

# BRINGING NEW WORLDS OF WORK TO LIFE

Preliminary results 2022  
February 23, 2023



Earnings call for the preliminary results 2022 hosted by



**Maria Zesch**  
*CEO*



**Lars Bolscho**  
*CFO*

# Recap: TAKKT's 2022 financial ambition and new strategy introduced in March

## 2022 Ambition

### Sales Growth



High single-digit organic sales growth

### Earnings Growth



EBITDA between EUR 120 to 130 million

## TAKKT's STRATEGY

### GROWTH

“Opportunity through customer focus via new division set-up”

### ONETAKKT

“Scalability and efficiency via integration”

### CARING

“Comprehensive approach with focus on customers, employees and the environment”

# 2022 financial targets achieved despite a challenging economic environment

## GROWTH



High single-digit organic sales growth

EURm 1,336.8  
(+7.5%)



## EARNINGS



EBITDA between EUR 120 to 130 million

EURm 132.1  
(+17.3%)



## CASH



FCF with stronger increase than EBITDA

EURm 70.4  
(+35.8%)



Guidance and target 2022

Results

# TAKKT strategy executed successfully in all three pillars

## Growth

- ✓ I&P division integrated
- ✓ Cross-selling started
- ✓ Common e-com targets and performance metrics
- ✓ Smart pricing: Inflation
- ✓ Repositioning of Hubert and D2G initiated



## OneTAKKT

- ✓ Build-up of Group functions
- ✓ Harmonization of tech platform initiated
- ✓ Network study for logistics footprint in Europe and US
- ✓ Supplier Days



## Caring

- ✓ Enkelfähig products make up 20% of order intake
- ✓ cNPS of 58 confirms customer satisfaction
- ✓ Diversity increased with 43% share of women in Extended Executive Team

# Strong cash flow generation allows returns to shareholders and M&A at the same time

## Cash generation

- Good cash generation in 2022
- Very solid balance sheet with equity ratio above 60%

## Share buyback

- Continuation of share buyback for up to EUR 25 million
- TAKKT bought back 520k shares for EUR 6.7 million until mid February

## M&A

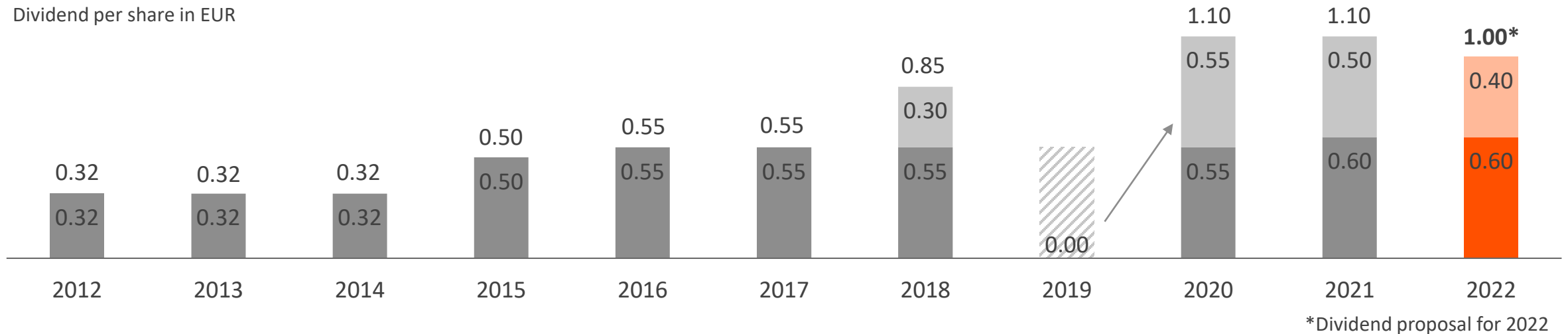
- Enough financial resources to increase focus on M&A and close several transactions in 2023 and the following years

# TAKKT proposes payment of special dividend due to solid balance sheet and good cash generation

## Dividend proposal

- Management proposes payment of special dividend (EUR 0.40) in addition to base dividend (EUR 0.60)
- Dividend yield of 7% at current share price

