



Results of the first nine months of 2023
October 25, 2023

TAKKT 2023: Navigating adversity



Challenging environment

with economic and geopolitical uncertainty:
reduced GDP, low PMIs, US shutdown discussion



Trend change

good July, weak top-line from mid August



Double down on priorities

gross profit margin, cost & cash management



Adjusted FY 23 forecast

Mid-single-digit organic sales decline
EBITDA between EUR 107 and 117 million



Continuation of proven strategy

Growth / OneTAKKT / Caring



TAKKT Strategy and management continuity

- › Strategy with pillars Growth, OneTAKKT and Caring to be continued: TAKKT's on track to become a more integrated, growth-oriented, profitable and sustainable company

Growth progress

- › More than **EUR 10 million in additional sales** from cross-selling activities in I&P and FS YTD
- › E-Procurement business at I&P with **double-digit growth**

OneTAKKT progress

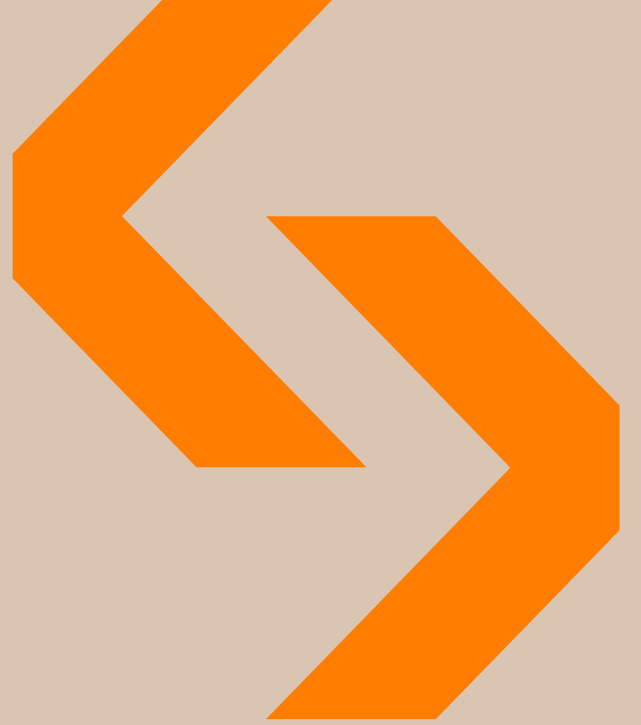
- › More than **EUR 25 million** cash improvements due to inventory release and cash conversion cycle work based on global **cash initiative**
- › Decision on future-proof **logistics networks** in US and Europe; roll-out from 2024 onwards will improve cost ratios mid-term

Caring progress

- › TAKKT is one of three finalists for prestigious **German Sustainability Award** in capital goods/wholesale category
- › Positive **growth** development of **enkelfähig products** due to focused marketing campaigns

- › CEO Maria Zesch will continue to drive the transformation. The five-year contract extension ensures continuity in top management in a challenging environment

FINANCIALS



TAKKT Key financial topics in Q3



**Deteriorating
economic environment**

**Declining GDP forecasts for Europe and
Germany; shutdown discussion in the US**



Weak top-line development

**Organic sales decline of 7.1%,
significantly below H1 run rate**



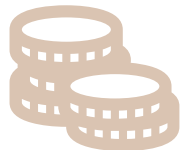
**Focus on improving
gross profit margin**

