives. We create **True Value**.
- To have a positive impact on people's professional lives this requires a people-centred approach; **First People, then Technology**.
- Designing Technology for Life requires a **long-term perspective**. This perspective is essential for the continuity of our purpose.
- We regard market share as proof of our relevance; therefore, we always **strive for leadership** in the markets we are active in.
- **A high added value per employee** is the indicator for our success in converting market and technology insights into real market impact.
- Our people, our culture and our perspective on leadership collectively form the basis of our distinctive capabilities, therefore **we are uniquely qualified** to create Technology for Life.



Nedap at a glance

Key facts



Founded in

1929

Listed on Euronext Amsterdam since 1947



High-tech company



4 core technologies

Connected devices
Communication technology
Software architecture
User experience



1000+

employees



Shared value creation



Leading positions in 4 key markets



Headquartered in Groenlo, the Netherlands

Offices in Belgium, China, Germany, Hong Kong, Poland, Spain, the United Arab Emirates, the United Kingdom, and the United States.



Highly educated and dedicated employees



A culture of innovation

Revenue

(2023)

€262 million

Market Cap

(31-12-2023)

€428 million

Operating Profit

(2023)

€27.3 million

ROIC

(2023)

31%

Nedap at a glance

Board of directors



Ruben Wegman (1966)

CEO

Joined Nedap in 1997

CEO since 2009



Daniëlle van der Sluijs (1972)

CFO

Joined Nedap in 2020

Nedap board member since 2020



Rob Schuurman (1969)