Dividend per share in EUR

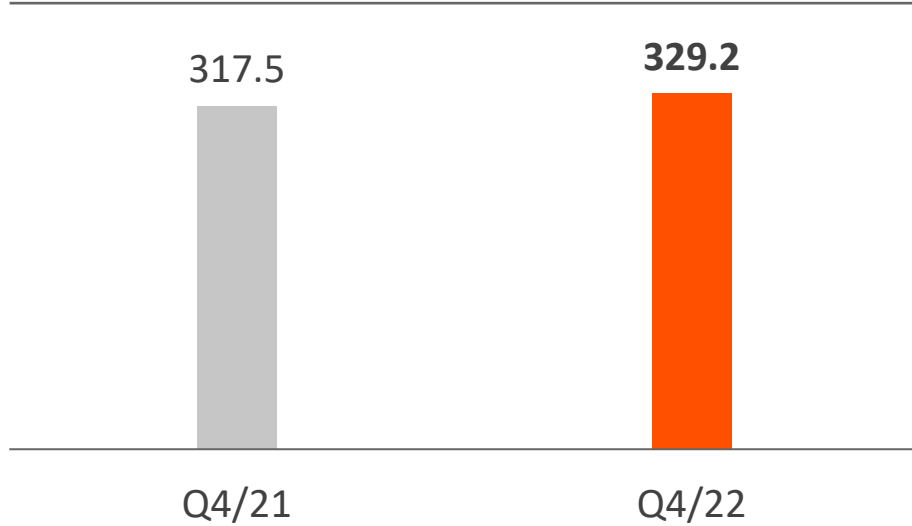


# Financials Q4 and full year 2022



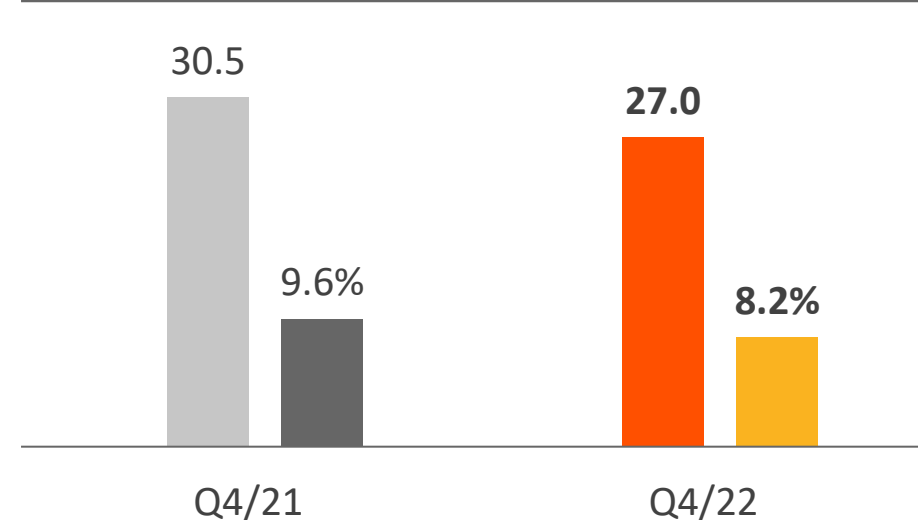
# Q4 2022: TAKKT Group

Sales (in EUR million)



- Slow down in customer demand due to uncertain economic environment
- Sales increased by 3.7% due to positive effects from currency fluctuations (4.7%), primarily from a stronger US-Dollar
- Slight decline in organic sales with -1.0%

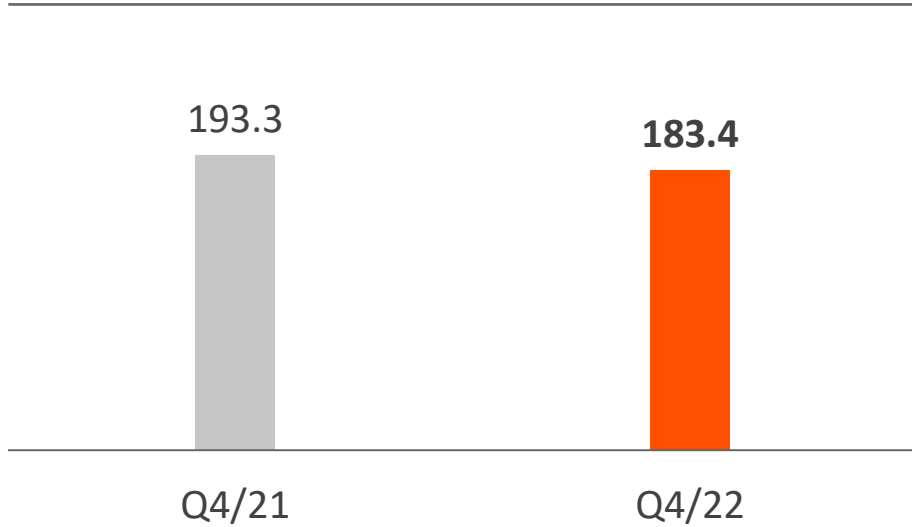
EBITDA (in EUR million) and margin (in %)



- EBITDA was EUR 27.0 (30.5) million, EBITDA margin at 8.2% (9.6%)
- Temporary negative effects on gross profit
- One-time expenses and gains with a positive net impact of around EUR 1 million (Q4/21: one-time costs of less than EUR 3 million)
- Increase in transformation costs

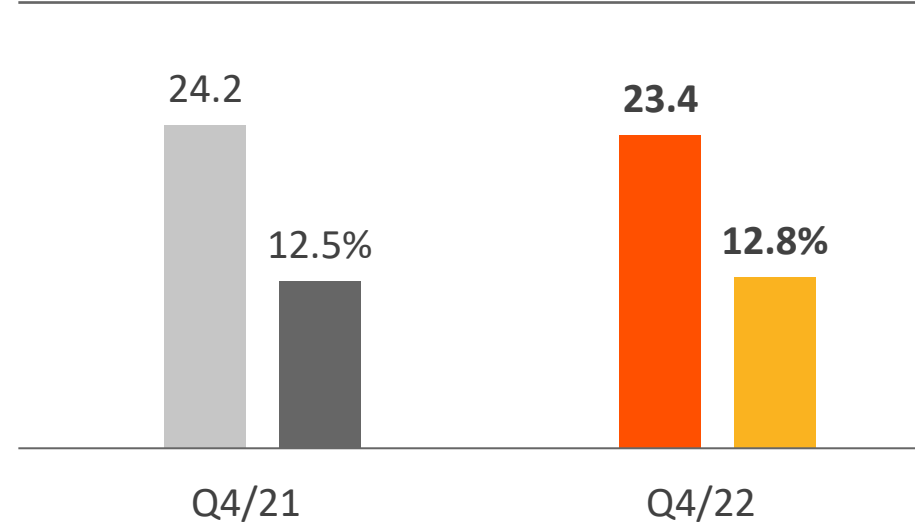
# Q4 2022: Industrial & Packaging

Sales (in EUR million)



- Sales decrease by 5.1%
- Organic sales decline of 5.1%
- Double-digit sales decline in UK

