

TRANSFORMING THE ORGANIZATION FOR MORE GROWTH

TAKKT has initiated an organizational realignment called TAKKT 4.0. A core element of this is the focus on two business models for two distinct customer types. We aim to achieve accelerated growth with the more compact structure.

Up to now, TAKKT had followed a portfolio approach in terms of the organization of the Group. This entailed managing seven divisions in parallel, each with their own separate business model. This steering and organizational model was reaching its limits. With TAKKT 4.0, the Group will now have a more compact structure with a stronger focus on two distinct customer types. In order to do this, TAKKT will implement the two business

models of Omnichannel Commerce and Web-focused Commerce in B2B direct marketing and is restructuring its organization accordingly. While the Omnichannel Commerce segment is aimed at the more complex requirements of quality- and service-oriented business customers, Web-focused Commerce addresses more price-conscious business customers with less complex needs.

Goals of the transformation



Accelerated
growth



Clearer market
positioning



Faster
decision-making
processes

Focus on two business models for two customer types

WEB-FOCUSED
COMMERCE

OMNICHANNEL
COMMERCE

Focusing on these two business models enables us to position ourselves more clearly in the market and meet the different requirements of the two customer types in terms of products, service and quality. The new structure will also allow us to promote different management and working cultures in both segments and align ourselves with the dynamics of the respective market environment. The result will be greater entrepreneurial freedom for both segments, with each one managed by a member of the TAKKT Management Board.

The transformation of the organization will entail a more functionally oriented organizational structure with the responsibilities reallocated into the three organizational levels (Group, segments, business units). The stronger integration of functions allows improved scalability within the two segments. Future

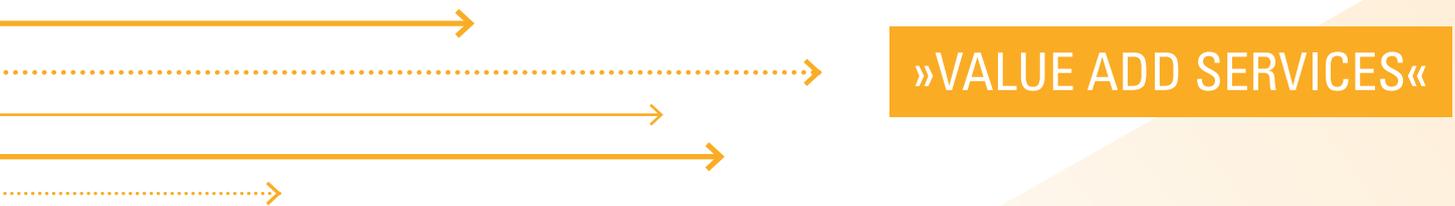
acquisitions will also be integrated more closely than before into the structures of a segment and thereby contribute more to value generation.

TAKKT sees untapped potential in the continuous development of its operational functions. The implementation of best practice solutions as well as continuous improvement processes will be intensified by introducing new management approaches and steering methods.

The transformation of the organization will be done gradually until the target structure is attained and is expected to take two to three years. Due to the more compact and easily scalable setup, we expect to achieve a clearer market positioning, faster decision-making processes and, ultimately, accelerated growth.

OMNICHANNEL COMMERCE

With numerous points of contact via online channels, print advertising and key account managers as well as an extensive range of service offerings, the Omnichannel Commerce segment primarily addresses quality- and service-oriented B2B customers with complex requirements.



Our businesses in the Omnichannel Commerce segment focus on excellent quality and comprehensive service. Products are sold through several channels. The online offering is combined with print marketing as well as tele and field sales as part of an integrated approach. The aim is to make the procurement of equipment as easy as possible for customers. This starts with preselected products and a carefully curated range. Customers can choose between various product versions depending on the application and are supported with personal advice – also on site, if needed. Customer-specific solutions, project business (e.g., CAD planning), assembly and maintenance services, long warranty periods and availability guarantees complete the comprehensive range of services.