Increase to 39.9% (39.2%) percent



Intensified cost management

**Lower marketing spend, postponement of
projects, continuous adjustment of FTEs**

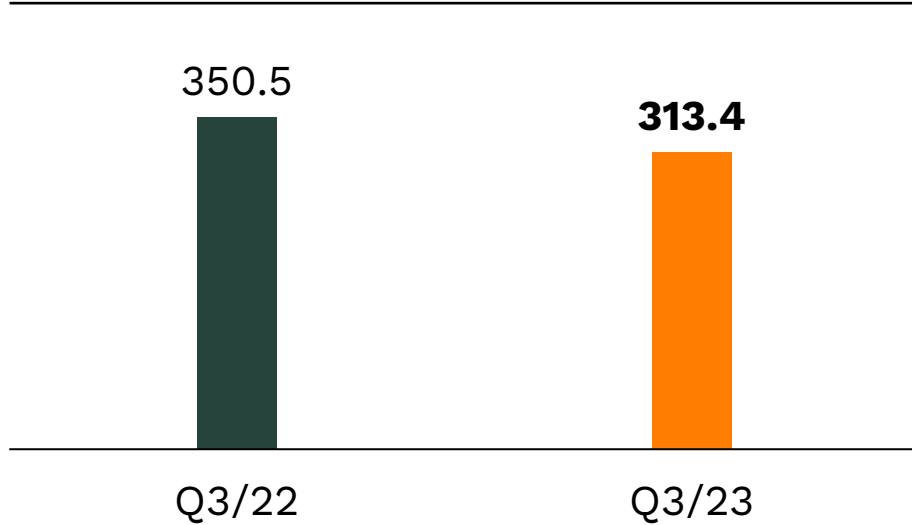


Strong cashflow generation
better cash conversion, release of inventory

**Free TAKKT cashflow increased
to EUR 29.0m (EUR 25.3m)**

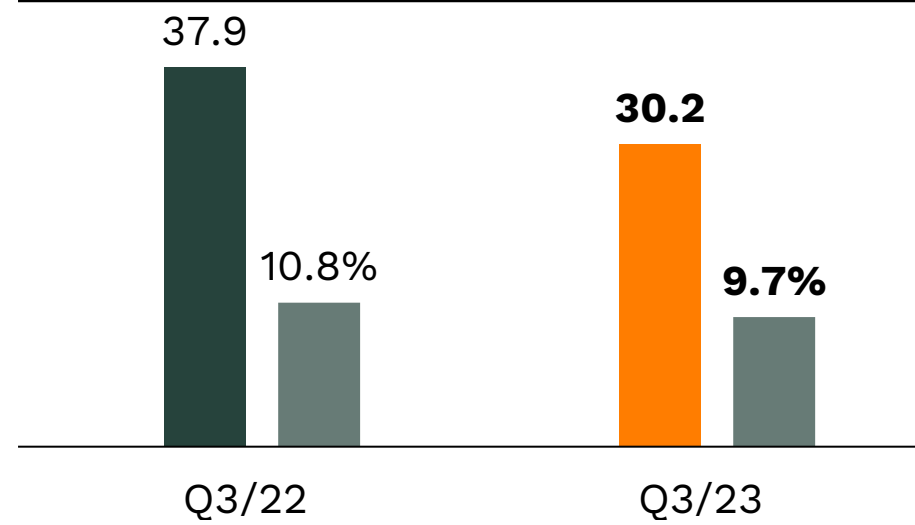
TAKKT Q3: TAKKT Group

Sales (in EUR million)



- › Top-line development in Q3 below expectations
- › Sales 10.6% below prior year, negative effects from currency fluctuations (3.5%)
- › Organic growth at minus 7.1%
- › Almost stable development at FS division, negative growth rates in I&P and OF&D divisions

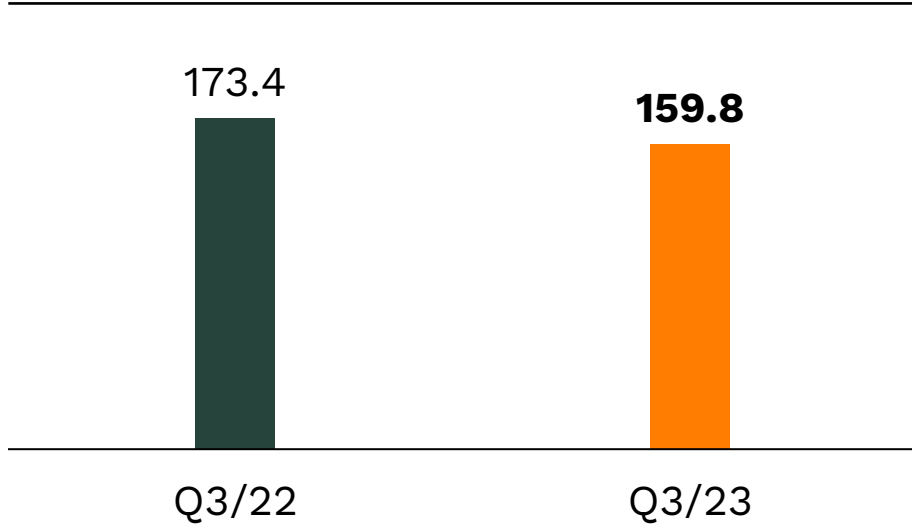
EBITDA (in EUR million) and margin (in %)



- › EBITDA at EUR 30.2 (37.9) million, EBITDA margin of 9.7% (10.8%)
- › Increase in gross profit margin to 39.9% (39.2%)
- › Almost double-digit EBITDA margin despite very weak top line due strong gross profit margin and cost management
- › One-time expenses close to EUR 2 million in prior year

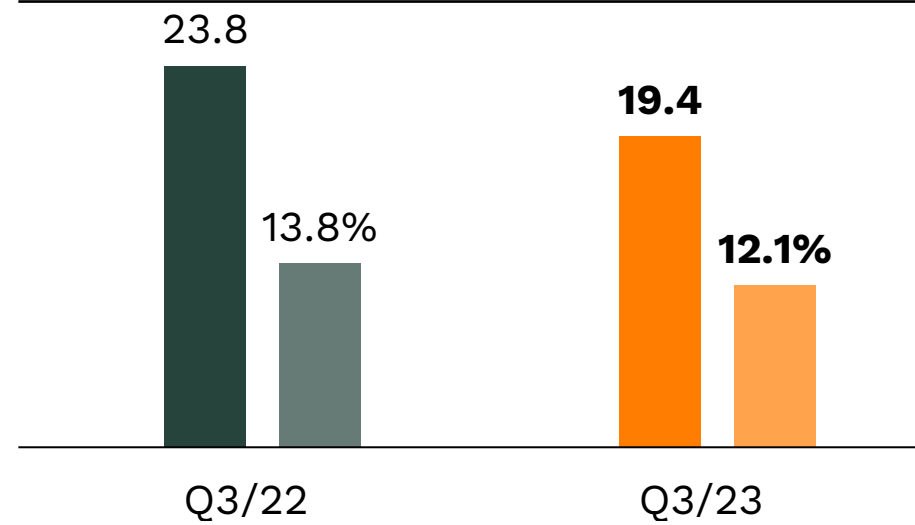
TAKAT Q3: Industrial & Packaging

Sales (in EUR million)



- › Sluggish demand in a very weak economic environment
- › Sales decline of 7.8% with negative currency effects of 0.3%
- › Organic sales 7.5% below prior year; negative impact from Certeo phase out

