

KENDRION N.V.**P R E S S R E L E A S E****1 0 S e p t e m b e r 2 0 2 0****Kendrion's Capital Markets Day 2020: full focus on future organic growth**

Today, Kendrion is hosting its Capital Markets Day for investors and analysts, presenting strategic priorities and new targets for 2025

Kendrion's strategy aims to deliver a number of ambitious targets for 2025:

- Grow organic revenues by at least 5% on average per year; with 2019 revenue as the baseline
- An EBITDA margin of at least 15% in 2025
- A return on invested capital, excluding acquisition related intangibles, of above 25% in 2025
- Maintaining our dividend policy to distribute 35% to 50% of net profits

In the presentation, Kendrion will provide more insight into its main sources of organic growth: Autonomous, Connected, Electrified and Shared mobility in Automotive, Industrial Brakes for robotics, wind power and internal logistics, and China. China's growth is supported by extensive opportunities in both the Automotive and the Industrial segments, and the continuation of investments in local capabilities, manufacturing capacity, and supply chain.

Over the past five years, Kendrion drastically simplified the organisation, significantly reducing its cost base. Kendrion has transformed into a global, more centralised group, with a clear, unified strategy and a matching, collaborative culture. Following the successful acquisition of INTORQ in January 2020, Kendrion's Automotive and Industrial activities each represent approximately 50% of Kendrion's revenue and growth potential. The balance between these two will provide a natural hedge against cyclical going forward.

Joep van Beurden, Kendrion CEO: "I am proud of what we have achieved with Kendrion over the past years. We changed from a decentralised organisation into a truly unified and global group. We have unity of purpose in our three Business Units, which are all consistently working towards our medium-term financial targets. As a global niche leader, we have a unique and strong market position, a resilient and agile organisation, and we share a strong culture as a global team of actuator specialists."

We are ready for the future, and ready to capitalise on the growth opportunities we have identified in Automotive, Industrial Brakes and China. Our strategy is aimed at creating long-term value for all our stakeholders, while maintaining a solid financial profile."

As a global niche leader, Kendrion has identified and invested in market segments with an opportunity for sustainable and profitable growth: Automotive, Industrial Brakes and China. Together, these areas represent around 80% of the revenue base. Despite a cyclical downturn in Automotive and the COVID-19 pandemic, which has affected financial performance, Kendrion's overall position has substantially improved over the past two years:

- Automotive: significant progress with our Lighthouse platforms thanks to investments in a range of exciting new smart products for hybrid and electrified cars. The demand for these platforms is expected to grow substantially, as electrified and hybrid vehicles proliferate.
- Industrial Brakes: Kendrion has further improved its already strong position with the acquisition of INTORQ in a market that is expected to grow by more than 5% per year.

- China: We have grown our revenue by more than 20% per year since 2016. With a full project pipeline, and ample opportunity for additional projects, Kendrion is planning to open a 25,000 m² factory in Suzhou to accommodate further growth.

In the short-term, the global economy is severely impacted by the effects of COVID-19, and we expect this to continue for the remainder of 2020 and possibly into 2021. In the medium to long-term, as a leader in niches with strong underlying growth and an improved foundation, Kendrion is well-positioned to pursue and deliver organic growth of at least 5% over the next five years.

Today's presentation starts at 11:00 CET and will be webcast live. A link to the webcast and all relevant information will be published on the [Kendrion website](#).

Profile of Kendrion N.V.

Kendrion develops, manufactures and markets high-quality electromagnetic systems and components for industrial and automotive applications. For more than a century, we have been engineering precision parts for the world's leading innovators in passenger cars, commercial vehicles and industrial applications. As a leading technology pioneer, Kendrion invents, designs and manufactures complex components and customised systems as well as local solutions on demand.

We are committed to the engineering challenges of tomorrow, and taking responsibility for how we source, manufacture and conduct business is embedded into our culture of innovation. Rooted in Germany, headquartered in the Netherlands and listed on the Amsterdam stock exchange, Kendrion's expertise extends across Europe to the Americas and Asia. Created with passion and engineered with precision.

Amsterdam, 10 September 2020

The Executive Board

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