



Q1 2023/24

MANAGEMENT PRESENTATION | 6 SEPTEMBER 2023

KUB 2023.02
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Mutant Passages
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Q1 2023/24 FINANCIAL OVERVIEW

- **Group revenues decline by 9.0% to EUR 285.6 mn (PY: EUR 313.7 mn)**
 - Lighting Segment revenues at EUR 224.1 mn (–1.0%)
 - Components Segment at EUR 77.0 mn (–25.4%)
 - Good revenue contributions especially from Switzerland and the Benelux countries
- **EBIT at EUR 14.5 mn (PY: EUR 19.0 mn)**
 - Missing contribution from revenue growth and higher personnel costs due to inflation
 - Gross profit reaches EUR 102.5 mn
 - SG&A expenses at EUR 88.0 mn
- **Net profit declines slightly to EUR 9.8 mn (PY: EUR 10.9 mn)**
- **Solid balance sheet**
- **Equity ratio increases to 43.2%**





Volkschule Meiningen & Weißkirche, Austria



**Q1 2023/24
project
highlights**



Lee Valley Velopark, UK



Cathedral of St. Peter the Apostle, Italy

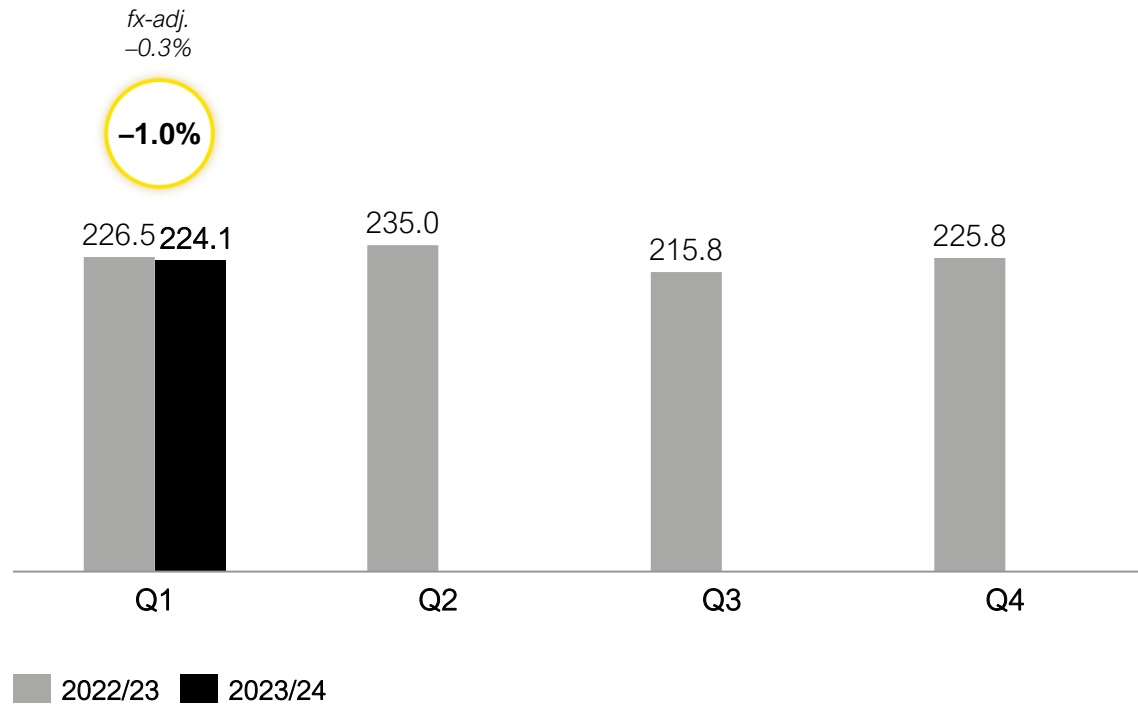


Volvo Trucks Ghent, Belgium

LIGHTING SEGMENT

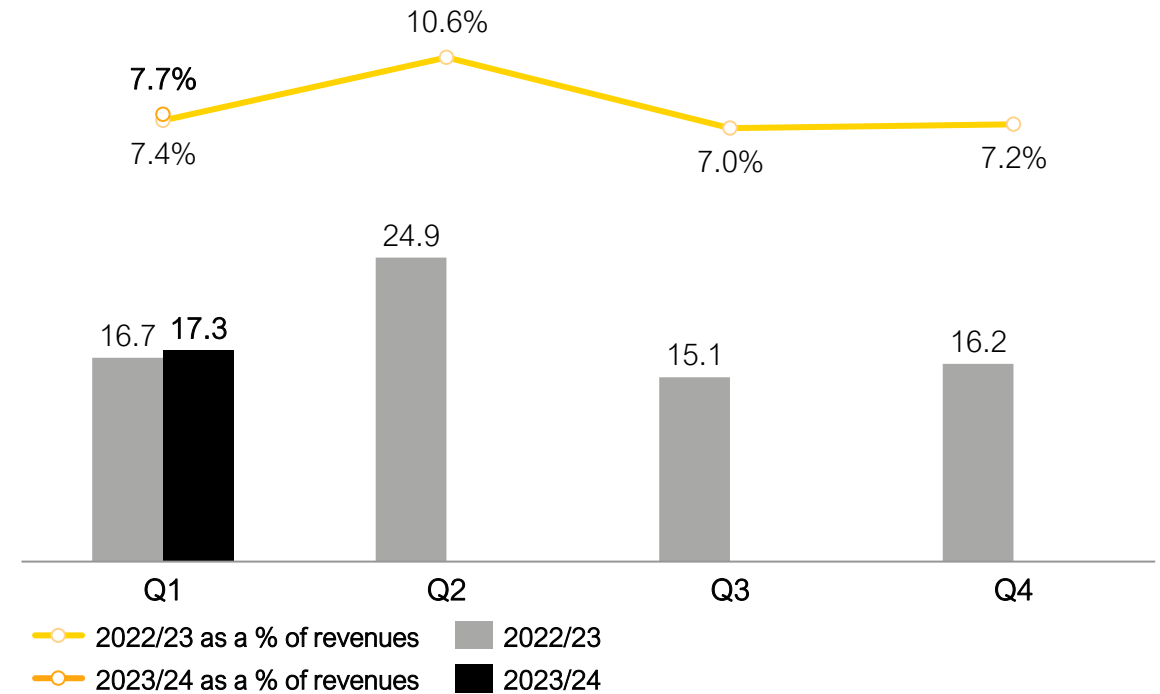
IMPROVEMENT IN EBIT MARGIN, REVENUES REMAIN FLAT

REVENUES IN EUR MN



FY 2022/23 EUR 903.1 mn (plus 6.9%)

EBIT IN EUR MN

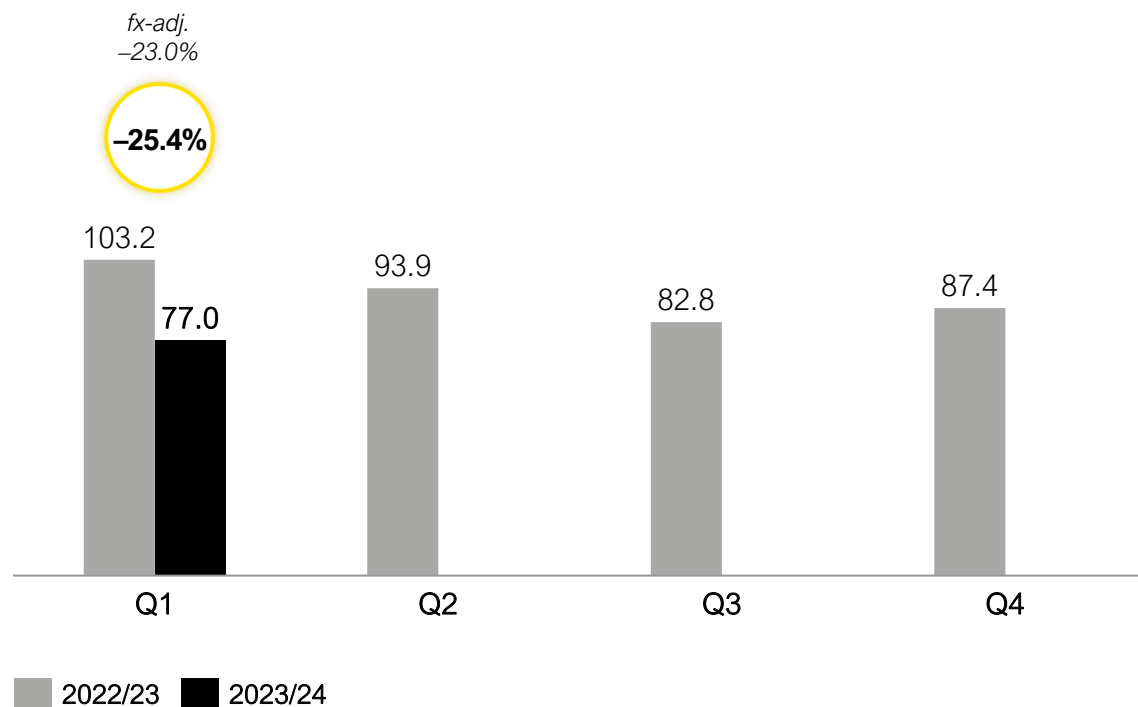


FY 2022/23 EUR 72.9 mn (margin of 8.1%)

