AGENDA

Introduction

Business Highlights FY 2019 | Jos Blejie
Operational Developments | Jan Willem Wienbelt
Financial Results | Jan Willem Wienbelt
Strategy | Jos Blejie
Outlook | Jos Blejie
CAUTIONARY STATEMENT

Any forward-looking statements in this presentation refer to future events and may be expressed in a variety of ways, such as “expects”, “projects”, “anticipates”, “intends” or other similar words (“Forward-looking statements”). ICT Group N.V. (“ICT”) has based these forward-looking statements on its current expectations and projections about future events. ICT’s expectations and projections may change and ICT’s actual results, performance or achievements could differ significantly from the results expressed in, or implied by, these forward-looking statements, due to possible risks and uncertainties and other important factors which are neither manageable nor foreseeable by ICT and some of which are beyond ICT’s control.

In view of these uncertainties, no certainty can be given about ICT’s future results or financial position. We advise you to treat ICT’s forward-looking statements with caution, as they speak only as of the date on which the statements are made. ICT is under no obligation to update or revise publicly any forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required under applicable (securities) legislation.
BUSINESS HIGHLIGHTS FY 2019
Jos Blejie
SUMMARY 2019

A year with two faces

Good start in H1 2019

Both organically (+9%) as well as through the completion of the acquisitions of Malmö based Additude and Dutch based BNV we have reached growth in H1.

Sudden productivity impact in summer 2019

In July and August we have been confronted with abrupt terminations of contracts due to strategic roadmap changes at certain customers, impacting productivity.

Prudent market behaviour in Q4

Whilst taking actions to repair the sudden productivity impact, we do see a more prudent customer in all markets resulting in a 5% decline of revenue in H2 versus H1.
HIGHLIGHTS STRATEGIC AGENDA

**International Expansion**
- Integration of Additude on track
- CIS Solutions (Germany) growing according to expectations
- Start-up losses in Belgium

**Nearshoring activities**
- Revenue growth in Bulgaria of 26%
- Organisational improvements completed, EBITDA margin 21% back to desired levels (2018: 19%)
- Acquisition of start-up Kodar (opening of new site in Plovdiv).

**Next steps in Smarter Cities**
- Acquisition of BNV has been a logical next step to strengthen position in Mobility as a Service Market.
- The new MaaS proposition (TURNN) selected in three regions in the Netherlands
- Acquisition of Proficium completed as per November strengthening our Engineering capabilities
BUSINESS HIGHLIGHTS

Software as a Service

- **OrangeNXT** solutions on track with 114% growth to EUR 3.3 million revenues.
- The transformation of traditional software licenses to a SaaS based model of former BMA software completed. **MososNXT** in pilot at several hospitals
- The integration of the MaaS solution in InTraffic completed (**TURNN**)

Simplification of the organisation

- Sold our non-core business **Raster Products** to Swedish HMS
- Legal merger of **BNV** in InTraffic and **Raster Industrial Automation** in ICT Netherlands completed
- Uniform way of working in back office support well underway

Market recognition

- OrangeNXT awarded country Partner of the year 2019 by **Microsoft** Netherlands
- Raster promoted to Master level of the **Schneider** Alliance Program
- Additude received the **Gasell** award for 4th time in a row
JULY 2019

ACQUISITION OF 100% OF THE SHARES OF BNV

Start-up to strategically deliver MaaS Services
Founded in 2014, BNV is known in the Dutch market for the realisation of ‘Spitsmijden’ projects.

A unique combination of skills
InTraffic and BNV merged in H2 2019, combining B2B Mobility know-how with 15 years of experience in travellers’ behaviours

TURNNN
The TURNNN mobility as a Service platform went live in December 2019 and is selected in 3 out of 6 governmental MaaS pilots (Groningen/Drenthe, Eindhoven and Limburg)

THE BEST WAY AROUND
NOVEMBER 2019

ACQUISITION OF PROFICICIUM

Engineering and Asset Management Specialist

**Founded in 2011**
Niche player with focus on life cycle management of technical and IT installations of Dutch vital infrastructure elements.

**Partner of NedMobiel**
Already known to the Group from collaboration in projects such as A-Lanes, IXAS. Performance in line with NedMobiel.

