

# Transforming the organization



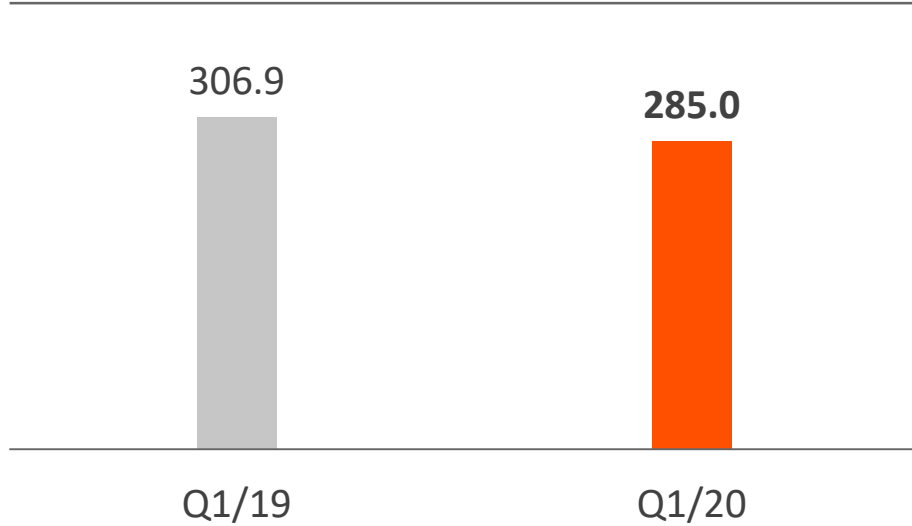
**Results of first quarter 2020**

April 30, 2020

# Financials first quarter 2020

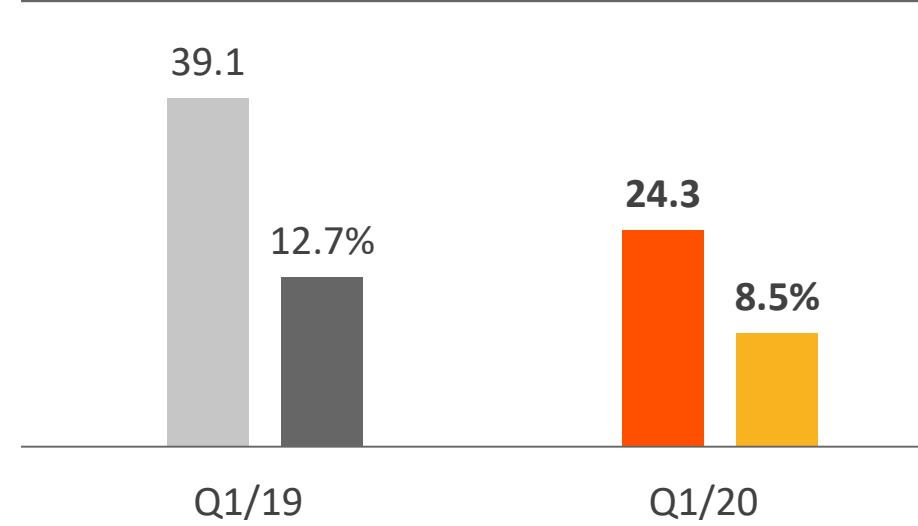
# Q1 2020: TAKKT Group

Sales (in EUR million)



- Sales decrease by 7.2% with positive effects from acquisitions (+1.4%) and from currency fluctuations (+1.5%)
- Organic sales decline of 10.1%, sharp drop due to corona pandemic since mid-March
- Web-focused Commerce with better development than Omnichannel Commerce