COMPONENTS SEGMENT

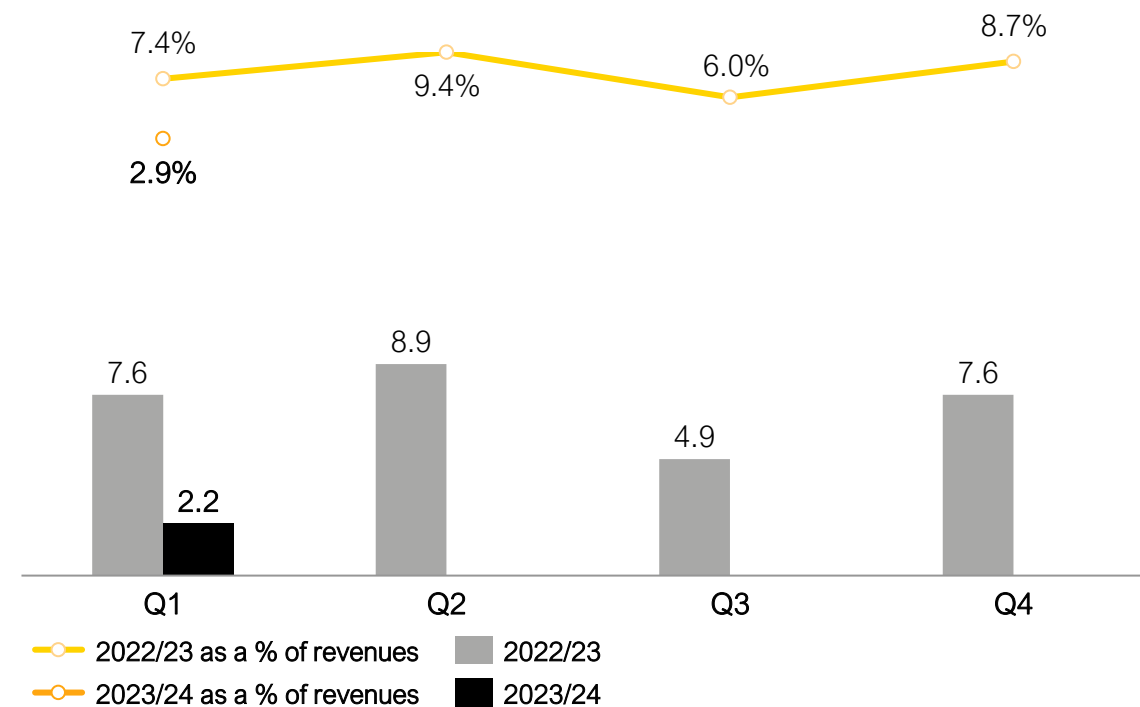
Q1 REVENUE NEGATIVELY IMPACTED BY HIGH CUSTOMERS' INVENTORY LEVELS

REVENUES IN EUR MN



FY 2022/23 EUR 367.3 mn (plus 1.2%)

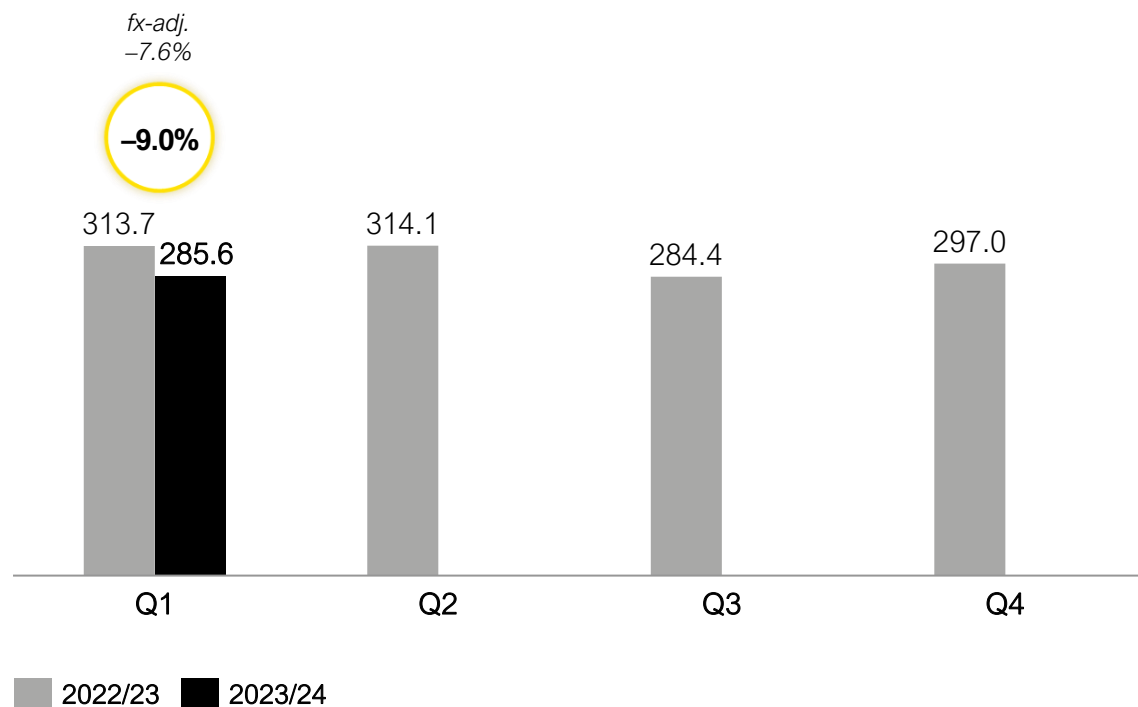
EBIT IN EUR MN



FY 2022/23 EUR 29.1 mn (margin of 7.9%)

