

# BRINGING NEW WORLDS OF WORK TO LIFE

German Corporate Conference  
January 18, 2023



## Summary: Highlights of our new story



TAKKT's Vision: Bringing new Worlds of Work to life



B2B equipment market with huge growth opportunities due to trend shifts



Strategy based on three pillars:  
Growth, OneTAKKT and Caring



2025 growth targets: EUR 2bn sales,  
EUR 240m EBITDA and EUR 150m free cash flow



Committed to environmental resources,  
people and customer success

# Business model

# BRINGING NEW WORLDS OF WORK TO LIFE

By caring about environmental resources,  
people and customer success.



# TAKKT supports customers in three specific worlds of work

**Customers'  
industries**

## Manufacturing, Warehouse



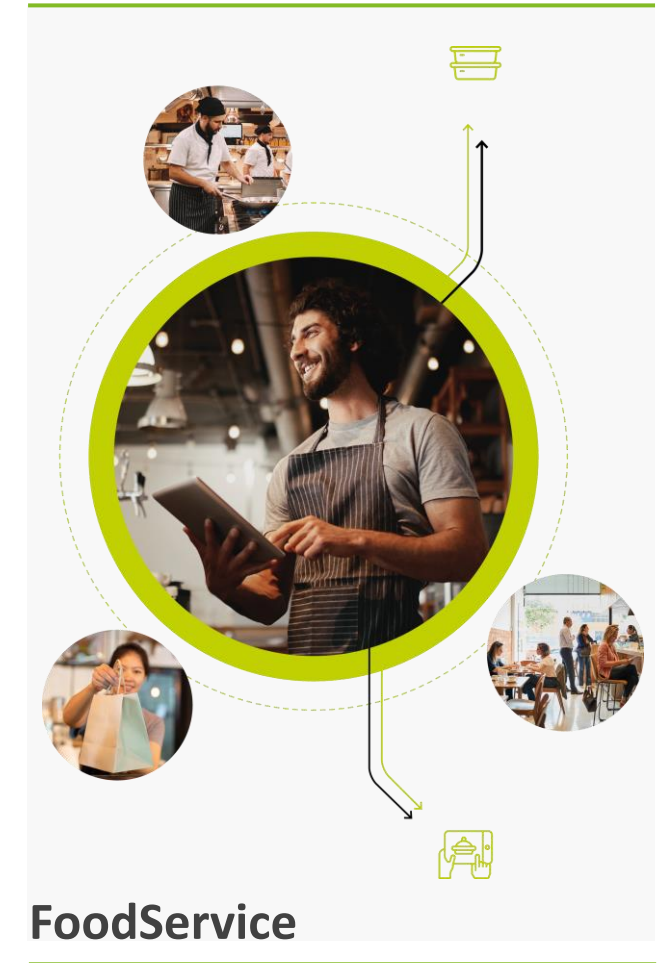
## Industrial & Packaging

## Service Industry



## Office Furniture & Displays

## Hotels, Restaurants, Catering



## FoodService

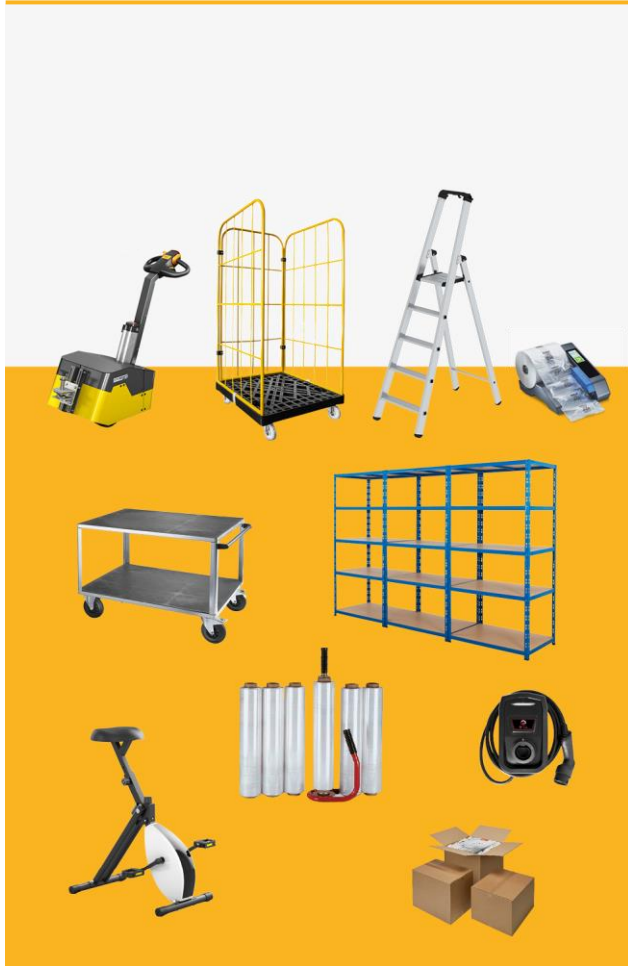
**TAKKT's  
divisions**



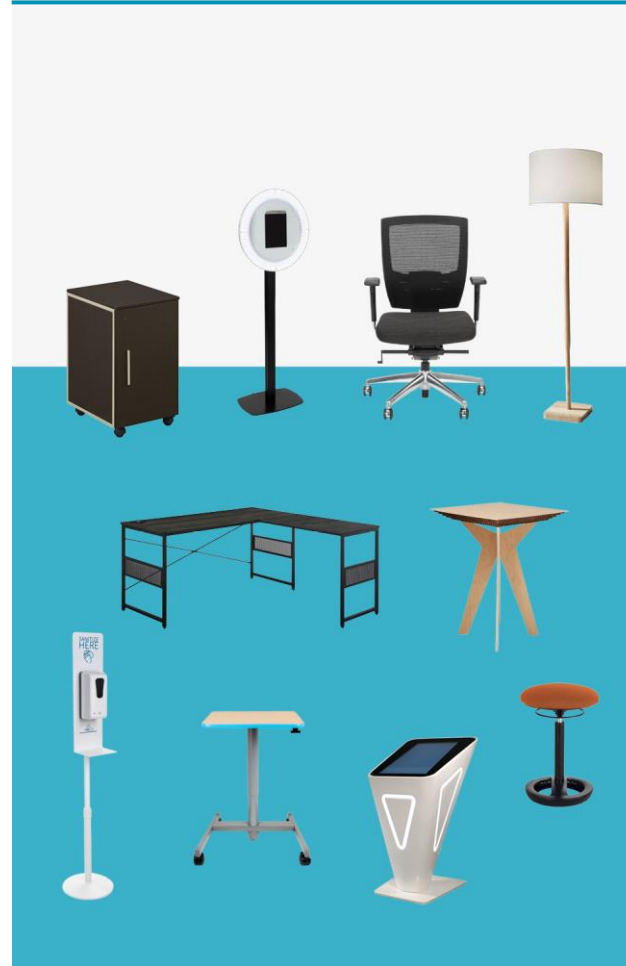
Our divisions are product specialists and sell equipment and specialties with an average order value of around EUR 500 in 2021