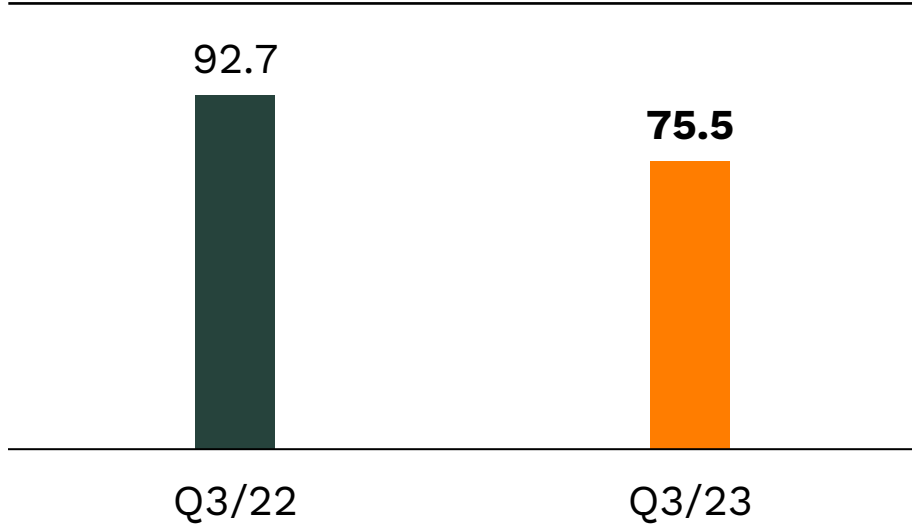
EBITDA (in EUR million) and margin (in %)



- › EBITDA was EUR 19.4 (23.8) million, EBITDA margin at 12.1% (13.8%)
- › Advertising and other costs managed in line with sales; slight decrease in personnel costs

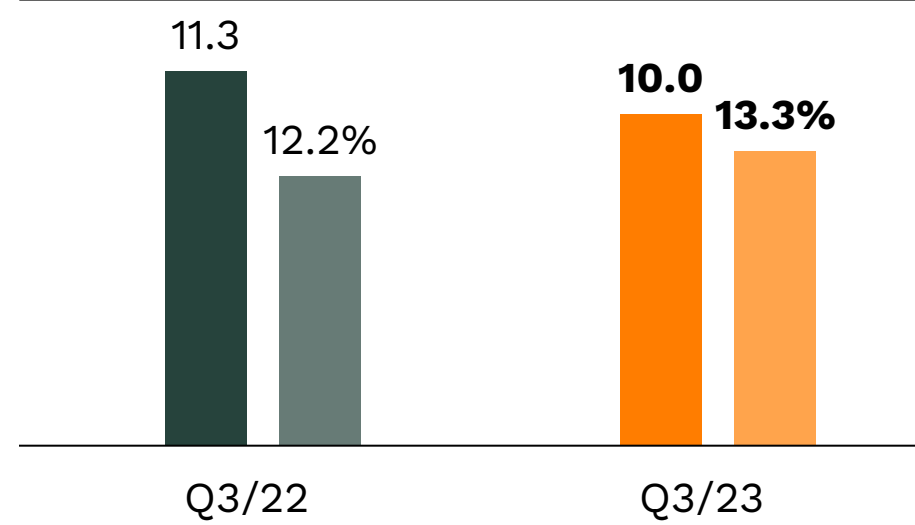
TAKKT Q3: Office Furniture & Displays

Sales (in EUR million)



- Weakening demand for office equipment, especially from government customers
- Sales decreased by 18.5% with negative effects from currency fluctuations (6.3%)
- Organic sales decline of 12.2%
- NBF and D2G both with low double-digit organic sales decline

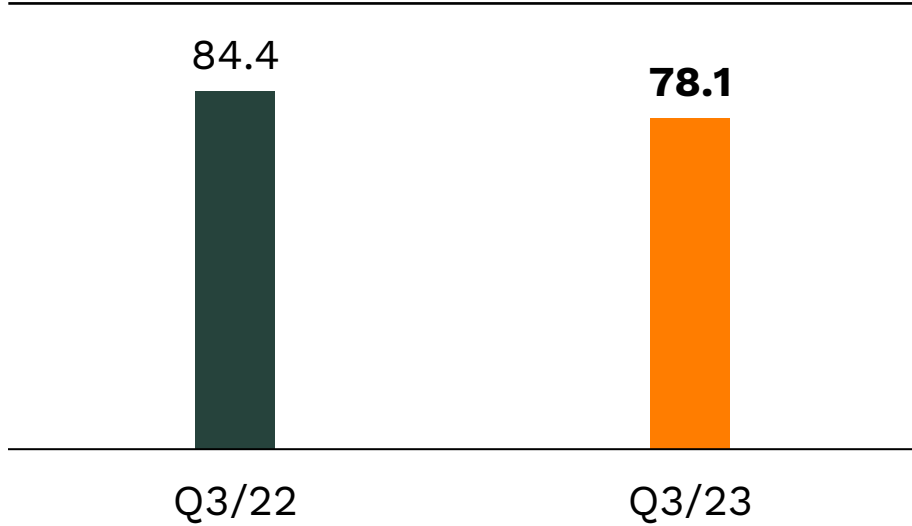
EBITDA (in EUR million) and margin (in %)



- EBITDA was EUR 10.0 (11.3) million, EBITDA margin at 13.3% (12.2%)
- Continued improvement in gross profit margin offsets higher cost ratios due to weak top line