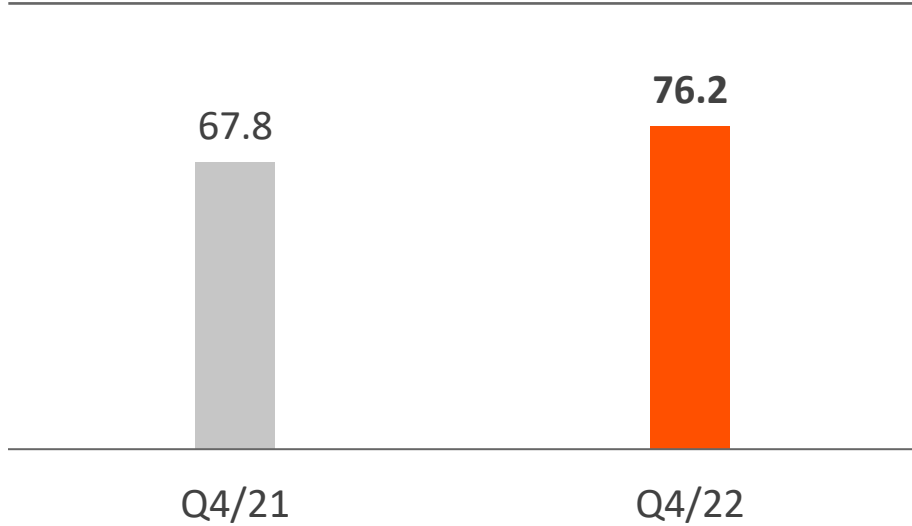
EBITDA (in EUR million) and margin (in %)



- EBITDA at EUR 23.4 (24.2) million
- EBITDA margin improved to 12.8% (12.5%), supported by a lower marketing cost ratio
- Gross profit margin only 30bp below prior year
- Negative one-time costs of around EUR 2 million in Q4/21

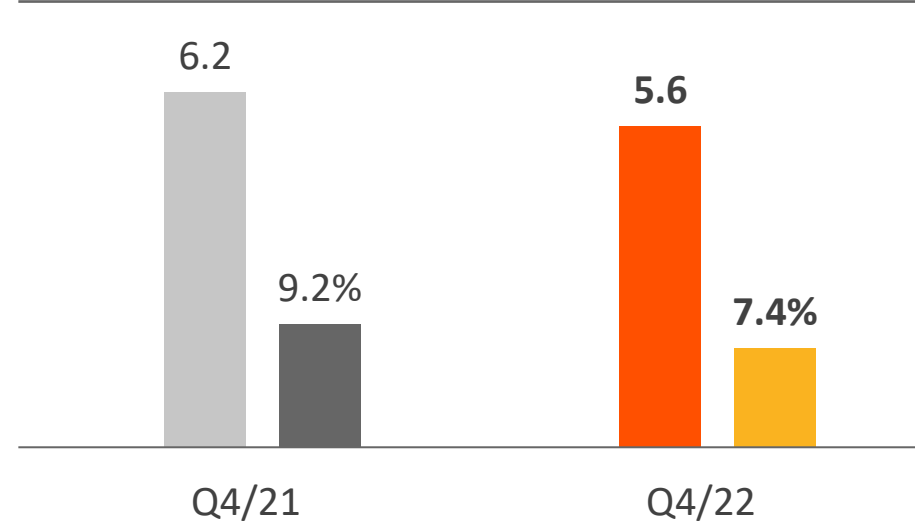
# Q4 2022: Office Furniture & Displays

Sales (in EUR million)



- Sales increase by 12.3% with positive contributions from currency fluctuations (+11.8%)
- Organic sales increase of 0.5%
- Good organic growth at Display2go, slight decline at NBF

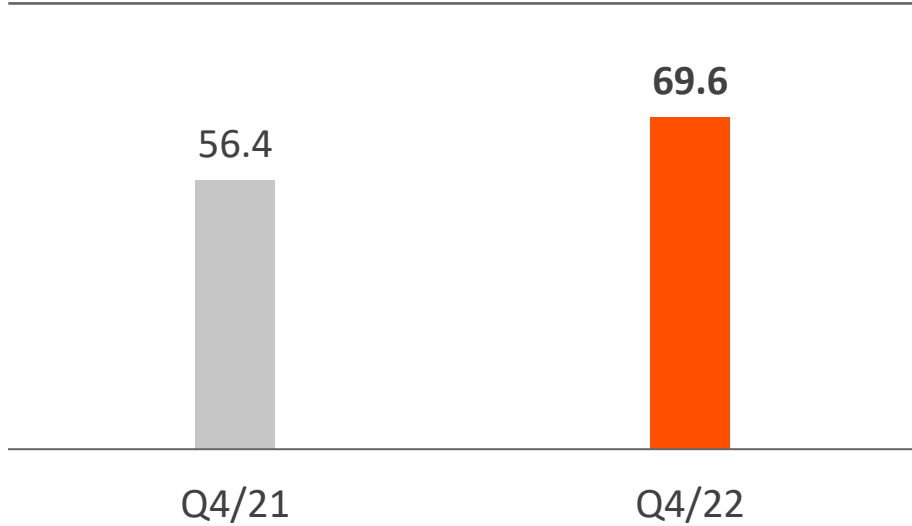
EBITDA (in EUR million) and margin (in %)



- EBITDA at EUR 5.6 (6.2) million, EBITDA margin at 7.4% (9.2%)
- D2G with substantially lower gross profit margin, partly due to positive effect from inventory valuation in Q4/21
- One-time gain of less than EUR 2 million in Q4/22 due to reversal of provision for sales tax risk