## Divisions

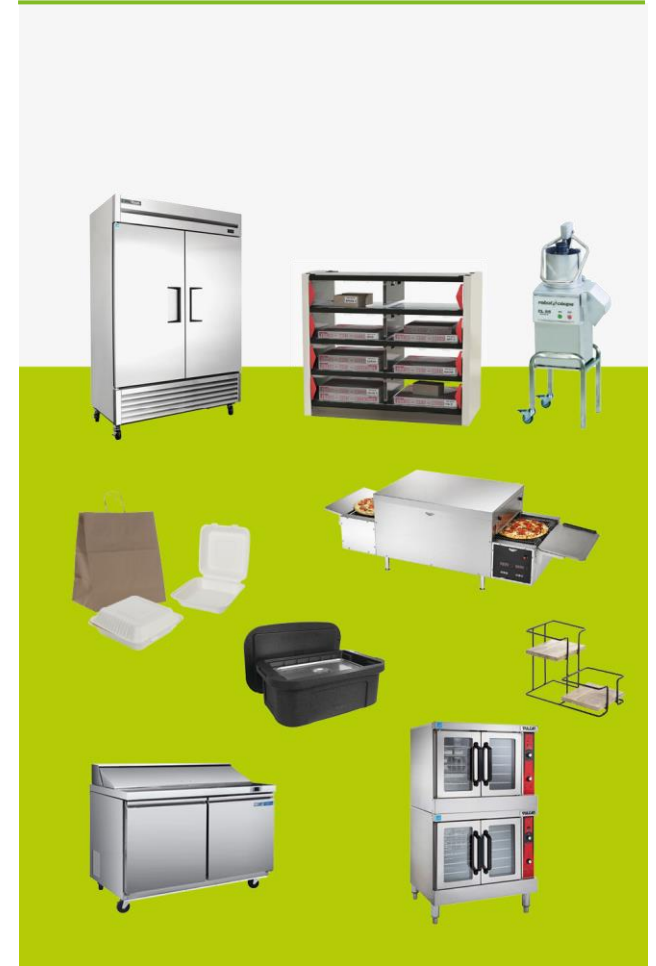
### Industrial & Packaging



### Office Furniture & Displays



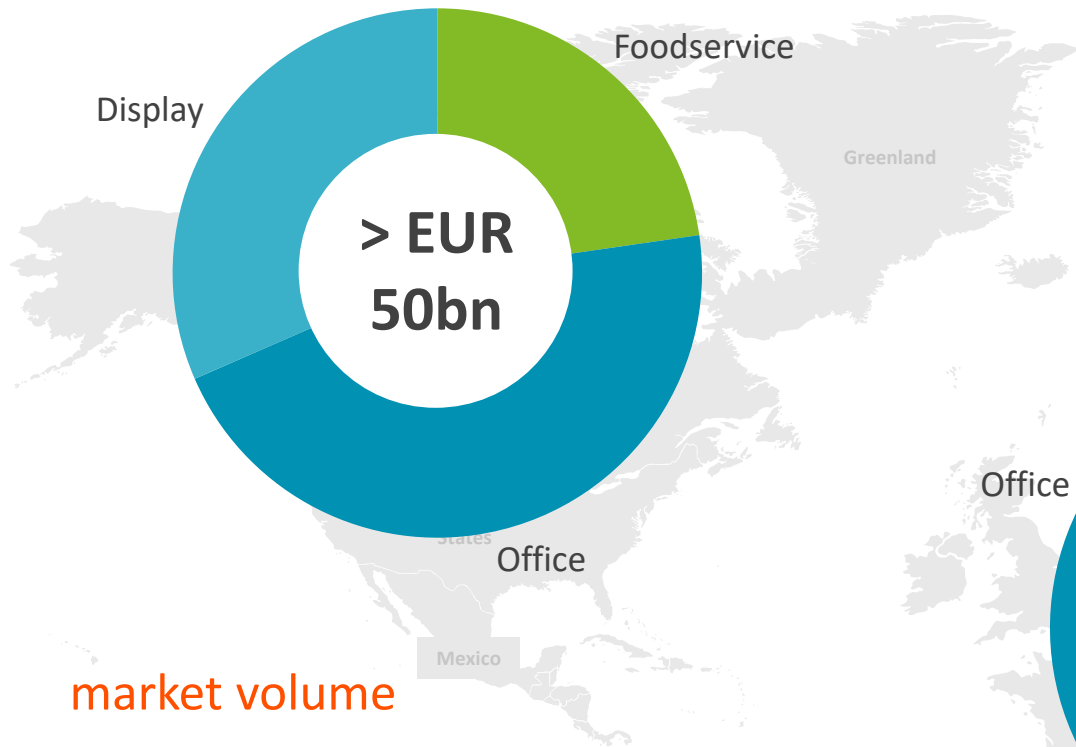
### FoodService



# Organizational structure with three customer-oriented divisions and integrated Group functions



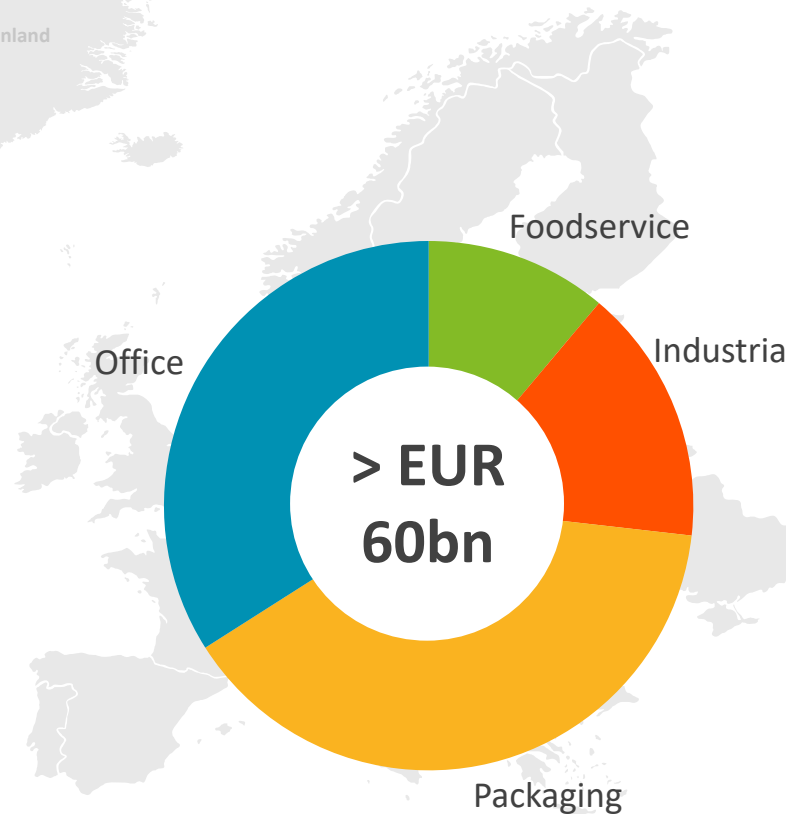
TAKKTs addressable market is > EUR 110bn in size and growing



market volume

**> EUR 110bn**

growing in line with  
or above GDP



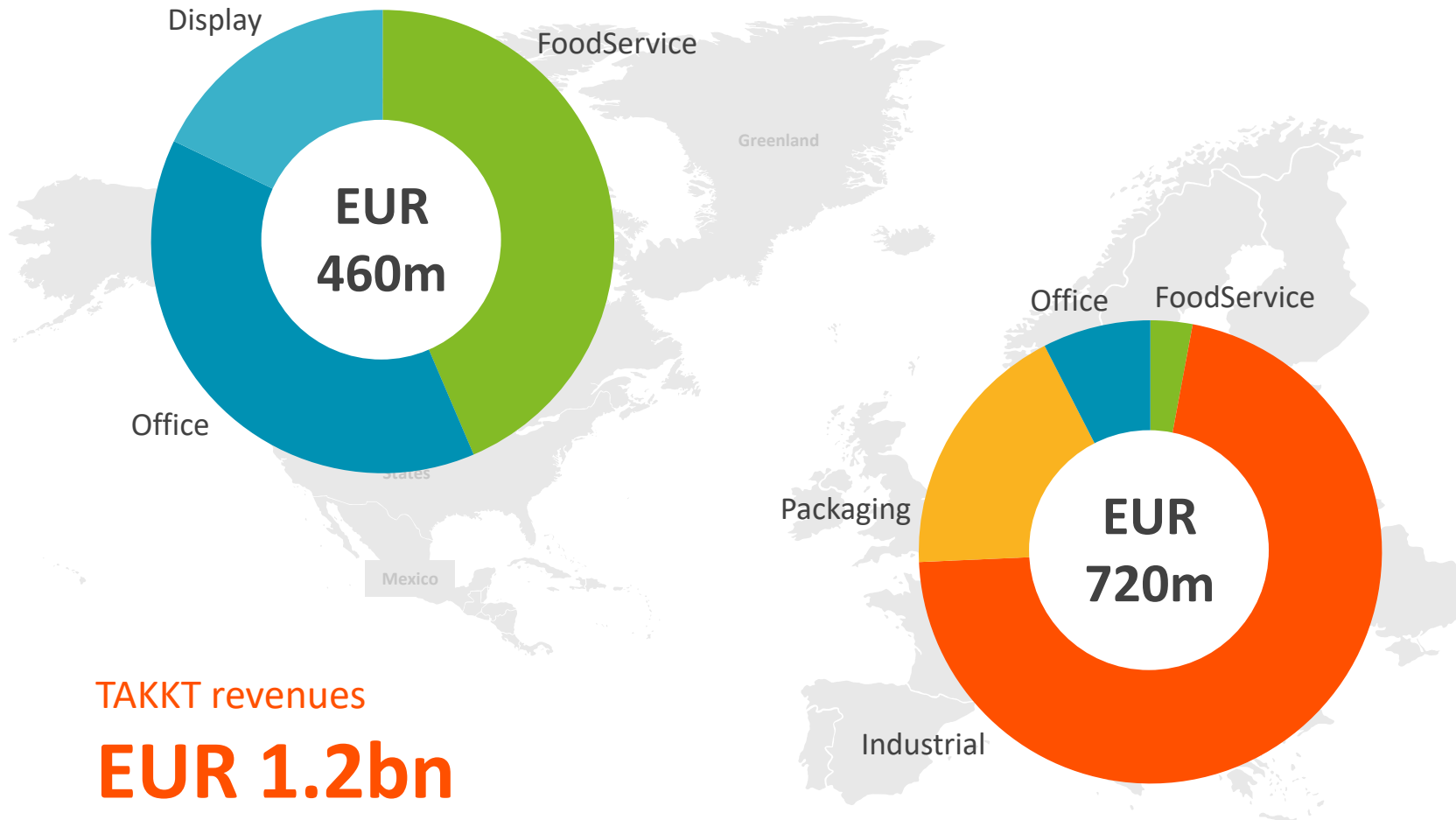
## Market:

- Large addressable market
- Growth in line with or above GDP
- Fragmented supplier structure
- Fragmented competition
- Fragmented customer segments