CCO

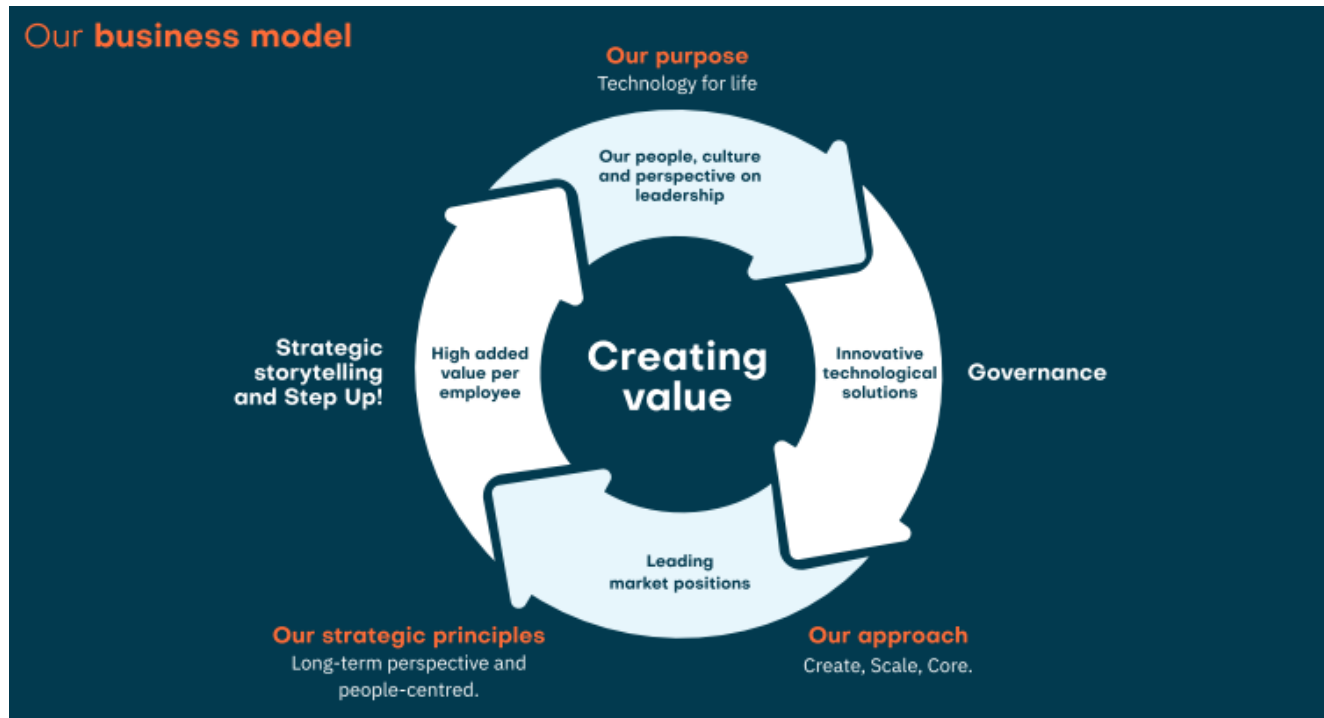
Joined Nedap in 2004

Nedap board member since 2022

Strategy

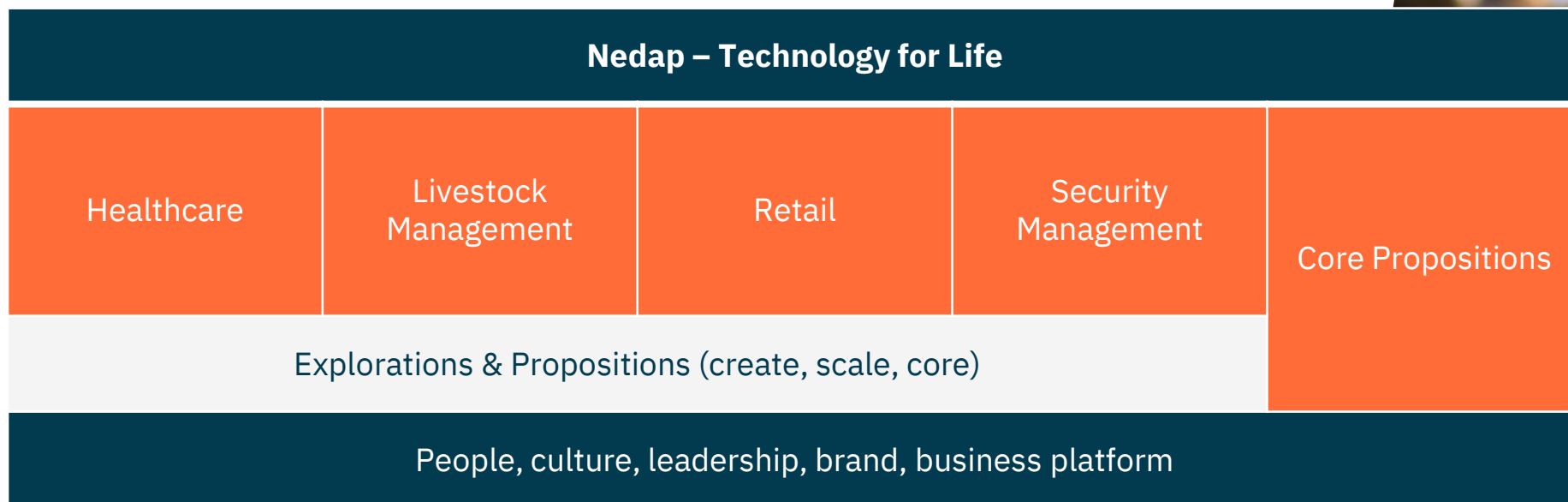


Our business model



Strategy

Create-Scale-Core model

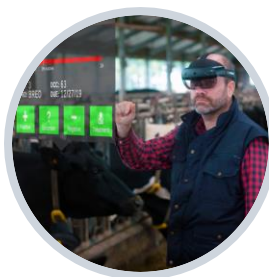


Key markets



Healthcare

Software services that allow healthcare professionals in the Netherlands to interconnect



Livestock Management

Technological solutions for individual animal monitoring and management for the dairy farming



Retail

RFID solutions that help retailers make their inventories completely transparent, optimise their shop processes, and prevent loss of income