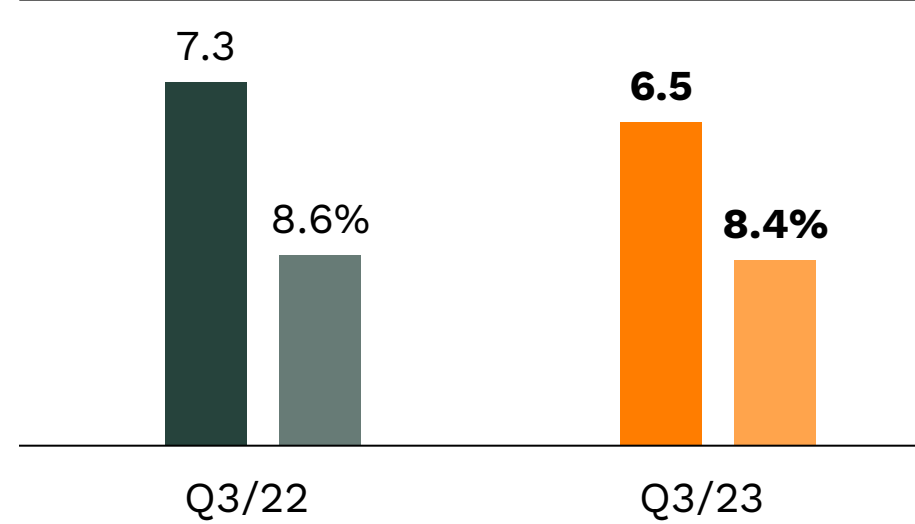
TAKKT Q3: FoodService

Sales (in EUR million)



- Sales decrease by 7.5% due to negative currency effects from a weaker US-Dollar (6.9%)
- Organic sales comparably stable at minus 0.6%

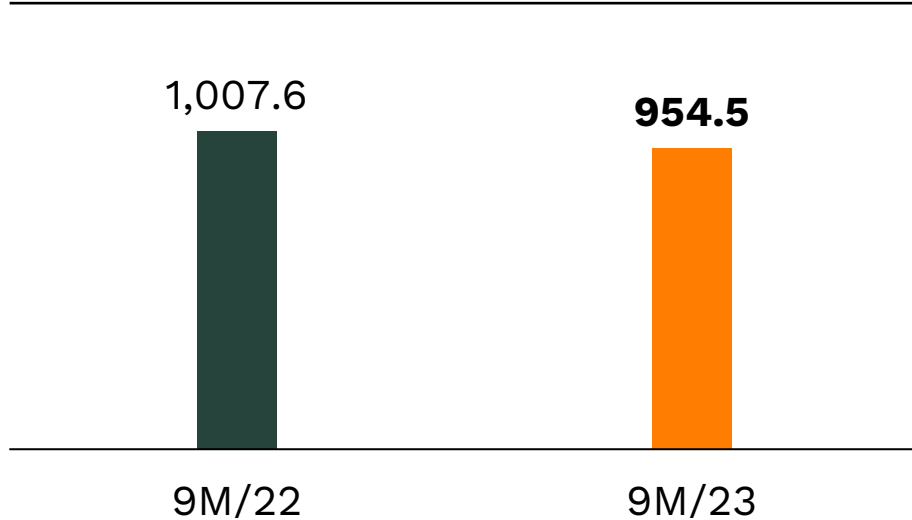
EBITDA (in EUR million) and margin (in %)



- EBITDA at EUR 6.5 (7.3) million, EBITDA margin at 8.4% (8.6%)
- Profitability increase compared to Q2 but still impacted by comparatively low gross profit margin
- Lower sales level results in slightly lower earnings

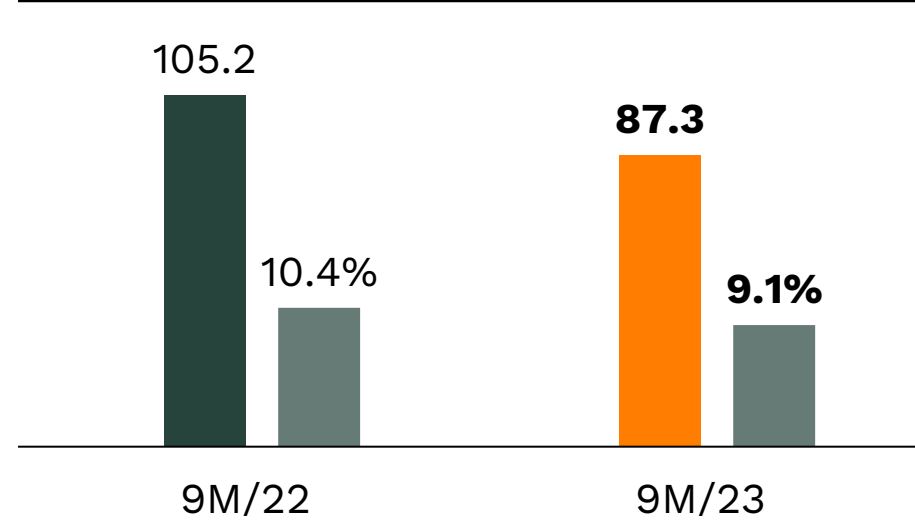
TAKKT 9M: TAKKT Group

Sales (in EUR million)



- › Sales decrease of 5.3%, negative effects from currency fluctuations (1.2%)
- › Organic sales 4.1% below prior year in a challenging economic environment
- › Mid-single-digit organic growth in FS division, negative growth rates in I&P and OF&D divisions