Room to grow for **TAKKT**



TAKKT's market share is currently around 1% leaving significant room for growth



TAKKT revenues

**EUR 1.2bn**

out of > EUR 110 bn market

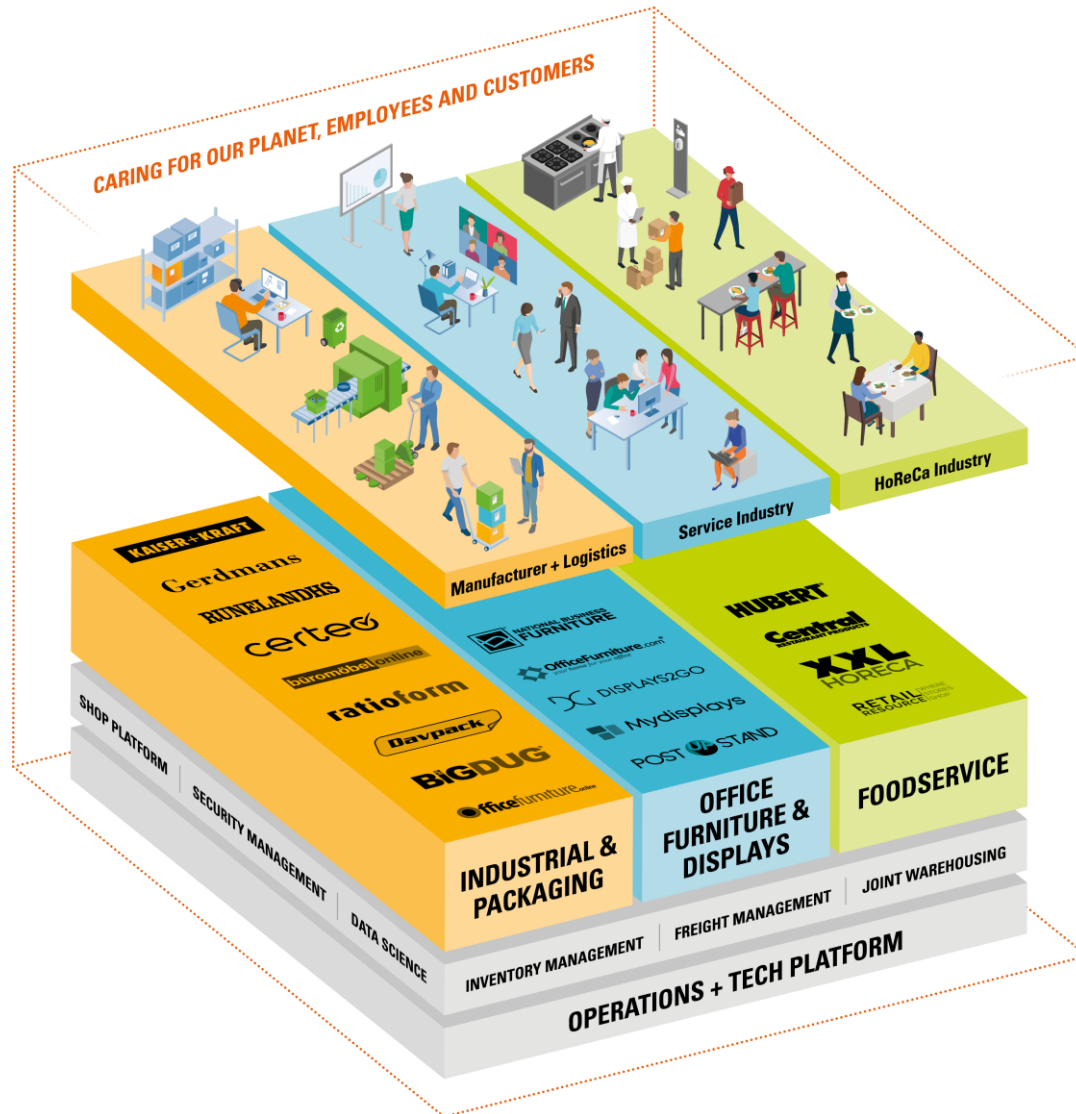
## TAKKT

- Strong presence in all markets (top 10 position in each)
- Large assortment
- Strong and long-term relationship with customers
- Depth of suppliers globally, strong long-term relationships

**Room to grow for TAKKT**

# Strategy

# Strategy builds on three pillars Growth, OneTAKKT and Caring



## TAKKT's strategic pillars

### Growth:

- Three divisions for three worlds of work
- E-commerce excellence
- Smart pricing

### OneTAKKT:

- Scalable platforms in supply chain & tech
- New collaboration and employee empowerment

### Caring:

- Strong customer and employee focus
- "Enkelfähig" products & circular business models

# We aim to deliver value via levers in Growth, OneTAKKT, and Caring

## Growth

Opportunity through **customer focus** via new division set-up

- E-commerce excellence
- Smart pricing/margin management
- Cross-selling/SoW
- Reposition Displays2go, Hubert, E4W

## OneTAKKT

Scalability and efficiency via **integration**

- Tech platform harmonization
- Integrated data platforms
- Global supply chain platform
- Integrated support functions

## Caring

Growth enabling additional **business opportunities**

- Increase customer focus
- Employee engagement
- Expand assortment of sustainable products and new circular business models

M&A to further accelerate

# Strategy implementation: Growth



- Successful integration of gaerner brand into KAISER+KRAFT
- Start of cross-selling in I&P by offering packaging products from ratioform brand to KAISER+KRAFT key accounts in September

## FOUNDATION

Enable stronger growth

- **Division integration:**
  - OneTeam in largest division I&P (integrated sales, marketing, ..)
  - Brand harmonization: From 20+ to less than 10
- **E-com excellence:** Standardized e-com performance management
- **Pricing:** Inflation management & Pricing strategy

# Strategy implementation: OneTAKKT



## FOUNDATION

Increase cost  
efficiency and  
scalability

- Group-wide contract pooling and renegotiation of container shipping leads to cost savings in 2022
- Centralization of UK warehouses (less locations, better efficiency)
- Introduction of Group-wide collaboration tool

- **Operations:**
  - Integrated Supply Chain Management
  - Warehouse network strategy and roadmap
- **IT:**
  - IT organization set up for integrated I&P and Group functions
  - IT strategy and roadmap



# Strategy implementation: Caring



- Rating of all products according to their sustainability impact in progress
- Around 20% of products in I&P already “enkelfähig”

## FOUNDATION

Focus on customers,  
employees and the  
environment

- **Our vision:** Bringing New Worlds of Work to life
- **Customers:** Evaluation of product categories along new Worlds of Work and customer segmentation/customer demand analysis
- **Environment:** Increase product transparency and explore options for circular business models (e.g. office furniture)
- **Employees:** Employer branding along new Worlds of Work and Change Management

# Financial and non-financial targets for 2025

## Growth

**Sales EUR 2bn**

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Organic growth: ø10% p.a.  
Organic e-commerce  
growth: ø15% p.a.



## OneTAKKT

**EBITDA EUR 240m**  
**Free TAKKT cash flow**  
**EUR 150m**

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Increase in profitability  
by 2-3 percentage points



## Caring

**cNPS of 60**  
**eNPS of 50**

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45% share of women in  
leadership positions  
40% share of  
“enkelfähig” products

# Financials

# Update on key topics 2022



## Economic environment and demand

While economic sentiment declined in Q3, demand was better than expected



## Inflation management

Still a high priority topic, we continue to pass on price increases to customers



## Managing the supply chain

Improved product availability due to inventory build-up in H1

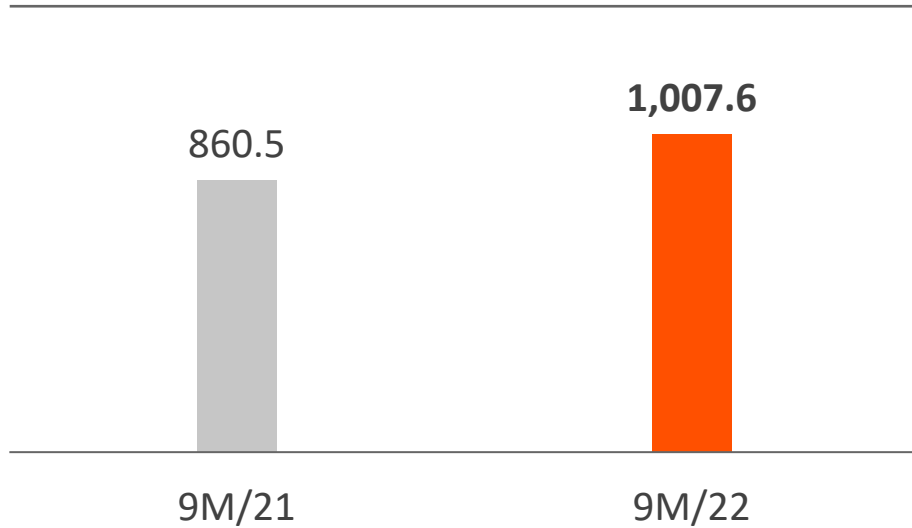


## Implement new strategy: Growth, OneTAKKT, Caring

Focus on integration in I&P, harmonization of sales brands and build up of Group functions

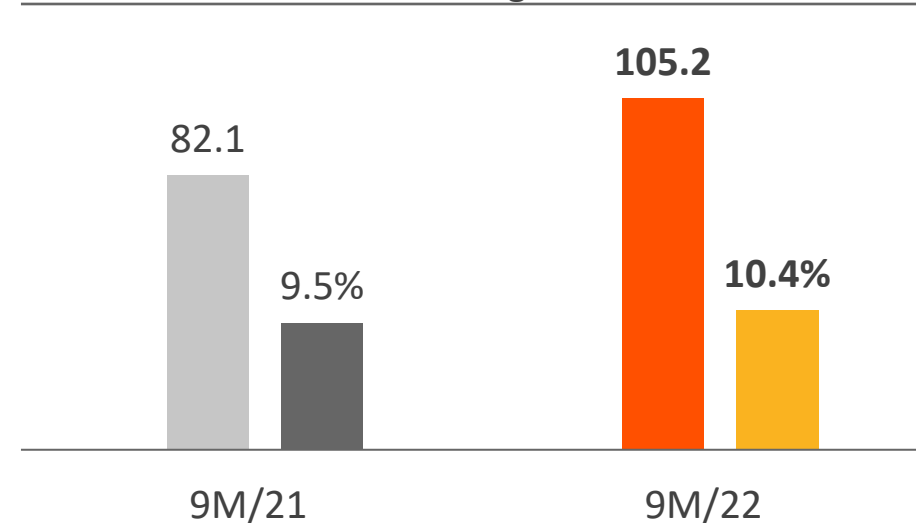
# TAKKT Group: Strong performance in an increasingly challenging environment

Sales (in EUR million)



- Sales increase by 17.1% with positive effects from currency fluctuations (6.5%), primarily from a stronger US-Dollar
- Double-digit organic sales increase of 10.6%
- Especially dynamic growth in the US with Office Furniture & Displays and FoodService divisions