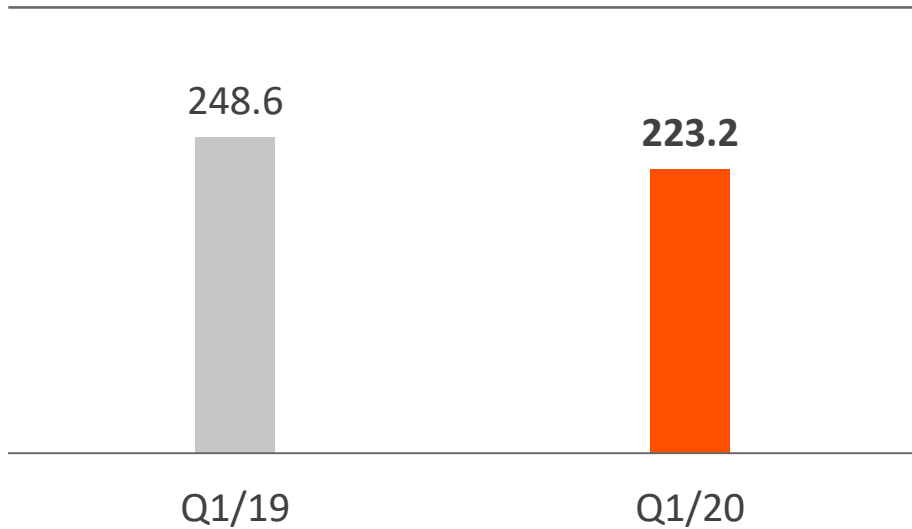
EBITDA (in EUR million) and margin (in %)



- Earnings negatively affected by marked decrease in sales
- One-time expenses for implementation of TAKKT 4.0 of EUR 7.6 million
- EBITDA was EUR 24.3 (39.1) millions, EBITDA margin at 8.5% (12.7%)

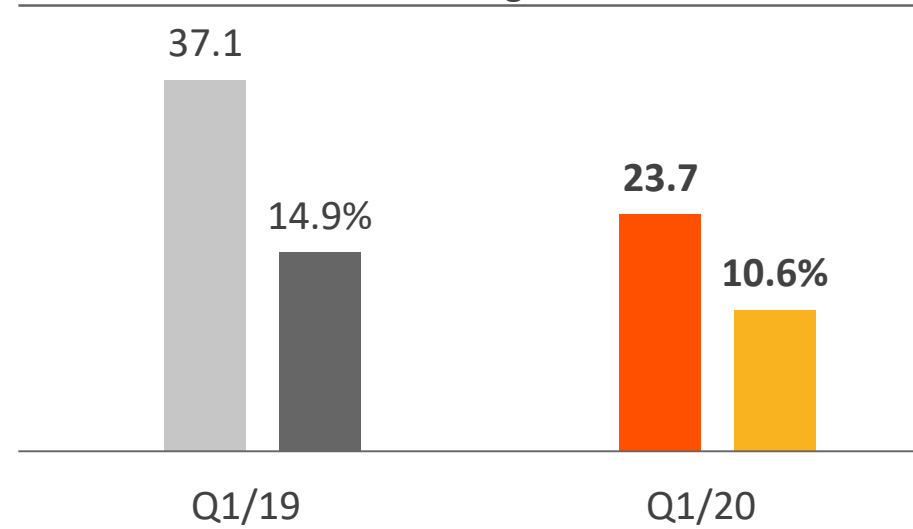
# Q1 2020: Omnichannel Commerce

Sales (in EUR million)



- Sales decrease by 10.2% with positive currency effects of 1.4%
- Organic sales decline of 11.6%; termination of business with major Hubert customer impaired growth by around 1%
- Medium- to high single-digit organic decline at ratioform, NBF and Central, KAISER+KRAFT and Hubert with a double-digit decline

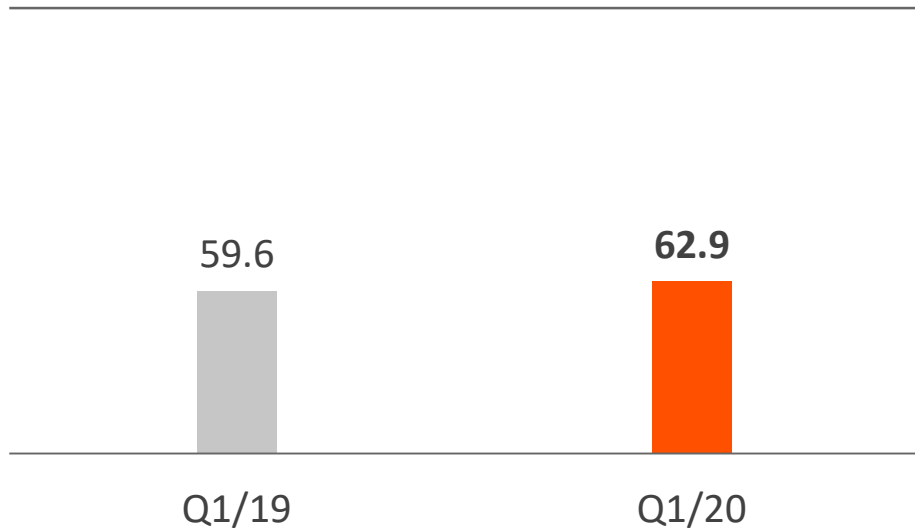
EBITDA (in EUR million) and margin (in %)



