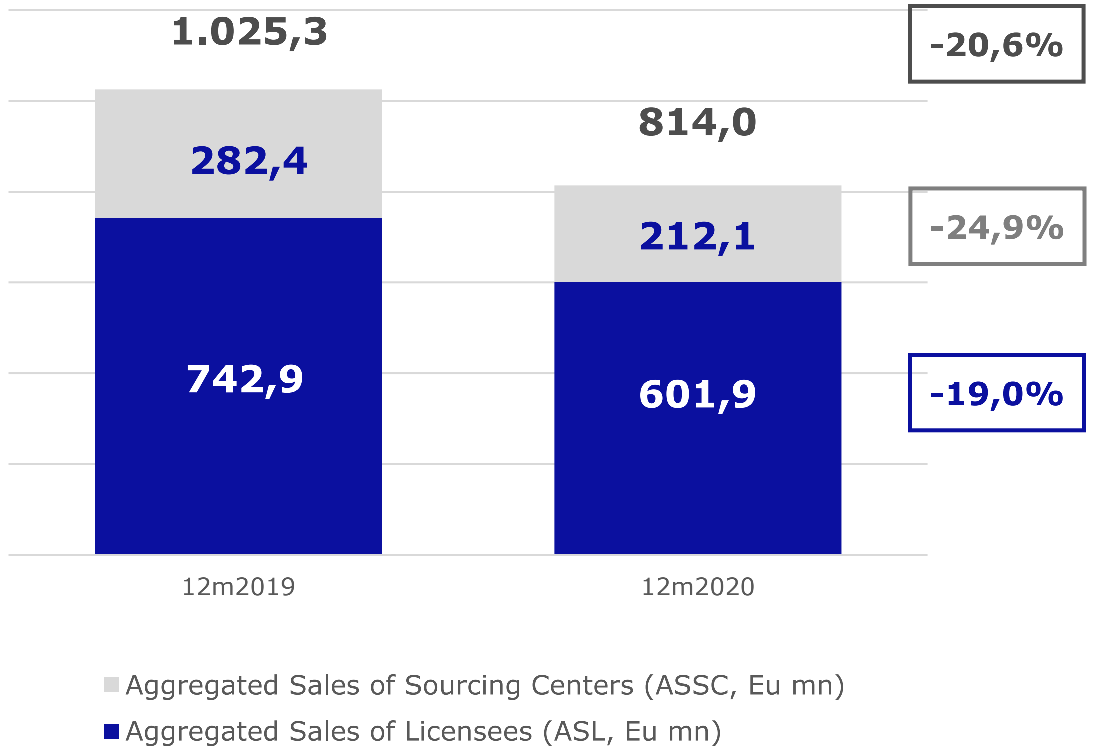
# FY2020 Conference call

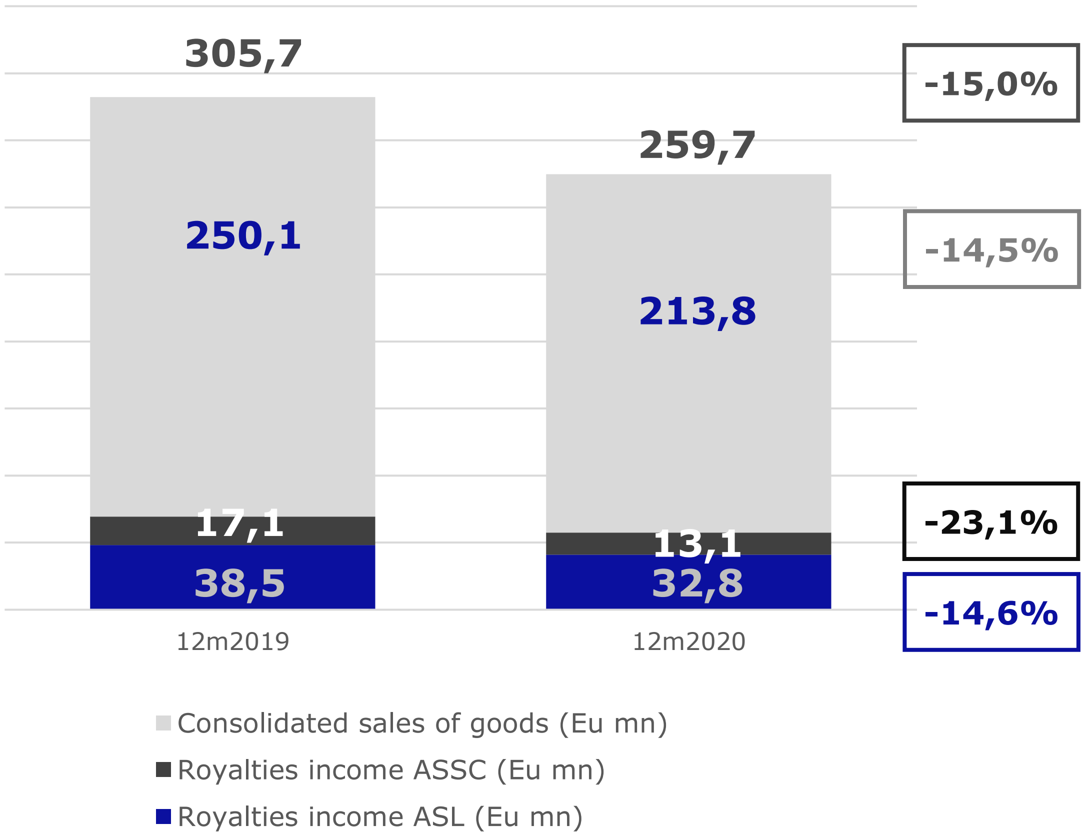
March 2nd 2021

# FY2020 Highlights

## AGGREGATED SALES




## CONSOLIDATED SALES



# FY2020 Highlights

| *in € million* | FY 2020 | FY 2019 | Variance |
|---|---|---|---|
| Total Consolidated revenues | 259,7 | 305,7 | - 15,0% |
| EBITDA | 19,8 | 42,5 | - 53,4% |
| *EBITDA %* | *7,6%* | *13,9%* | |
| EBIT | 7,6 | 30,6 | - 75,3% |
| *EBIT %* | *2,9%* | *10,0%* | |
| Net result | 8,6 | 21,1 | - 59,2% |
| Free cash flow | 10,5 | 6,8 | |
| Trade Working Capital | 59,3 | 88,8 | -33,2% |

# FY2020 Consolidated results

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## INCOME STATEMENT

| in € .000 | FY 2020 | FY 2019 |
|---|---|---|
| Consolidated direct sales | 213.756 | 250.148 |
| Cost of sales | (127.125) | (142.954) |
| **GROSS MARGIN** | **86.631** | **107.195** |
| Royalties and Sourcing Commissions | 45.975 | 55.551 |
| Other income | 8.490 | 6.616 |
| Sponsorship and media costs | (38.284) | (42.186) |
| Labour cost | (28.893) | (32.161) |
| SG&A | (54.092) | (52.493) |
| **EBITDA** | **19.826** | **42.521** |
| Depreciation and Amortisation | (12.275) | (11.964) |
| **EBIT** | **7.551** | **30.557** |
| Net financial income (charges) | (774) | (1.185) |
| **EBT** | **6.777** | **29.372** |
| Income taxes | 1.804 | (8.319) |
| **NET RESULT** | **8.581** | **21.053** |