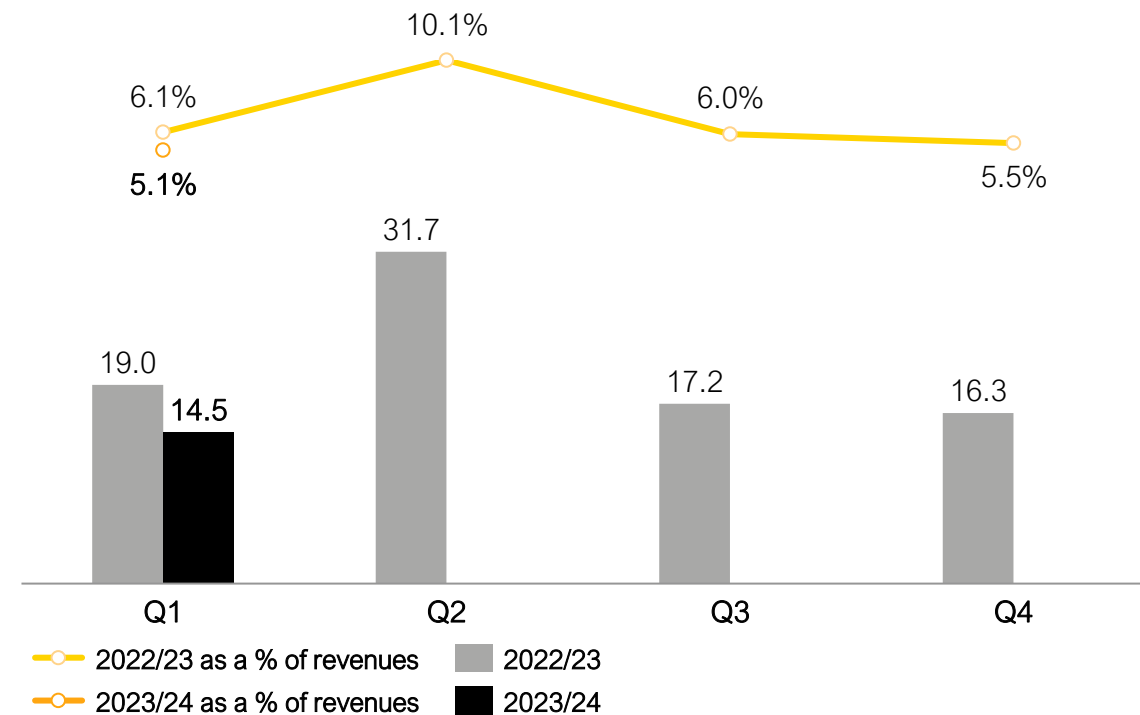
REVENUE DECLINE IN A DIFFICULT MARKET ENVIRONMENT, EBIT MARGIN REMAINS SOLID

REVENUES IN EUR MN



FY 2022/23 EUR 1,209.2 mn (plus 5.3%)

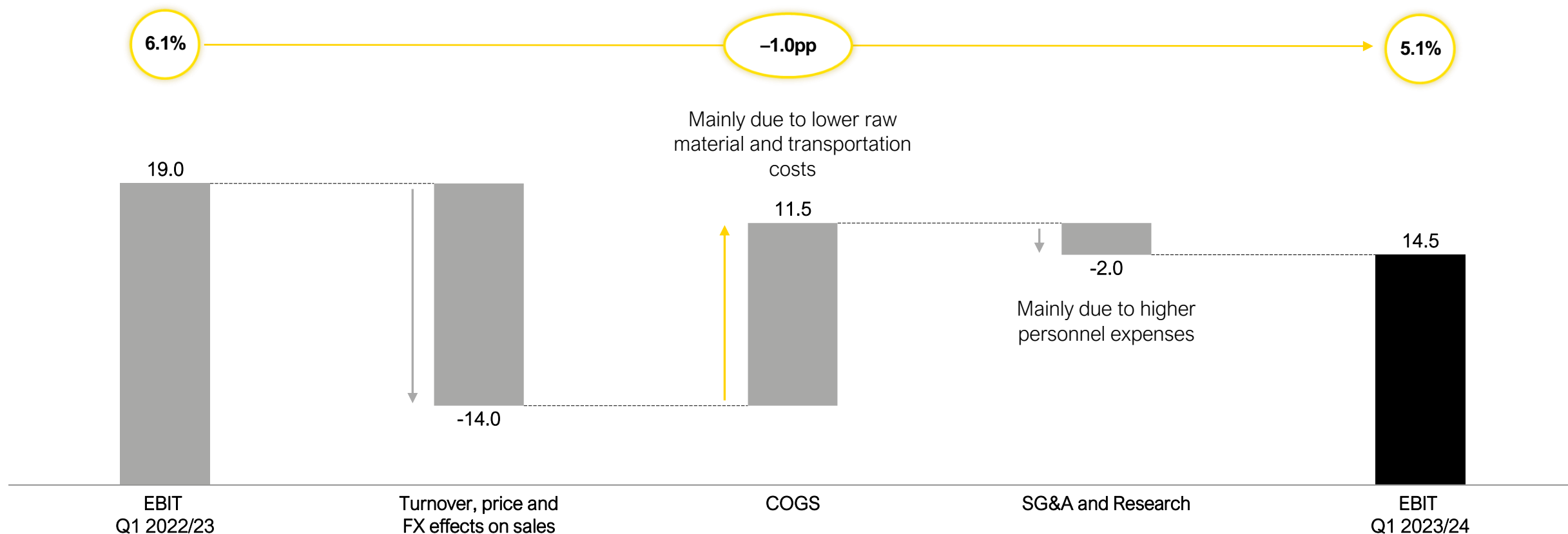
EBIT IN EUR MN



FY 2022/23 EUR 84.3 mn (margin of 7.0%)