Security Management

Develops and markets physical access control and security systems for companies and institutions

Other propositions



Identification Systems

Develops and markets hardware and software for vehicle identification systems worldwide



Light Controls

Smart UV lamp drivers

Strategy

Focus areas sustainability

Employees

Talent developments, diversity and inclusivity

Operations

Net zero carbon emissions for scope 1 and 2 in 2030

Products

Minimal negative impact along the entire value chain

Customers

We want to pursue opportunities with propositions that contribute to making our customers' business model more sustainable



Strategy

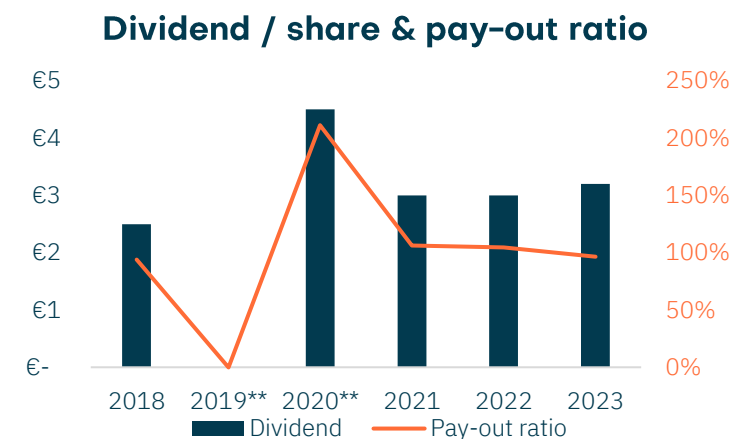
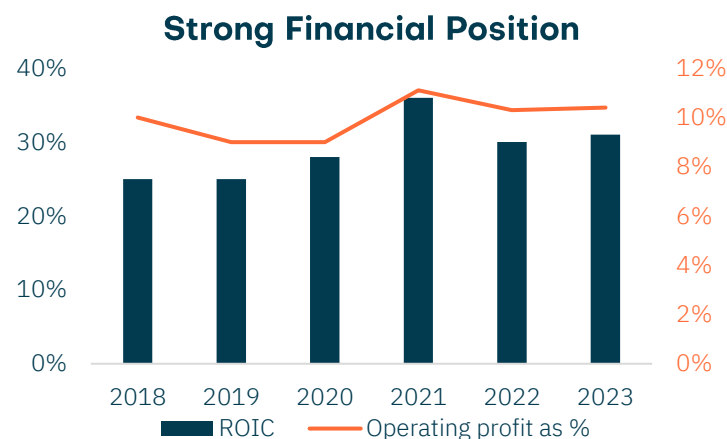
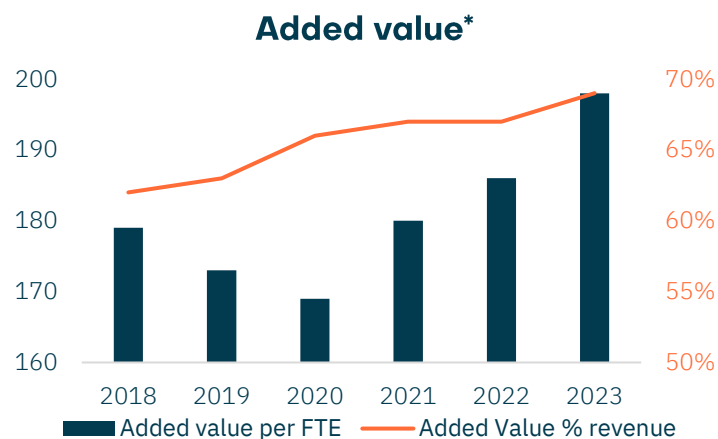
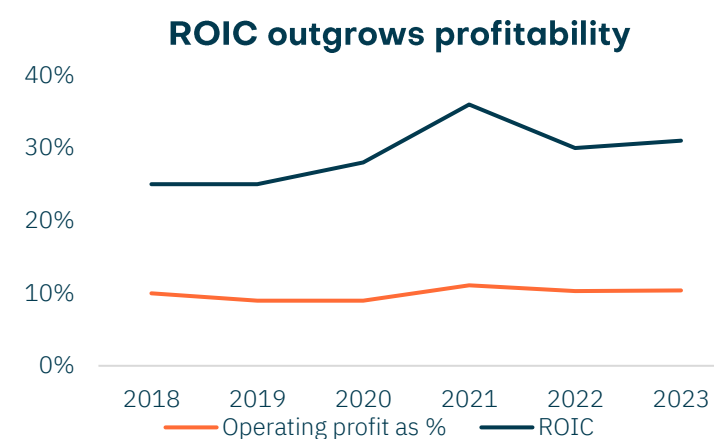
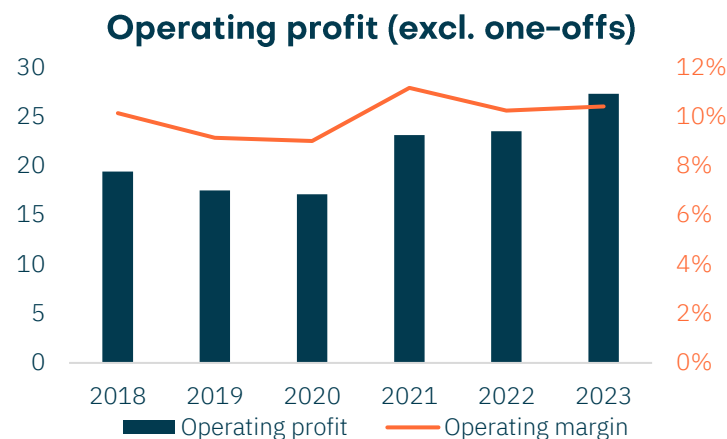
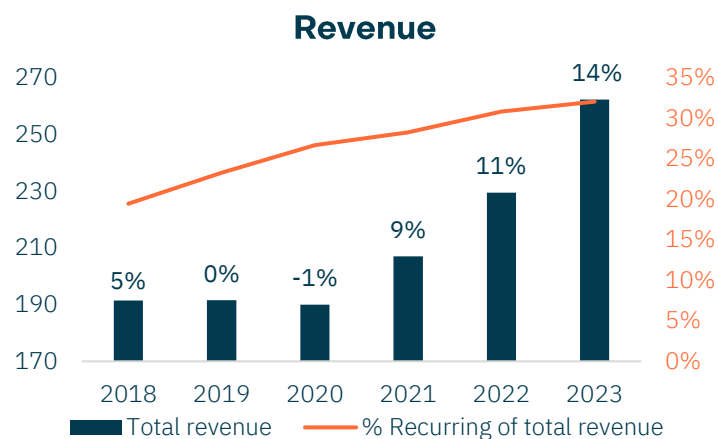
Financial ambition