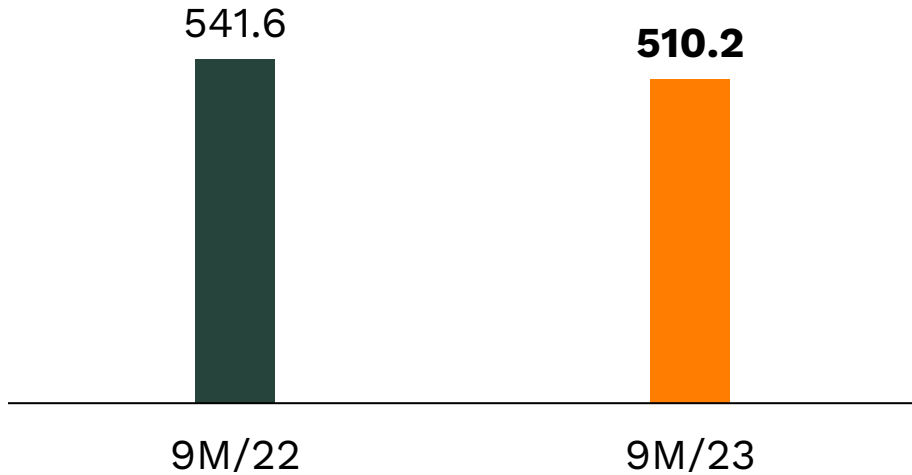
EBITDA (in EUR million) and margin (in %)



- › EBITDA was EUR 87.3 (105.2) million, EBITDA margin at 9.1% (10.4%)
- › Gross profit margin stable at 39.7% (39.7%) despite negative structural effects
- › Cost management: Significant reduction in marketing spend; personnel and other cost impacted by implementation of integrated setup and inflation
- › One-time expenses of less than EUR 3 million due to Certo and FoodService integration (9M/22 around EUR 4 million)

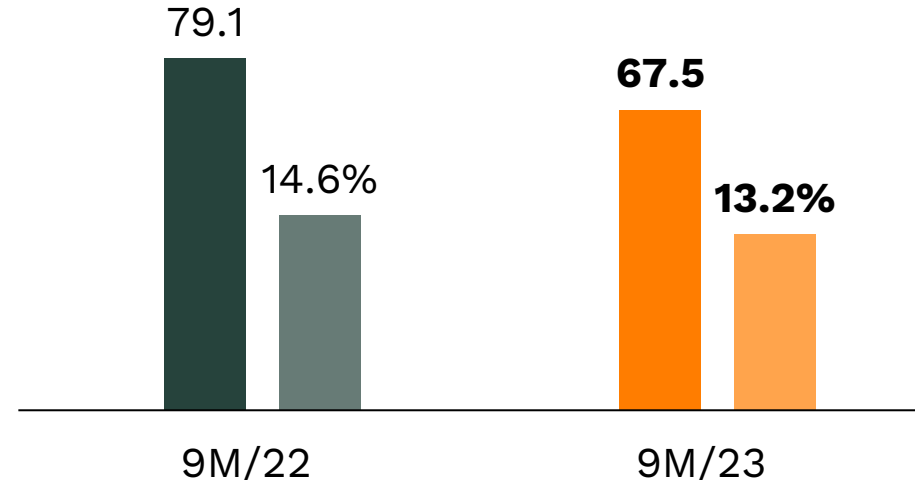
TAK 9M: Industrial & Packaging

Sales (in EUR million)



- › Sales decrease of 5.8% with negative currency effects of 0.5%
- › Organic sales decline of 5.3%, slightly impacted by phase-out of Certo
- › Positive growth in East Europe, Germany so far only slight single-digit decline despite recession environment

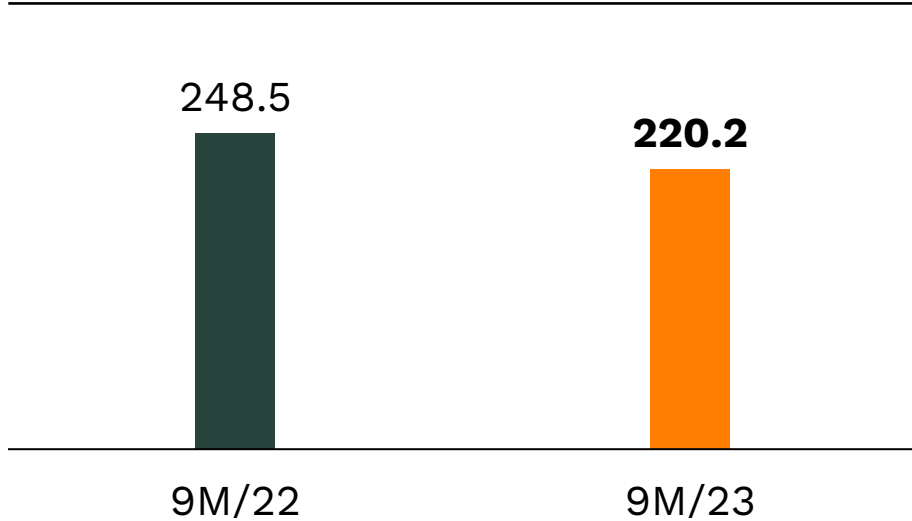
EBITDA (in EUR million) and margin (in %)



