

# Transforming the organization

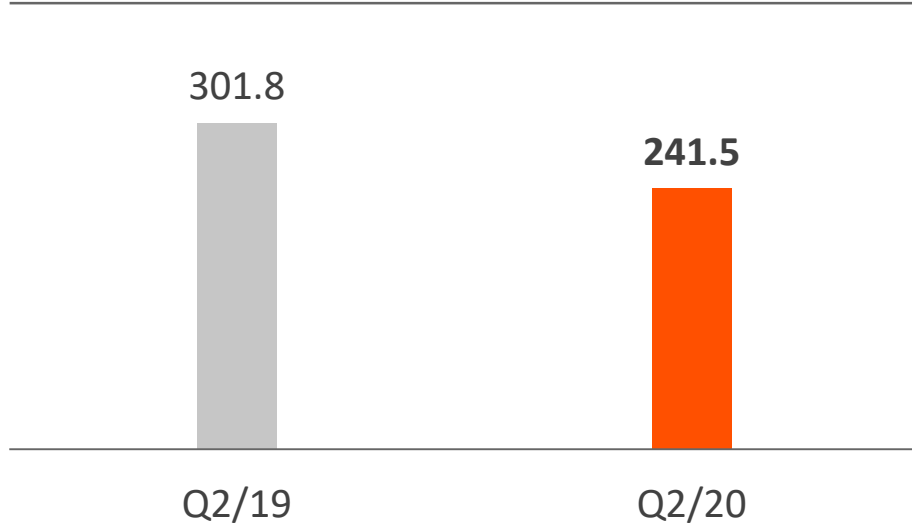


**Results of the first half of 2020**

July 30, 2020

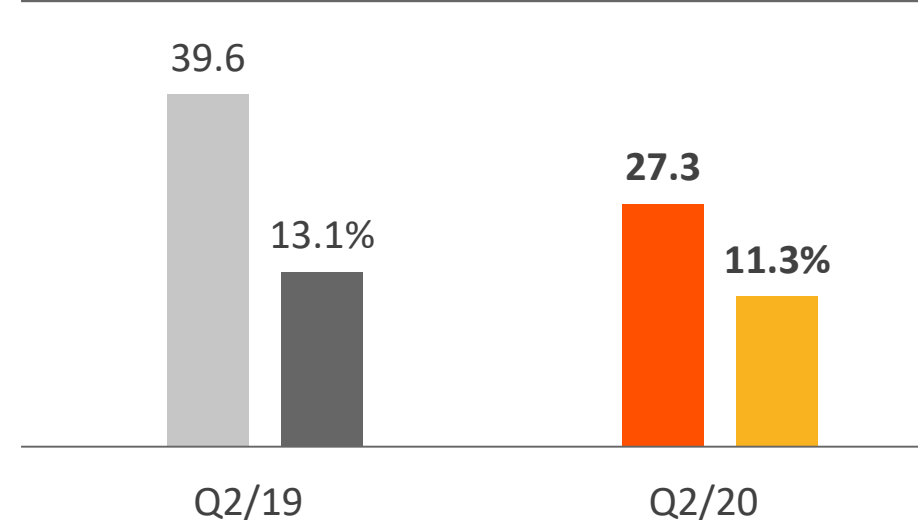
# Q2 2020: TAKKT Group

Sales (in EUR million)



- Sales decrease by 20.0%; positive effects from acquisitions (+0.5%) and currency fluctuations (+0.7%)
- Organic sales decline of 21.2%
- Sales development improved significantly over the course of the second quarter, driven by demand from companies preparing to restart operations as well as good business with products for health protection and home office equipment

