



Smartwares® on Descartes Customer day

22 January 2015

smartwares®

# Introduction Smartwares®

2

*Smart & accessible products for home & personal care*

- Smartwares® is a fast-growing consumer goods company offering a rich selection of smart home essentials: Crisp, clever, well designed products to use in and around the home.
- Solid financial basis:
  - Sales: EUR 480 million
  - EBITDA: appr. 5 % of total sales
  - Total Assets: EUR 240 million
  - Equity to Total Assets: 35%
  - Leverage: < 2 x EBITDA
- H2 Equity Partners is the majority shareholder  
ABN AMRO Participations and NPM Capital hold minority positions



# Smartwares® consumer goods

*Leading player in 4 product arenas*

3

## Business arenas

### Home Improvement



### Home Monitoring



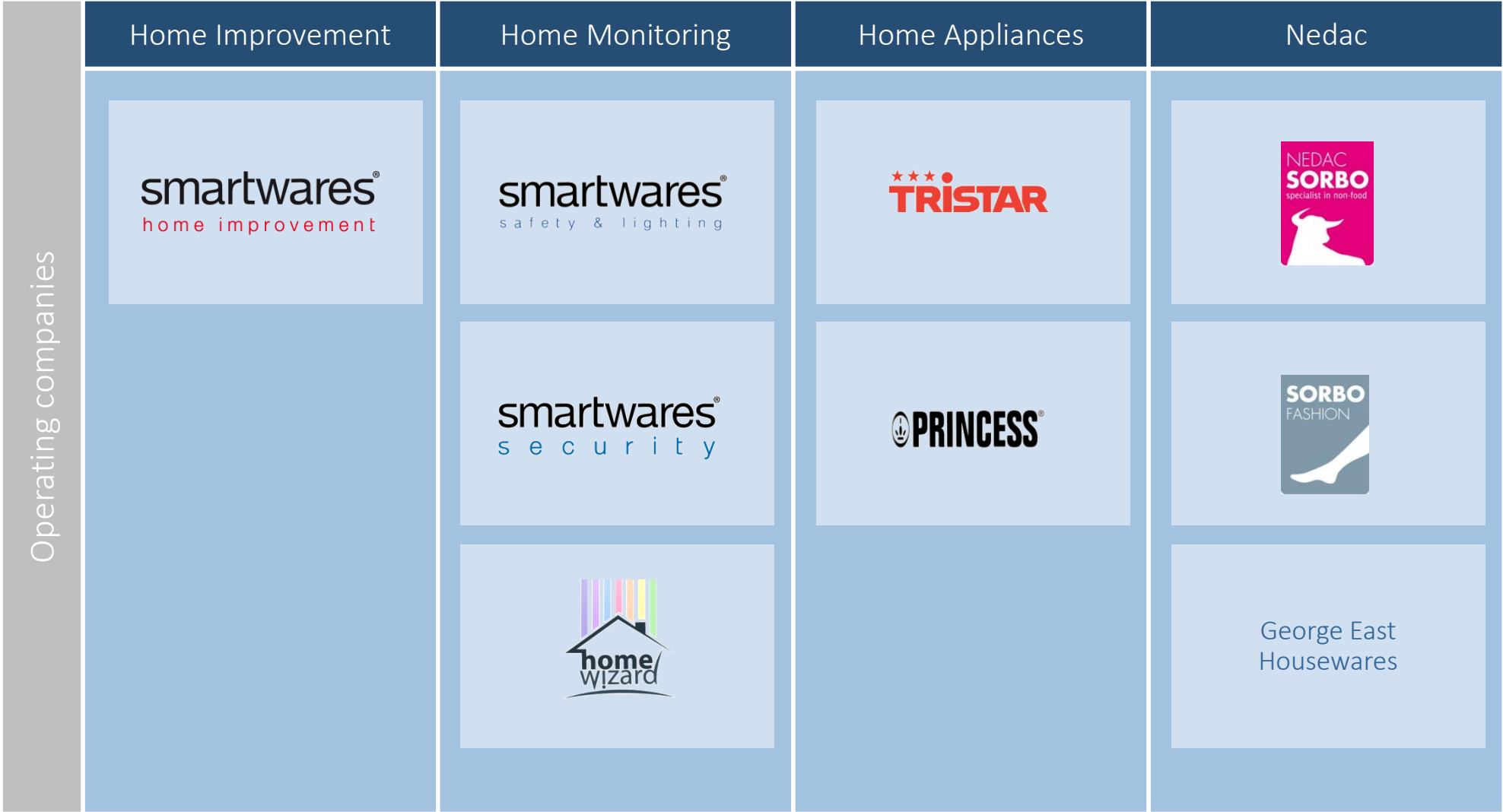
### Home Appliances



### Nedac



# Smartwares® Company Structure





# Smartwares® consumer goods

*The market is on fire*

5

- European consumer goods markets are highly competitive and face challenging economic conditions
- Demand: under pressure
- Consumers: on the move; from traditional A-brands to value propositions
- Retail: on the move; from offline to online// from midmarket to value propositions
- Competition: struggling to adept to this new reality



# Smartwares® consumer goods

6

*Smartwares® has delivered double digit growth each year*

- We recognized in this particular time frame the opportunity to outpace competition and emerge as the winner in this arena. Driven both by autonomous growth and market consolidation.
- With an average market decline of -/- 5% in the last 3 years, Smartwares® has delivered double digit growth each year

We implemented a 3 pillar strategy:

1. Autonomous growth
2. One Smartwares