- › EBITDA was EUR 67.5 (79.1) million, EBITDA margin at 13.2% (14.6%)
- › Slow top-line, transformation costs and inflation with negative impact on cost ratios for personnel and other costs
- › One-time expenses of less than EUR 2 million in 9M/23, very similar amount in prior year

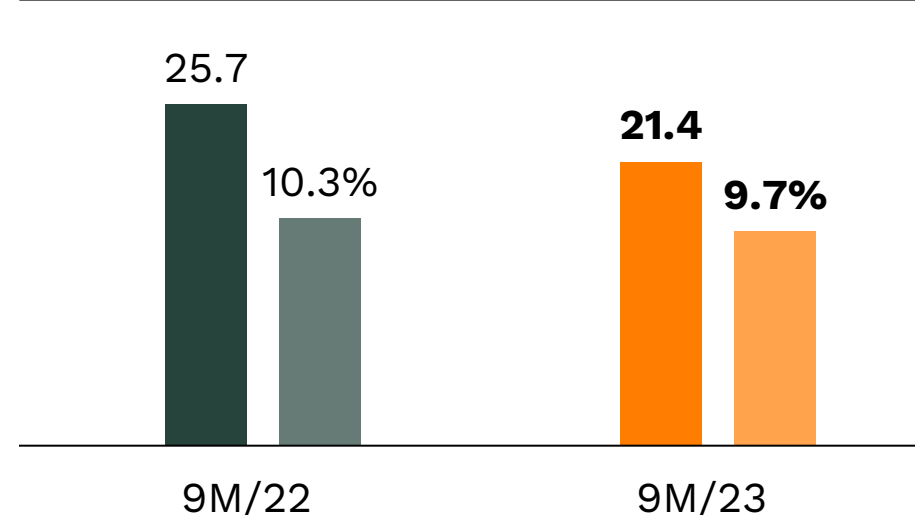
TAK 9M: Office Furniture & Displays

Sales (in EUR million)



- Sales decrease of 11.4% with negative currency effects of 1.7%
- Organic sales decline of 9.7% due to challenging environment
- Displays business with single-digit decline, office furniture with low double-digit decline

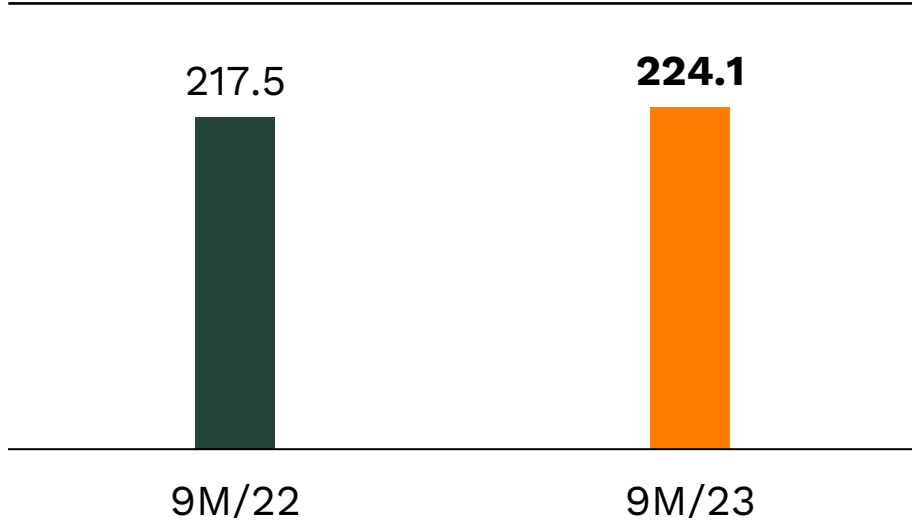
EBITDA (in EUR million) and margin (in %)



- EBITDA was EUR 21.4 (25.7) million, EBITDA margin at 9.7% (10.3%)
- Significant improvement in gross profit margin mostly offsets higher cost ratios

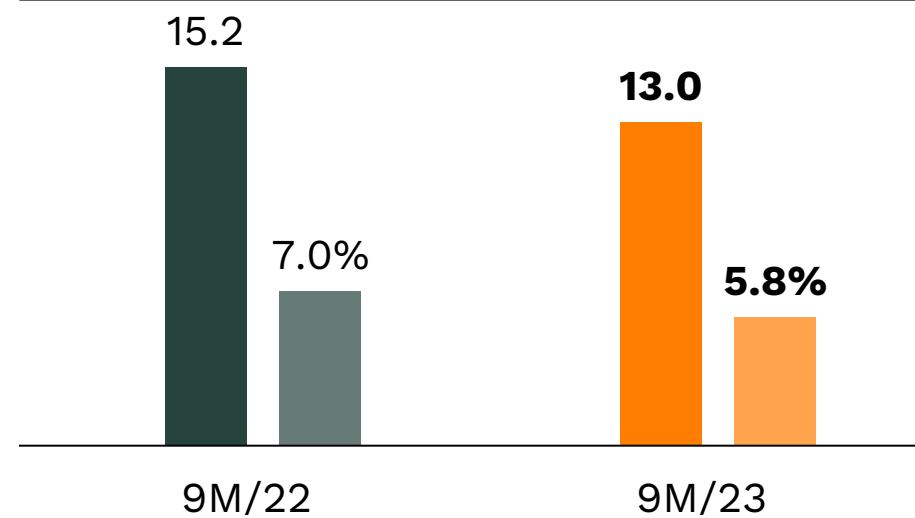
TAKKT 9M: FoodService

Sales (in EUR million)