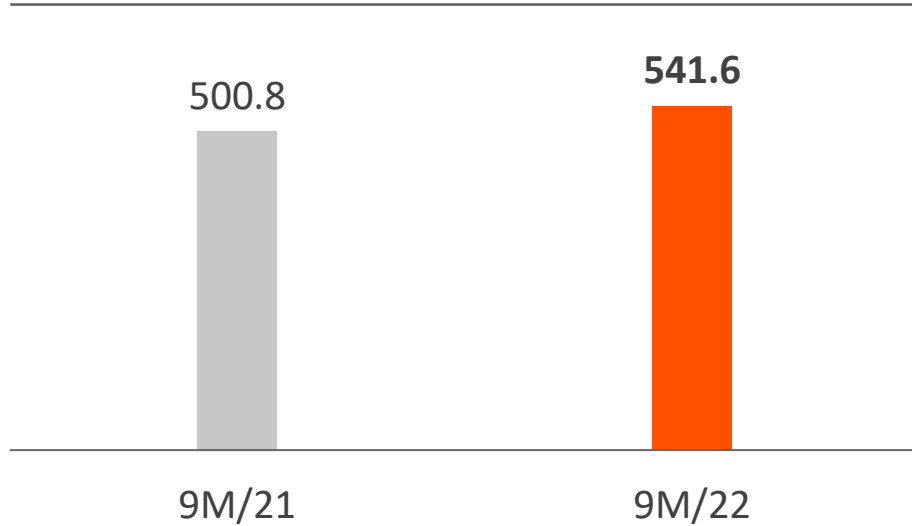
EBITDA (in EUR million) and margin (in %)



- Gross profit margin at 39.7% (40.3%) within the target range of around 40 percent
- EBITDA increased to EUR 105.2 (82.1) million
- Strong growth allowed for good operational leverage
- EBITDA margin improved to 10.4% (9.5%)
- Negative one-time effects of around EUR 4 million due to the organizational realignment (9M/21: slightly more than EUR 3 million)

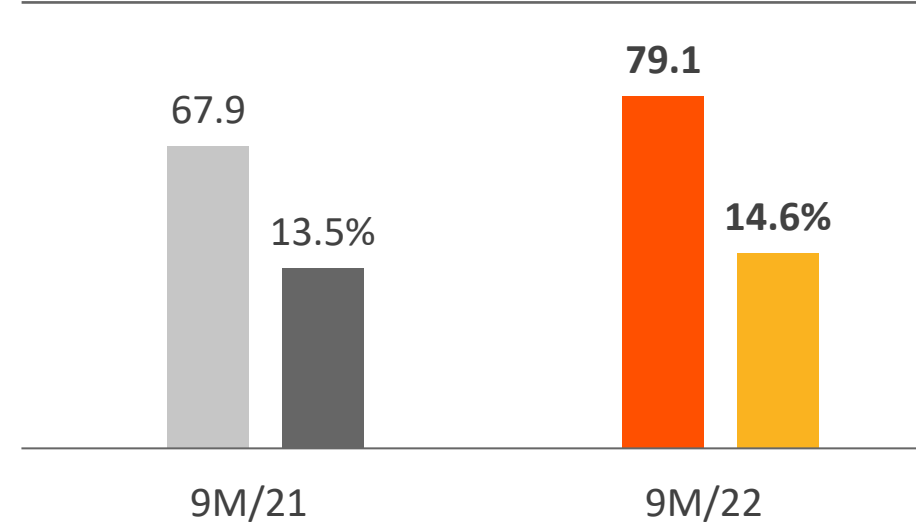
# Industrial & Packaging: Good organic growth in European activities

Sales (in EUR million)



- Sales increase by 8.1% with positive currency effects of 1.1%
- Organic sales growth of 7.0%
- All regions contributed to growth except for UK
- Particularly strong sales growth in Eastern Europe

EBITDA (in EUR million) and margin (in %)

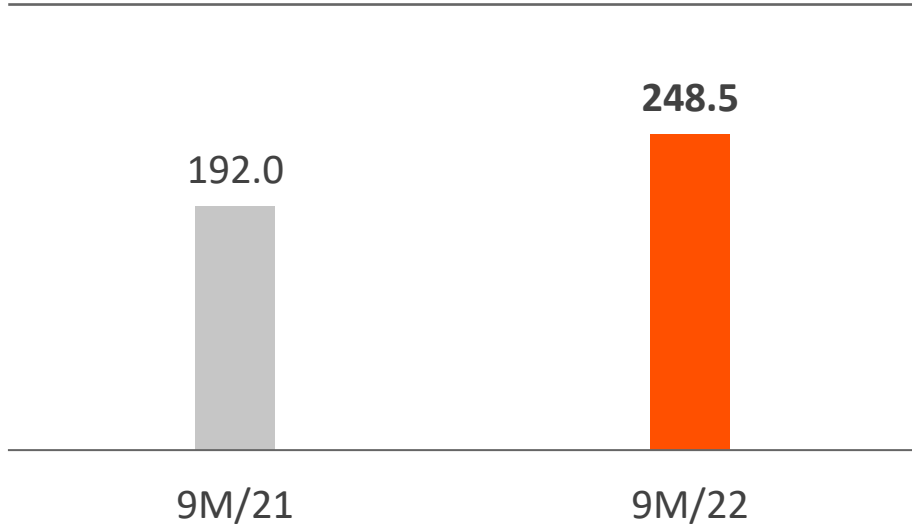


- EBITDA increased to EUR 79.1 (67.9) millions, EBITDA margin at 14.6% (13.5%)
- One-time costs of less than EUR 2 million due to structural adjustments



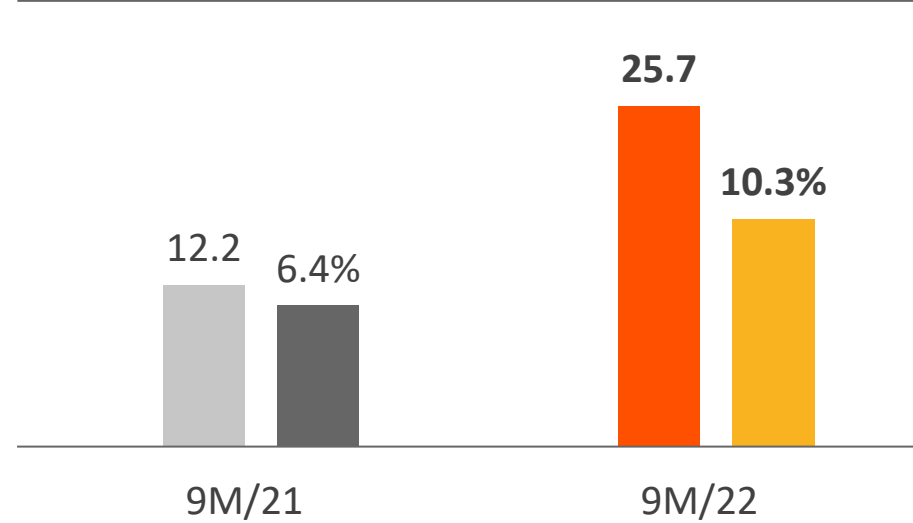
# Office Furniture & Displays: Double-digit growth at furniture and displays business

Sales (in EUR million)



- Sales increase by 29.5% with positive effects from currency fluctuations (14.3%)
- Strong organic sales growth of 15.2%
- Both business units achieved double-digit organic growth

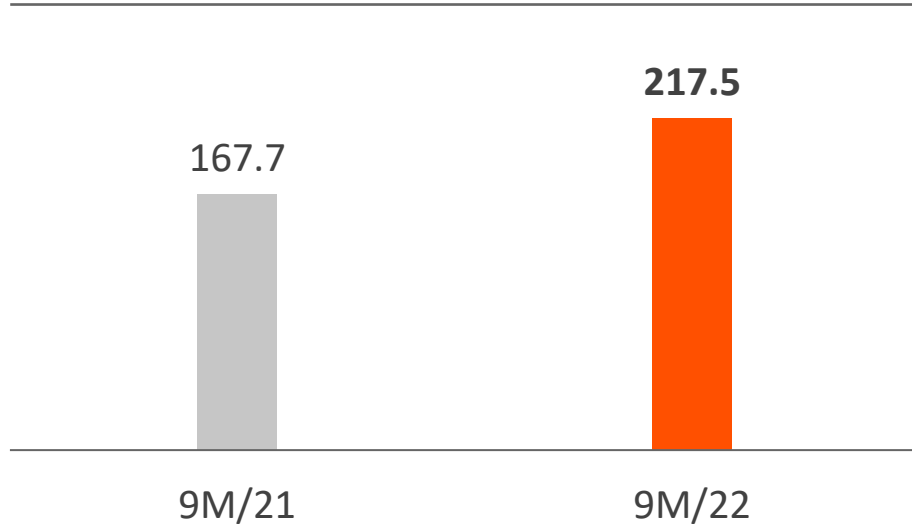
EBITDA (in EUR million) and margin (in %)



- EBITDA more than doubled to EUR 25.7 (12.2)
- Increase in earnings driven by strong growth, recovery in displays business and one-time costs of slightly more than EUR 3 million in the previous year
- EBITDA margin improved significantly to 10.3% (6.4%)

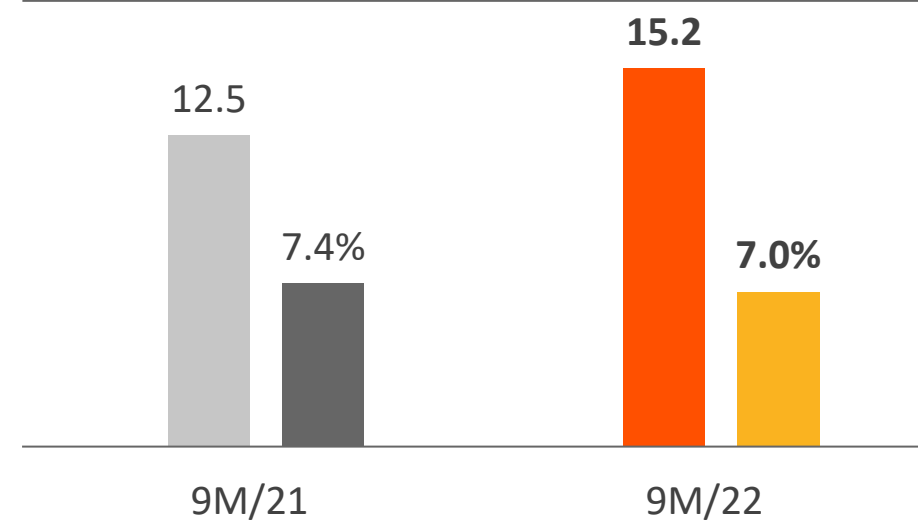
# FoodService: Continued recovery in US restaurant and foodservice markets