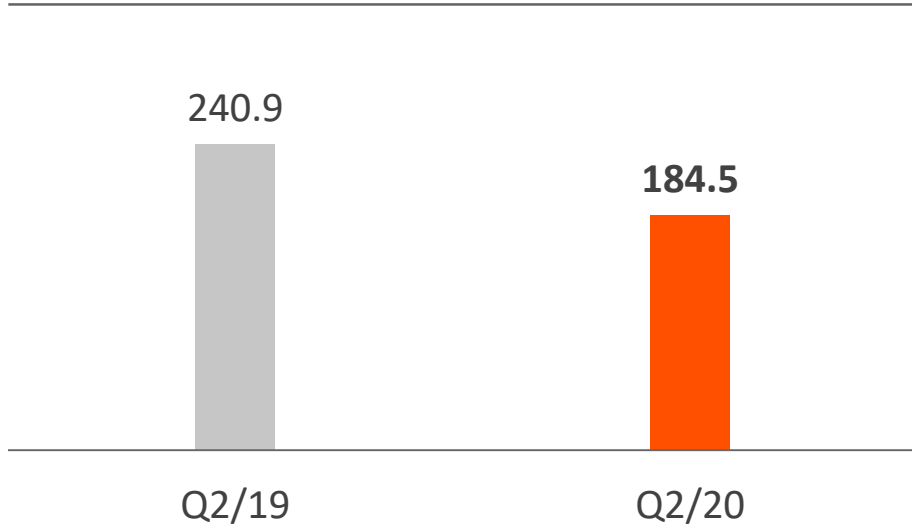
EBITDA (in EUR million) and margin (in %)



- Sales decline resulted in lower earnings
- Successful cost management allows for significant decrease in marketing and personnel spend
- One-time gain from sale of real estate in the USA of EUR 4.5 million
- EBITDA was EUR 27.3 (39.6) millions, EBITDA margin at 11.3% (13.1%)

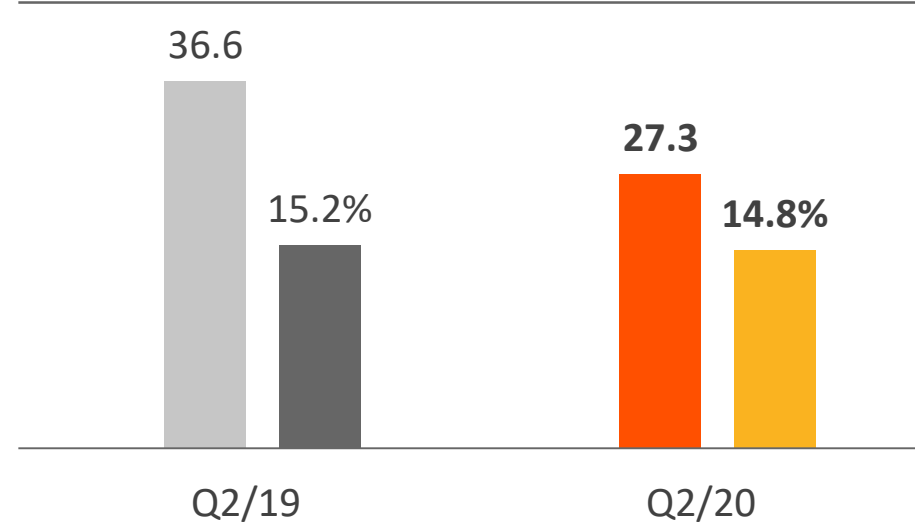
# Q2 2020: Omnichannel Commerce

Sales (in EUR million)



- Sales decrease by 23.4%; positive currency effects of 0.9%
- Organic sales decline of 24.3%
- Hubert comparably stable with a mid single-digit organic decline, sales decrease at ratioform in the high single-digits. Double-digit decline at KAISER+KRAFT, NBF and Central