REVENUE DECLINE AND PERSONNEL COST INCREASES DUE TO INFLATION ONLY PARTIALLY OFFSET

EBIT BRIDGE IN EUR MN / AS % OF SALES



SOLID EBIT MARGIN IN Q1 2023/34 DESPITE THE DIFFICULT MARKET ENVIRONMENT IN THE COMPONENTS SEGMENT

ZUMTOBEL GROUP – INCOME STATEMENT

IN EUR MN	Q1 2023/24	Q1 2022/23	CHANGE IN %
Revenues	285.6	313.7	–9.0
Cost of goods sold	–183.0	–208.6	–12.3
Gross profit (incl. development)	102.5	105.0	–2.4
<i>as a % of revenues</i>	<i>35.9</i>	<i>33.5</i>	
SG&A expenses	–88.0	–86.0	2.3
EBIT	14.5	19.0	–23.8
<i>as a % of revenues</i>	<i>5.1</i>	<i>6.1</i>	
Financial results	–3.5	–5.1	31.4
Profit before tax	11.0	13.9	–21.0
Income taxes	–1.2	–3.1	–61.0
Net profit for the period	9.8	10.9	–9.7
Earnings per share (in EUR)	0.23	0.25	–9.7

CASH FLOW IMPROVEMENT IN Q1 2023/24

ZUMTOBEL GROUP – CASH FLOW STATEMENT

IN EUR MN	Q1 2023/24	Q1 2022/23
Cash flow from operating results	29.2	32.8
Change in working capital	–15.3	–18.7
Change in other operating items	–13.1	–14.2
Taxes paid/received	–1.2	–1.3
Cash flow from operating activities	–0.5	–1.4
Proceeds from the sale of non-current assets	0.0	0.2
Capital expenditures on non-current assets	–6.6	–15.0
Change in current and non-current financial assets	0.2	0.3
Cash flow from investing activities	–6.2	–14.4
Free cash flow	–6.7	–15.8

SOLID BALANCE SHEET: STRONG EQUITY RATIO AND DEBT COVERAGE RATIO

ZUMTOBEL GROUP – KEY BALANCE SHEET DATA

IN EUR MN	31 July 2023	30 April 2023
Total assets	995.0	1,002.4
Net debt	98.2	86.9
<i>Debt coverage ratio</i>	<i>0.72</i>	<i>0.62</i>
Equity	430.2	421.7
<i>Equity ratio in %</i>	<i>43.2</i>	<i>42.1</i>
<i>Gearing in %</i>	<i>22.8</i>	<i>20.6</i>
CAPEX	8.5	69.4
<i>thereof CAPEX excl. IFRS 16</i>	<i>6.6</i>	<i>54.5</i>
Working capital	247.7	231.7
<i>as a % of rolling 12-months revenues</i>	<i>21.0</i>	<i>19.2</i>

Solid liquidity position backed by:

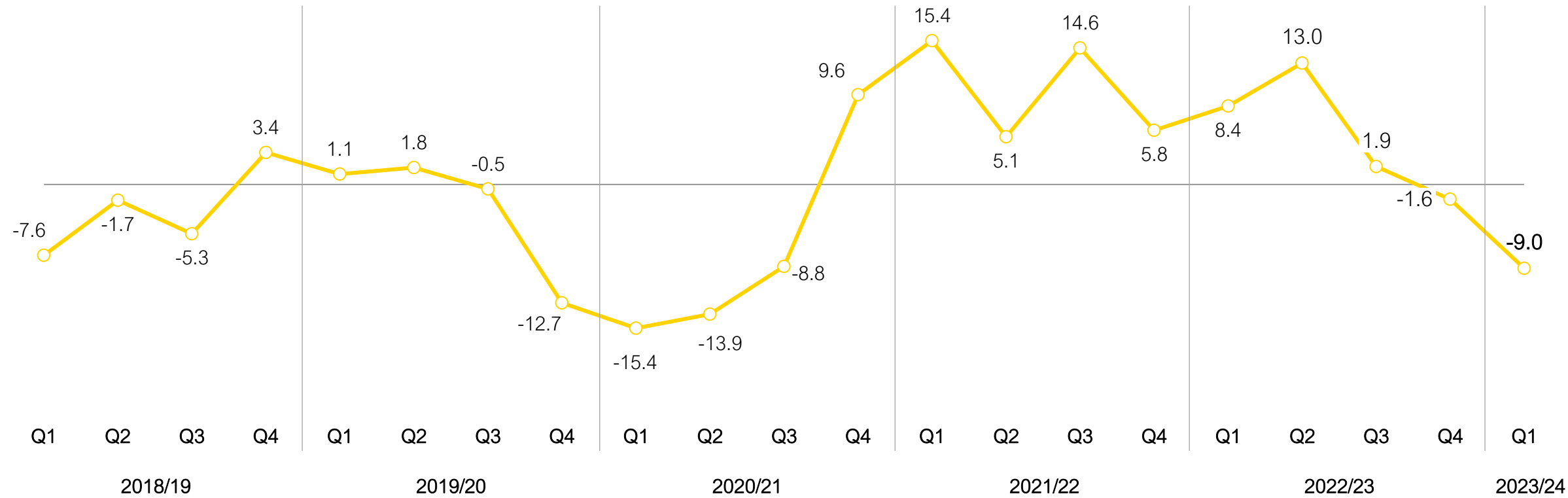
- Consortium credit agreement with a term ending in December 2027 and a volume of EUR 125 mn (including clause for an increase in the credit line up to EUR 350 mn), thereof EUR 10 mn drawn
- Two long-term credit agreements of EUR 30 mn and EUR 40 mn with the European Investment Bank (EIB) (bullet repayment in September 2024, respectively February 2025)
- Uncommitted credit lines totalling EUR 43.3 mn