Sales (in EUR million)



- Sales increase by 29.7%, positive currency effects from a stronger US-Dollar of 13.6%
- Strong organic sales growth of 16.1% supported by both business units

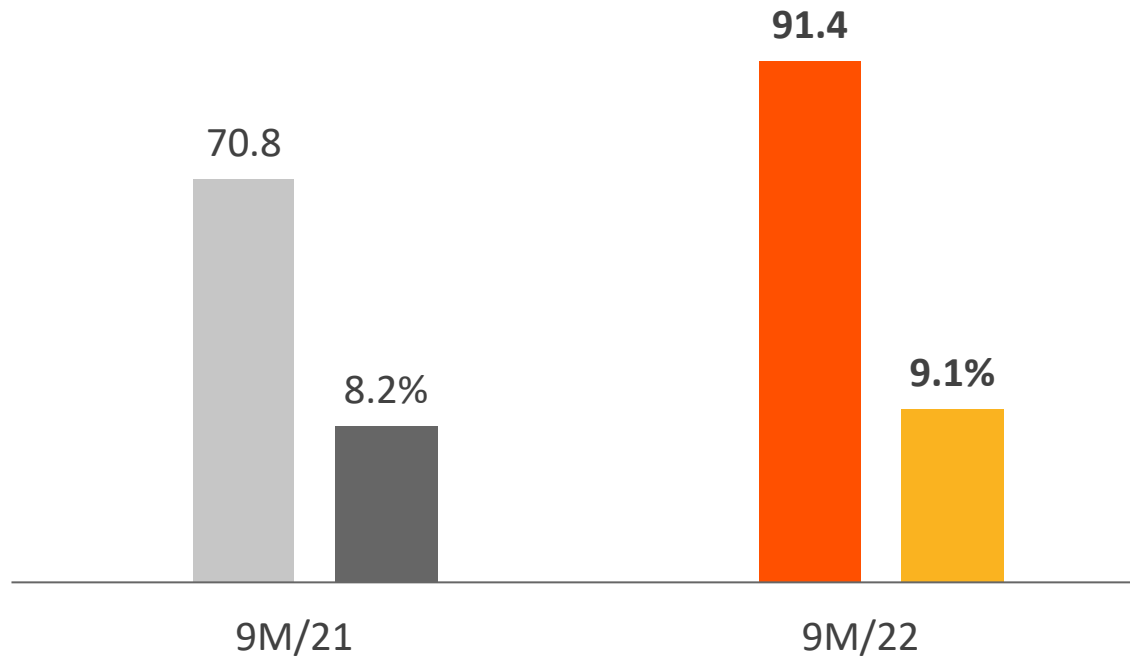
EBITDA (in EUR million) and margin (in %)



- EBITDA increased to EUR 15.2 (12.5) million due to the positive business development at Hubert
- EBITDA margin nearly stable at 7.0% (7.4%)

# Increase in TAKKT cash flow similar to EBITDA

TAKKT cash flow (in EUR million) and margin (in %)



<i>in EUR million</i>	9M/21	9M/22
Profit	41.6	46.6
+ depreciation/impairment	+28.4	+41.5
+/- deferred taxes expense/income	+1.4	-0.3
+/- other non-cash expenses/income	+2.2	+3.5
+/- result from non-cur. asset disposal	-2.8	+0.1
<b>TAKKT cash flow</b>	<b>70.8</b>	<b>91.4</b>

<i>in EUR million</i>	9M/21	9M/22
EBITDA	82.1	105.2
- financial result	-0.1	-3.0
- current taxes	-10.6	-14.4
+/- other non-cash expenses/income	+2.2	+3.5
+/- result from non-cur. asset disposal	-2.8	+0.1
<b>TAKKT cash flow</b>	<b>70.8</b>	<b>91.4</b>

## Strong free TAKKT cash flow generation in Q3

<i>in EUR million</i>	9M/21	9M/22	H1/22	Q3/22	
<b>TAKKT cash flow</b>	<b>70.8</b>	<b>91.4</b>	<b>58.9</b>	<b>32.5</b>	
Change in net working capital as well as other adjustments	-12.4	-58.0	-53.5	-4.5	• Significant increase in net working capital, due to build up of inventories to improve product availability and of trade receivables following growth
<b>Cash flow from operating activities</b>	<b>58.4</b>	<b>33.4</b>	<b>5.4</b>	<b>28.0</b>	
Capital expenditure in non-current assets	-11.8	-9.7	-6.9	-2.8	• Capital expenditure comparably low
Proceeds from disposal of non-current assets	+13.7	+0.3	+0.2	+0.1	• Cash inflow from sale of investments of EUR 13.4 million in prior year
<b>Free TAKKT cash flow</b> (for acquisitions, payout to shareholders and loan repayments)	<b>60.3</b>	<b>24.0</b>	<b>-1.3</b>	<b>25.3</b>	• Free TAKKT cash flow turned positive in Q3 and should further increase substantially in the last quarter

# Outlook 2022

# Organic sales growth

<i>Organic growth</i>	Q1/21	Q2/21	Q3/21	Q4/21	<b>2021</b>	Q1/22	Q2/22	Q3/22	<b>9M/22</b>
<b>TAKKT Group</b>	<b>-3.3%</b>	<b>24.6%</b>	<b>12.1%</b>	<b>14.4%</b>	<b>11.4%</b>	<b>18.9%</b>	<b>6.8%</b>	<b>7.0%</b>	<b>10.6%</b>
Industrial & Packaging*	3.6%	30.3%	13.5%	13.7%	14.5%	12.6%	5.8%	2.7%	7.0%
Office Furniture & Displays*	-14.8%	25.7%	13.7%	13.1%	8.1%	24.3%	11.8%	11.1%	15.2%
FoodService*	-8.6%	10.8%	7.1%	18.6%	6.7%	35.6%	4.1%	13.7%	16.1%

\* New division structure implemented at the beginning of 2022. The table shows the pro forma figures for 2021 in the new structure.



# Outlook: TAKKT confirms organic growth and EBITDA guidance

## Economic environment

- High inflation rates, uncertainties in energy supply, supply chain constraints and the more restrictive monetary policy deteriorate economic environment
- Fear of an upcoming recession could negatively impact customer sentiment and order behavior
- Risk of additional economic shocks, e.g., due to lack of gas in Europe

## TAKKT's priorities in Q4

- **Growth and inflation management:** Continue to serve customer demand to keep on a growth path while staying disciplined in inflation management
- **Inventory management:** Focus on further cash generation
- **Contingency plan:** Prepare for a possible recession environment
- **Strategy:** Continue implementation of strategic initiatives Growth, OneTAKKT and Caring

## FY forecast for key financials

**high single-digit  
organic sales growth**

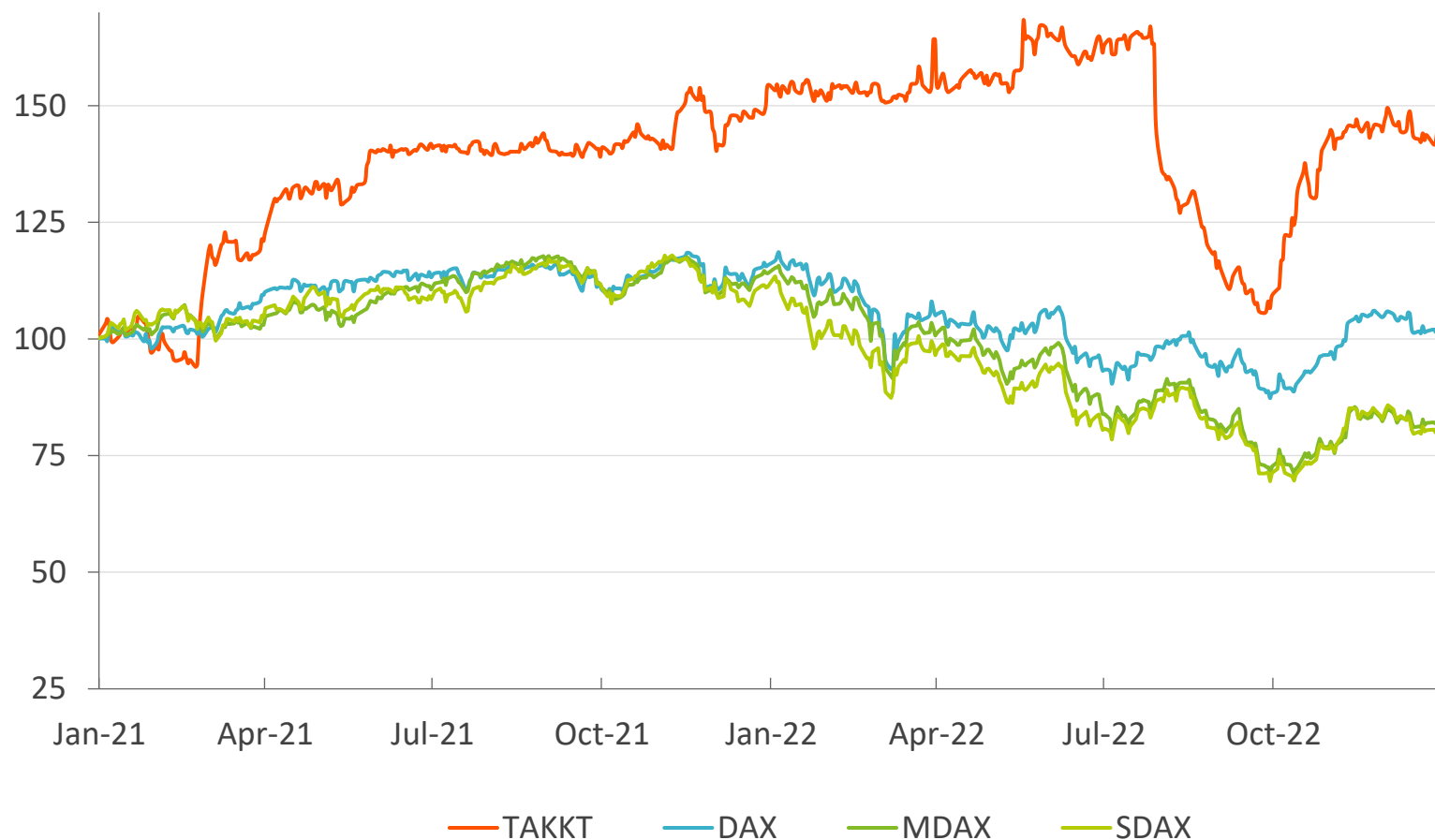
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**EBITDA between  
EUR 120 and 130 million**