3. Market Consolidator



# 1. Autonomous growth

## Focus on the SMART-segment

7

### Position to win

- In all global consumer markets the SMART segment is the winning one (H&M, Zara, IKEA)
- SMART meaning offering real value for consumers and retailers at aggressive prices
- NOT the traditional A brand domain of (some) value add but at inflated price premiums
- NOT the traditional commodity domain with no real value add

### Excellent execution

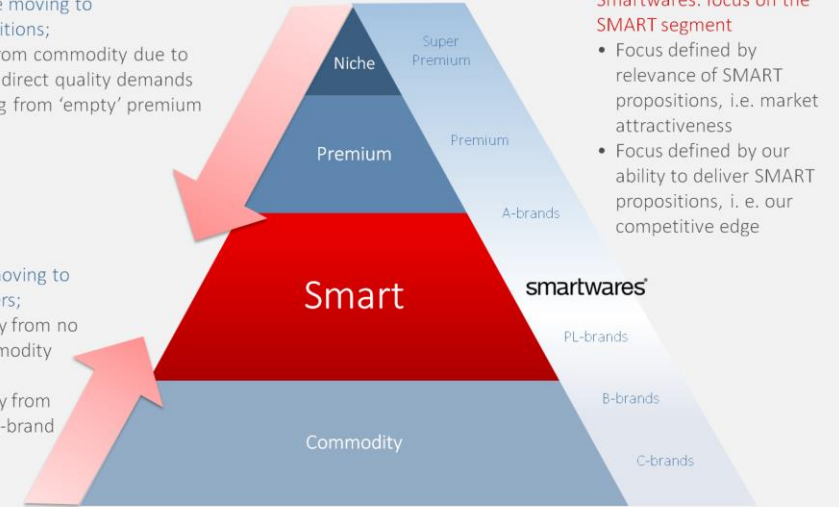
- Being the fast follower; revisit, reduce, refine the offering in our categories
- Work with retailers to develop differentiated category plans for them
- Be the leader in online development
- Focus on a high innovation & renovation rates
- Apply Smartwares® branding

Consumers are moving to SMART propositions;

- Upgrading from commodity due to indirect and direct quality demands
- Downgrading from 'empty' premium A brands

Retailers are moving to SMART suppliers;

- Moving away from no quality commodity suppliers
- Moving away from traditional A-brand suppliers



# Smartwares® Customers

*Europe's top retailers*

8



Carrefour



Auchan



bol.com

colruyt



OBI



Champion

KONZUM

ACTION

jbc



amazon.com

veritas

SATURN

MediaMarkt



Kruidvat

castorama

Kaufland

BAUHAUS

makro

BABOU  
TOUT A PRIX FOUS

HORNBACH

HEMA

PRIMARK



## 2. One Smartwares®

9

*One coherent set of entrepreneurial businesses that share a single lean and agile delivery machine*

### Building one platform

- One system, one way-of-working
- Highest quality AND lowest cost in the industry
- One Back office (Finance, HR, ...)
- One IT (Business Applications/ERP, Office Automation, Commercial infrastructure ie online/social)
- One Supply Chain

