

Press Release

Dornbirn, 2 March 2021

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Q1–Q3 2020/21: Zumtobel Group remains well within the black with positive outlook

Key financials: Q3 2020/21 (May to January 2021):

- **Group revenues decline by 12.9% to EUR 759.2 million in Q1–Q3 2020/21**
- **Operating profit (adjusted EBIT) reaches EUR 27.7 million**
- **Positive net profit of EUR 14.9 million for the period**
- **Substantial improvement in free cash flow from EUR 32.9 million to EUR 59.8 million**
- **Positive operating profit (adjusted EBIT) also expected in the fourth quarter**

Dornbirn, Austria, 2 March 2021 – The Zumtobel Group (ISIN: AT0000837307) closed the first nine months of the current 2020/21 financial year (1 May 2020 to 31 January 2021) with clearly positive results in spite of the ongoing Covid-19 pandemic. Revenues for this international lighting corporation fell by 12.9% to EUR 759.2 million as a result of the corona crisis, but the slow upward trend continued. In the third quarter, the decline was reduced to roughly 9%. After an adjustment for foreign exchange effects, the decrease in revenues equalled 11.8% for the first nine months.

Despite the decline in revenues, the Zumtobel Group generated positive operating profit (adjusted EBIT) of EUR 27.7 million and a return on sales of 3.6% (Q1-Q3 2019/20: 5.4%). Net profit amounted to EUR 14.9 million, and free cash flow rose significantly from EUR 32.9 million to EUR 59.8 million, supported by the effective management of working capital and investments.

“Developments over the past nine months confirm the strength and stability of the Zumtobel Group. We are managing the global crisis comparatively well in spite of the drop in revenues”, emphasised Alfred Felder, CEO of the Zumtobel Group.

Revenue development influenced by the pandemic – substantial reduction in costs

Revenues were 12.2% lower in the Lighting Segment and 15.1% lower in the Components Segment during the first three quarters of 2020/21 as a result of the Covid-19 crisis. In all regions, revenues were below the previous year. The D/A/CH region, the strongest market for the Zumtobel Group, recorded a decline of 6.9%. Revenues fell by 18.6% in the northern and western Europe region and by 15.0% in southern and eastern Europe.

However, strict cost management offset a large part of lower contribution margins that resulted from the loss of revenues. Selling and administrative costs, in particular, fell by EUR 29.2 million in the first three quarters of 2020/21.

Solid balance sheet

The balance sheet structure has remained solid. The equity ratio increased slightly to 29.6% as of 31 January 2021 (31 April 2020: 28.2%). At EUR 123.7 million, net debt was EUR 42.0 million lower than at the end of the previous year.

Focus on sustainability

With a strong orientation toward the future, the Zumtobel Group has launched expanded initiatives to structure and accelerate its sustainability activities. The emphasis lies, above all, on the circular economy and CO₂ reduction as well as the responsible use of material resources and the systematic minimisation of waste, emissions and energy consumption. These elements will become an integral part of product development in the earliest phase and consequently implemented throughout the construction and operating supply chain.

Appointment of new CFO for the Zumtobel Group

Thomas Erath, currently CFO of the Tridonic subgroup, will join the Management Board of the Zumtobel Group as of 1 August 2021. He will take over the function of Chief Financial Officer (CFO) from Thomas Tschol, who will resign according to plan as of 31 July 2021. Thomas Erath can look back on a long, successful career in the Zumtobel Group, where he held management positions in the corporate accounting, tax and legal departments and also provided important impulses for the profitable orientation and management of the Tridonic subgroup. *“We are particularly pleased that we are able to fill the CFO position internally and want to ensure an orderly transition from Thomas Tschol to Thomas Erath“*, explained **Karin Zumtobel-Chammah, Chairwoman of the Supervisory Board**.

Outlook

The Management Board sees the Group as solidly positioned to withstand the crisis. However, a very challenging market environment is expected in the fourth quarter, which will affect both revenues and costs. Similar to many other market participants, results for the Zumtobel Group are negatively influenced by rising raw material prices, e.g. for copper and steel, as well as higher freight costs.

The pandemic situation has led to planning uncertainty in many of the Group's markets, but management expects further recovery in the business and a year-on-year increase in revenues during the fourth quarter of 2020/21. The Management Board also assumes that operating results for the Group (adjusted EBIT) will be positive in the fourth quarter.

Q1–Q3 2020/21 results at a glance

in EUR million	Q3 2020/21	Q3 2019/20	Change in %	Q1-Q3 2020/21	Q1-Q3 2019/20	Change in %
Revenues	243.7	267.3	-8.8	759.2	871.1	-12.9
Lighting Segment	183.0	200.7	-8.8	577.0	657.4	-12.2
Components Segment	73.5	80.9	-9.1	219.2	258.2	-15.1
Adjusted EBIT	2.4	3.0	-19.5	27.7	46.9	-40.9
as a % of revenues	1.0	1.1		3.6	5.4	
EBIT	4.4	1.7	>100	27.3	38.3	-28.7
as a % of revenues	1.8	0.6		3.6	4.4	
Net profit for the period	1.5	-2.5	>100	14.9	22.2	-33.0
as a % of revenues	0.6	-0.9		2.0	2.5	

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in EUR million	31 Jan 2021	30 April 2020	Change in %
Total assets	931.6	994.8	-6.4
Equity	275.8	280.7	-1.7
Equity ratio in %	29.6	28.2	
Headcount incl. contract worker (full-time equivalent)	5 745	5 752	-0.1

in EUR million	Q3 2020/21	Change in %	Q1-Q3 2020/21	Change in %	in % of Group
D/A/CH	79.1	-2.5	256.1	-6.9	33.7
Northern and Western Europe	59.8	-14.5	182.5	-18.6	24.0
Southern and Eastern Europe	62.7	-10.9	190.8	-15.0	25.1
Asia & Pacific	29.2	16.8	81.1	-5.0	10.7
Rest of the World	12.8	-38.3	48.7	-21.3	6.4
Total	243.7	-8.8	759.2	-12.9	100.0

Information

The quarterly report can be downloaded at: <https://z.lighting/de/group/investor-relations/>

This press release can be downloaded at: <https://z.lighting/de/group/news-insights/?category=company>

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About the Zumtobel Group:

The Zumtobel Group is an international lighting group and a leading supplier of innovative lighting solutions, lighting components and associated services. With its brands, acdc, Thorn, Tridonic and Zumtobel, the Group offers its customers around the world a comprehensive portfolio of products and services. The Group's know-how about the effects of light on people, acquired over decades, forms the basis for the development of innovations and for accessing new fields of business. In the lighting business, the Group with its Thorn and Zumtobel brands, is one of the European market leaders. Through its lighting technology brand, Tridonic, the Zumtobel Group plays a leading role worldwide in the manufacture of hardware and software for lighting systems (LED light sources and LED drivers, sensors and lighting management). The Zumtobel Group's service offering is one of the most comprehensive in the entire lighting industry, including consultation on smart lighting controls and emergency lighting systems, light contracting, design services and project management of turnkey lighting solutions, as well as new, data-based services focused on delivering connectivity for buildings and municipalities via the lighting infrastructure. The Group is listed on the Vienna Stock Exchange (ATX Prime) and currently holds a workforce of around 6,000 employees. In the 2019/20 financial year, the Group posted revenues of EUR 1,131.3 million. The Zumtobel Group is based in Dornbirn in the Vorarlberg region of Austria. For further information, please visit z.lighting/group

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