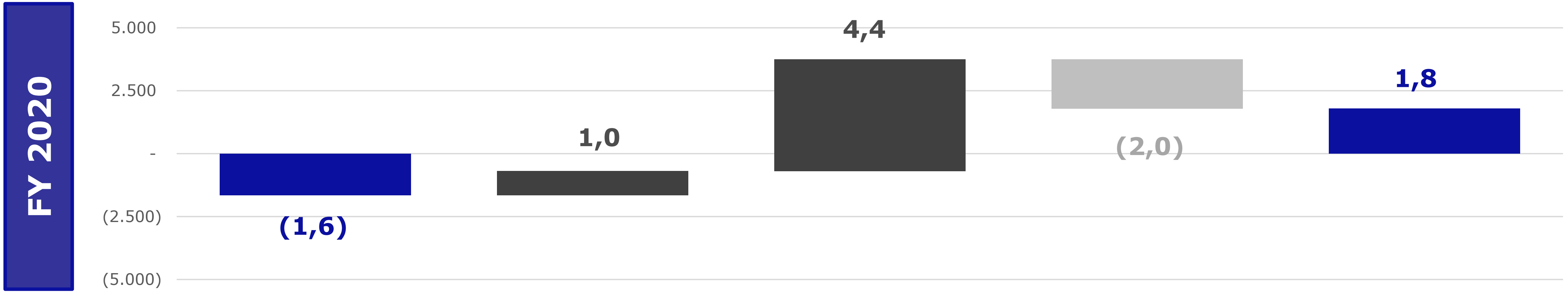
## CASH FLOW STATEMENT

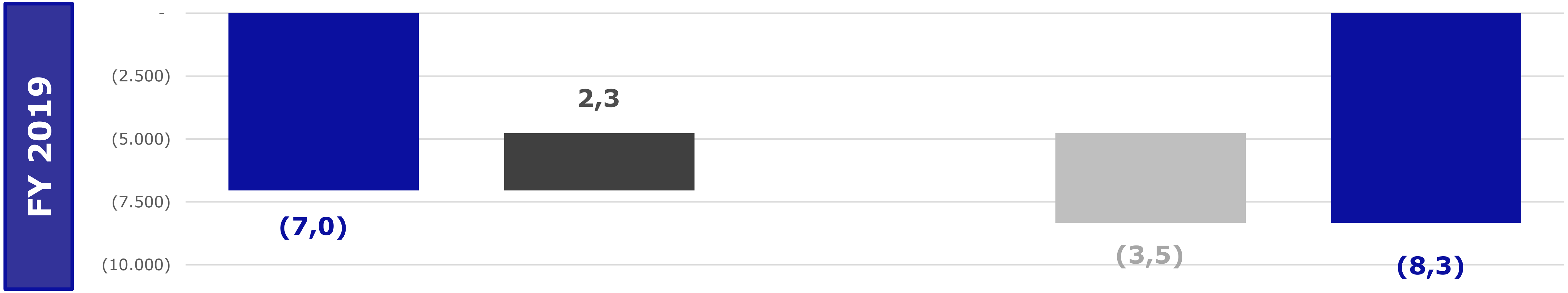
| in € .000 | FY 2020 | FY 2019 |
|---|---|---|
| **Net Financial Position, opening** | **(78.274)** | **(51.681)** |
| **First adoption of IFRS 16** | **-** | **(18.046)** |
| Net result | 8.581 | 21.053 |
| Depreciation and Amortisation | 12.275 | 11.964 |
| Changes in Operating Working Capital | 20.406 | (701) |
| Other | (1.620) | 496 |
| **Operating Cash Flow** | **39.642** | **32.812** |
| Purchase of Kappa Japan | (10.945) | - |
| Changes in consolidation area | (10.466) | (17.371) |
| Recurring capex and other | (7.760) | (8.604) |
| **Capital expenditures, net** | **(29.171)** | **(25.975)** |
| New Debts for Right of Use, net | (9.143) | (4.519) |
| Acquisition of treasury shares | (3.022) | (4.398) |
| Dividends | (6.372) | (6.468) |
| Other financing activities | 4.179 | - |
| **Financing activities, net** | **(14.358)** | **(15.385)** |
| **Change in Net Financial Position** | **(3.888)** | **(8.548)** |
| **Net Financial Position, closing** | **(82.162)** | **(78.274)** |

# Income taxes walk

*in € million*

| Theoretical income tax (24%) | Patent box | Realignment of Brands tax value | Other | Effective income tax |
| --- | --- | --- | --- | --- |



# FY2020 Consolidated Net Financial Position

| in € .000 | 31.12.20 | 31.12.19 | Var |
|---|---|---|---|
| Net Cash | (6.266) | (27.040) | 20.774 |
| ST portion of MT Loans | (8.412) | (9.169) | 757 |
| MT Loans | (44.387) | (19.939) | (24.448) |
| IFRS 16 debt | (23.097) | (19.287) | (3.809) |
| Put/call option | - | (2.839) | 2.839 |
| **Net Financial Position:** | **(82.162)** | **(78.274)** | **(3.887)** |
| **NFP/Equity:** | 0,69 | 0,64 | 0,05 |

# Dividend distribution proposal

| | 2020 | 2019 | 2018 |
|---|---|---|---|
| Dividend per Share: | Euro 0,06 | Euro 0,12 | Euro 0,12 |
| Total dividends: | Euro 3,1 million | Euro 6,4 million | Euro 6,5 million |
| Net result: | Euro 8,6 million | Euro 21,1 million | Euro 21,0 million |
| Share value (Dec 31): | 4,16 Euro | 5,20 Euro | 4,43 Euro |
| **Pay-out ratio:** | **36,6%** | **30,3%** | **30,8%** |
| **Dividend yield (Dec 31):** | **1,4%** | **2,3%** | **2,7%** |

*The dividend will be paid from April 21th 2021, with coupon at April 19th 2021 and record date of April 20th 2021*

# Buy-back proposal

| | Proposal to Shareholders' April 8th, 2021 | Shareholder's resolution on June 26th, 2020 | Shareholder's resolution on April 19th, 2019 |
|---|---|---|---|
| Buy-back plan: | Euro 10 million | Euro 10,0 million | Euro 4,0 million |
| Effective purchases: | | Euro 3,4 million | Euro 4,0 million |
| Purchased Shares (no.): | | 925.496 | 820.633 |
| Average purchase price: | | Euro 3,68 | Euro 4,87 |
| Purchased Shares (in %): | | 1,52% | 1,35% |
| **Total treasury shares (in %):** | | **14,08%** | **12,89%** |

# Glossary

| | |
|---|---|
| Aggregated Sales of Licensees (ASL) | sales by commercial licensees |
| Aggregated Sales of Sourcing Centers (ASSC) | sales by productive licensees |
| Communication investments | Sponsorship and media costs along with Commercial expenses |
| Consolidated sales | the sum of royalties income from ASL, sourcing commissions from ASSC and direct sales of goods |

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