Financial covenants attached to:

- Debt coverage ratio¹ < 3.55
☒ **0.72 as of 31 July 2023**
- Equity ratio > 23.5%
☒ **43.2% as of 31 July 2023**
- Covenants tested on 31 October as well as 30 April

SALES DEVELOPMENT TURNS NEGATIVE IN A DIFFICULT MARKET ENVIRONMENT

ZUMTOBEL GROUP – SALES DEVELOPMENT BY QUARTER VS PY PERIOD IN %



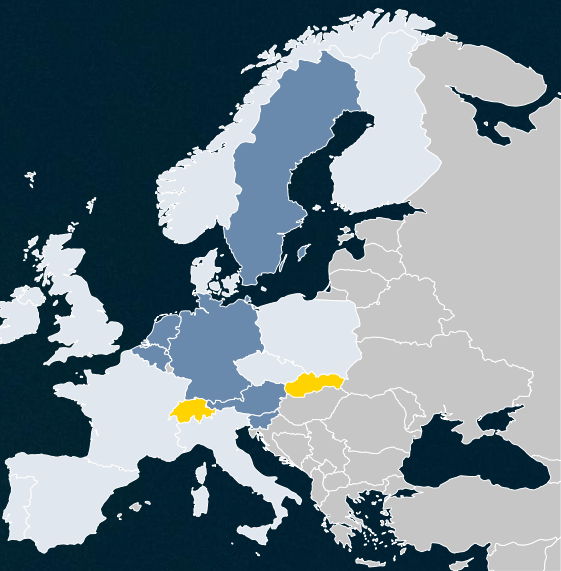
GROUP REVENUES DOWN BY 9.0% IN Q1 2023/24

ZUMTOBEL GROUP – REGIONAL REVENUE DISTRIBUTION

IN EUR MN	Q1 2023/24	CHANGE IN %	
		NOMINAL	FX ADJUSTED
D/A/CH	105.0	5.2	3.3
Northern and Western Europe	68.6	−11.0	−9.5
Southern and Eastern Europe	76.0	−12.2	−8.9
Asia & Pacific	22.2	−37.9	−33.1
Americas & MEA	13.7	−5.4	−1.3
Total	285.6	−9.0	−7.6

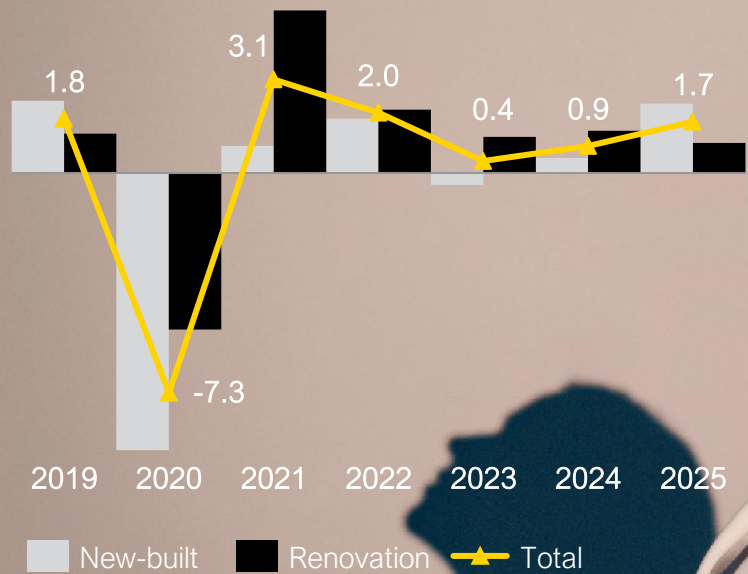
CURRENT MARKET OUTLOOK FOR THE FINANCIAL YEAR 2023/24