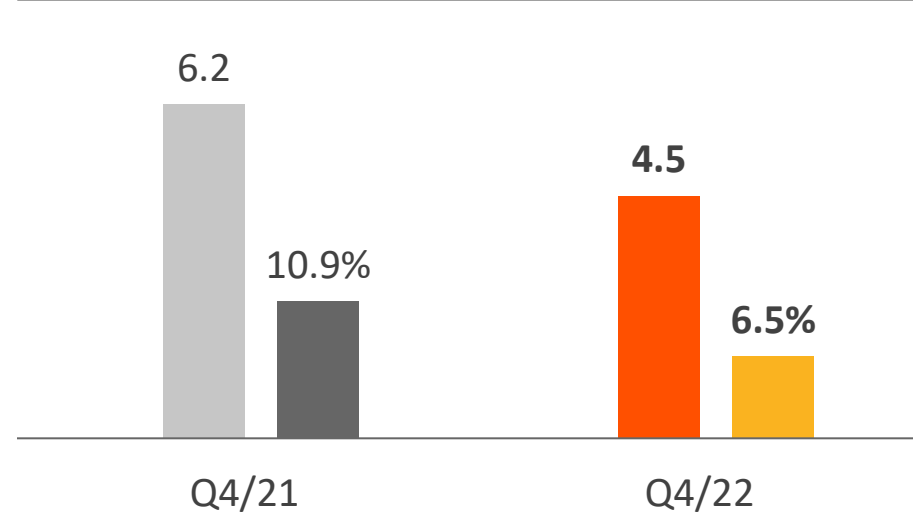
# Q4 2022: FoodService

Sales (in EUR million)



- Sales increase by 23.5%, positive currency effects from a stronger US-Dollar of 12.2%
- Strong organic sales growth of 11.3% with both business units achieving double-digit organic growth

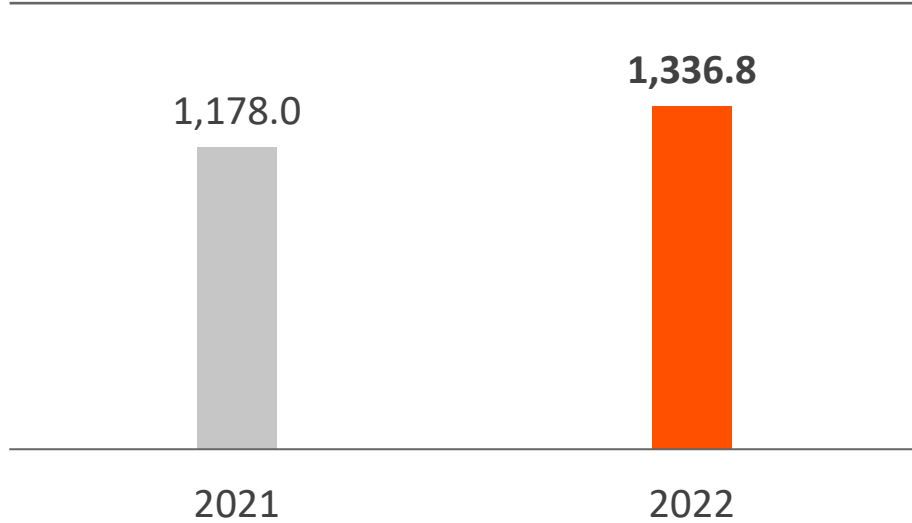
EBITDA (in EUR million) and margin (in %)



- EBITDA at EUR 4.5 (6.2) million, EBITDA margin decreased to 6.5% (10.9%)
- Gross profit negatively impacted by inventory obsolescence
- Negative one-time effects of less than EUR 1 million due to the organizational realignment

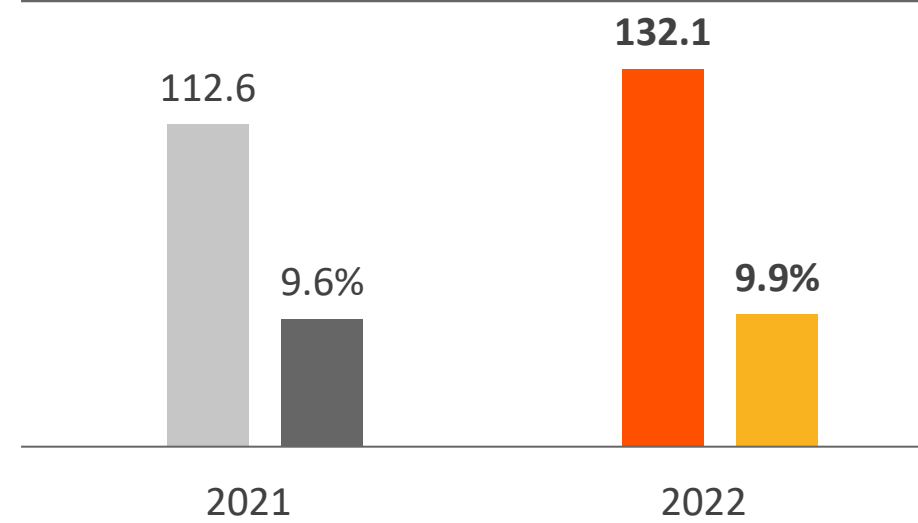
# 2022: TAKKT Group

Sales (in EUR million)



- Sales increase by 13.5% with positive effects from currency fluctuations (6.0%), primarily from a stronger US-Dollar
- Good organic sales growth of 7.5%
- Especially dynamic growth in both US divisions

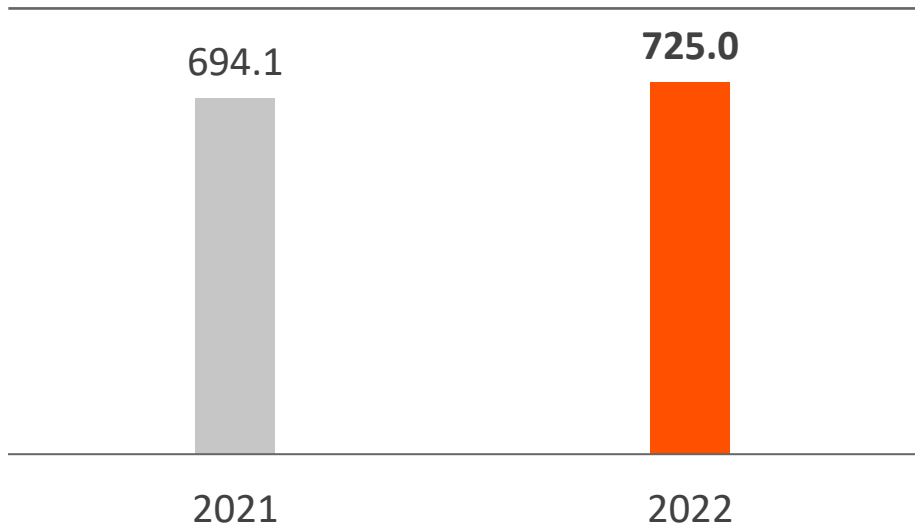
EBITDA (in EUR million) and margin (in %)



