

Press Release

Dornbirn, 7 December 2022

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Final numbers confirm strong half-year results for the Zumtobel Group

- Revenues rise by 10.6% to EUR 627.8 million
- EBIT totals EUR 50.8 million (H1 2021/22 : EUR 35 million)
- Net profit increases by 46.8% to EUR 33.7 million
- Guidance for the full year raised at the beginning of November

Dornbirn, Austria – The Zumtobel Group is following the announcement of preliminary numbers for the first half-year on 10 November with final results for the first half of the 2022/23 financial year. They confirm the expected strong performance: In the first six months of the current financial year, this lighting group generated revenue growth of 10.6% to EUR 627.8 million (H1 2021/22: EUR 567.4 million). After an adjustment for foreign exchange effects, the increase equalled 8.8%. EBIT rose by 45.2% to EUR 50.8 million. This positive development is also clearly reflected in net profit, which increased by 46.8% to EUR 33.7 million (H1 2021/22: EUR 23.0 million).

“In view of the current economic environment, these half-year results clearly exceeded our own expectations”, so Alfred Felder, CEO of the Zumtobel Group. “This is, of course, very encouraging, but we remain cautiously optimistic for good reasons. The challenges will remain during the second half-year.”

Strong revenue growth in both segments

Both segments of the Zumtobel Group reported positive development – not least due to the improved availability of components and raw materials together with positive foreign exchange effects and successfully implemented price increases. Revenues rose by 9.8% to EUR 461.5 million (H1 2021/22: EUR 420.5 million) in the Lighting Segment and by 12.2% to EUR 197.1 million (H1 2021/22: EUR 175.7 million) in the Components Segment where selling volumes and prices were higher.

Important impulses for the development of revenues came from the regions outside Europe, among others from the America & MEA region. In the D/A/CH region, the most important market for the Zumtobel Group, substantial increases were recorded in Switzerland and Germany but revenues in Austria were below the very high previous year. Revenues were higher in the Northern and Western Europe region, with the exception of Norway. Southern and Eastern Europe reported more moderate revenue growth, with a sound improvement in Italy.

Costs were negatively influenced by a sharp rise in material, energy and personnel expenses as well as the strong US dollar, especially in connection with the procurement of components. Development costs rose by EUR 1.6 million to EUR 31.8 million, largely due to a decline in capitalised expenses and higher license fees. Selling and administrative expenses (incl. research) rose by EUR 13.8 million to EUR –167.9 million (H1 2021/22: EUR –154.1 million), among others due to higher costs for personnel, consulting, travel and marketing.

The sound development of revenues supported an improvement in EBIT to EUR 50.8 million (H1 2021/22: EUR 35.0 million) despite the increase in costs. The EBIT margin equalled 8.1%, compared with 6.2% in the previous year.

The balance sheet structure of the Zumtobel Group remains stable and strong. The equity ratio rose to 38.9%, chiefly due to the positive first half-year results (30 April 2022: 38.1%). Equity increased by EUR 21.2 million over the level on 30 April 2022 to EUR 404.0 million (H1 2021/22: EUR 382.8 million).

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Future field: refurbishment

Commercial construction is only expected to generate marginal growth due to the increase in interest rates and the rising cost of construction materials and energy. As an alternative, commercial customers are shifting their investments to so-called refurbishment, meaning the energetic renovation of existing buildings, which also includes more sustainable and energy-efficient lighting solutions. The Zumtobel Group also has the right solutions here: The complete replacement of a lighting concept or an upgrade with a special refurbishment kit are only two of the many offers.

“Together with our customers and partners, we develop energy-saving concepts by using highly efficient lighting solutions. In this way, we positively contribute to the protection of our environment. We also see further growth opportunities in this area.”, added **CEO Alfred Felder**.

Guidance increased

The Management Board of the Zumtobel Group announced an update of the guidance for 2022/23 in connection with preliminary results for the first half-year. However, the current geopolitical and economic situation is still considered stressed and the consequences are difficult to estimate.

Based on the positive development of business during the first half-year, the Management Board of the Zumtobel Group now expects an increase of 4% to 8% in revenues (previous guidance: 3% to 6%) and an EBIT margin of 4% to 6% (previous guidance: 4% to 5%) for the full 2022/23 financial year.

This outlook is based on the assumption that Europe will continue to receive sufficient quantities of gas, energy prices will level off, and the availability of precursors for the production of luminaires and components does not deteriorate in this unusually difficult market environment.

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 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 5,800 employees. In the 2021/22 financial year, the Group posted revenues of EUR 1,148.3 million. The Zumtobel Group is based in Dornbirn in the Vorarlberg region of Austria. For further information, please visit [z.lighting/group](https://www.zumtobel.com/lighting/group).

ZUMTOBEL Group

H1 2022/23 results at a glance

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in EUR million	H1 2022/23	H1 2021/22	Change in %
Revenues	627.8	567.4	10.6
Lighting Segment	461.5	420.5	9.8
Components Segment	197.1	175.7	12.2
EBIT	50.8	35.0	45.2
<i>as a % of revenues</i>	8.1	6.2	
Net profit/loss for the period	33.7	23.0	46.8
<i>as a % of revenues</i>	5.4	4.1	

in EUR million	31 October 2022	30 April 2022	Change in %
Total assets	1,038.5	1,005.4	3.3
Equity	404.0	382.8	5.5
<i>Equity ratio in %</i>	38.9	38.1	
Net debt	106.1	95.1	11.5
Headcount incl. contract worker (full-time equivalent)	5,726	5,782	-1.0

in EUR million	H1 2022/23	Change in %	in % of Group
D/A/CH	208.4	16.5	33.2
Northern and Western Europe	153.2	9.1	24.4
Southern and Eastern Europe	166.8	7.3	26.6
Asia & Pacific	65.2	0.0	10.4
Rest of the World	34.1	25.1	5.4
Total	627.8	10.6	100.0

Information

The half-year report can be downloaded at: <https://z.lighting/en/group/investor-relations/>

This press release can be downloaded at: <https://z.lighting/en/group/news-insights/>

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