- Sales decline and one-time expenses for TAKKT 4.0 with negative impact on earnings
- EBITDA was EUR 23.7 (37.1) millions, EBITDA margin at 10.6% (14.9%)

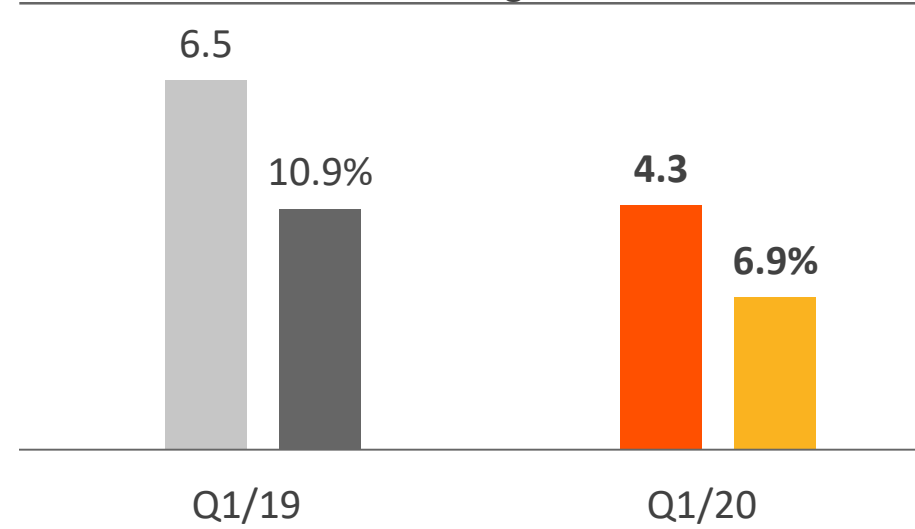
# Q1 2020: Web-focused Commerce

Sales (in EUR million)



- Sales increase by 5.5% with positive effects from the acquisition of XXLhoreca (+7.4%) and from currency fluctuations (+1.9%)
- Organic sales decline of 3.8%, sales dropped significantly in March after positive growth in January and February
- Newport with mid-single digit organic growth, D2G with low double-digit organic decline

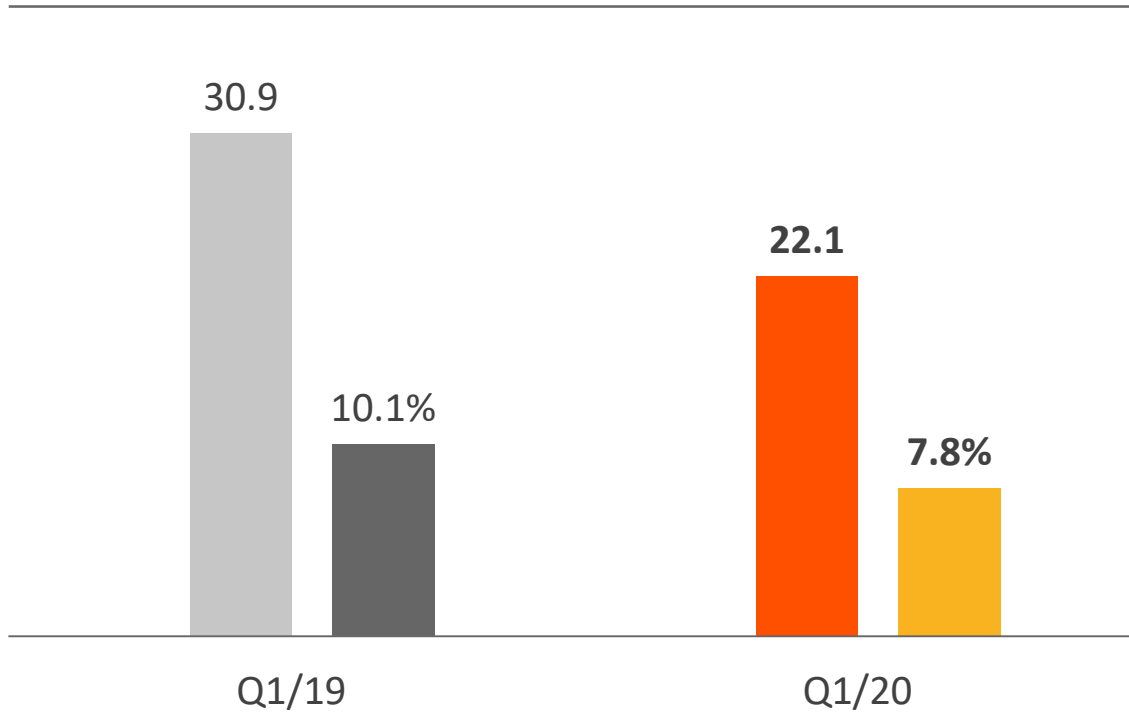
EBITDA (in EUR million) and margin (in %)