**Prelude to the engineering company of the future**
Together with NedMobiel the Group employs approximately 40 infrastructure engineers.
FINANCIAL HIGHLIGHTS

20% GROWTH REALISED (vs. FY 2018)

Revenue
€ 155.5 m
+ 20% (2018: € 129.9 m)

Added value revenue
€ 128.9 m
+ 13% (2018: € 114.2 m)

Organic growth of 3%
Bearing in mind a growth in H1 and a decline in H2

Growth of added value revenue of 13%
Reflecting an increase of projects and related equipment versus an increase in use of freelance professionals, especially in Sweden.

Segmentation
New segmentation following the management organisation in place as from January 2019
All segments reached organic revenue growth
**FINANCIAL HIGHLIGHTS**

**EBITDA IMPACTED BY LOWER PRODUCTIVITY**

**EBITDA (post IFRS 16)**

€ 16.5 m

EBITDA margin: 10.6%

**EBITDA (pre IFRS 16)**

€ 11.6 m  
(2018: € 13.5 m)

**Operational cash flow**

€ 14.4 m  
+ € 3.3 m (2018: € 11.1 m)

**EBITDA impacted by implementation of IFRS 16 lease accounting**

IFRS 16 leads to a shift from operating lease costs to depreciation and amortisation and financial expenses. In 2019 IFRS 16 had an impact on EBITDA of € 4.9 million.

**EBITDA (pre IFRS16) declined in second half of the year**

All segments and units showed a decline in the second half of 2019 except for Bulgaria. The segment Other includes investments in growth and start-up losses of new initiatives.

**EBITDA includes exceptional costs in 2019 as well as 2018**

2019: € 0.7 million - acquisition costs
2018: € 1.1 million - termination fees at InTraffic of € 0.8 million and acquisition costs of 0.3 million

**Operational cash flow improved compared to 2018**

Disciplined working capital management.
FINANCIAL HIGHLIGHTS

3/4

NET RESULT INFLUENCED BY ONE-OFF GAINS

Net profit influenced by one-off gains

Reported net profit of € 2.7 million includes one-off accounting gains of € 0.7 million related to the second round of investment of new shareholders in Greenflux.

Reported net profit in 2018 of € 9.5 million included one-off accounting gains of € 4.1 million related to the acquisition of InTraffic and the investment of new shareholders in GreenFlux (first round) amounting to € 0.6 m.

Earnings per share

EPS decreased in line with net profit development.
The average number of ordinary shares increased with 101,132 new shares due to stock dividend.

Dividend per share

For the calculation of the proposed dividend, the net profit realised is adjusted for the accounting gains recognised in 2019 as well as non-cash amortisation amounts. This results in an adjusted net profit for the full year 2019 of € 7.2 million.
## FINANCIAL HIGHLIGHTS

### HEALTHY RATIOS

<table>
<thead>
<tr>
<th>Ratio</th>
<th>2019</th>
<th>Change</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA / revenue (pre IFRS 16)</td>
<td>7.5%</td>
<td>-2.9%</td>
<td>10.4%</td>
</tr>
<tr>
<td>net profit / revenue</td>
<td>1.6%</td>
<td>-3.1%</td>
<td>4.7%</td>
</tr>
<tr>
<td>SOLVENCY</td>
<td>44%</td>
<td></td>
<td>57%</td>
</tr>
<tr>
<td>Revenue / FTE</td>
<td>€115.5k</td>
<td>+1%</td>
<td>€114.6k</td>
</tr>
<tr>
<td>Indirect cost / revenue</td>
<td>21.1%</td>
<td>-70 bps</td>
<td>21.8%</td>
</tr>
<tr>
<td>Average FTE</td>
<td>1,346</td>
<td>+18%</td>
<td>1,134</td>
</tr>
</tbody>
</table>

**EBITDA margin lower than 2018**

Due to the lower productivity that impacted both the secondment business and projects in the second half of the year.

**Solvency**

Solvency decrease from 57% (pre-IFRS 16) to 44% (post IFRS 16) is mainly caused by IFRS 16 accounting, a sound financial basis.

**Revenue / FTE increase in line with changing profiles**

Increase of 1% is mix of tariff and more value added consulting activities.

**Indirect costs**

Ongoing outlays in new business development and recruitment. The costs related to strategic initiatives and the realisation of acquisitions and partnerships were at a higher level in 2019 and amounted to €0.7 million (2018: €0.3 million).
REVENUE BY CUSTOMER

TOP 10 ACCOUNTS FOR 43% OF TOTAL (2018: 43 %)

Increased diversification

Loyal customers, steady top accounts with limited new entrants

More geographical diversification due to acquisition of Additude.