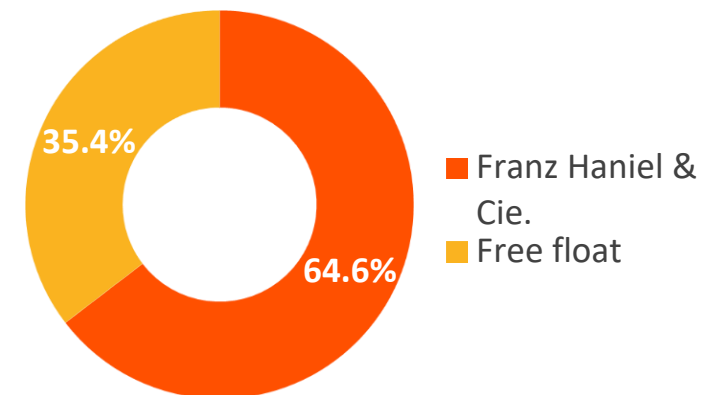
# TAKKT share and dividend policy

# TAKKT share performance, shareholder structure and analyst recommendations

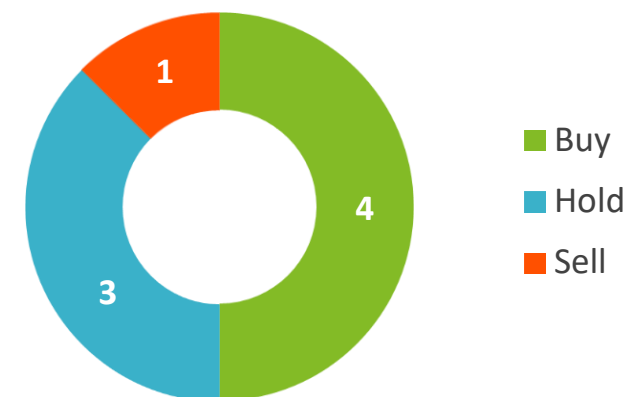
## Total Shareholder Return: TAKKT and indices



## Shareholder structure



## Analyst recommendations



Average price target of EUR 14.7

# Share buyback started in October; dividend policy remains unchanged

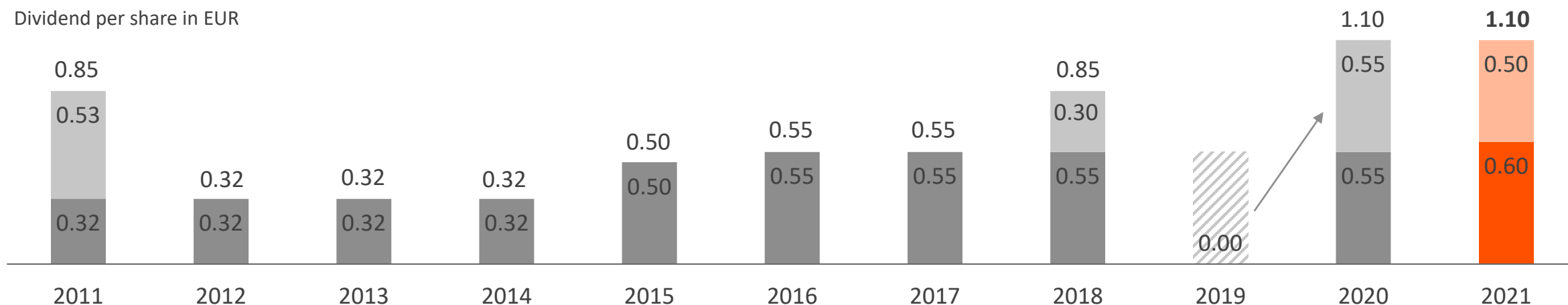
## Share buyback

- Share buyback program for up to three percent of the current share capital and with a volume of up to EUR 25 million
- Started on October 6, 2022 and will run until June 30, 2023 at the latest

## Dividend proposal & policy

- Dividend payment of EUR 1.10 per share for 2021
- TAKKT commits to pay out at least a base dividend of EUR 0.60 per share in the coming years
- Possibility of special dividend when equity ratio is high and funds cannot be reinvested

Dividend per share in EUR



# Appendix

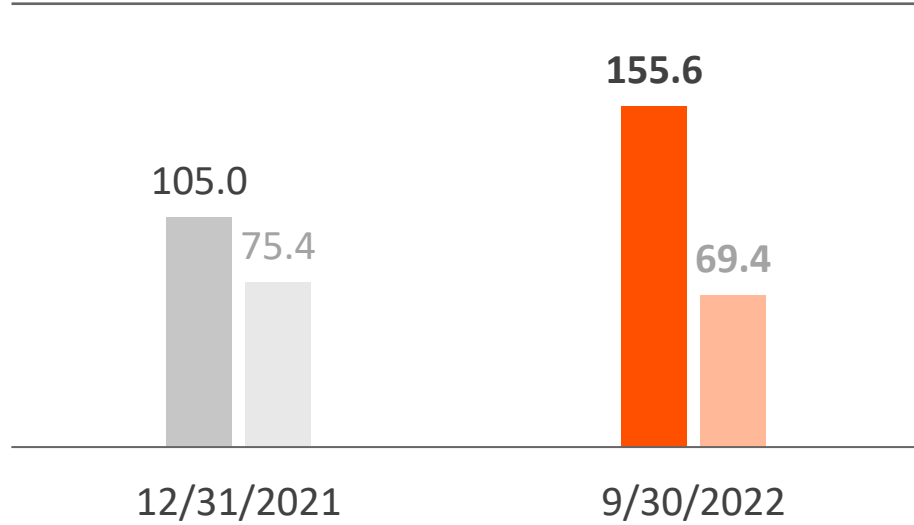
# Appendix: Structure of sales development

<i>in %</i>	Q1/22	Q2/22	Q3/22	9M/22
<b>TAKKT Group in EUR</b>	<b>23.3%</b>	<b>13.0%</b>	<b>15.6%</b>	<b>17.1%</b>
organic	18.9%	6.8%	7.0%	10.6%
currency	4.4%	6.2%	8.6%	6.5%
acquisition/divestment	-	-	-	-
<b>Industrial &amp; Packaging in EUR</b>	<b>14.0%</b>	<b>6.6%</b>	<b>3.8%</b>	<b>8.1%</b>
organic	12.6%	5.8%	2.7%	7.0%
currency	1.4%	0.8%	1.1%	1.1%
acquisition/divestment	-	-	-	-
<b>Office Furniture &amp; Displays in EUR</b>	<b>33.4%</b>	<b>26.1%</b>	<b>29.4%</b>	<b>29.5%</b>
organic	24.3%	11.8%	11.1%	15.2%
currency	9.1%	14.3%	18.3%	14.3%
acquisition/divestment	-	-	-	-
<b>FoodService in EUR</b>	<b>45.1%</b>	<b>16.5%</b>	<b>31.1%</b>	<b>29.7%</b>
organic	35.6%	4.1%	13.7%	16.1%
currency	9.5%	12.4%	17.4%	13.6%
acquisition/divestment	-	-	-	-



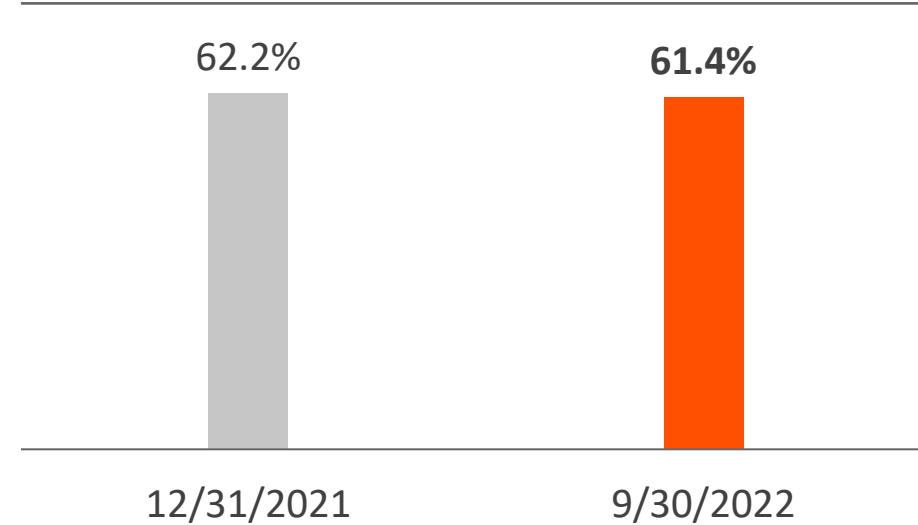
# Balance sheet

Net financial liabilities (of which lease liabilities)  
(in EUR million)



- Increase in net financial liabilities
- Significant reduction of financial liabilities expected until year-end