- EBITDA increased to EUR 132.1 (112.6) million, EBITDA margin improved to 9.9% (9.6%)
- Gross profit margin at 39.3% (40.2%), half of the decline due to structural effect (higher share of US business)
- Good operational leverage with lower marketing and personnel cost ratios
- One-time expenses and gains resulted in a negative impact of EUR 2.4 (6.1) million

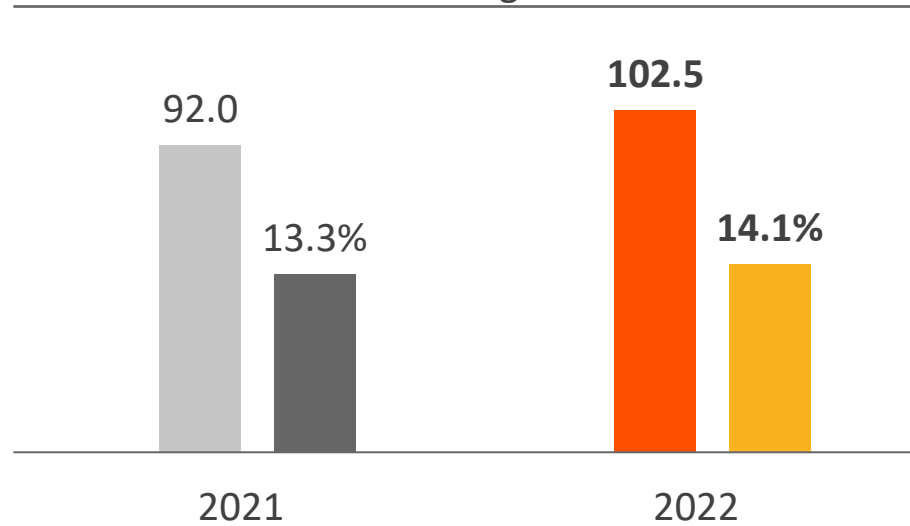
# 2022: Industrial & Packaging

Sales (in EUR million)



- Sales increase by 4.4%; positive currency effects of 0.7%
- Organic sales growth of 3.7%
- All regions with positive growth except for the UK; double-digit growth in Eastern Europe

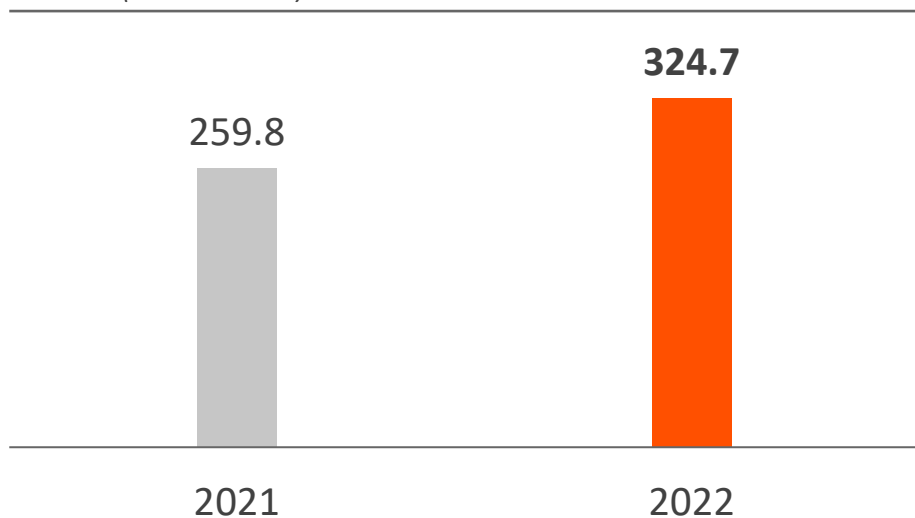
EBITDA (in EUR million) and margin (in %)



- EBITDA increased to EUR 102.5 (92.0) million
- EBITDA margin improved to 14.1% (13.3%)
- One-time costs of less than EUR 2 million in 2022 and 2021

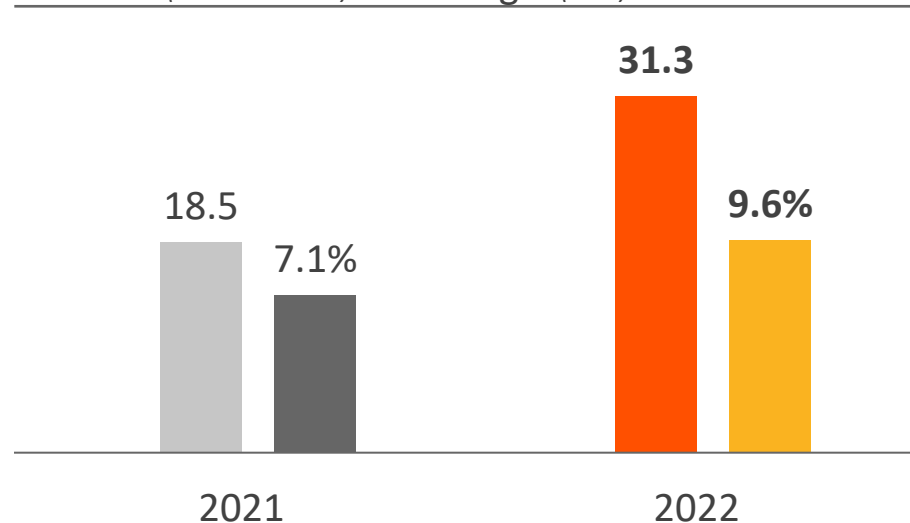
# 2022: Office Furniture & Displays

Sales (in EUR million)



