

The logo for ORDINA, featuring the word "ORDINA" in white uppercase letters on an orange rectangular background. The letter "O" is stylized with a white circle inside it.

ORDINA

Ahead of change



ORDINA EARNINGS UPDATE

H1 2020

30 July 2020

CAUTIONARY NOTICE

This document contains forward-looking statements regarding the financial performance of Ordina N.V. and outlines certain plans, targets and ambitions based on current insights. Such forecasts are obviously not without risk and entail a certain degree of uncertainty since there are no guarantees regarding future circumstances. There are multiple factors that could potentially result in the actual results and outcomes differing from those outlined in this document. Such factors include: general economic trends, the pace of globalisation of the markets for solutions, IT and consulting, increased performance commitments, scarcity on the labour market, and future acquisitions and disposals.



HIGHLIGHTS H1 2020

Key topics

- Strong financial performance
- Operational impact COVID19 well handled
- Ordina 2022 strategy execution on track
- Uncertain economic outlook requires prudent governance



ORDINA DELIVERS **STRONG PERFORMANCE** IN FIRST HALF OF 2020

Key performance indicators*

Revenue
€ 188.0m
vs € 186.9m in H1 2019

EBITDA margin
12.2%
vs 9.2% in H1 2019

Net result
€ 10.3m
vs € 6.0m in H1 2019

Average # of direct FTEs
2,305
vs 2,299 in H1 2019

Free cash flow
€ 24.6m
vs € 9.3m in H1 2019

Net cash
€ 31.0m
vs € 6.5m end H1 2019
12 months-average:
€ 16.9m

COVID19 BUSINESS IMPACT

Measures to ensure staff health and business continuity

Our staff

- Only small number of our people were infected with COVID 19
- Transition to work from home in close cooperation with our clients
- Travel stopped and home offices in place
- Offices adjusted to be able to gradually move back to the offices

Business continuity

- Strong position in relatively stable market segments such as public sector, finance and pharmaceuticals; only limited exposure to clients and markets directly impacted
- We have made it a point to think along with our clients directly impacted to reduce their immediate cost
- Dividend proposal withdrawn as precautionary measure given uncertainty

STRATEGY AND BUSINESS TRANSITION **WELL ON TRACK**

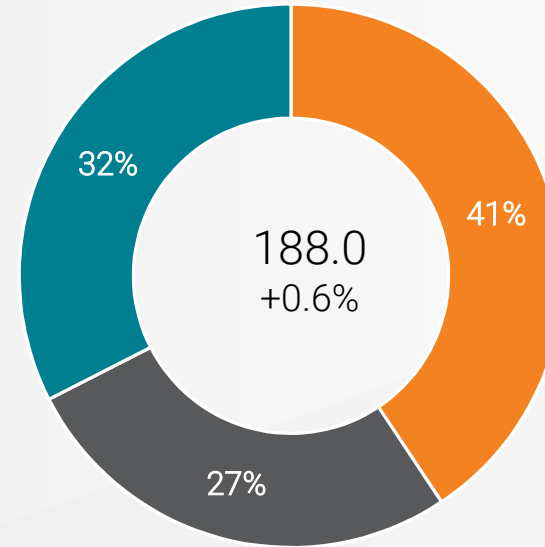
	2017	Strategic agenda and business transition		2022	H1 2020 actuals
	2017 actuals		2019 actuals	2022 target	
Organic revenue growth	+0.4%	→	+3.8%	→ n.a.	0.6%
Revenue from business propositions	n.a.	→	32% of group revenue	→ 65% of group revenue	37%
EBITDA margin	4.2%*	→	9.9% 6.7%*	→ 10-12% 7-9%*	12.2%
Employee engagement score	6.8	→	7.1	→ >7.0	7.4
Customer satisfaction score (OPS)	61.1	→	72.4	→ >70.0	Survey in H2

* EBITDA margin before application of IFRS 16

REVENUE BY MARKET

- Total revenue in first half year slightly increased with 0.6%
- Revenue in public sector increased 4.0% and shift towards more teams proves to be successful
- Decline of revenue with 7.7% in finance sector due to less revenue with subcontractors. Partly offset by higher revenues from teams and data driven solutions
- Strong performance in the industry market with 4.2% growth. Impact due to COVID-19 with some clients; compensated with increased revenue in the pharmaceutical and utilities sector