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



Financial performance



* Added value is revenue plus or less inventory movements, the cost of materials and outsourced work and logistical costs

** The dividend for 2020 includes a one-off interim dividend, following an earlier decision to withdraw the dividend proposal for 2019 due to the Covid-19 pandemic.

Scale propositions



Scale propositions

iD Cloud

Merchandise simply available

iD Cloud is the scale-proposition within key market position Retail

Fashion retailers have great difficulty in keeping an accurate overview of their stock levels. This leads to a mismatch in supply and demand, dissatisfied customers and missed revenue opportunities.

By combining RFID knowledge with powerful new software concepts, Nedap has created iD Cloud. This solution gives fashion retailers detailed insight into their stock in the shortest possible time with up to more than 98% accuracy, whilst it is still compatible with the retailers' total ICT environment.

With the cloud-based software service and a growing global ecosystem of implementation and technology partners, Nedap iD Cloud can roll out quickly and easily in large retail chains. At the moment Nedap is the global market leader in this fast-growing market.



Scale propositions

CowControl™

Where is Bertha 128?

CowControl is the scale-proposition within key market position Livestock Management Cows

The market for dairy farming is changing rapidly: Scaling up is a prerequisite for remaining profitable, while suitable personnel are becoming scarcer.

Nedap has created an all-in-one monitoring and management system for dairy cows. This produces simple to use action-oriented management information based on collected essential animal data. This solution contributes to higher returns, better business operations, and better animal welfare.

Nedap is the global market leader in management systems of dairy cows because its propositions are and remain relevant for every type of dairy farm worldwide. Thanks to the distribution network of business partners that are active internationally, Nedap is further expanding its market position.



Scale propositions

Ons[®] software suite

Improved care, better working conditions

Ons[®] is the scale-proposition within key market position Healthcare

The healthcare sector suffers from a large staff shortage and a high workload, partly due to a high administrative burden. At the moment, existing administrative systems do not sufficiently meet the specific requirements and wishes of healthcare providers.

Nedap has developed a single system, Ons[®], that supports the entire care process and reduces the complexity of administrative processes. By combining the most modern software technologies with a great emphasis on user-friendliness, healthcare providers once again enjoy their work.

By adding functionalities and connecting partners and systems, the Ons[®] software suite has evolved into a core system for healthcare institutions. Nedap is now the market leader in care for the elderly and is rapidly expanding its position in care for the disabled and mental health care.



Nedap investment proposition



Nedap investment proposition

Investment proposition

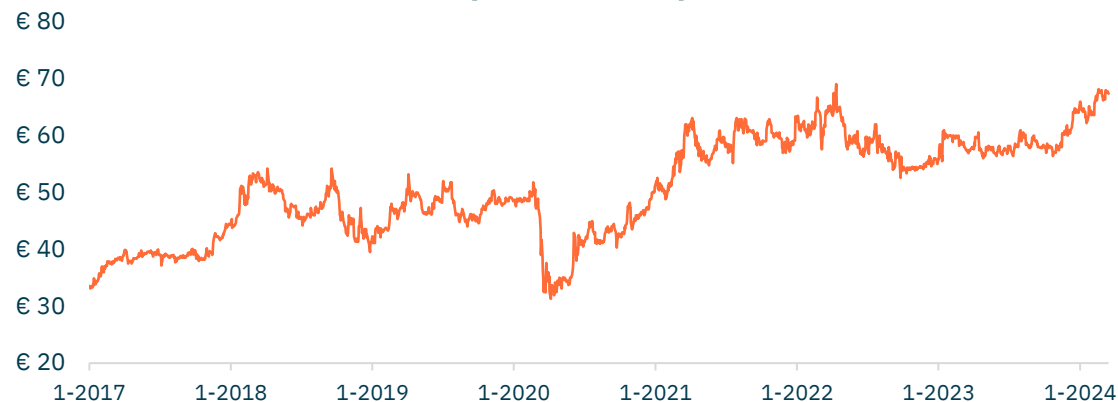
- Focus on 4 core technologies in 4 key markets
- Ample autonomous growth potential through scalable propositions
- High and growing added value per FTE driven by our entrepreneurial culture
- Create sustainable value for our customers, employees and partners
- Growth in margins and recurring software services
- Asset light business model that enhances capital efficiency and cash conversion
- Solid financial position
- Attractive dividend



