

CUSTOMER CENTRICITY

"We are evolving our strategic direction, working to increase share of wallet with our existing customers and broadening our customer base in new segments, adjacencies and geographies."

Eric Updyke
Chief Executive Officer

What we achieved

In 2019, we expanded the key account management programme initiated in 2018 into more of our important global accounts and continued to ramp the programme's account-based marketing element. We expanded channel coverage in the eastern Asia, Middle East and Central/South America regions, grew our government business and established new direct channels to enhance our coverage of the enterprise market.

Priorities for 2020

- Grow share of wallet with our existing customers through further expansion of our key account management and account-based marketing programme.
- Broaden our reach and relevance in new segments such as cloud service providers, enterprises and government, and into new geographies.
- Deliver even more value to customers through the evolution of our sales and marketing organisation and by offering more solutions/services.



INNOVATION FOR GROWTH

"As a global leader in testing and assurance, it's vital that we invest to stay ahead on key emerging technologies. To maintain our leadership in key areas such as 5G, cloud and cybersecurity, we invested 19.2 per cent of revenue on research and development in 2019."

Eric Updyke
Chief Executive Officer

What we achieved

Our research and development investment included enhancing features, functionality and automation to expand our addressable customer base. We invested in strategic partnerships, including 5G with National Instruments and in growing recurring revenue streams with more software. We also invested in our people, adding senior leadership with additional capabilities and experience and initiating a "Leader. Assured." development programme.

Priorities for 2020

- Invest in infrastructure and talent to further expand our key account and account-based marketing programme.
- Invest in growing recurring revenue through our services delivery capability and increased software content in our solutions.
- Invest to make our products even easier for customers to use, improving their efficiency and reducing their time to revenue.

OPERATIONAL EXCELLENCE

“We are focused on cash generation and maintaining a strong balance sheet. Our results, including our improved operating margin, demonstrate strong operational discipline and dedication to our competitive cost structure.”

Eric Updyke
Chief Executive Officer

What we achieved

2019 saw continued focus on cash generation and a strong balance sheet, with \$183.2 million of cash. We improved our adjusted operating margin by 2.2 percentage points to 18.4 per cent. We began a new initiative to improve the overall efficiency and effectiveness of our sales and marketing organisations. We also began our evolution to a more agile, collaborative organisation, adding new talent and more change agents.

Priorities for 2020

- Fully implement our efficiency and effectiveness initiatives for our sales and marketing organisations.
- Continue to review our portfolio, with a view to growing it both organically and inorganically to align with our strategic objectives and our markets.
- Drive towards our objective of being an agile, collaborative organisation, capable of moving quickly to capture the full range of opportunities.