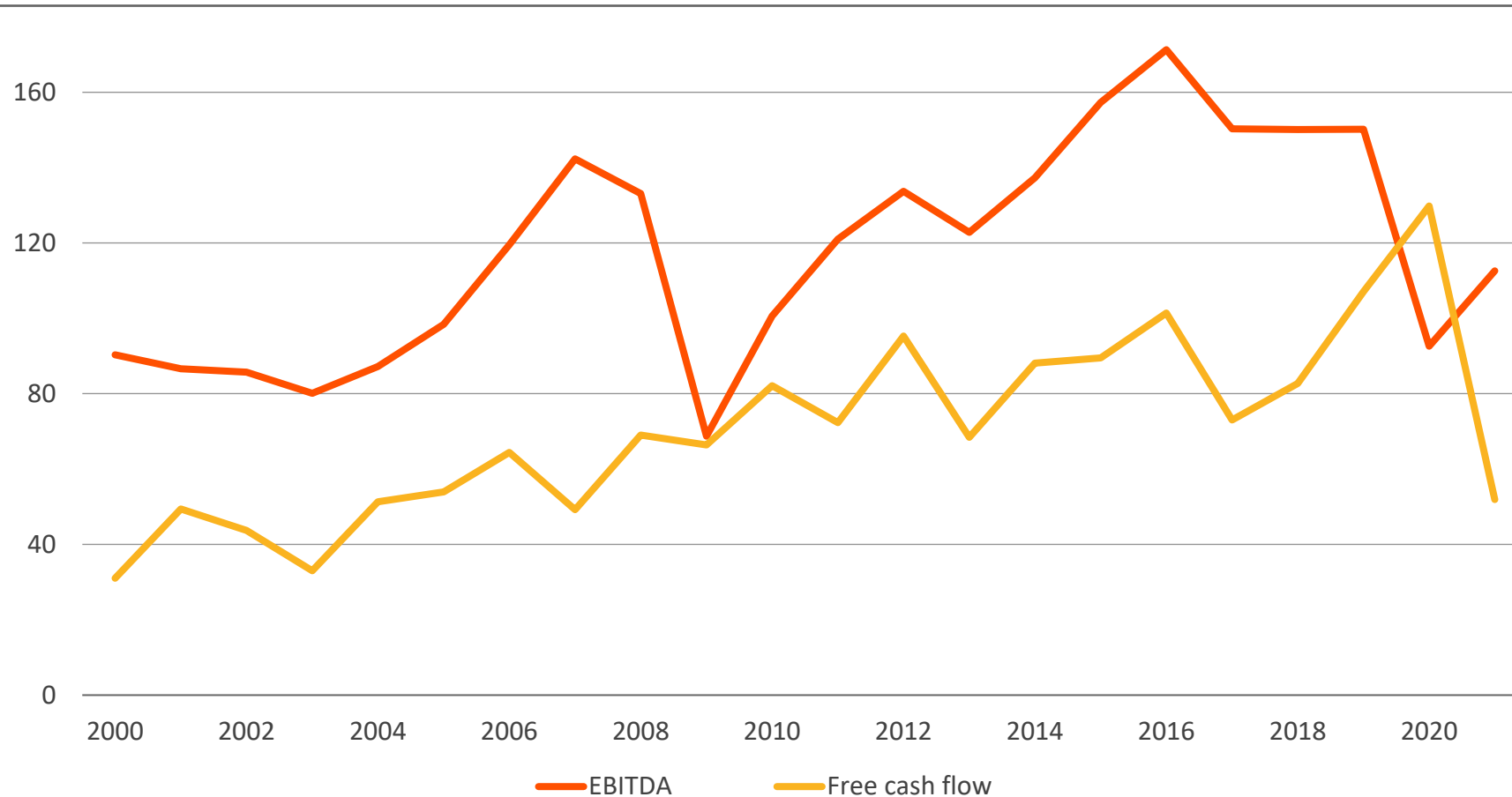
Equity ratio (in %)



- Equity ratio above the target corridor of 30 to 60 percent

# Free cash flow with a stable long-term development and a positive trend

Development of EBITDA and free cash flow (in EUR million)



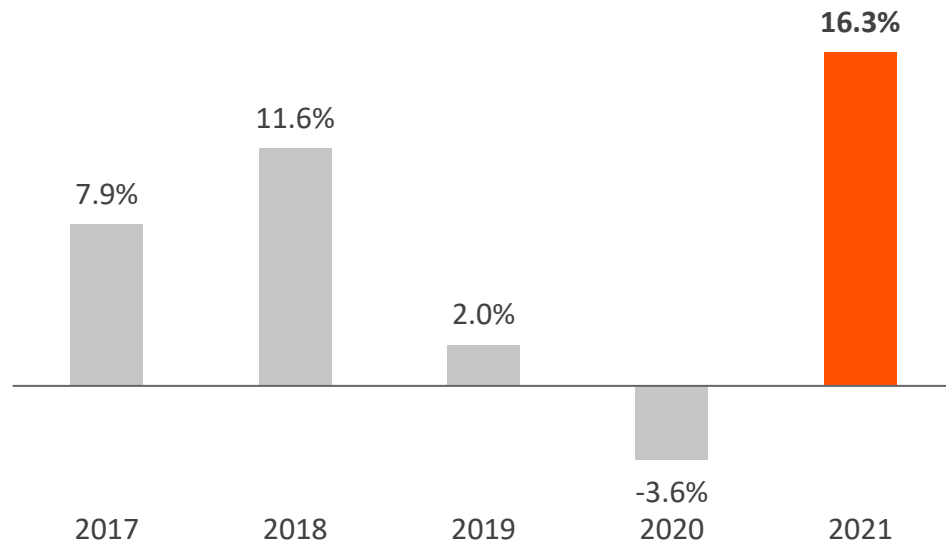
- Lower free cash flow in 2021 due to increase in net working capital (trade receivables and inventories) compared to significant reduction in the prior year

## Financial key figures

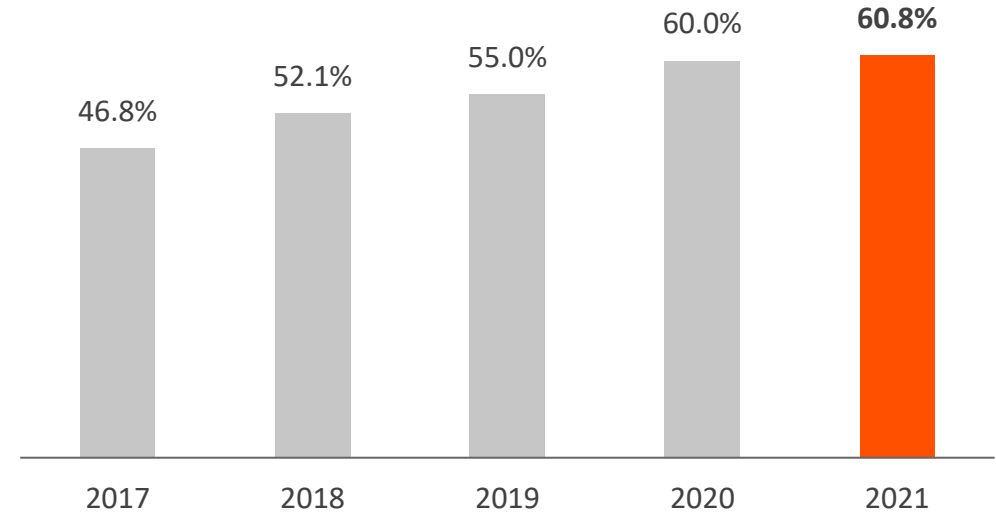
	2017	2018	2019	2020	2021
Organic sales development in percent	0.4	3.4	-1.4	-11.8	11.4
Organic growth in order intake via e-commerce in percent	7.9	11.6	2.0	-3.6	16.3
Number of orders in thousand	2,465	2,676	2,642	2,535	2,500
Average order value in EUR	458	449	460	425	491
Gross profit margin in percent	42.5	41.5	41.3	39.7	40.2
EBITDA in EUR million	150.3	150.1	150.2	92.6	112.6
TAKKT cash flow in EUR million	109.1	120.8	120.4	82.0	94.3
Free TAKKT cash flow in EUR million	73.0	82.7	107.1	129.8	51.9
Capital expenditure ratio in percent	2.1	1.8	1.8	1.2	1.6

# E-com growth and share

Organic e-commerce growth of order intake (in %)

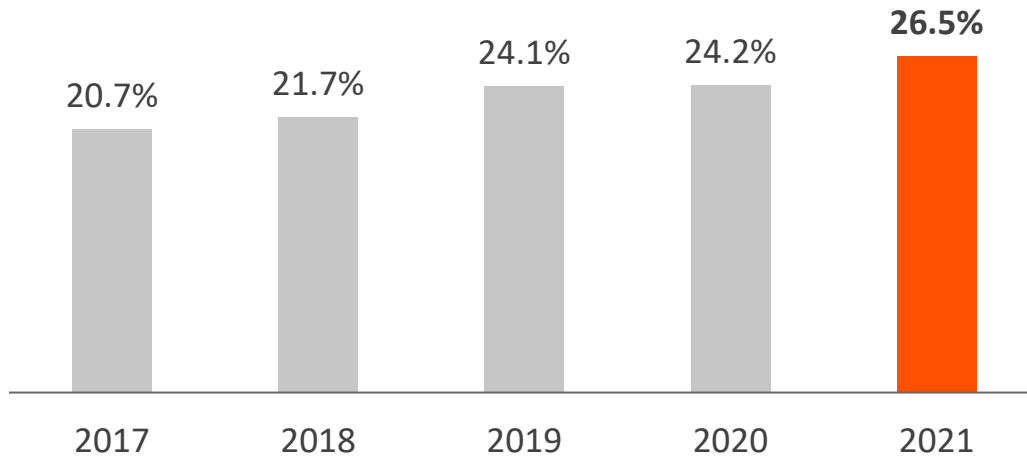


Share of e-commerce in order intake (in %)