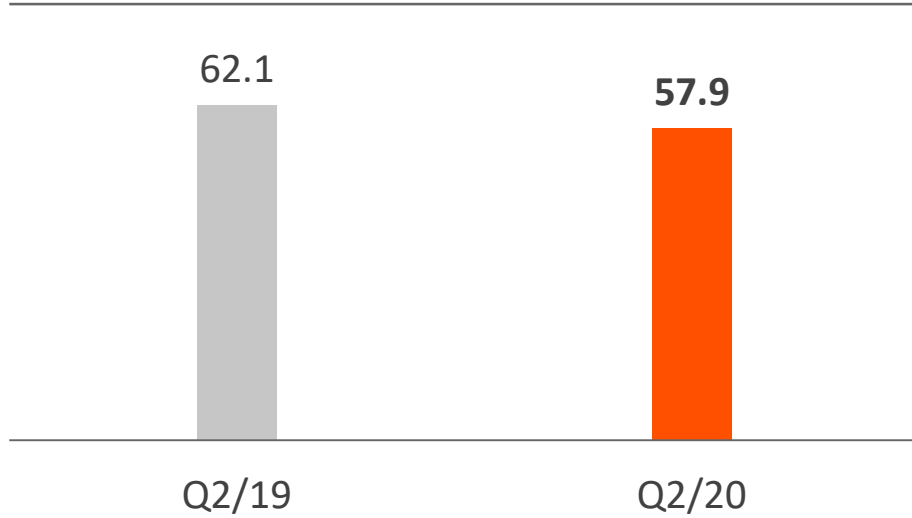
EBITDA (in EUR million) and margin (in %)



- Sales decline with negative impact on earnings
- One time gain from sale of real estate in the US of EUR 4.5 million
- EBITDA was EUR 27.3 (36.6) millions, EBITDA margin at 14.8% (15.2%)

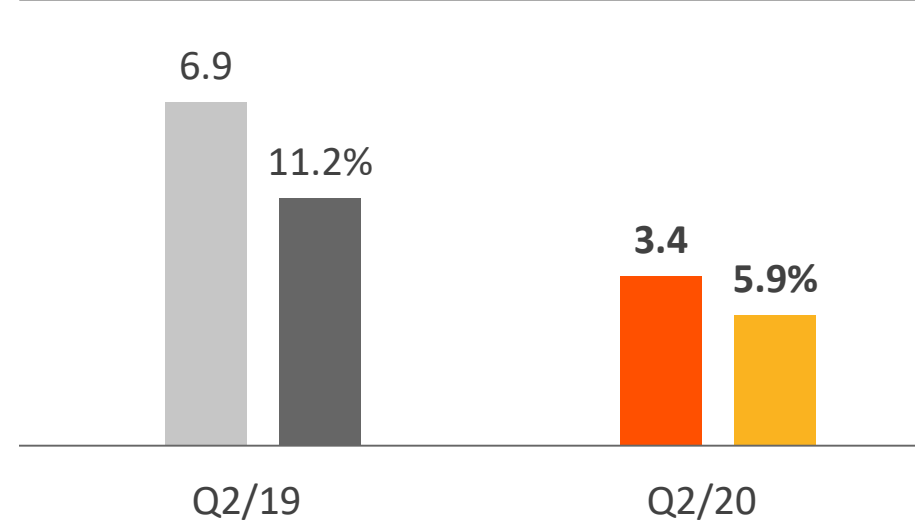
# Q2 2020: Web-focused Commerce

Sales (in EUR million)



- Sales decrease by 6.8%; positive effects from the acquisition of XXLhoreca (+2.2%) and minor currency fluctuations (+0.2%)
- Organic sales decline of 9.2%,
- Newport can benefit from good demand for work-from-home products and achieves low double-digit organic growth, D2G with double-digit decline

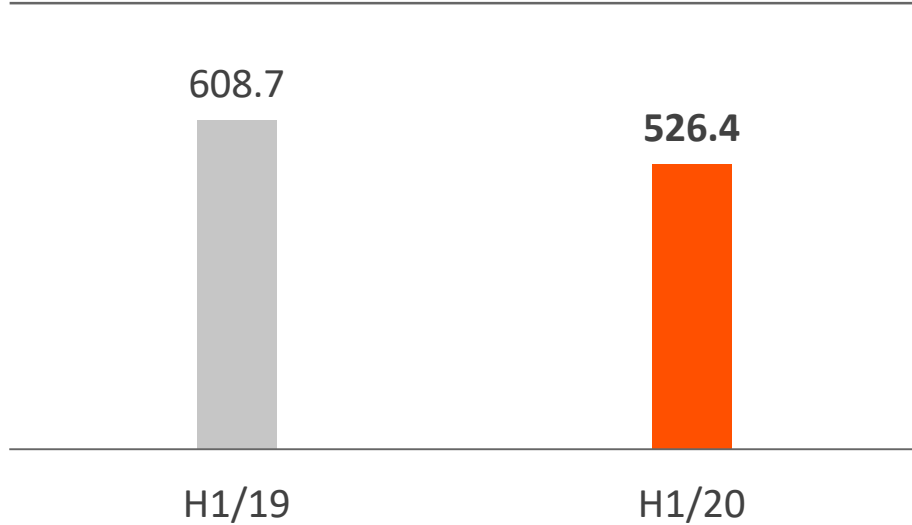
EBITDA (in EUR million) and margin (in %)