Growth in non-residential construction in 2023



- Non-residential construction prospects are weak in total – but there is still growth
- 13 out of 19 countries expect growth in 2023 – weak prospects in DACH, Benelux and Sweden
- Expected output far below top levels
- New-built to stagnate this and next year
- Strong headwinds include gloomy economy framework, risen interest rates and increased construction costs
- However: Increase in renovation
→ Investments in sustainability will rise

Development of non-residential construction until 2025



EFFICIENCY MEASURES TO TACKLE THE DIFFICULT MARKET ENVIRONMENT

Cost reduction and efficiency improvements



Operational efficiency

- Review staffing in all functional areas
- Reduce costs through digitalization and strict management of overhead costs



Management of manufacturing costs

- Increase automation in our manufacturing processes
- Increase load in factories in low-cost countries and reduction of temporary workers



Capture market opportunities

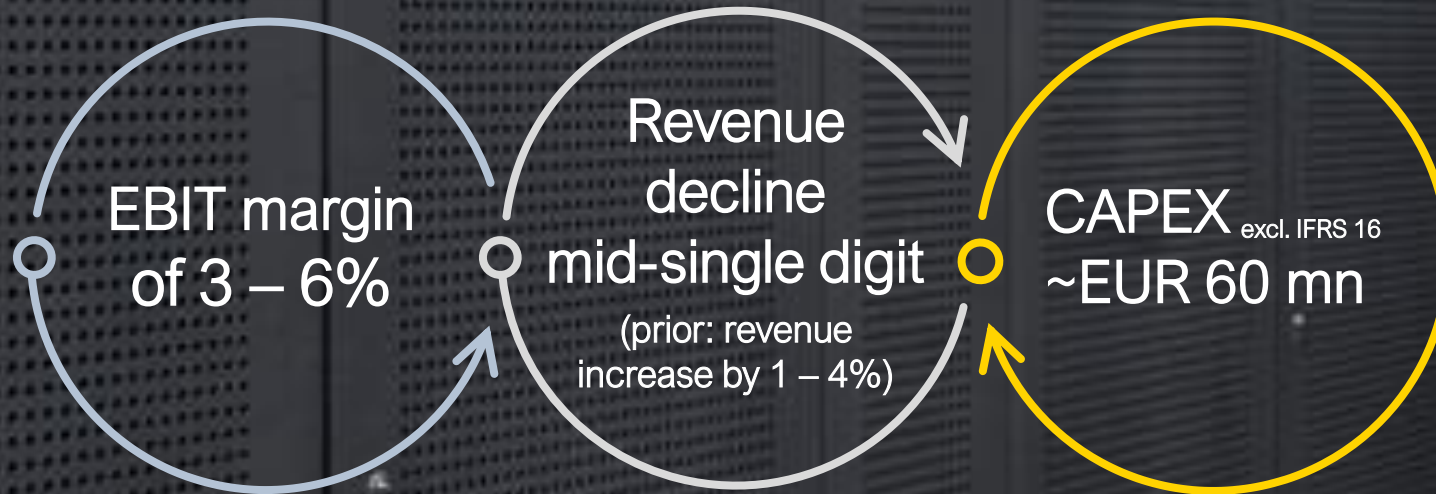
- Refurbishment as growth driver
- Higher price acceptance among customers for energy efficient products



Design to cost

- Value engineering
- Local sourcing in low-cost countries

FY 2023/24 OUTLOOK



A silhouette of a woman with long hair, looking upwards towards a large, bright, circular light source (sun or moon) in a dark sky. The scene is split vertically, with the dark sky on the left and the bright light on the right.