This broad scope of services is especially appreciated by large and medium-sized companies that strive for maximum procurement process efficiency and have high demands when it comes to product quality. For this, they

count on reliable, long-standing established business partners. Accordingly, the customer relationships are more loyal and enduring, which is reflected in the high share of business with existing customers. Due to the international positioning, customers of the Omnichannel segment can expect the same professional delivery of business equipment at all locations. The Omnichannel activities are also able to link their product ranges to the IT systems of our customers via various e-procurement solutions. Sustainability is also becoming a growing factor in the purchasing decisions of these customers. In keeping with this trend, for example, we use carbon-neutral shipping and offer carbon-neutral products.

Organizationally, the business activities of KAISER+KRAFT, ratioform and NBF are part of the Omnichannel Commerce segment. Even though Hubert and Central are following a slightly different business model and TAKKT is exploring strategic options for both, they will initially fall under this segment.

Quality- and service-oriented B2B customers



 Professional preselection

 Service

 Personal advice

 Premium quality

 E-procurement

 Individual solutions

 Sustainability

COMPLEX REQUIREMENTS

WEB-FOCUSED COMMERCE

The Web-focused Commerce segment and its product offerings are geared to the less complex requirements of transaction-oriented and more price-conscious B2B customers. This customer group is mainly addressed through online channels.



»BEST VALUE FOR MONEY«

Our web-focused businesses offer a broad product range with fewer services at an attractive price level. This addresses business customers with comparatively less complex requirements. These are generally small and medium-sized businesses. Products from the entry-level price segment are often sufficient for the needs and applications of these customers. At the same time, our web-focused activities also offer personal advice (by phone or chat).

The purchasing behavior of more price-conscious B2B customers is less regular and loyal than that of more

service-oriented customers. Accordingly, the share of business with new customers in the Web-focused segment is significantly higher than in the Omnichannel segment. Our web-focused businesses therefore focus on effective search engine optimization (SEO and SEA) and online marketing activities for attracting new customers, while offering the easiest and quickest digital searching and ordering process possible for individual transactions.

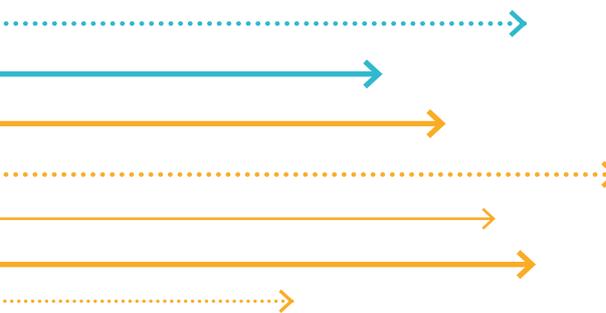
The business activities of Newport and Displays2go are bundled in the Web-focused Commerce segment.

More price-conscious B2B customers



OUR MISSION STATEMENT

OUR COMPANY PURPOSE



**WE MAKE IT
EASY TO CREATE
GREAT WORK
ENVIRONMENTS.**

The TAKKT Group specializes in B2B distance selling for business equipment with the aim of operating in attractive markets with its business units and brands and growing faster than the competition. It focuses on selling durable and less price sensitive equipment and special items to business customers in various industries and regions. The product ranges that are offered mostly encompass durables that companies use for their business activities. TAKKT concentrates on two business models – Omnichannel and Web-focused Commerce. The Omnichannel Commerce segment addresses business customers with complex requirements by using multiple points of contact and a broad range of service offerings via online channels, key account managers and print advertising. The Web-focused Commerce segment gears its offerings to the less complex requirements of transaction-oriented and more price-conscious B2B customers mainly through web shops.

The customer is the focus of our activities. Along with a preselected assortment, advice and service also play an important role. Our two segments have made it their goal to offer their respective customer type the most efficient and easiest way to procure business equipment. We do this by continuously adapting our business to suit the changing needs of customers.