- Sales drop at D2G leads to decrease in EBITDA
- EBITDA was EUR 3.4 (6.9) millions, EBITDA margin at 5.9% (11.2%)

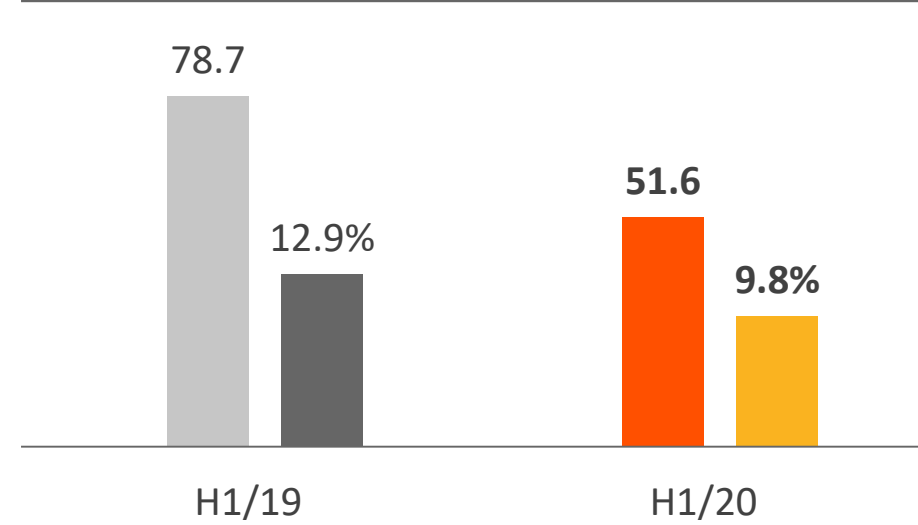
# H1 2020: TAKKT Group

Sales (in EUR million)



- Sales decrease by 13.5%; positive effects from acquisitions (+1.0%) and currency fluctuations (+1.1%)
- Organic sales decline of 15.6%
- Web-focused Commerce with a more stable development than Omnichannel Commerce

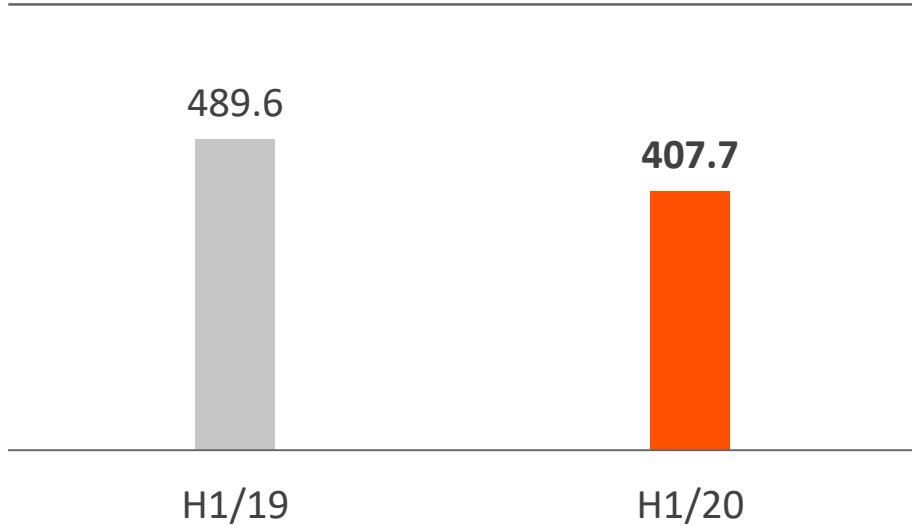
EBITDA (in EUR million) and margin (in %)