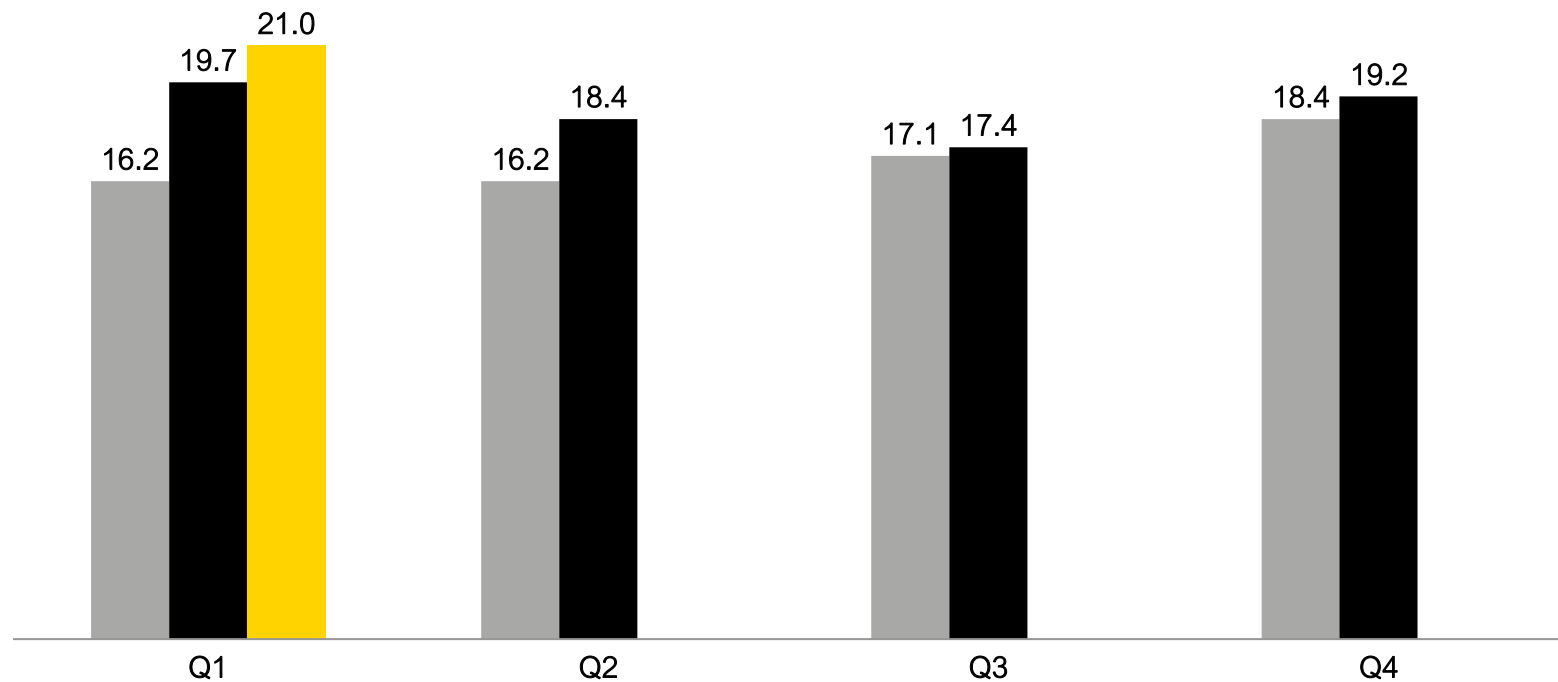
BACK UP

FINANCIAL CALENDAR

DATE	SUBJECT	PERIOD
7 December 2023	Half-Year Financial Report 2023/24	1 May 2023 – 31 October 2023
7 March 2024	Interim Report Q1 – Q3 2023/24	1 May 2023 – 31 January 2024

WORKING CAPITAL DEVELOPMENT

ZUMTOBEL GROUP – WORKING CAPITAL



■ FY 2021/22 ■ FY2022/23 ■ FY2023/24
In %

- Working capital at EUR 247.7 mn as of 31 July 2023 (30 April 2023: EUR 231.7 mn)
- In % of rolling 12-month revenues, working capital at 21.0% (PY: 19.7%)

SUPPLEMENTARY DATA FOR SEGMENT REPORTING

ZUMTOBEL GROUP

	Lighting Segment		Components Segment		Reconciliation		Group	
IN EUR MN	Q1 2023/24	Q1 2022/23	Q1 2023/24	Q1 2022/23	Q1 2023/24	Q1 2022/23	Q1 2023/24	Q1 2022/23
Net revenues	224.1	226.5	77.0	103.2	-15.5	-16.0	285.6	313.7
External revenues	224.0	226.2	61.6	87.5	0	0	285.6	313.7
Inter-company revenues	0.2	0.3	15.4	15.7	-15.5	-16.0	0	0
EBIT	17.3	16.7	2.2	7.6	-5.0	-5.3	14.5	19.0
Investments	3.6	10.2	2.4	3.2	0.6	1.6	6.6	15.0
Depreciation	-10.0	-9.4	-3.4	-3.3	-1.1	-1.1	-14.5	-13.8

FIVE-YEAR OVERVIEW

ZUMTOBEL GROUP

IN EUR MN	2022/23	2021/22	2020/21	2019/20	2018/19
Revenues	1,209.2	1,148.3	1,044.5	1,131.3	1,162.0
EBIT	84.3	60.8	43.4	35.1	2.7
<i>as a % of revenues</i>	7.0	5.3	4.2	3.1	0.2
Net profit/loss for the period	60.0	45.8	45.6	14.5	-15.2
<i>as a % of revenues</i>	5.0	4.0	4.4	1.3	-1.3
Total assets	1,002.4	1,005.4	943.3	1,011.7	920.9
Equity	421.7	382.8	308.4	280.7	262.8
<i>Equity ratio in %</i>	42.1	38.1	32.7	27.7	28.5
Net debt	86.9	95.1	88.5	165.7	148.7
Cash flow from operating results	140.2	122.7	115.7	101.3	56.8
CAPEX excl. IFRS 16	54.5	45.3	38.1	57.9	66.2
<i>as a % of revenues</i>	4.5	3.9	3.7	5.1	5.7
R&D total	67.8	67.5	64.8	62.7	66.2
<i>as a % of revenues</i>	5.6	5.9	6.2	5.5	5.7
Headcount incl. contract workers (FTE)	5,503	5,782	5,813	6,039	5,878

ZUMTOBEL GROUP AG

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