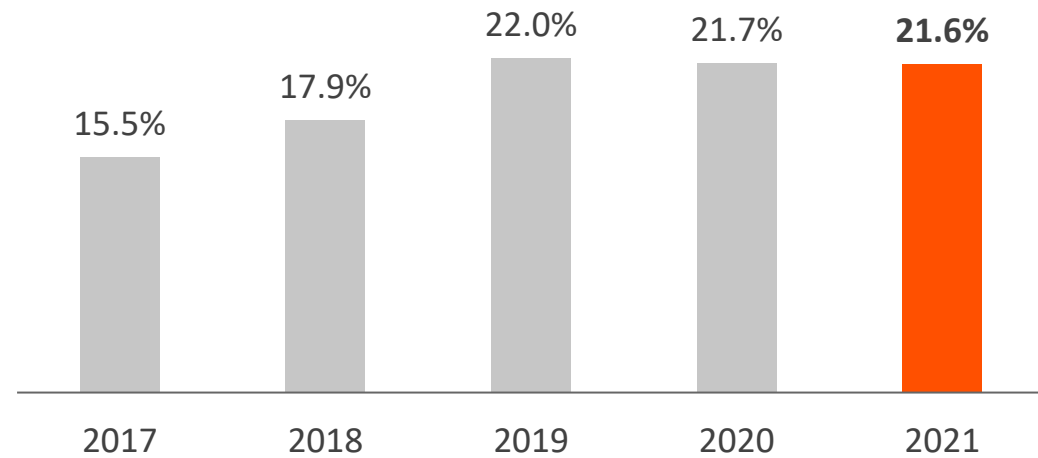


# Product range figures

Share of private labels\* (in %)



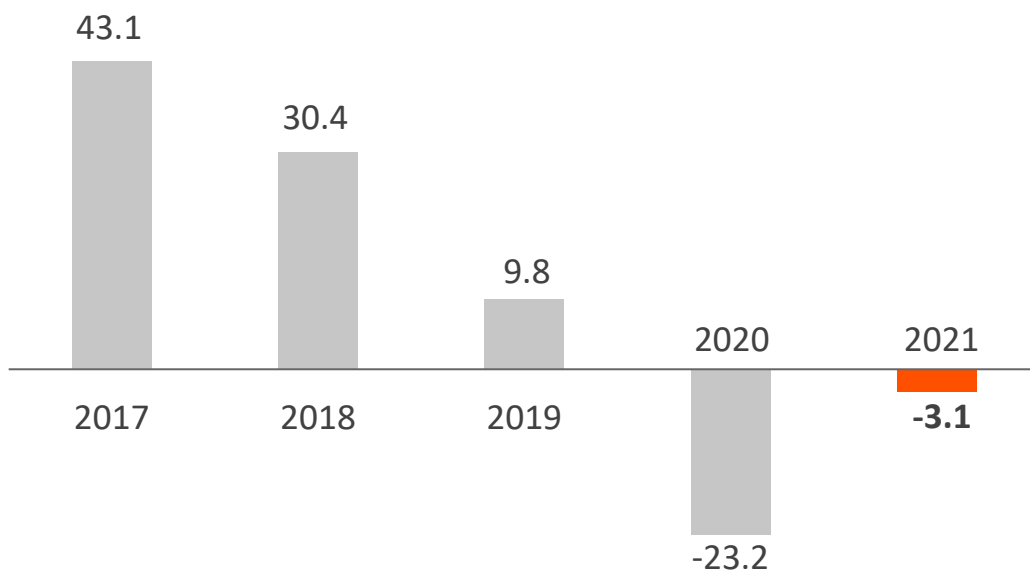
Share of direct imports\* (in %)



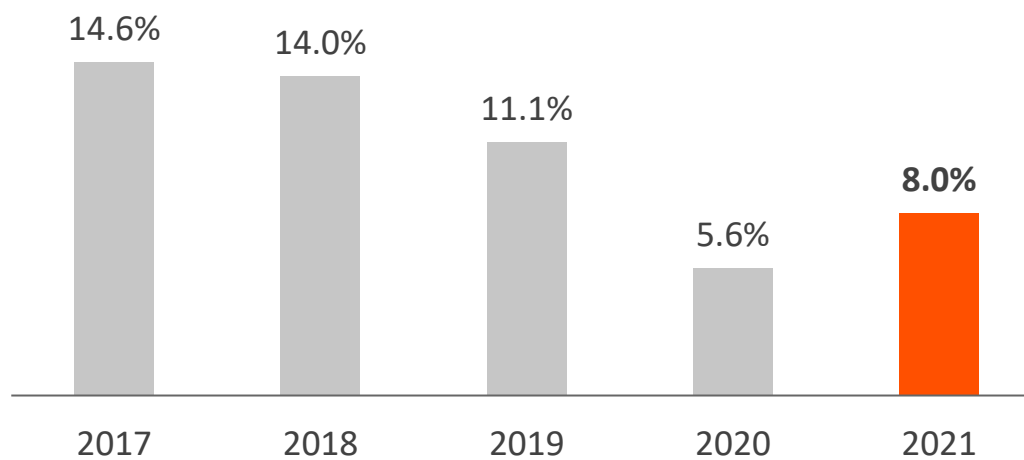
\* The figures have only been reported as shares of sales since 2019. For prior years, they are shown as shares of order intake (private label) and purchase volume (direct imports).

# Value-based figures

TAKKT value added (in EUR million)

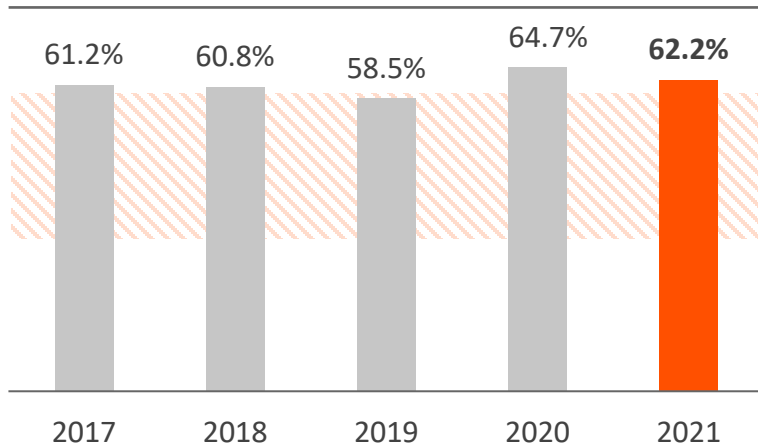


Return on Capital Employed (in %)

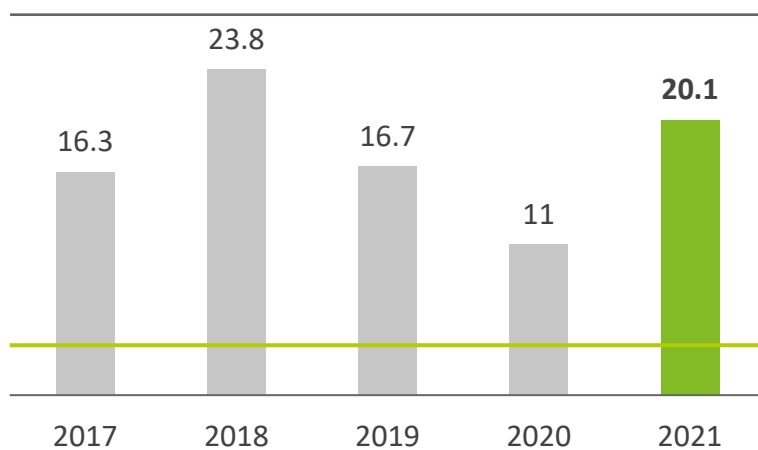


# Internal covenants within or exceeding the target range

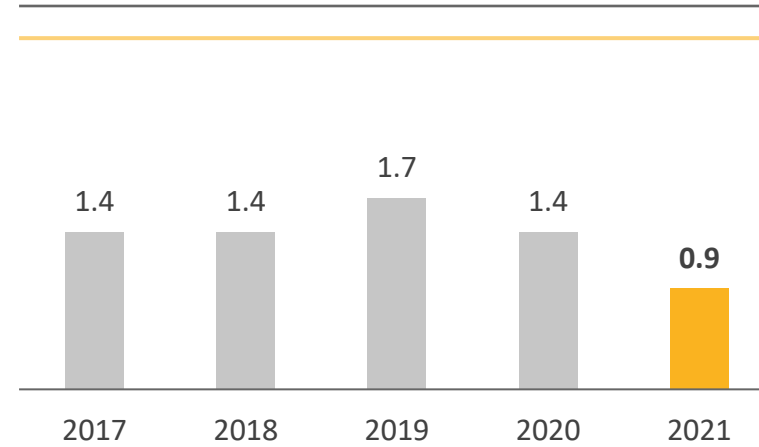
Equity ratio (in %)



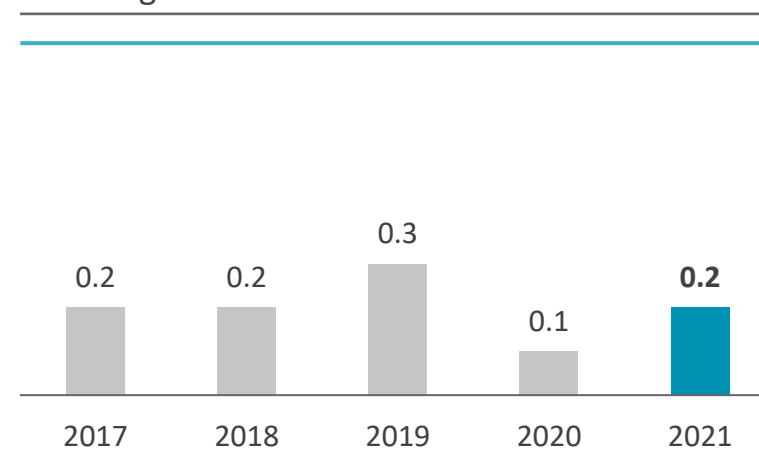
Interest cover



Debt repayment period (in years)



Gearing



# TAKKT investor relations

## IR Contact

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TAKKT AG is headquartered in Stuttgart, Germany.

## Upcoming Events

### February

09. Hamburg Investor Day

23. Preliminary results 2022

### March

28. Annual report and analysts' conference

## Basic data TAKKT share

ISIN / WKN / Ticker	DE0007446007 / 744600 / TTK
No. shares	65,610,331
Type	No-par-value bearer shares
Share capital	EUR 65,610,331
Listing	September 15, 1999
Designated sponsors	Hauck Aufhäuser Lampe, ODDO BHF

## Historic share price development (Xetra)