- Sales increase by 25.0% with positive effects from currency fluctuations (13.7%)
- Strong organic sales growth of 11.3%
- Both business units achieved double-digit organic growth

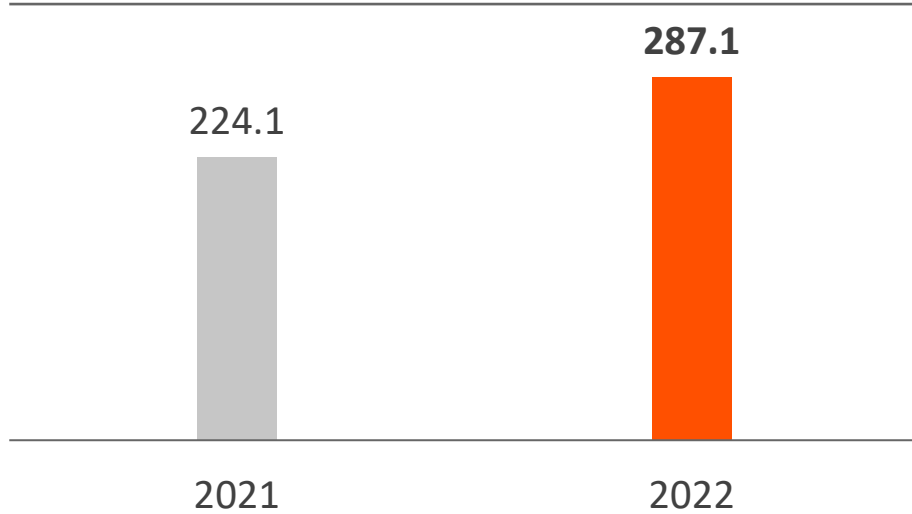
EBITDA (in EUR million) and margin (in %)



- Strong increase in EBITDA to EUR 31.3 (18.5) million, EBITDA margin improved significantly to 9.6% (7.1%)
- Increase in earnings driven by strong growth, recovery in displays business and one-time effects
- Reversal of a provision resulted in a positive impact of less than EUR 2 million (2021: one-time costs of around EUR 3 million)

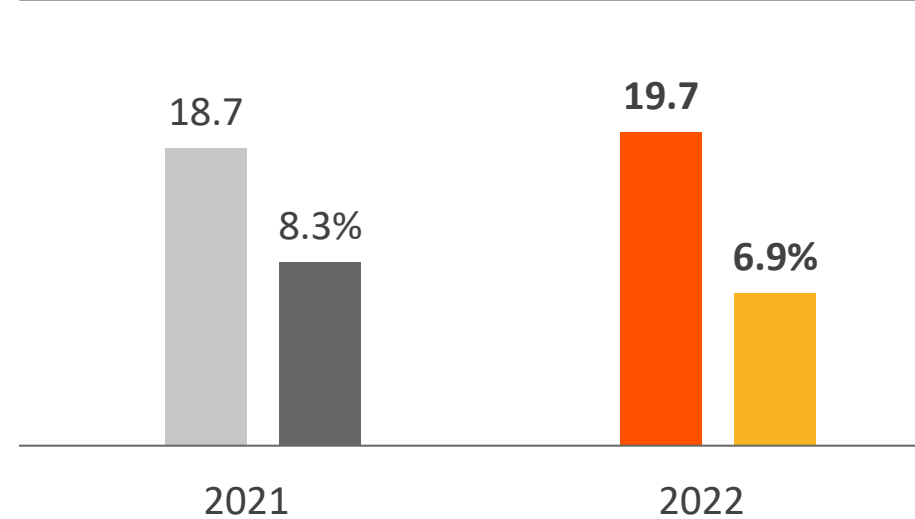
# 2022: FoodService

Sales (in EUR million)



- Sales increase by 28.1%, positive currency effects from a stronger US-Dollar of 13.2%
- Division achieved with 14.9% strongest organic growth in the Group
- Both business units with double-digit organic growth