Revenue streams H1 2020



Top-10 client H1 2020 revenue share
44%
vs 42% H1 2019

- Public
- Finance
- Industry

	Q2 2020	Q2 2019*	delta	H1 2020	H1 2019*	delta
Public	37.6	37.1	1.4%	76.4	73.5	4.0%
Finance	24.7	27.0	-8.5%	50.5	54.7	-7.7%
Industry	29.5	28.3	4.4%	61.1	58.6	4.2%
Total	91.8	92.3	-0.6%	188.0	186.9	0.6%

Workable days NL: 60 62 124 125
Workable days BE: 61 61 125 124

*2019 figures adjusted for the reallocation for the reclassification of a number of clients that were previously reported under the healthcare segment.

Rounded off, millions of euro



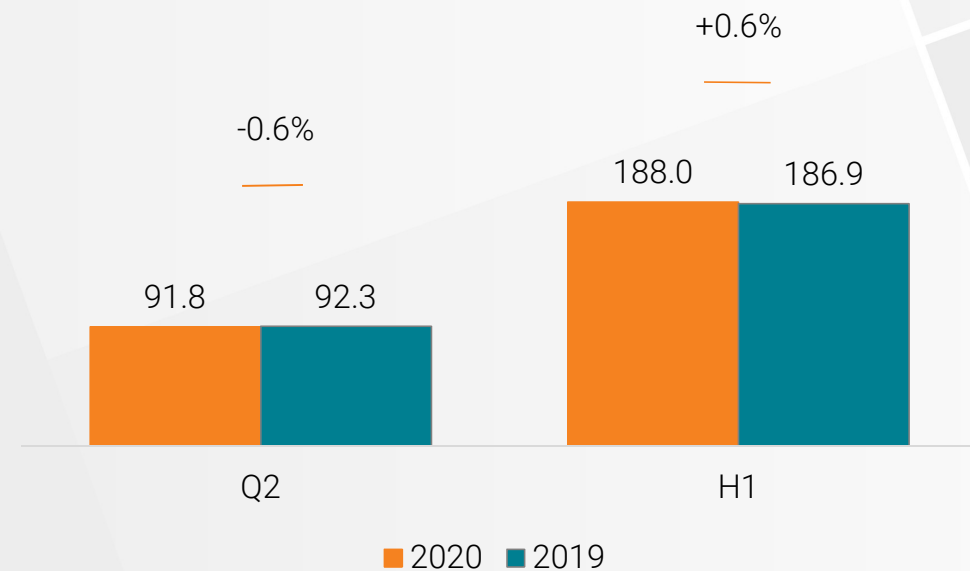
Annemieke den Otter

H1 2020 FINANCIAL PERFORMANCE

TOP LINE GROWTH

Group revenue

- Revenue in H1 increased 0.6% to EUR 188.0 million
- In the second quarter revenue declined slightly, due to reducing revenue with subcontractors and less workable days in the Netherlands
- COVID-19 impacted a small number of clients directly
- 37% of the total revenue was revenue with our business propositions (H1 2019: 32%)
- Quality of revenue increases as more services are staffed with Ordina professionals and less with subcontractors