Our actions are guided by our Core Behaviors as well as our principles of sustainability. We actively contribute to protecting the environment and preventing climate change. We take responsibility for our products along the entire value chain. We are also committed to the concerns of our employees and those in our society. We want to be the role model for sustainability in our industry by taking a targeted and systematic approach.

OUR CORE BEHAVIORS

Our Core Behaviors define and explain what is expected of each employee in their daily work. They drive the cultural change within the TAKKT Group and serve as a basis for regular performance reviews.



THINK CUSTOMER FIRST

We make it easy to do business with.
Our customer is the center of everything we do.



EMPOWER OTHERS

We engage our employees through open feedback,
collaboration, transparency and teamwork.



IMPROVE EVERY DAY

We challenge the status quo and quickly embrace change.
We keep it simple and impactful.



TAKE OWNERSHIP

We are accountable for our targets and always deliver
on our commitments.

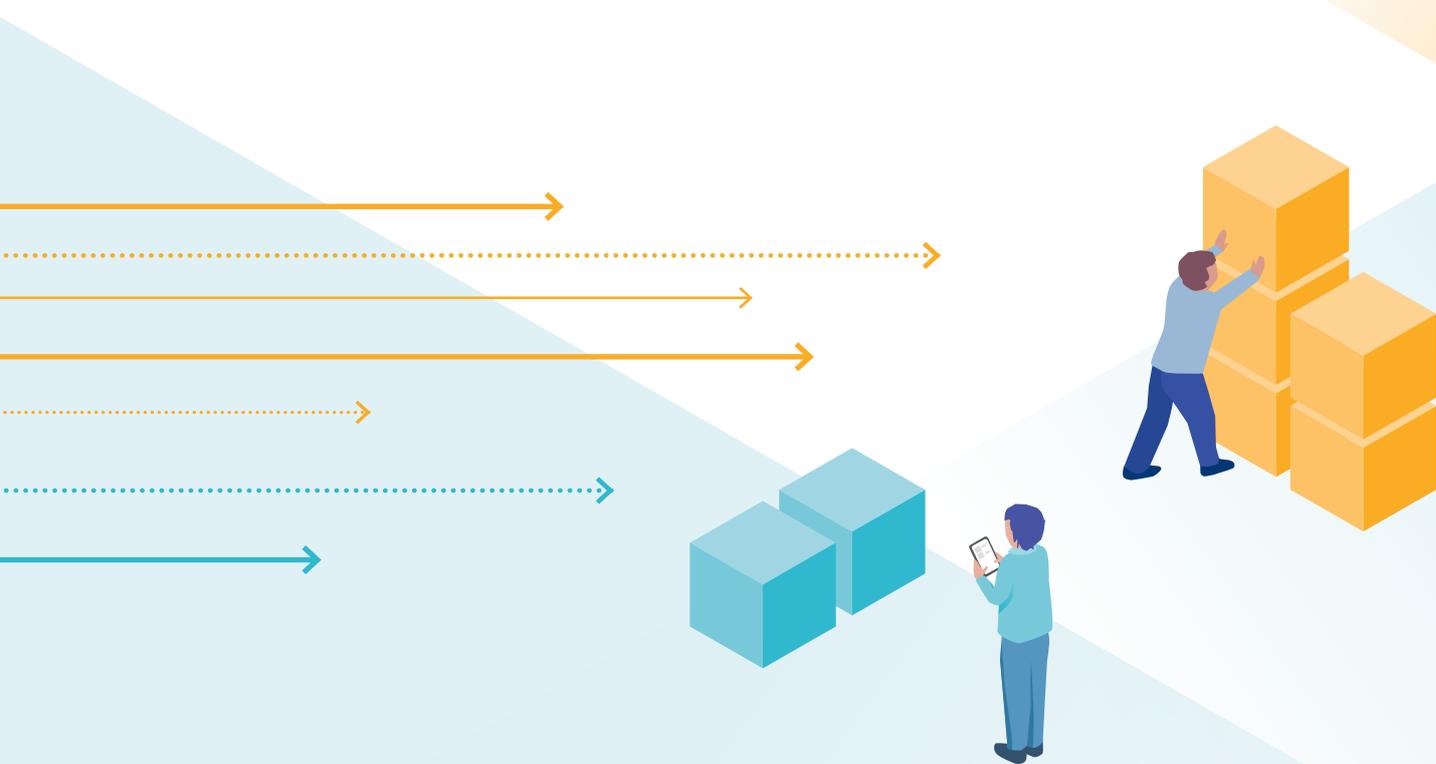


COMPETE FOR SUCCESS

We are determined to win with a clear drive to reach our
goals. We have the courage to make difficult decisions.

OUR SEGMENTS

TAKKT is the leading B2B distance seller for business equipment in Europe and North America. The Group is represented with its brands in more than 25 countries. The product range of the subsidiaries comprises more than a million products for the areas of plant and warehouse equipment, office furniture, transport packaging, display articles and equipment for the food service industry, hotel market and retailers.



OMNICHANNEL COMMERCE



WEB-FOCUSED COMMERCE

KAISER+KRAFT
RATIOFORM
NBF
HUBERT
CENTRAL

NEWPORT
D2G



OMNICHANNEL COMMERCE

BUSINESS UNITS	BRANDS	KEY FACTS
KAISER+KRAFT	KAISER+KRAFT gaerner [®] Germans RUNELANDHS	1,070 Employees 110,000 Products
RATIOFORM	ratioform	320 Employees 7,000 Products
NBF	 	220 Employees 26,000 Products
HUBERT	HUBERT [®] RETAIL RESOURCE <small>WHERE STORES SHOP</small>	250 Employees 250,000 Products
CENTRAL	Central RESTAURANT PRODUCTS	140 Employees 510,000 Products

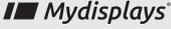
PRODUCT EXAMPLES