More inter/multinational customers in top
REVENUE BY CATEGORY

ACCELERATION IN PROJECTS

Favourable market circumstances

Growth in time hire (30%) is caused by Additude acquisition.

Growth (18%) in projects is mainly caused by organic growth in projects in the Netherlands.

Increase in other is coming from Additude’s recruitment services.

Growth in recurring (7%) is mix of decline in traditional license fees compensated with growth in SaaS revenues.

![Revenue Split by Category](chart.png)

- Projects: €64,7 (2018), €76,4 (2019)
- Other: €13,1 (2018), €14,3 (2019)
EMPLOYEE DEVELOPMENT

HIGH ATTRITION IN SWEDEN

The attrition numbers have our attention

Attrition in Headcount is 16.2% in 2019 (2018: 13.8%)
Attrition in FTE is 15.5% in 2019 (2018: 12.4%)

At 31 December 2019 ICT employs 1,468 people.

Netherlands: Inflow higher than outflow. Attrition in 2019 remains on the same level as 2018.

Bulgaria: Inflow higher than the outflow. Attrition 2019 remains on the same level as 2018.

Sweden: Outflow slightly higher than inflow, offset by more freelance professionals.
SEGMENT REPORTING
Following management reporting lines
ENGINEERING R & D

UNCERTAIN MARKET CIRCUMSTANCES

Revenue

€ 40.6 m
+ 5% (2018: € 38.8 m)

EBITDA (pre IFRS 16)

€ 5.5 m
(2018: € 6.0 m)

**Organic growth of 5%**

In this segment, ICT is active in the R&D of the industrial sectors Automotive, High Tech and Machine Building.

In the first half of the year this segment benefited from the high demand in the Automotive industry which translated into a strong performance.

In the second half market developments across the spectrum of industries ICT serves weakened. The abrupt termination of a number of projects significantly impacted profitability of this segment during the second half of the year.

**Post IFRS 16 EBITDA amounted to € 6.7 m**
INDUSTRIAL AUTOMATION

IMPROVED PERFORMANCE

Improved productivity and project results

In the Industrial Automation segment, Logistics & Transport, Industry and Outsourced services are the main business units for ICT.

In the first half ICT divested Raster Products. Raster Industrial Automation remains part of the ICT Group. Port Logistics showed good growth in revenue and profitability, all other units showed a stable performance.

Post IFRS 16 EBITDA amounted to € 5.9 m
INFRA & MOBILITY

RESULTS IMPACTED BY START-UP LOSSES IN MAAS

Lower productivity within infrastructure activities

In the public domain ICT focuses on services around capital assets in the area of Water, Energy, Road and Rail infrastructure as well as Mobility. InTraffic improved its margin to the average ICT Group level.

The Infra & Mobility segment experienced lower productivity in the Energy and Water & Infrastructure activities and results were also impacted by the upfront outlays in Mobility as a Service.

Post IFRS 16 EBITDA amounted to € 3.9 m
HEALTHCARE TECHNOLOGY

INTEGRATION INTO ONE HEALTHCARE UNIT

100% ownership of BMA; Further integration within ICT Group

To strengthen the efficiency of the total Healthcare offering, the integration of the different activities into one ICT Healthcare, which started in the first half of the year, is now completed.

Although the part of the healthcare market ICT serves stagnated, sales of foetal heart monitors increased, which resulted in an improved performance compared to last year.

This performance was offset by a weak performance of the other secondment activities in the Healthcare entity.

Post IFRS 16 EBITDA amounted to € 0.7 m
BULGARIA

STRONG PROFITABLE GROWTH REALISED

Improved performance, back to target margins

In Bulgaria, the nearshoring activities realised healthy growth in both revenue and EBITDA, mainly driven by ongoing demand for nearshoring services.

The economies of scale are translating in better margins. The investments in the past period are bearing fruit and the nearshoring activities are performing within the desired margin bandwidth again.

To further enlarge its nearshoring position in Bulgaria, ICT acquired two start-up companies in 2019, Kodar and Up2. Kodar closely collaborates with the University of Plovdiv, which increases ICT’s access to technical talents in the second largest city of Bulgaria. With Up2 ICT gains access to talents in the world of app development.

Post IFRS 16 EBITDA amounted to € 2.7 m
Additude consolidated as from February 2019

With the acquisition of Additude in January this year, ICT expanded to Sweden.

The integration into the ICT Group is complete and cross selling opportunities are being exploited.