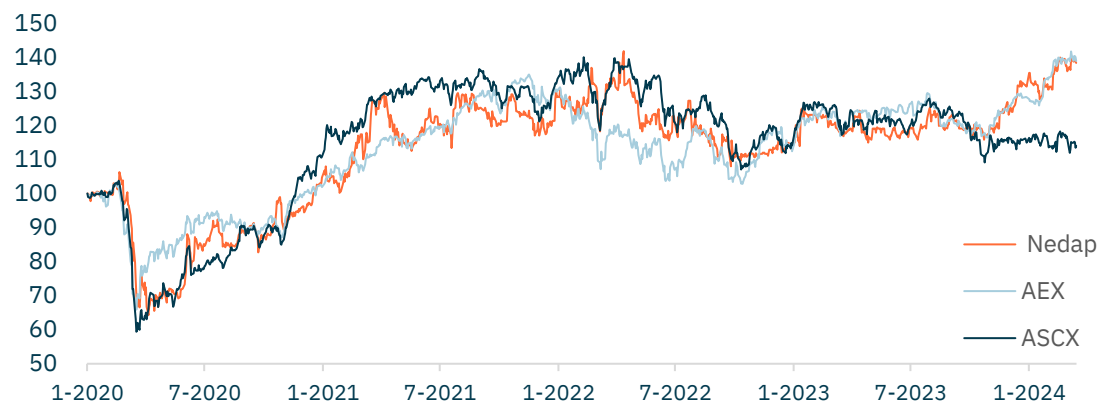
Nedap investment proposition

Nedap share

Share price development



Relative share performance Nedap



Overview of notifications major shareholdings AFM *

Shareholder	Stake in Nedap
Cross Options Beheer B.V.	14.61%
Teslin Participaties Coöperatief U.A.	10.19%
NN Group N.V.	9.97%
Van Lanschot Kempen Investment Management N.V.	9.94%
ASR Nederland N.V.	8.20%
Add Value Fund N.V.	5.08%
Decico B.V.	5.01%
Stichting Medewerkerparticipatie Nedap	3.35%

The Nedap share	2023	2022
# Shares outstanding (end of year)	6,554,003	6,519,965
# Shares traded	717,086	525,590
Share price end of year	€64.00	€55.00
Dividend per share	€3.20	€3.00
Price-earnings ratio	19	19
Dividend yield (end of year)	5.00%	5.45%
Market cap (end of year)	€428 M	€368 M

Financial updates



Financial updates

Highlights 2023

- Revenue for 2023 amounted to €262.4 million, up 14% on 2022 (€229.5 million). All key markets and other propositions contributed to this growth.
- Recurring revenue rose 19% and makes up 32% of the total revenue (31% in 2022).
- The operating profit grew to €27.3 million (€23.5 million in 2022). The operating margin came in at 10.4% (10.3% in 2022).
- Nedap continues to invest in growth, in line with its long-term strategy.
- For 2024, unforeseen events notwithstanding, further revenue growth is anticipated for the full year, whereby we expect that this growth will take place in the second half of the year.

During the Capital Markets Day in March 2021, Nedap unveiled financial ambitions towards 2025 of a revenue that is developing towards annual high-single-digit autonomous growth and an operating (EBIT) margin that grows towards 15%. Nedap reiterates these financial ambitions, including an EBIT margin growing towards 15%, albeit with a potential one-year delay due to market volatility affecting revenue development in the short term.



Financial updates

Key figures 2023

Key Financials (in millions of euros)	FY2023	FY2022 *	%
Revenue	262.4	229.5	14%
Recurring revenue	84.1	70.6	19%
Recurring revenue as percentage of revenue	32%	31%	
Added value as percentage of revenue	69%	67%	
Added value per FTE (x € 1,000)	198	186	
Operating profit	27.3	23.5	16%
Operating margin	10.4%	10.3%	
Net profit	21.6	18.7	16%
Earnings per share (x € 1)	3.31	2.87	15%
Dividend per share (x € 1)	3.20	3.00	
Return on invested capital (ROIC)	31%	30%	
Net debt/EBITDA	0.1	-0.1	
Solvency	61%	60%	

* The figures for 2022 have been adjusted as a result of the deconsolidation of Nedap Beveiligingstechniek B.V.