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

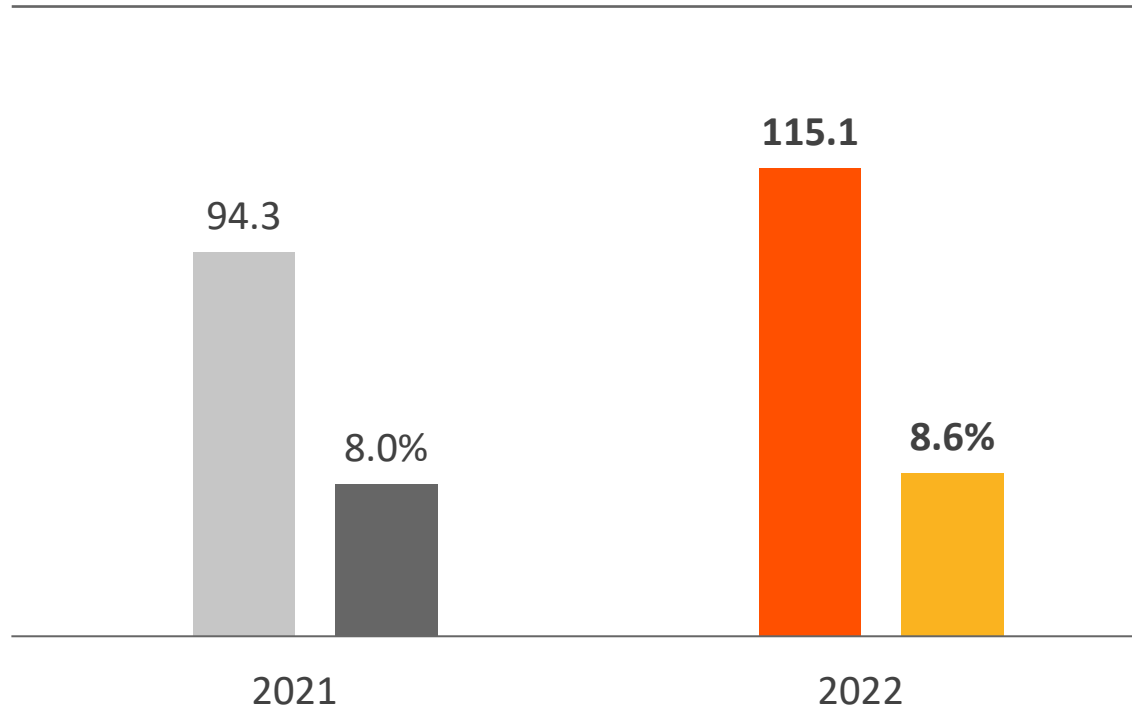


- EBITDA increased to EUR 19.7 (18.7) million, EBITDA margin at 6.9% (8.3%)
- Lower gross profit margin due to higher freight costs and inventory valuation
- Negative one-time effects of less than EUR 1 million due to the organizational realignment



# 2022: TAKKT cash flow

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



- TAKKT cash flow with similar increase as EBITDA

in EUR million

	2021	2022
Profit	57.0	59.3
+ depreciation	+38.7	+51.3
+/- deferred taxes expense/income	+2.7	+0.7
+/- other non-cash expenses/income	-1.4	+3.6
+/- result from non-cur. asset disposal	-2.8	+0.2
<b>TAKKT cash flow</b>	<b>94.3</b>	<b>115.1</b>

in EUR million

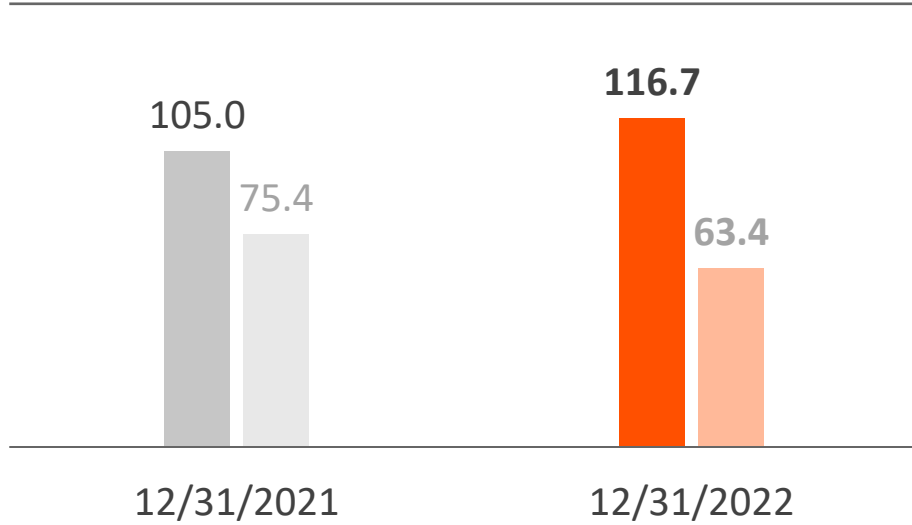
	2021	2022
EBITDA	112.6	132.1
- financial result	-1.1	-4.9
- current taxes	-13.0	-15.9
+/- other non-cash expenses/income	-1.4	+3.6
+/- result from non-cur. asset disposal	-2.8	+0.2
<b>TAKKT cash flow</b>	<b>94.3</b>	<b>115.1</b>

# Cash flow generation

<i>in EUR million</i>	2021	H1/22	H2/22	2022	
<b>TAKKT cash flow</b>	<b>94.3</b>	<b>58.9</b>	<b>56.2</b>	<b>115.1</b>	
Change in net working capital as well as other adjustments	-38.0	-53.5	+22.8	-30.7	<ul style="list-style-type: none"> <li>• Increase in net working capital, due to build up of inventories to improve product availability and of trade receivables following growth</li> </ul>
<b>Cash flow from operating activities</b>	<b>56.3</b>	<b>5.4</b>	<b>79.0</b>	<b>84.4</b>	
Capital expenditure in non-current assets	-18.3	-6.9	-7.7	-14.6	<ul style="list-style-type: none"> <li>• Capital expenditure comparably low</li> </ul>
Proceeds from disposal of non-current assets	+13.9	+0.2	+0.4	+0.6	<ul style="list-style-type: none"> <li>• Cash inflow from sale of investments of EUR 13.4 million in prior year</li> </ul>
<b>Free TAKKT cash flow</b> (for acquisitions, payout to shareholders and loan repayments)	<b>51.9</b>	<b>-1.3</b>	<b>71.7</b>	<b>70.4</b>	<ul style="list-style-type: none"> <li>• Free TAKKT cash flow increased by more than EUR 70 million in H2</li> </ul>

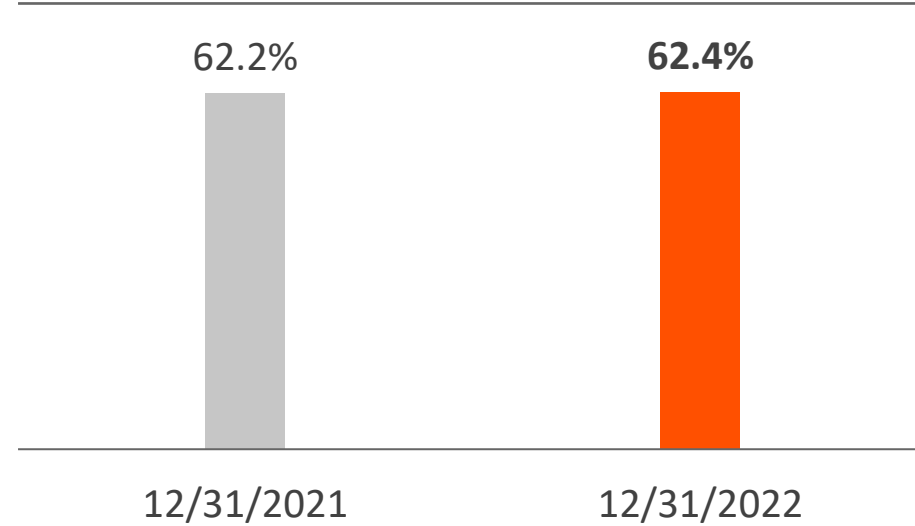
# Balance sheet

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



- Slight increase in net financial liabilities, but still on a low level

Equity ratio (in %)