### Building multiple, business value add focused,

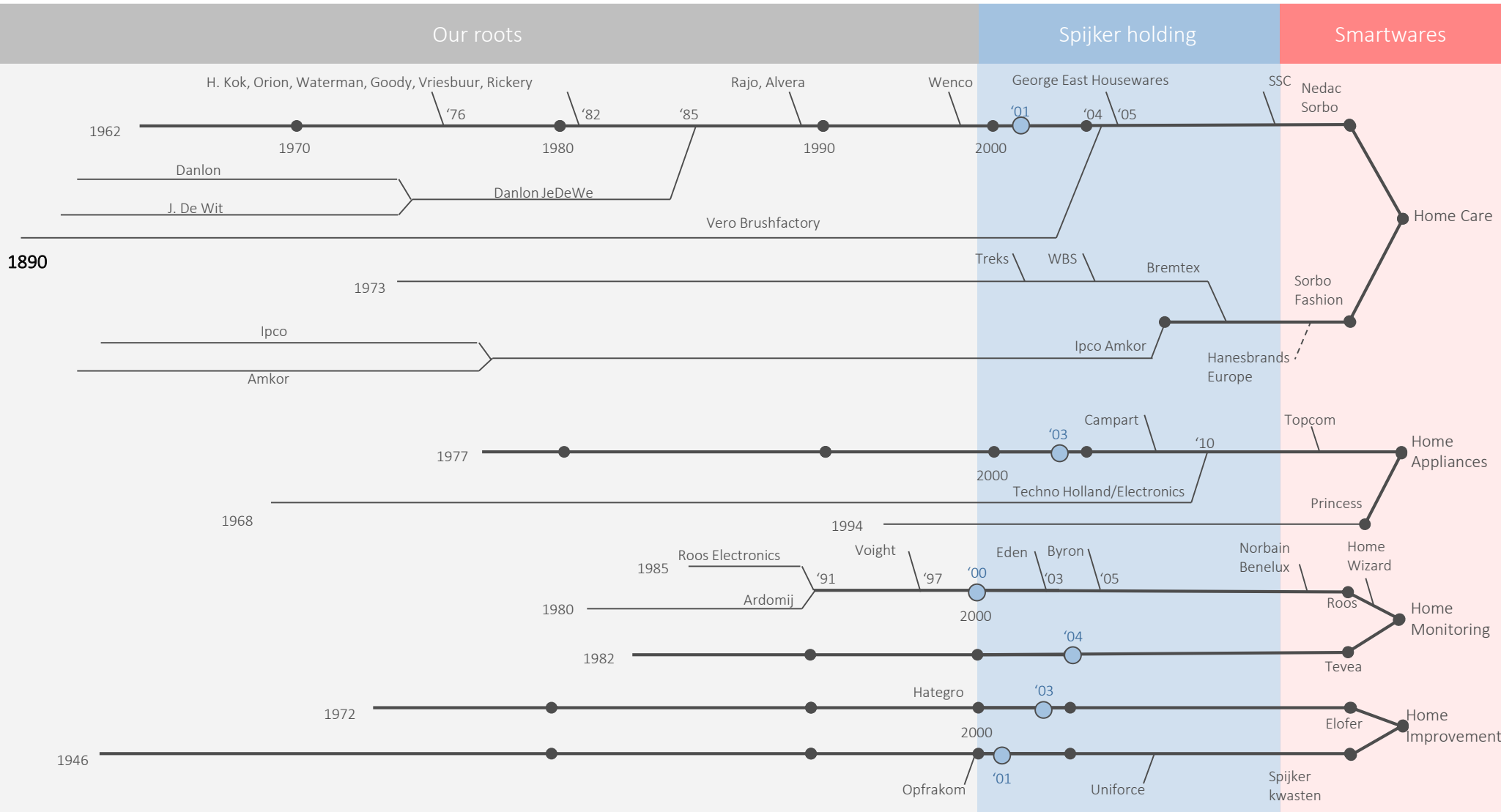
### Operating Companies

- Full business ownership
- All differentiating value chain functions (development/purchasing/marketing/category management/sales)



# 3. Acquisitions

Over 30 acquisitions since 2001, and accelerating



# Building one IT platform, the User perspective...

- Business people **should have** IT systems that help them to realize their enterprise value targets (more sales, more margin, less cost, more efficient wc).
- Business people **should have** no doubts on the functioning of basic IT tools (workplaces, printers, wifi, mobile phones, etc).



# Building one IT platform, One business application suite...