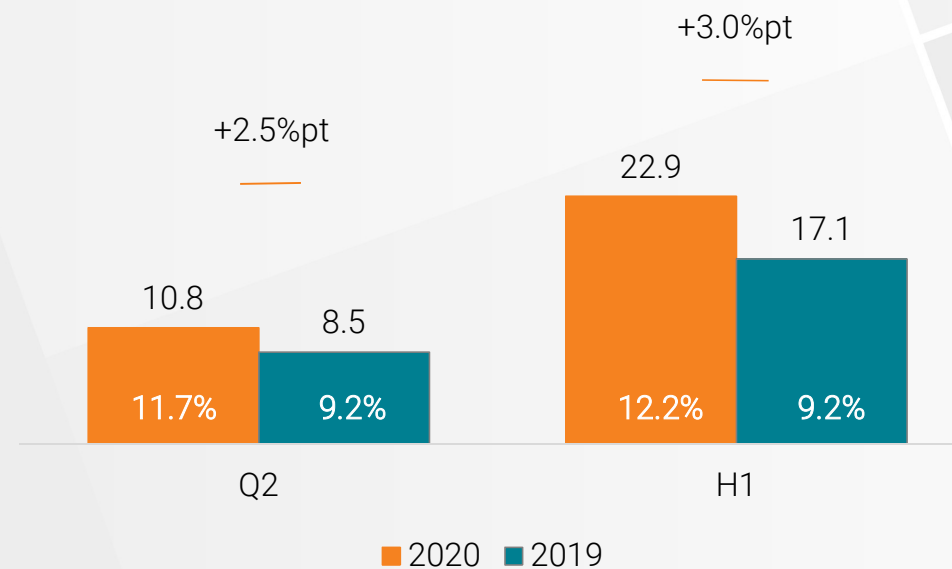


Rounded off, millions of euro

EBITDA INCREASE DRIVEN BY IMPROVING REVENUE MIX

Group EBITDA

- EBITDA in the first half year increased with EUR 5.8 million to EUR 22.9 million
- EBITDA margin increased with 3.0%pt to 12.2%
- Further margin improvement as ongoing strategic initiatives pay off

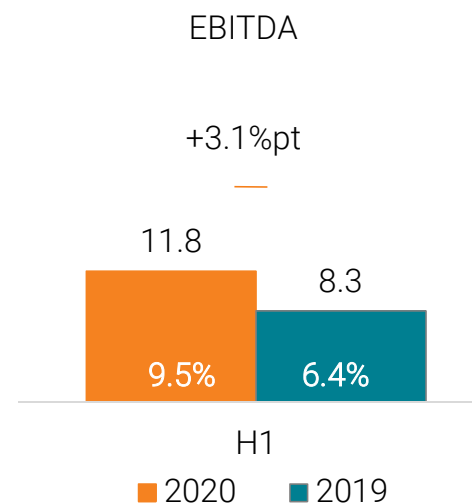


Rounded off, millions of euro

STRONG **MARGIN IMPROVEMENT** IN THE NETHERLANDS

The Netherlands

- Revenue H1 declines due to less workable days and reduction in revenue with subcontractors
- EBITDA H1 improves to 9.5% due to better revenue mix and higher operational efficiency (higher productivity and lower overhead costs)

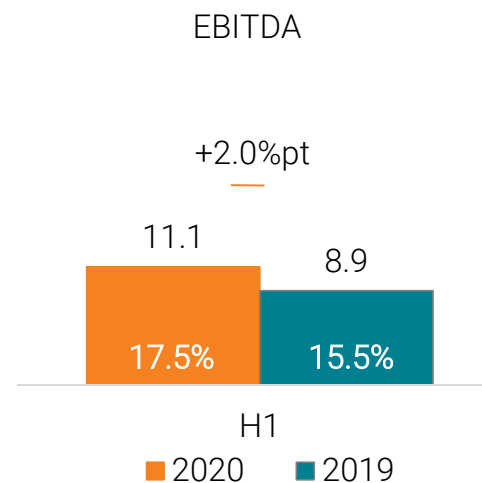
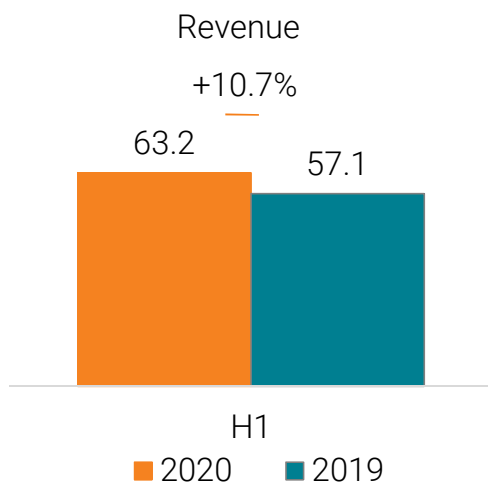