- Sales decrease resulted in lower earnings
- One time expenses for TAKKT 4.0 of EUR 7.6 million and one time gain from sale of real estate in the US of EUR 4.5 million
- EBITDA was EUR 51.6 (78.7) million, EBITDA margin at 9.8% (12.9%)

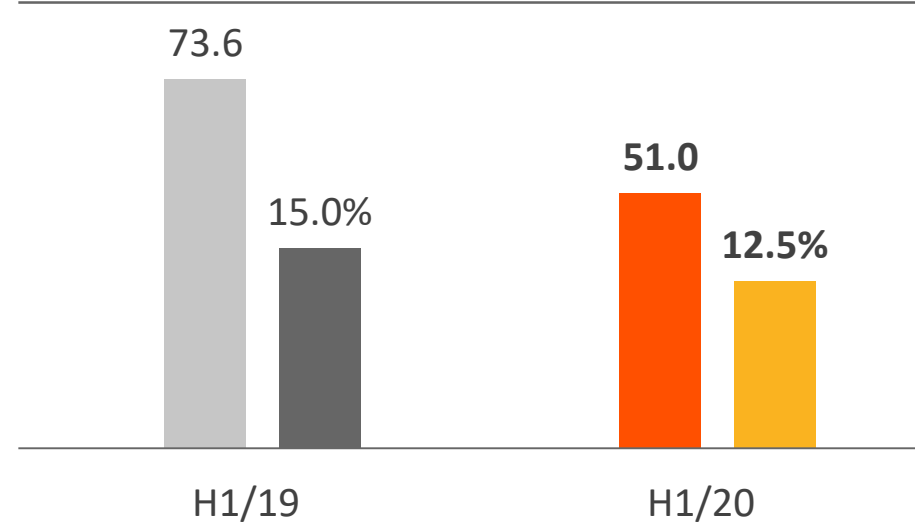
# H1 2020: Omnichannel Commerce

Sales (in EUR million)



- Sales decrease by 16.7%; positive currency effects of 1.1%
- Organic sales decline of 17.8%
- Above average development at ratioform with a mid-single-digit organic decline; KAISER+KRAFT, NBF, Hubert and Central with double-digit decline

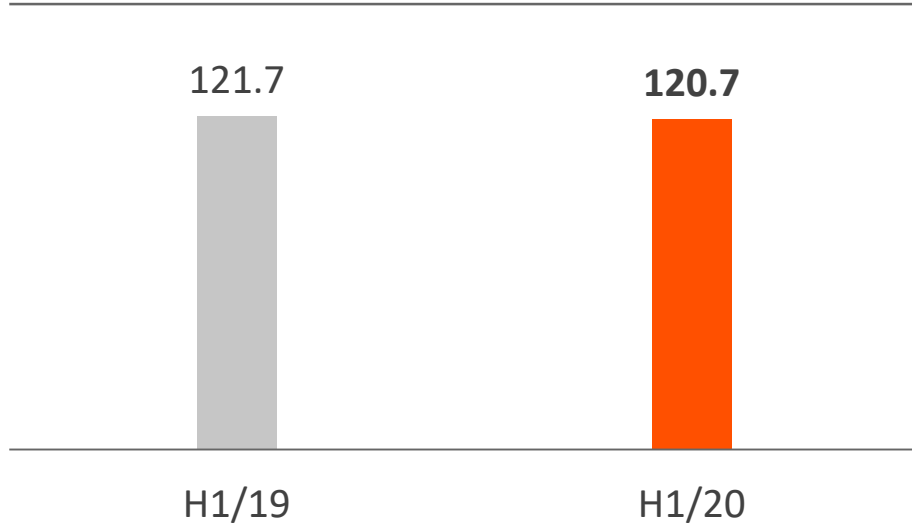
EBITDA (in EUR million) and margin (in %)