- Sales increase by 3.1% with negative currency effects of 2.1%
- Organic sales growth at 5.2%, Hubert with stronger growth than Central

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



- EBITDA was EUR 13.0 (15.2) million, EBITDA margin at 5.8% (7.0%)
- Lower gross profit margin due to sale of discounted inventory and project business
- One-time costs of around EUR 1 million for division integration

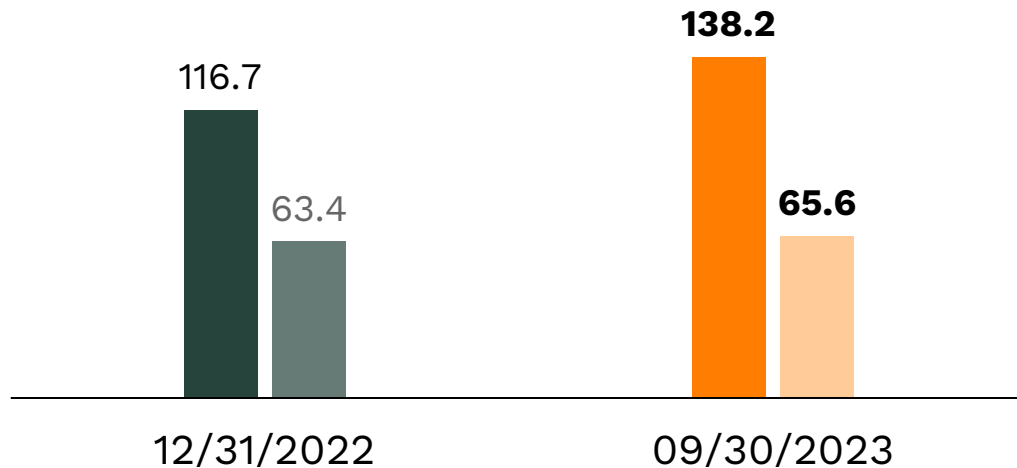
TAKKT Cash flow generation

<i>in EUR million</i>	9M/22	9M/23
TAKKT cash flow	91.4	67.5
Change in net working capital as well as other adjustments	-58.0	+4.8
Cash flow from operating activities	33.4	72.3
Capital expenditure in non-current assets	-9.7	-12.6
Proceeds from disposal of non-current assets	+0.3	+0.7
Free TAKKT cash flow (for acquisitions, payout to shareholders and loan repayments)	24.0	60.4

- Slight reduction in NWC after substantial increase in 9M/22 due to cash release of EUR 25.7 million from inventories.
- Capital expenditure above prior year.
- Significant increase in free TAKKT cash flow.

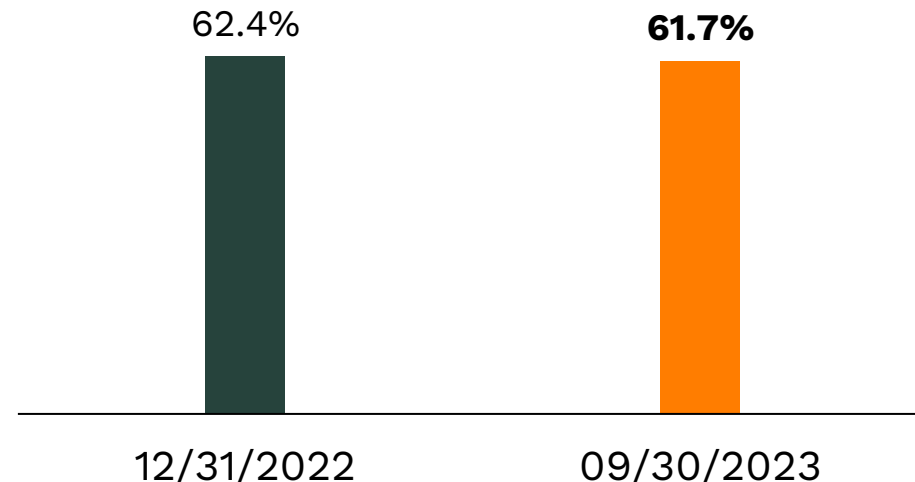
TAKKT Balance sheet

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



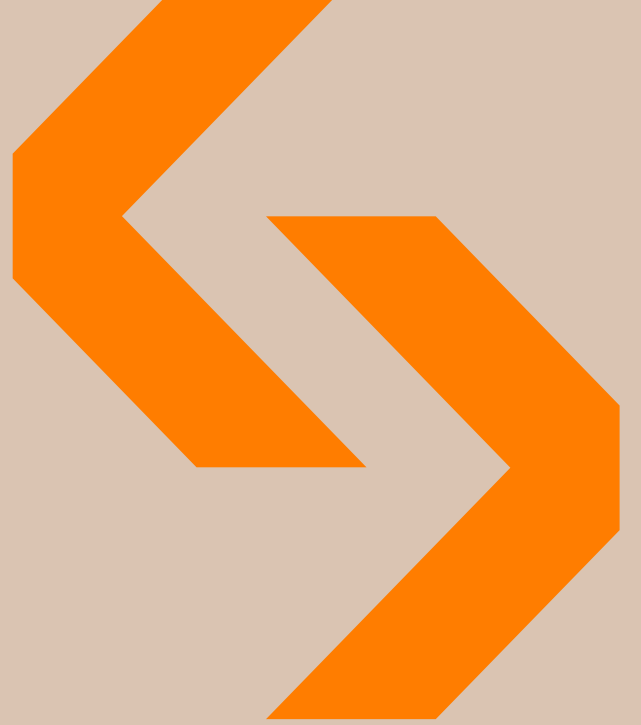
- › Increase in net financial liabilities expected to be compensated by continued cash generation until year-end