Rounded off, millions of euro

CONTINUED **HIGH GROWTH** IN BELGIUM/LUXEMBOURG

Belgium and Luxembourg

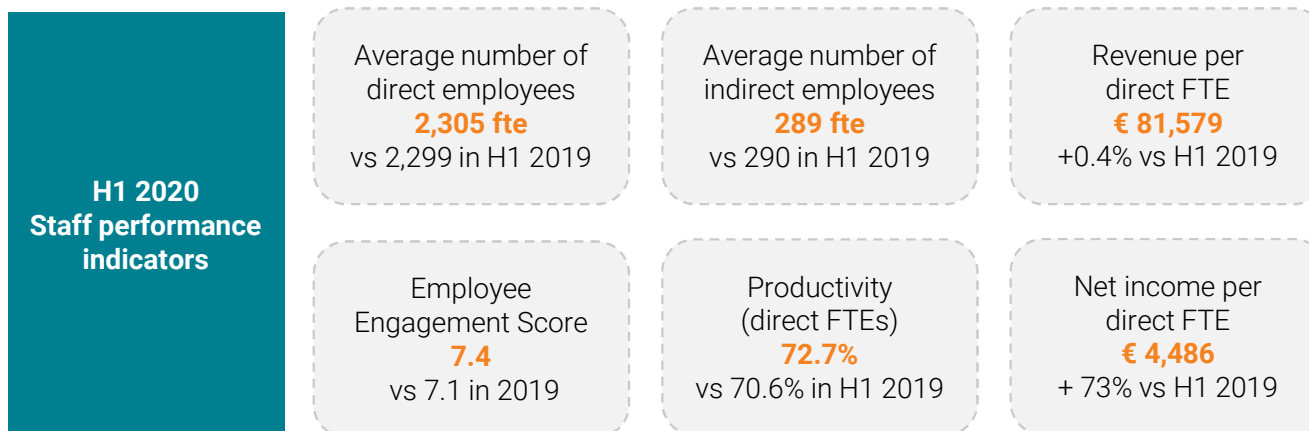
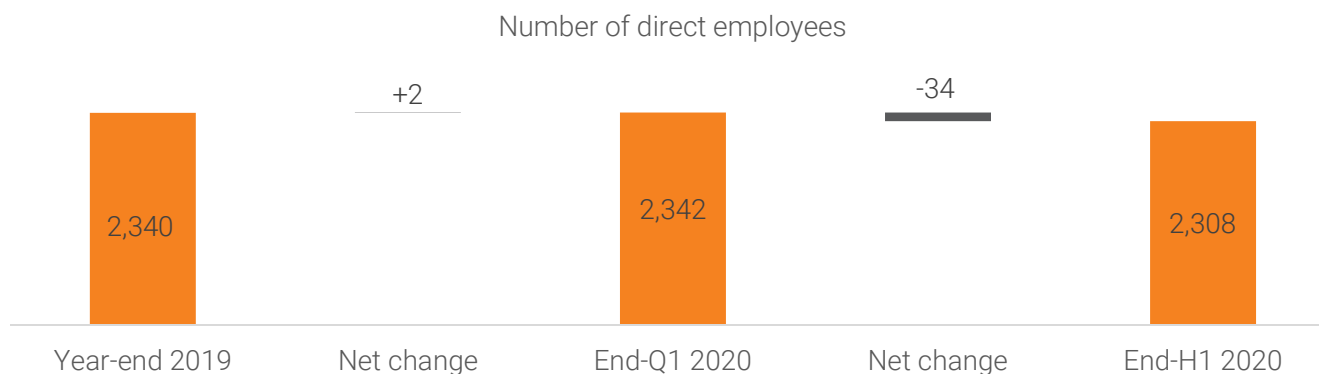
- Revenue H1 increases with 10.7% due to higher number of FTEs and workable days
- EBITDA remains significantly above market averages due to strong growth on business propositions and high operational efficiency