- Sales decline with negative impact on earnings
- One-time effects from TAKKT 4.0 implementation and sale of real estate
- EBITDA was EUR 51.0 (73.6) millions, EBITDA margin at 12.5% (15.0%)

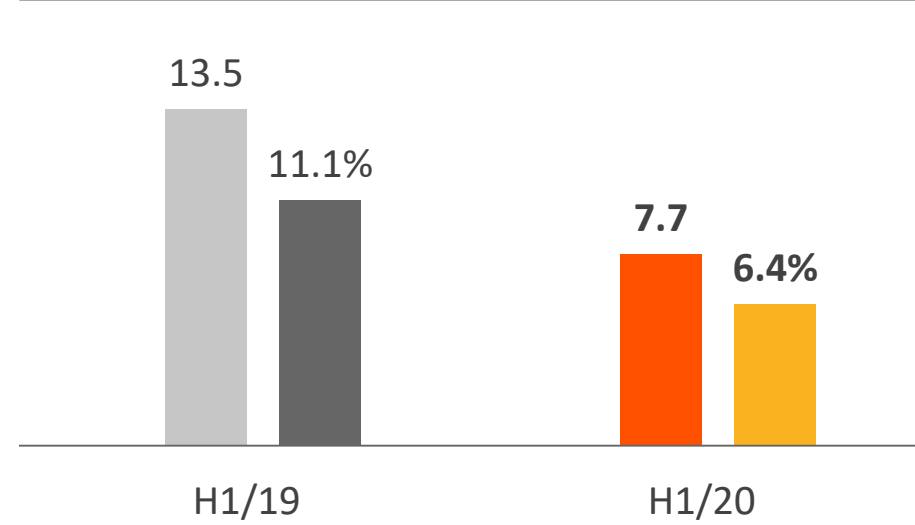
# H1 2020: Web-focused Commerce

Sales (in EUR million)



- Sales decrease by 0.8% with positive effects from the acquisition of XXLhoreca (+4.8%) and from currency fluctuations (+1.0%)
- Organic sales decline of 6.6%
- Newport with high single-digit organic growth, D2G with double-digit organic decline

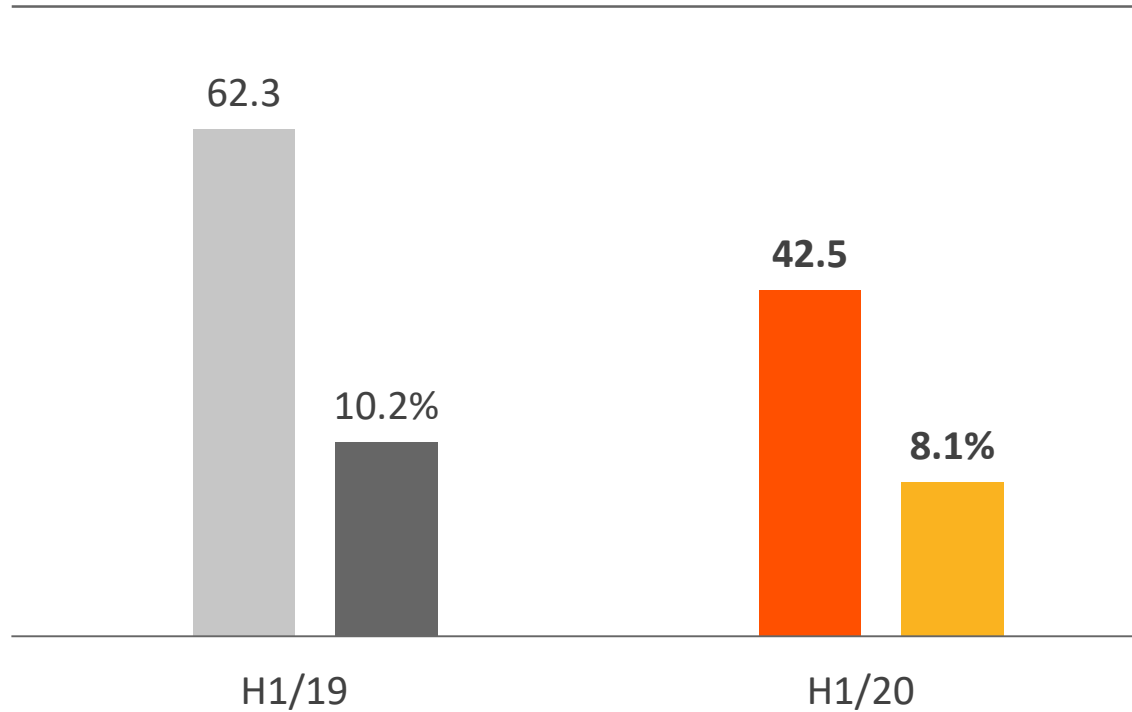
EBITDA (in EUR million) and margin (in %)