- Decline in organic sales at D2G weighed on earnings
- EBITDA was EUR 4.3 (6.5) millions, EBITDA margin at 6.9% (10.9%)

# Q1 2020: TAKKT cash flow

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



- TAKKT cash flow negatively impacted by sales decline and one-time expenses for TAKKT 4.0

in EUR million

	Q1/19	Q1/20
profit	19.5	9.3
+ depreciation	+9.7	+10.0
+/- deferred taxes expense/income	+0.6	+0.7
+/- other non-cash expenses/income	+1.1	+2.1
<b>TAKKT cash flow</b>	<b>30.9</b>	<b>22.1</b>

in EUR million

	Q1/19	Q1/20
EBITDA	39.1	24.3
- financial result	-2.7	-1.7
- current taxes	-6.6	-2.6
+/- other non-cash expenses/income	+1.1	+2.1
<b>TAKKT cash flow</b>	<b>30.9</b>	<b>22.1</b>

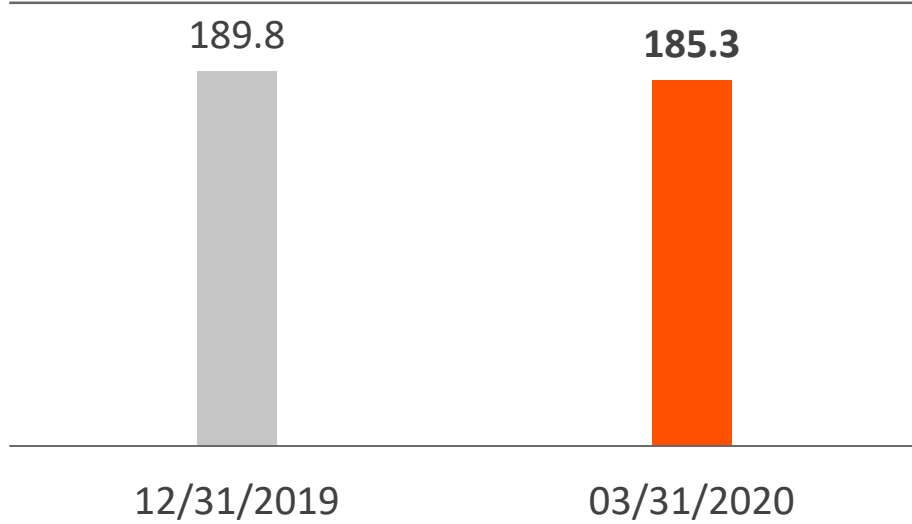
# Cash flow generation

<i>in EUR million</i>	Q1/19	Q1/20
<b>TAKKT cash flow</b>	<b>30.9</b>	<b>22.1</b>
Change in net working capital as well as other adjustments	-3.3	-11.2
<b>Cash flow from operating activities</b>	<b>27.6</b>	<b>10.9</b>
Capital expenditure in non-current assets	-4.3	-3.9
Proceeds from disposal of non-current assets	+0.4	+0.3
<b>Free TAKKT cash flow</b> (for acquisitions, payout to shareholders and loan repayments)	<b>23.7</b>	<b>7.3</b>

- Net working capital: Increase in inventories due to adjustment of product range to pandemic (hygiene and health protection)
- Capital expenditure: Slightly lower than prior year; reduction of capex not yet with significant impact