Financial updates

Consolidated income statement

(€ x 1,000)

	2023	2022
Revenue	262,426	229,479
Cost of goods sold	-81,447	-75,911
Added value	180,979	153,568
Personnel costs	-112,059	-91,499
Amortisation	-389	-813
Depreciation	-9,718	-8,778
Other operating costs	-31,490	-28,933
Operating costs	-153,656	-130,023
Operating result	27,323	23,545
Net financing result	-731	-326
Result before taxation	26,592	23,219
Taxation	-5,032	-4,694
Result for the financial year from continued operations	21,560	18,525
Result for the financial year from discontinued operations	81	179
Result for the financial year	21,641	18,704
Profit attributable to shareholders of Nedap N.V.	21,641	18,704

Consolidated balance sheet

(as per 31 December, € x 1,000)

Assets	2023	2022	Liabilities	2023	2022
Fixed assets			Shareholders' equity	85,331	81,194
Intangible fixed assets	10,156	2,847			
Tangible fixed assets	42,636	41,121	Non-current liabilities		
Deferred tax assets	1,373	1,161	Borrowings	14,000	14,000
	54,165	45,129	Provisions	837	1,162
Current assets			Other non-current liabilities	1,683	1,786
Inventories	38,904	28,343		16,520	16,948
Trade and other receivables	36,641	43,722	Current liabilities		
Cash and cash equivalents	10,156	17,483	Borrowings	-	-
	85,701	89,548	Provisions	1,010	928
			Trade and other payables	37,005	35,607
				38,015	36,535
Total assets	139,866	134,677	Total liabilities	139,866	134,677

Financial updates

Financial calendar 2024

9 April	Trading update Q1
11 April	Annual General Meeting
15 April	Ex-dividend date
16 April	Record date
22 April	Dividend payable date
18 July	Half-yearly results
17 October	Trading update Q3

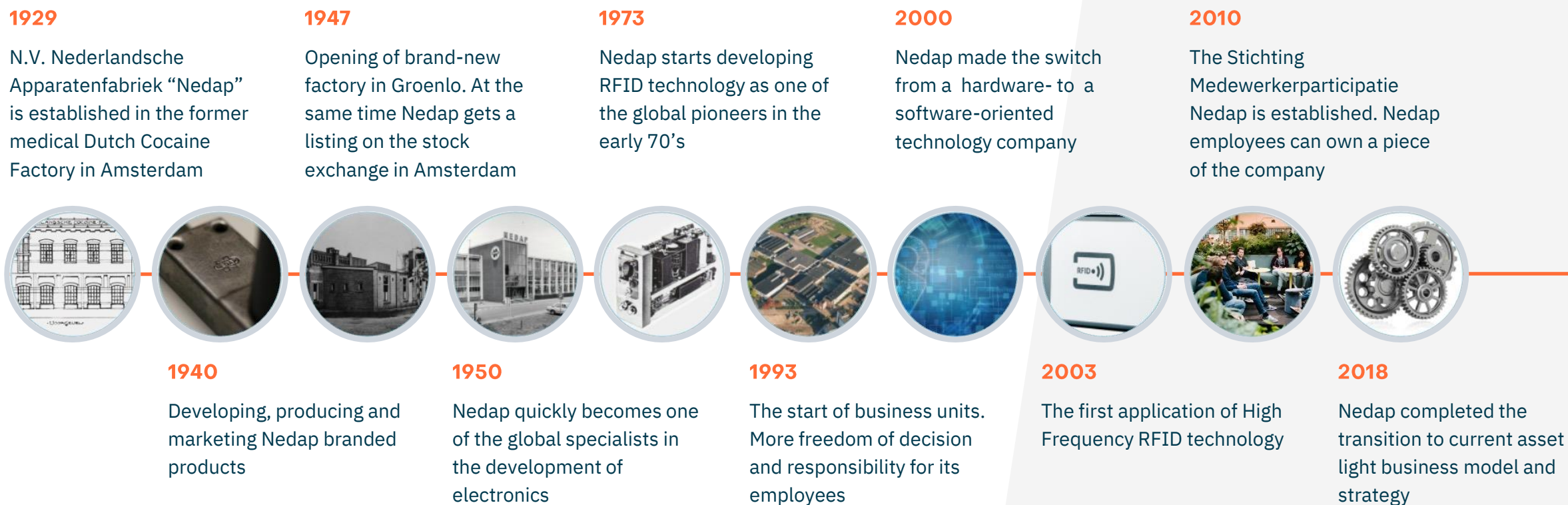
Appendix



Appendix

History of Nedap

Evolving from hardware manufacturer to provider of scalable and proprietary propositions