Given the business model of Additude, with a large pool of freelancers, it operates below the average ICT margin.

Productivity in the second half was lower than anticipated, which impacted the margins.

Post IFRS 16 EBITDA amounted to € 0.6 m
OTHER

SMALL ENTITIES AND HOLDING COSTS

Revenue

€ 12.5 m

+ 31% (2018: € 9.5 m)

EBITDA (pre IFRS 16)

€ - 4.6 m

(2018: € - 2.0 m)

Ongoing outlays in business development

In the segment ‘Other’, Improve showed a slightly lower performance.

OrangeNXT doubled its revenue in 2019, driven by product development and new customers. Despite this successful year of operations, OrangeNXT posted start-up losses.

Holding costs increased as a result of higher M&A costs.

Post IFRS 16 EBITDA amounted to € - 4.0 m
## CONSOLIDATED STATEMENT OF INCOME

(x € 1,000)

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>155,469</td>
<td>129,854</td>
<td>19,7%</td>
</tr>
<tr>
<td>Cost of Materials and subcontractors</td>
<td>26,546</td>
<td>15,680</td>
<td>69,3%</td>
</tr>
<tr>
<td>Employee benefit expenses</td>
<td>91,486</td>
<td>78,667</td>
<td>19,3%</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>11,562</td>
<td>4,950</td>
<td>134,0%</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>20,911</td>
<td>24,033</td>
<td>-13,0%</td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td>150,525</td>
<td>121,330</td>
<td>24,1%</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>4,944</td>
<td>8,524</td>
<td>-42,0%</td>
</tr>
<tr>
<td>Financial expenses</td>
<td>(1,124)</td>
<td>(886)</td>
<td></td>
</tr>
<tr>
<td>Financial income</td>
<td>104</td>
<td>261</td>
<td></td>
</tr>
<tr>
<td>One-off accounting gains</td>
<td>679</td>
<td>4,083</td>
<td></td>
</tr>
<tr>
<td>Result from joint ventures</td>
<td>0</td>
<td>58</td>
<td></td>
</tr>
<tr>
<td>Result from associates</td>
<td>(901)</td>
<td>(443)</td>
<td></td>
</tr>
<tr>
<td><strong>Result before taxes</strong></td>
<td>3,702</td>
<td>11,597</td>
<td></td>
</tr>
<tr>
<td>Income tax expense</td>
<td>(1,031)</td>
<td>(2,099)</td>
<td></td>
</tr>
<tr>
<td><strong>Net profit</strong></td>
<td>2,671</td>
<td>9,498</td>
<td>-71,9%</td>
</tr>
</tbody>
</table>

**Earnings per share:**

- Basic earnings per share (in €)
  - 2019: 0.27
  - 2018: 0.99
# CONSOLIDATED BALANCE SHEET

As at year end 2019

<table>
<thead>
<tr>
<th>Assets</th>
<th>2019 (x 1,000)</th>
<th>2018 (x 1,000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NON-CURRENT ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant &amp; equipment</td>
<td>3,655</td>
<td>4,018</td>
</tr>
<tr>
<td>Right-of-use assets</td>
<td>13,134</td>
<td>-</td>
</tr>
<tr>
<td>Goodwill</td>
<td>37,457</td>
<td>28,871</td>
</tr>
<tr>
<td>Other intangible assets</td>
<td>21,251</td>
<td>16,594</td>
</tr>
<tr>
<td>Investment in joint ventures</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Investment in associates</td>
<td>912</td>
<td>1,159</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>373</td>
<td>266</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>1,590</td>
<td>210</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>78,372</strong></td>
<td><strong>51,118</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CURRENT ASSETS</th>
<th>2019 (x 1,000)</th>
<th>2018 (x 1,000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade and other receivables</td>
<td>39,354</td>
<td>36,288</td>
</tr>
<tr>
<td>Corporate income tax receivable</td>
<td>915</td>
<td>58</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>5,769</td>
<td>6,178</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>124,410</strong></td>
<td><strong>95,642</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Equity and liabilities</th>
<th>2019 (x 1,000)</th>
<th>2018 (x 1,000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SHAREHOLDERS’ EQUITY</td>
<td><strong>54,543</strong></td>
<td><strong>54,224</strong></td>
</tr>
<tr>
<td>NON-CURRENT LIABILITIES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred tax liabilities</td>
<td>3,912</td>
<td>3,583</td>
</tr>
<tr>
<td>Share-based compensation and long-term employee benefits liabilities</td>
<td>482</td>
<td>464</td>
</tr>
<tr>
<td>Loans (long-term)</td>
<td>13,423</td>
<td>4,962</td>
</tr>
<tr>
<td>Deferred acquisition consideration (long-term)</td>
<td>3,600</td>
<td>-</td>
</tr>
<tr>
<td>Lease liabilities (long-term)</td>
<td>8,488</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td><strong>29,905</strong></td>
<td><strong>9,009</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CURRENT LIABILITIES</th>
<th>2019 (x 1,000)</th>
<th>2018 (x 1,000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade payables</td>
<td>5,837</td>
<td>4,032</td>
</tr>
<tr>
<td>Corporate income tax payable</td>
<td>86</td>
<td>1,075</td>
</tr>
<tr>
<td>Other taxes and social security premiums</td>
<td>8,996</td>
<td>8,979</td>
</tr>
<tr>
<td>Loans (short-term)</td>
<td>6,540</td>
<td>3,548</td>
</tr>
<tr>
<td>Deferred acquisition consideration (short-term)</td>
<td>747</td>
<td>3,689</td>
</tr>
<tr>
<td>Lease liabilities (short-term)</td>
<td>4,617</td>
<td>-</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>13,139</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td><strong>39,962</strong></td>
<td><strong>11,086</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TOTAL EQUITY AND LIABILITIES</th>
<th>2019 (x 1,000)</th>
<th>2018 (x 1,000)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>124,410</strong></td>
<td><strong>95,642</strong></td>
</tr>
</tbody>
</table>