- Drop in sales at D2G weighed on earnings
- EBITDA was EUR 7.7 (13.5) millions, EBITDA margin at 6.4% (11.1%)

# H1 2020: TAKKT cash flow

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



- TAKKT cash flow negatively impacted by lower business volume

in EUR million

	H1/19	H1/20
Profit	39.6	21.5
+ depreciation	+19.9	+19.9
+/- deferred taxes expense/income	+1.3	-0.2
+/- other non-cash expenses/income	+1.5	+5.9
+/- result from non-cur. asset disposal	0.0	-4.6
<b>TAKKT cash flow</b>	<b>62.3</b>	<b>42.5</b>

in EUR million

	H1/19	H1/20
EBITDA	78.7	51.6
- financial result	-4.6	-3.1
- current taxes	-13.3	-7.3
+/- other non-cash expenses/income	+1.5	+5.9
+/- result from non-cur. asset disposal	0.0	-4.6
<b>TAKKT cash flow</b>	<b>62.3</b>	<b>42.5</b>



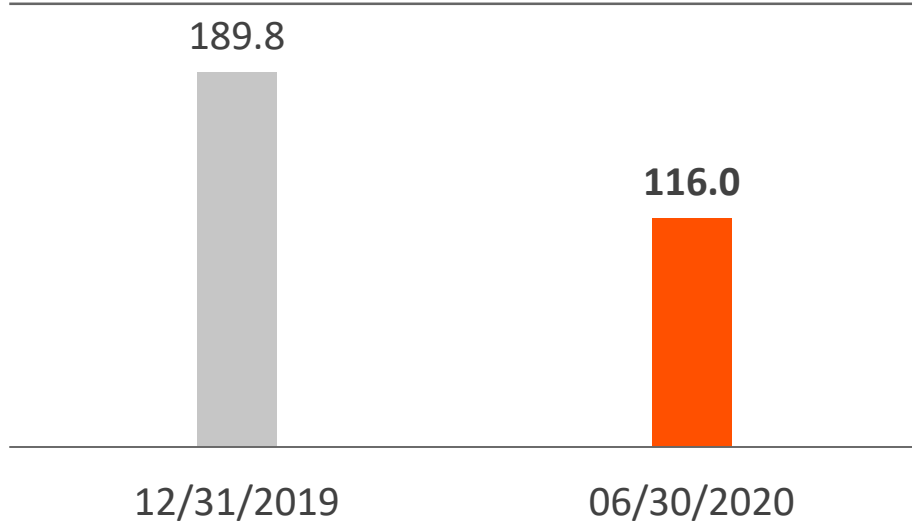
# Cash flow generation

<i>in EUR million</i>	H1/19	H1/20
<b>TAKKT cash flow</b>	<b>62.3</b>	<b>42.5</b>
Change in net working capital as well as other adjustments	+1.9	+32.9
<b>Cash flow from operating activities</b>	<b>64.2</b>	<b>75.4</b>
Capital expenditure in non-current assets	-11.9	-6.9
Proceeds from disposal of non-current assets	+0.6	+22.4
<b>Free TAKKT cash flow</b> (for acquisitions, payout to shareholders and loan repayments)	<b>52.9</b>	<b>90.9</b>

- Net working capital: Significant reduction of receivables and lower tax payments
- Capital expenditure much lower than prior year due to implemented capex restrictions
- Cash inflow of EUR 21.9 million from property sale in the US