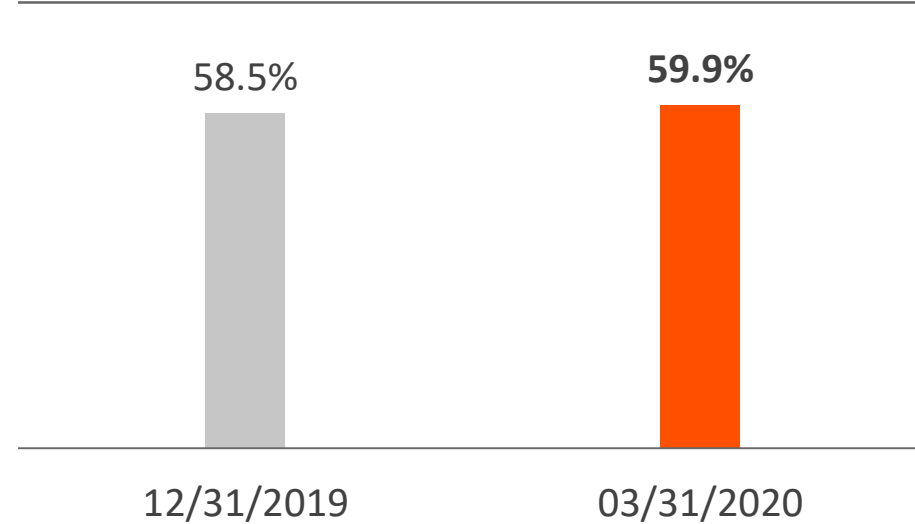
# Balance sheet

Net financial liabilities (in EUR million)



- Initial recognition of lease contracts adds EUR 2.8 million to liabilities
- Free cash flow of EUR 7.3 million used to repay liabilities

Equity ratio (in %)



- Stable and solid equity ratio



# Corona pandemic: Update and current focus

# TAKKT corona crisis plan and priorities:

## Shifting the perspective to get ready for the rebound and prepare for the future

### Phase ①

Take action to minimize disruptions

- Protect our employees
- Ensure business continuity
- Secure financial stability



### Phase ②

Get ready for the rebound

- Keep business on track
- Continue to deliver on agreed cost and cash management measures
- Proactively generate demand
- Implement next steps for TAKKT 4.0

### Phase ③

Prepare for the future

- Keep business on track
- Proactively look and go for growth and acquisition opportunities

# TAKKT corona crisis plan and priorities:

Besides crisis management, the focus is now on identifying opportunities

## Our focus going forward

### Keep business on track

- Make sure our businesses continue to stay open and operate
- Closely track further development of the pandemic and potential changes
- Continue to deliver on agreed cost and cash management measures

### Proactively generate demand

- Adjust product range to include products that are currently in high demand (hygiene, health protection, food packaging)
- Approach and develop new customers and markets

### Implementation next steps for TAKKT 4.0

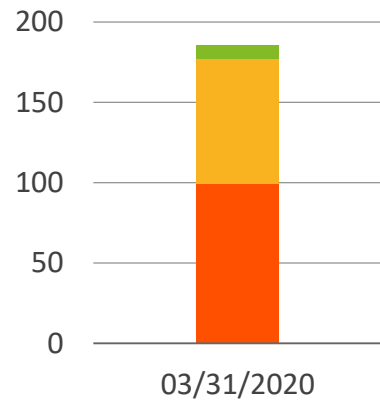
- Go ahead with strategic focus on the implementation of TAKKT 4.0
- Prepare business units in Omnichannel Commerce for a stronger integration into the segment
- Strengthen operational excellence with new management methods and processes

### Proactively look for growth opportunities

- Identify and make use of opportunities for growth
- These can include organic as well as inorganic measures