**Solvency**

43.8% 56.7%
CONSOLIDATED CASH FLOW STATEMENT

Cash position 31/12/2018

Cash position 31/12/2019

Net cash flow from operations

Net cash flow from investments

Net cash flow from financing

Cash position 31/12/2019

€ 14.4 m

€ - 17.6 m

€ 2.8 m

€ 5.8 m

Operations

€ 14.4 m

(2018: € 11.1 m)

Investments

€ - 17.6 m

(2018: € - 10.2 m)

Financing

€ 2.8 m

(2018: € - 0.9 m)
STRATEGY AND OUTLOOK

Jos Blejje
PROUD of what we achieved

156 MILLION EUROS revenue in 2019

1,500 EMPLOYEES all over Europe

10% EBITDA margin

1978 Founded

Listed on Euronext Amsterdam in 1997

Customer satisfaction 8.0

Present in 5 COUNTRIES
Our Ambition
Evolution towards a European player

A Technology Player Able to Serve International Customers

International Expansion
By means of existing solutions and services which have proven to be successful

Accelerate nearshoring
An answer to the shortage of the right technical talents

Software and solutions (as a service)
Grasping the opportunity of high growth areas and industries with our software as a service solutions
FOCUS FOR 2020

**Margin recovery**
Short term focus will be on improving productivity

**International expansion**
Focus on further growth a.o. in Germany, Belgium and Scandinavia

**Create synergies with Additude**
Additude to sell ICT solutions in Sweden.
Foundation of Additude Netherlands has been established

**Grow nearshoring activities**
Broaden the scope of our nearshoring activities from embedded software to industrial automation

**Next step in Smarter Cities**
Create the engineering company of the future starting with the merger of activities between NedMobiel and Proficium
Start new activities in Asset management control

**ICT Healthcare Technology Solutions**
Focus on deployment next generation of MOSOS in obstetrics

**Continue the rapid growth of OrangeNXT**
Market the SaaS solutions internationally

**Realise indirect cost savings**
Reduce the organisational complexity
Less legal entities / extend shared service center approach
OUTLOOK

- ICT remains fully focused on profitable growth and will continue to execute its buy-and-build strategy; combining healthy organic growth with selective acquisition opportunities.

- ICT sees demand in the markets in the first half of 2020 to be in line with the second half of 2019. The global economic circumstances are anticipated to remain uncertain in 2020. Despite these uncertainties we do see ongoing demand for digital transformation projects.

- ICT remains fully committed to deliver on the objective of increasing annual revenue to between € 200 and € 230 million by 2022, with a targeted EBITDA margin between 13% and 15% (including IFRS 16 effects).
Well positioned to reach **OUR 2022 AMBITION**

- **€ 105 M** (2017 A)
- **€ 156 M** (2019 A)
- **€ 200 - € 230 M** (2022 E)

Maintain organic growth and margins
- Organic growth > 5%
- EBITDA margins between 13 - 15 %