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

# First glance into 2023

# First glance into 2023

## Economic environment

- Economic forecasts for 2023 with high degree of uncertainty
- Current assumptions:
  - Inflation remains high
  - Economy in EU and US with continuous headwind
  - Tight labor market
  - Improved product availability

## Challenges and expectations

- Economic uncertainty demands flexible approach and more frequent adjustments
- TAKKT expects a slow start to the year and then an improvement in the second half
- Cost headwinds from inflationary pressure (higher raw material and product costs, wage adjustments to compensate inflation)

## Key focus for TAKKT

- Gross Margin:
  - Margin improvements from sourcing, pricing and discounting
  - Inflation: Continue to pass on higher prices
- Strict cost management
- Cash generation and actively managing net working capital
- Continue with strategy execution

# Summary: Continue with strategy implementation on Growth, OneTAKKT and Caring

**Good execution:**  
Delivered on financial  
and strategic goals

**Successful  
2022**



**Bringing new worlds of work to life:**  
Growth – OneTAKKT – Caring



**Clear vision &  
strategy**

**Clear  
priorities 2023**



**Outlook:**  
More details to come on March 28



**Strong dividend  
commitment**

**Attractive dividend:**  
Proposal to pay out a dividend  
of EUR 1.00 per share

# TAKKT investor relations

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TAKKT AG is headquartered in Stuttgart, Germany.

## Upcoming Events

### March

28. Annual report 2022 and analysts' conference

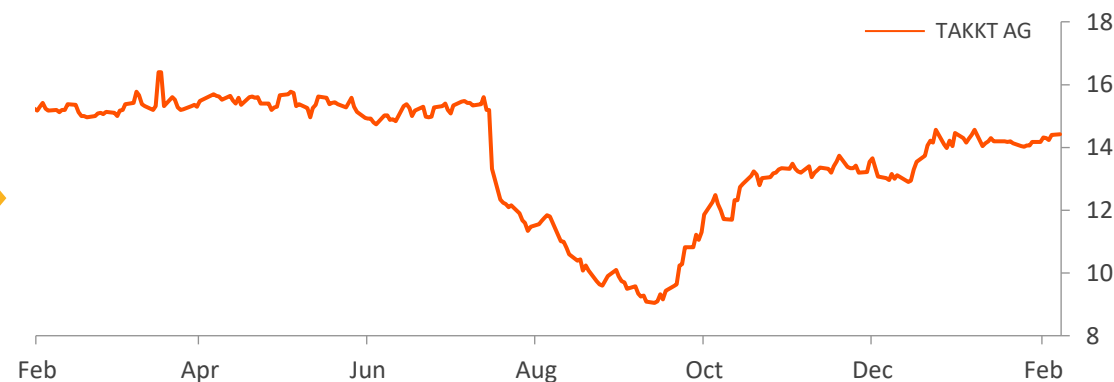
### April

27. Quarterly statement 1/2023

## 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)



## Appendix: Organic sales growth

<i>Organic growth</i>	Q1/21	Q2/21	Q3/21	Q4/21	<b>2021</b>	Q1/22	Q2/22	Q3/22	Q4/22	<b>2022</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>-1.0%</b>	<b>7.5%</b>
Industrial & Packaging*	3.6%	30.3%	13.5%	13.7%	14.5%	12.6%	5.8%	2.7%	-5.1%	3.7%
Office Furniture & Displays*	-14.8%	25.7%	13.7%	13.1%	8.1%	24.3%	11.8%	11.1%	0.5%	11.3%
FoodService*	-8.6%	10.8%	7.1%	18.6%	6.7%	35.6%	4.1%	13.7%	11.3%	14.9%

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



# Appendix: Structure of sales development

<i>in %</i>	Q1/22	Q2/22	Q3/22	Q4/22	<b>2022</b>
<b>TAKKT Group in EUR</b>	<b>23.3%</b>	<b>13.0%</b>	<b>15.6%</b>	<b>3.7%</b>	<b>13.5%</b>
organic	18.9%	6.8%	7.0%	-1.0%	7.5%
currency	4.4%	6.2%	8.6%	4.7%	6.0%
acquisition/divestment	-	-	-	-	-
<b>Industrial &amp; Packaging in EUR</b>	<b>14.0%</b>	<b>6.6%</b>	<b>3.8%</b>	<b>-5.1%</b>	<b>4.4%</b>
organic	12.6%	5.8%	2.7%	-5.1%	3.7%
currency	1.4%	0.8%	1.1%	0.0%	0.7%
acquisition/divestment	-	-	-	-	-
<b>Office Furniture &amp; Displays in EUR</b>	<b>33.4%</b>	<b>26.1%</b>	<b>29.4%</b>	<b>12.3%</b>	<b>25.0%</b>
organic	24.3%	11.8%	11.1%	0.5%	11.3%
currency	9.1%	14.3%	18.3%	11.8%	13.7%
acquisition/divestment	-	-	-	-	-
<b>FoodService in EUR</b>	<b>45.1%</b>	<b>16.5%</b>	<b>31.1%</b>	<b>23.5%</b>	<b>28.1%</b>
organic	35.6%	4.1%	13.7%	11.3%	14.9%
currency	9.5%	12.4%	17.4%	12.2%	13.2%
acquisition/divestment	-	-	-	-	-