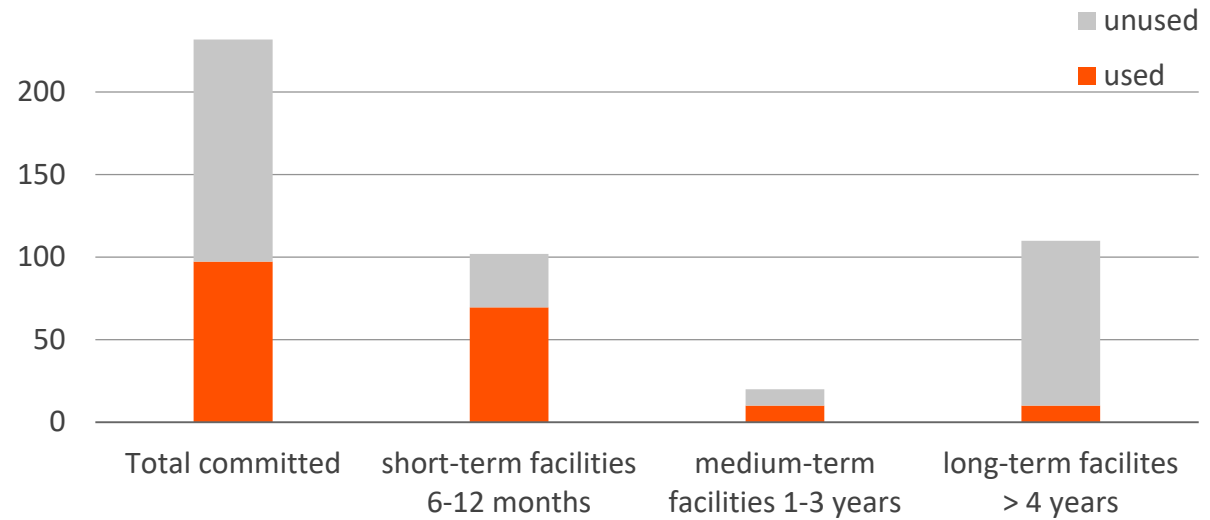
# TAKKT with solid financing situation

Net financial debt (in EUR million)



- Other financial liabilities
- Lease liabilities
- Bank liabilities

Bank facilities (as of March 31, in EUR million)



- Bilateral revolving credit facilities without financial covenants from 13 banks; well-established annual roll-over process
- Used committed credit lines of around EUR 100 million
- Unused committed credit lines of around EUR 130 million
- An additional EUR 70 million in uncommitted lines
- Currently in negotiations for early renewal of short-term facilities as well as changing uncommitted in committed credit lines

# Expectations for 2020

# Organic sales growth

<i>Organic growth</i>	Q1/19	Q2/19	Q3/19	Q4/19	<b>2019</b>	Q1/20
<b>TAKKT Group</b>	<b>+5.0%</b>	<b>-0.7%</b>	<b>-2.3%</b>	<b>-7.1%</b>	<b>-1.4%</b>	<b>-10.1%</b>
Omnichannel Commerce*	+4.5%	-2.4%	-4.2%	-9.5%	-3.0%	-11.6%
Web-focused Commerce*	+7.2%	+6.7%	+5.8%	+4.7%	+6.0%	-3.8%

\*New segment structure implemented since January 2020

# Performance in 2020 will depend on severity, length and consequences of corona pandemic

## Challenging environment

- Economies in Europe and the US expected to show severe negative GDP development in 2020
- Purchasing manager indices in Europe show a sharp decline, especially in the service sector

## Management focus

- We ensure business continuity, maintain cost discipline and adapt product range to current environment
- Going forward, we proactively look for organic and inorganic growth opportunities

## Current expectation for 2020

**Sales and EBITDA  
significantly below level of 2019**

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**Positive free cash flow**

## Appendix: Structure of sales development

<i>in %</i>	Q1/20
<b>TAKKT Group in EUR</b>	<b>-7.2%</b>
organic	-10.1%
currency	+1.5%
acquisition/divestment	+1.4%
<b>Omnichannel Commerce in EUR</b>	<b>-10.2%</b>
organic	-11.6%
currency	+1.4%
acquisition/divestment	-
<b>Web-focused Commerce in EUR</b>	<b>+5.5%</b>
organic	-3.8%
currency	+2.0%
acquisition/divestment	+7.3%



# TAKKT investor relations

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TAKKT AG is headquartered in Stuttgart, Germany.

## Upcoming Events

Due to government actions to limit the spreading of the coronavirus, TAKKT postponed its annual Shareholders' Meeting. An alternative date has not yet been fixed.

### May

19./20. Berenberg USA Conference (virtual event)

### July

30. Earnings call H1/2020

## 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
Index	SDAX, prime standard
Designated sponsors	Pareto Securities, Oddo Seydler, Hauck & Aufhäuser

## Historic share price development (Xetra)