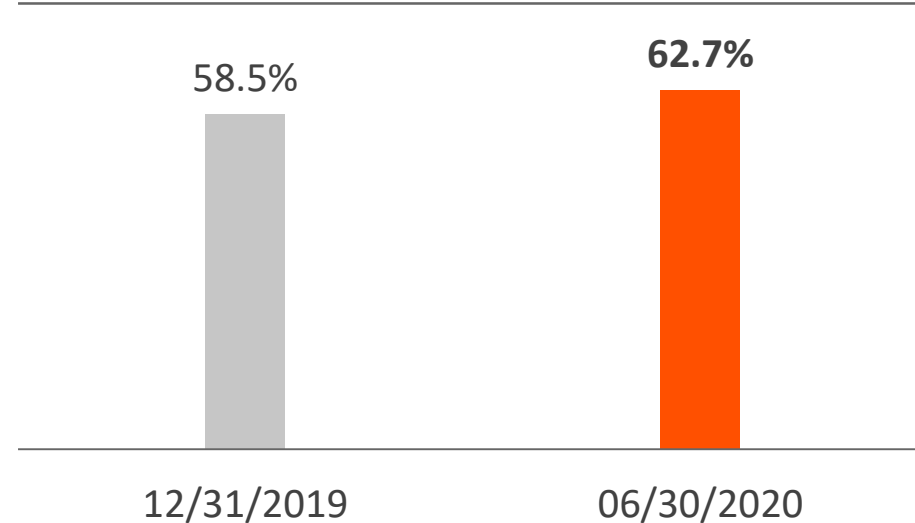
# Balance sheet

Net financial liabilities (in EUR million)



- Free cash flow of EUR 90.9 million used to repay liabilities
- Bank liabilities reduced to EUR 21.6 million
- Initial recognition of lease contract from sale-and-lease back in the US adds EUR 13.9 million to liabilities

Equity ratio (in %)



- Profit for the period and decrease in total assets result in an increased equity ratio

# TAKKT corona crisis plan and priorities

## 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

- Further 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

# Organic sales growth

<i>Organic growth</i>	Q1/19	Q2/19	Q3/19	Q4/19	<b>2019</b>	Q1/20	Q2/20	<b>H1/20</b>
<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>	<b>-21.2%</b>	<b>-15.6%</b>
Omnichannel Commerce*	+4.5%	-2.4%	-4.2%	-9.5%	-3.0%	-11.6%	-24.3%	-17.8%
Web-focused Commerce*	+7.2%	+6.7%	+5.8%	+4.7%	+6.0%	-3.8%	-9.2%	-6.6%

\*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
- High uncertainty, both in regard to the further economic development and the spread of the coronavirus

## Management focus

- We ensure business continuity, maintain cost discipline and further 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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**Very positive free cash flow**

# Appendix: Structure of sales development

<i>in %</i>	Q1/20	Q2/20	H1/20
<b>TAKKT Group in EUR</b>	<b>-7.2%</b>	<b>-20.0%</b>	<b>-13.5%</b>
organic	-10.1%	-21.2%	-15.6%
currency	+1.5%	+0.7%	+1.1%
acquisition/divestment	+1.4%	+0.5%	+1.0%
<b>Omnichannel Commerce in EUR</b>	<b>-10.2%</b>	<b>-23.4%</b>	<b>-16.7%</b>
organic	-11.6%	-24.3%	-17.8%
currency	+1.4%	+0.9%	+1.1%
acquisition/divestment	-	-	-
<b>Web-focused Commerce in EUR</b>	<b>+5.5%</b>	<b>-6.8%</b>	<b>-0.8%</b>
organic	-3.8%	-9.2%	-6.6%
currency	+1.9%	+0.2%	+1.0%
acquisition/divestment	+7.4%	+2.2%	+4.8%

# TAKKT investor relations

## IR Contact

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TAKKT AG is headquartered in Stuttgart, Germany.

## Upcoming Events

### September

- 3. Commerzbank Sector Conference
- 22. Berenberg & GoldmanSachs German Corporate Conf.

### October

- 29. Earnings call Q3/2020

## 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)