Appendix

Overview key market positions

Key market position	Size*	Market (focus)	Propositions	Competitive position	Growth driver	Market
Healthcare	>15%	Long term care providers	<p>Ons Electronic Health Record cloud solution for administrative, logistic and care processes at care providers</p> <p>Medikit General practitioner information system based on open standards.</p>	<ul style="list-style-type: none"> • #1 in elderly care • #1 in disabled care • #1 in mental healthcare 	<ul style="list-style-type: none"> • Increasing demand for long-term care • Standardization in network care 	NL
Livestock Management	>15%	Management of cows	<p>CowControl™ Automation of livestock management processes based on identification of individual animals</p>	<ul style="list-style-type: none"> • #1 in dairy farming sensors 	<ul style="list-style-type: none"> • Animal welfare • Increase in scale of farming business • Increased demand in animal proteins 	Global
Retail	>15%	International fashion and food retailers	<p>EAS RF, EAS RFID, iD Cloud RFID solutions for optimised inventory management, simplified shop processes and prevention of shrinkage</p>	<ul style="list-style-type: none"> • #1 in inventory management • Top-3 player in anti-shop lifting solutions 	<ul style="list-style-type: none"> • Omni-channel retailing • Expansion in the Americas 	Global
Security Management	<15%	Larger companies, financial institutions and governments	<p>AEOS / Security Atlas / AtWork Solutions for access control and security systems</p>	<ul style="list-style-type: none"> • Top-3 player 	<ul style="list-style-type: none"> • Leveraging solution across key-clients globally 	Global

Appendix

Overview other business units

Business units	Size*	Market (focus)	Propositions	Competitive position	Nedap proposition	Market
Identification Systems	< 15%	(Local) Governments and larger companies in parking, industry and security	Readers Vehicle access control solutions	<ul style="list-style-type: none">• Global leader in identification of vehicles	Core proposition	Global
Light Controls	< 15%	General industries and water treatment companies	UV Power electronics and control systems for curing and disinfection	<ul style="list-style-type: none">• #1 in high-power UV power supplies	Core proposition	Global

Appendix

5-Year financial history

Key figures (in millions of euros or as a percentage)

	FY 2023	FY 2022*	FY 2021	FY 2020	FY 2019
Revenue	262.4	229.5	207.0	189.9	191.5
Revenue growth	14%	11%	9%	-1%	0%
Recurring revenue	84.1	70.8	58.5	50.7	44.6
Recurring revenue as % of revenue	32%	31%	28%	27%	23%
Added value as % of revenue	69%	67%	67%	66%	63%
Added value per FTE (x € 1,000)	198	186	180	169	173
Operating profit excl. one-off items	27.3	23.5	23.1	17.1	17.5
Operating profit as % of revenue excl. one-off items	10%	10%	11%	9%	9%
Profit for the financial year	21.6	18.7	18.3	13.8	24.1
Return on invested capital (ROIC)	31%	30%	36%	28%	25%
Net debt/EBITDA	0.1	-0.1	-0.5	-0.4	-0.2
Solvency	61%	60%	61%	62%	61%
Per share (x € 1)					
Earnings	3.31	2.87	2.82	2.13	3.74
Dividend	3.20	3.00	3.00	4.50 **	-**
Dividend yield (in % of closing price 31 Dec.)	5.0%	5.5%	4.8%	8.8%	0.0%
Dividend pay-out ratio	97%	105%	106%	211%	0%



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