Rounded off, millions of euro

PEOPLE STRATEGY SUPPORTING GROWTH AND MARGIN

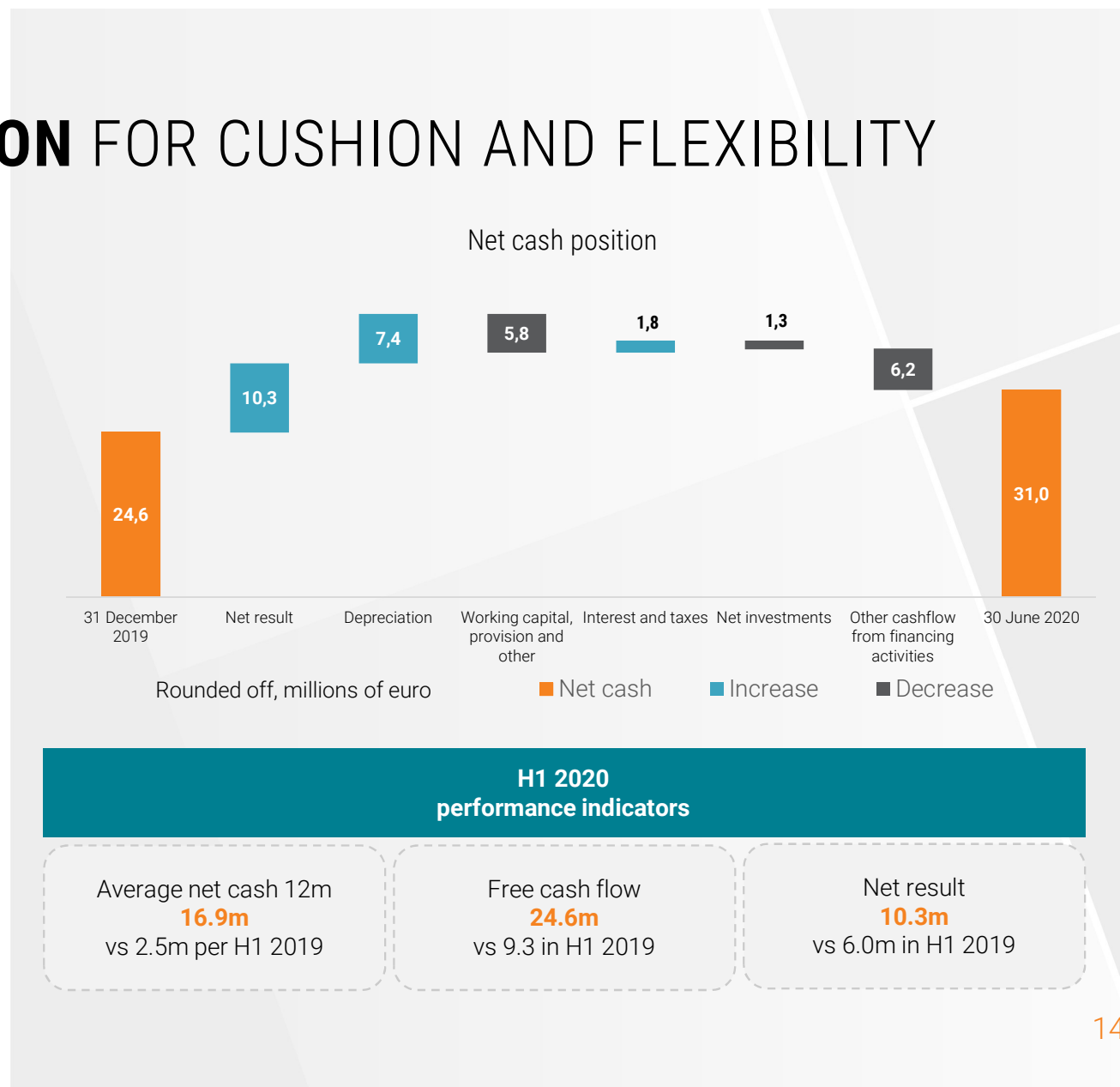
Group headcount evolution and productivity



SOLID FINANCIAL POSITION FOR CUSHION AND FLEXIBILITY

Financial strength

- Net cash position improved to EUR 31.0 million (30 June 2019: EUR 6.5 million)
- Main driver for this improvement is the increased operational result
- Free cash flow improved as a result of increased performance and also due to the withdrawal of the dividend proposal as a precautionary measure





Jo Maes

ORDINA 2022 MANAGEMENT AGENDA

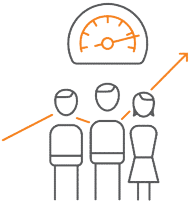
CONTINUE STRATEGY AND BUSINESS TRANSITION ROADMAP 2022

Moving up in the value chain by expanding to niche markets



OUR FIVE BUSINESS PROPOSITIONS

Management vision



High performance teams

Improve performance through multidisciplinary teams that immediately create value for every organisation



Intelligent data-driven organisations

Let data work for you in the digital transition



Digital acceleration

Discovering, realizing and anchoring added value for setting up and executing your digital strategy



Business platforms

Empower your business with secure, robust and scalable IT platforms to gain competitive advantage



Cybersecurity & compliance

Securing your digital journey taking technology, organisational issues and human aspects into account

TARGETS CONFIRMED FOR 2022

Strategic roadmap and targets

Distinctive profile, now and in the future

- Focus on added value:
 - Services via business propositions
 - Excelling in niche markets with Ordina solutions
- Added value of a local partner: close to our clients



Engaged employees

- Attractive to our talents because of our distinctive profile
- Broader career perspectives due to services based on business propositions
- Development key: Ahead of change
- Greater engagement thanks to working in teams
- Fit & healthy employees