Equity ratio (in %)



- › Equity ratio above the target corridor of 30 to 60 percent
- › Strong balance sheet and financial flexibility allows for high dividend payment, share buyback and M&A

OUTLOOK



TAKKT Outlook 2023

Economic environment

- Very challenging economic environment with subdued customer demand
- Declining GDP forecasts for Europe, recession in Germany, shutdown discussion in the US
- Increased geopolitical uncertainty
- Continued impact from cost inflation

TAKKT's priorities

- Keep gross profit margin stable at around 40%
- Intensify strict cost and profitability management with postponement of projects and continuous adjustment of FTE numbers
- Continue with cash focus and improvement of net working capital management

FY forecast for key financials

Mid-single-digit organic sales decline
(before: stable to slightly negative)

EBITDA between EUR 107 and 117 million
(before: EUR 120 and 130 million)

Significant increase in free TAKKT cash flow

Revision of medium-term goals

- Economic and geopolitical uncertainty are impacting medium-term planning and goals
- Increased focus on profitability and cash flow while maintaining mid-term growth trajectory
- Revision of medium-term corporate goals ongoing

TAKKT Investment thesis

Addressable market >EUR 100bn
lower e-commerce B2B penetration

**Excellent position to grow
in an attractive and
fragmented market**



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



**Clear vision & growth-
oriented strategy**

**Good execution
and track record**



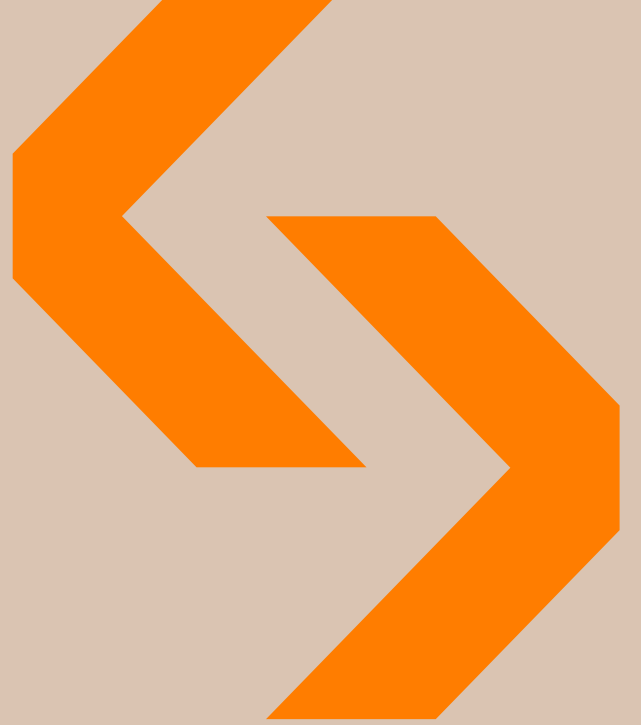
Flexible cost structure
and strict management
help to deliver on financial goals



**Strong balance sheet,
cash flow and
reliable dividend**

Dividend of EUR 1 per share for 2022,
dividend yield of 7%

APPENDIX



TAKKT Organic sales growth

<i>Organic growth</i>	Q1/22	Q2/22	Q3/22	Q4/22	2022	Q1/23	Q2/23	Q3/23	9M/23
TAKKT Group	18.9%	6.8%	7.0%	-1.0%	7.5%	-3.3%	-1.8%	-7.1%	-4.1%
Industrial & Packaging	12.6%	5.8%	2.7%	-5.1%	3.7%	-4.2%	-4.3%	-7.5%	-5.3%
Office Furniture & Displays	24.3%	11.8%	11.1%	0.5%	11.3%	-5.8%	-10.3%	-12.2%	-9.7%
FoodService	35.6%	4.1%	13.7%	11.3%	14.9%	2.5%	14.9%	-0.6%	5.2%

TAKKT Structure of sales development

	Q1/23	Q2/23	Q3/23	9M/23
TAKKT Group in EUR	-2.0%	-2.8%	-10.6%	-5.3%
organic	-3.3%	-1.8%	-7.1%	-4.1%
currency	1.3%	-1.0%	-3.5%	-1.2%
acquisition/divestment	-	-	-	-
Industrial & Packaging in EUR	-5.1%	-4.6%	-7.8%	-5.8%
organic	-4.2%	-4.3%	-7.5%	-5.3%
currency	-0.9%	-0.3%	-0.3%	-0.5%
acquisition/divestment	-	-	-	-
Office Furniture & Displays in EUR	-1.6%	-12.2%	-18.5%	-11.4%
organic	-5.8%	-10.3%	-12.2%	-9.7%
currency	4.2%	-1.9%	-6.3%	-1.7%
acquisition/divestment	-	-	-	-
FoodService in EUR	6.5%	12.7%	-7.5%	3.1%
organic	2.5%	14.9%	-0.6%	5.2%
currency	4.0%	-2.2%	-6.9%	-2.1%
acquisition/divestment	-	-	-	-

TAKKT investor relations

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TAKKT AG is headquartered in Stuttgart, Germany.

Upcoming Events

November 27, German Equity Forum, Frankfurt

December 1, CIC Market Solutions Forum

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)