As a supplier of business equipment, KAISER+KRAFT offers products for transport, plant, warehouse and office equipment in more than 20 European countries. As a packaging specialist, ratioform sells a complete range of products in five European countries for companies in different industries as well as customer-specific packaging solutions. NBF offers an extensive range of office furniture products in the US. Some examples of products are office chairs and desks, conference tables and furniture for reception areas.

In North America, Hubert sells equipment for the food service industry and food retail sector as well as merchandising products. Products include buffet equipment such as serving platters and food baskets. Central offers restaurant operators products through active telephone sales, the web shop and a catalog. The product range includes all the equipment and supplies required for the operation of small to mid-sized restaurants. Some examples of products are kitchen stoves and freezers.

WEB-FOCUSED COMMERCE

BUSINESS UNITS	BRANDS	KEY FACTS
NEWPORT	     	310 Employees 115,000 Products
D2G	 	310 Employees 13,000 Products

PRODUCT EXAMPLES



Newport bundles young, web-focused businesses that cater primarily to the needs of small and medium-sized business customers in different European countries and product areas. In the UK, the product specialist OfficeFurnitureOnline offers office furniture through its web shop. BiGDUG, an online direct marketer for business equipment specializing in storage and shelving also serving the UK, supplies its customers with shelving systems and workbenches. Certo sells plant and office equipment in the DACH region and France. Mydisplays provides products such as custom-printed advertising banners and mobile display systems to a broad customer segment in Germany.

Davpack supplies companies in the UK, Sweden and Germany with a wide range of boxes and packaging. The company XXLhoreca, acquired in 2019, sells large and small kitchen appliances, kitchen equipment and accessories, primarily in the Benelux countries, France and Germany.

D2G includes the web-focused brands Displays2go and Post-Up Stand, which offer display products in the US. Sales are carried out mostly online. Products include advertising banners, printed and digital display stands, mobile trade booths and fixtures.