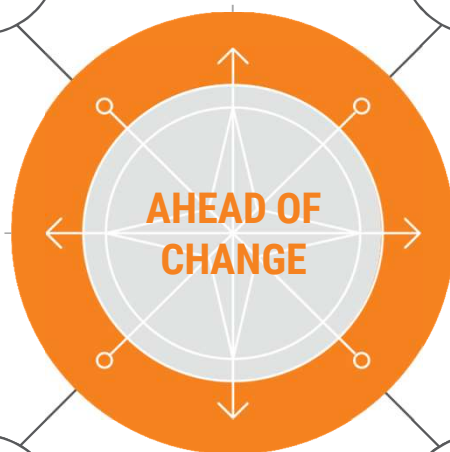
Satisfied clients

- Ordina translates business challenges into solutions
- Ordina makes the difference with its teams
- Adding value with innovative technology



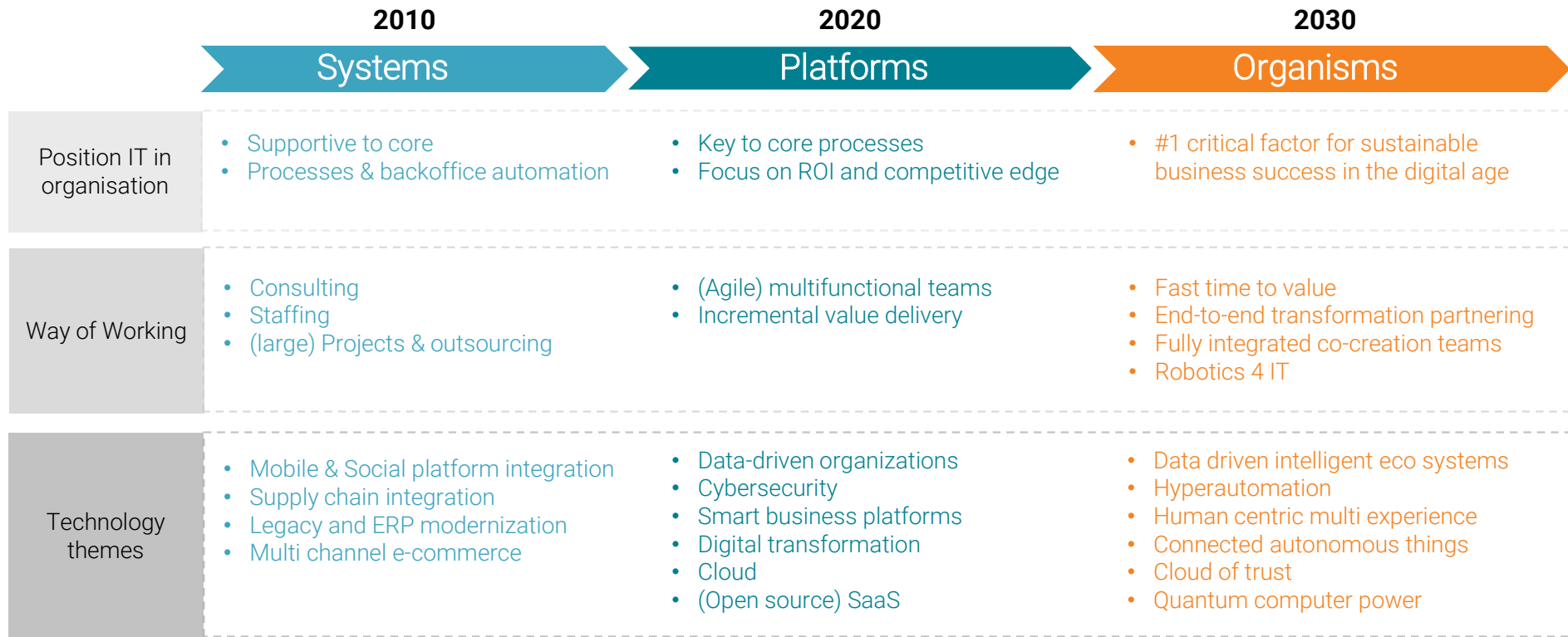
Above-average returns

- More sustainable revenue mix and growth with our own people
- Business propositions result in higher returns (EBITDA margin)



MANAGEMENT VISION

Stay ahead of change





QUESTIONS