



# Capital Market Story

SEPTEMBER 2023

KUB 2023.02  
Monira Al Qadiri  
Mutant Passages  
22.04. - 02.07.2023



# DISCLAIMER

The facts and information contained herein constitute forward-looking statements as of the date they were made and based upon assumptions as to future events or circumstances that may not prove to be complete or accurate. By their nature, these statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and are difficult to predict. Therefore, actual outcomes or results may differ materially from what is expressed, implied or forecasted in these statements. Neither Zumtobel Group AG nor any of its directors, officers, employees or advisors nor any other person makes any representation or warranty, expressed or implied, as to the accuracy or completeness of the facts and information contained in this document or the related oral presentation thereof, including responses to questions following the presentation. Neither Zumtobel Group AG nor any of its directors, officers, employees and advisors nor any other person shall have any liability whatsoever for loss howsoever arising, directly or indirectly, from any use of this document, the facts and/or information.

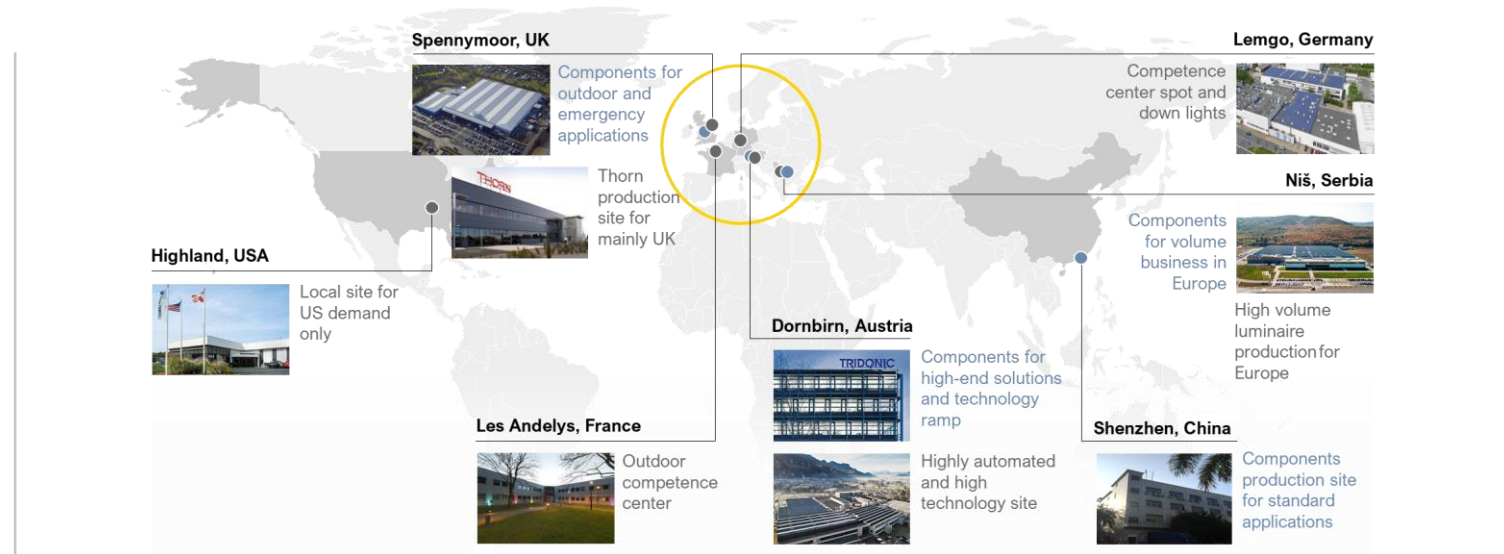
Whilst all reasonable care has been taken to ensure the facts stated herein are accurate and that the assumptions and opinions contained herein are fair and reasonable, this document is selective in nature and is intended to provide an introduction to, and overview of, the business of Zumtobel Group AG as of the date this document was made. Where any information and statistics are quoted from any external source, such information or statistics should not be interpreted as having been adopted or endorsed by Zumtobel Group AG as being accurate.



# THE ZUMTOBEL GROUP AT A GLANCE

INNOVATIVE LIGHTING SOLUTIONS, LIGHTING COMPONENTS AND EXTENSIVE SERVICE OFFER

	Q1 2023/24 in EUR mn	FY 2022/23 in EUR mn
Revenues	<b>285.6</b> (PY 313.7)	<b>1,209.2</b> (PY 1,148.3)
Ebit	<b>14.5</b> (PY 19.0)	<b>84.3</b> (PY 60.8)
Net profit	<b>9.8</b> (PY 10.9)	<b>60.0</b> (PY 45.8)



**5,503**

Employees worldwide,  
more than 1,800 of  
them in sales

**>70**

Years of  
experience and  
light competence

**4,568**

Registered patents show  
the innovative strength of  
the Zumtobel Group

**~85%**

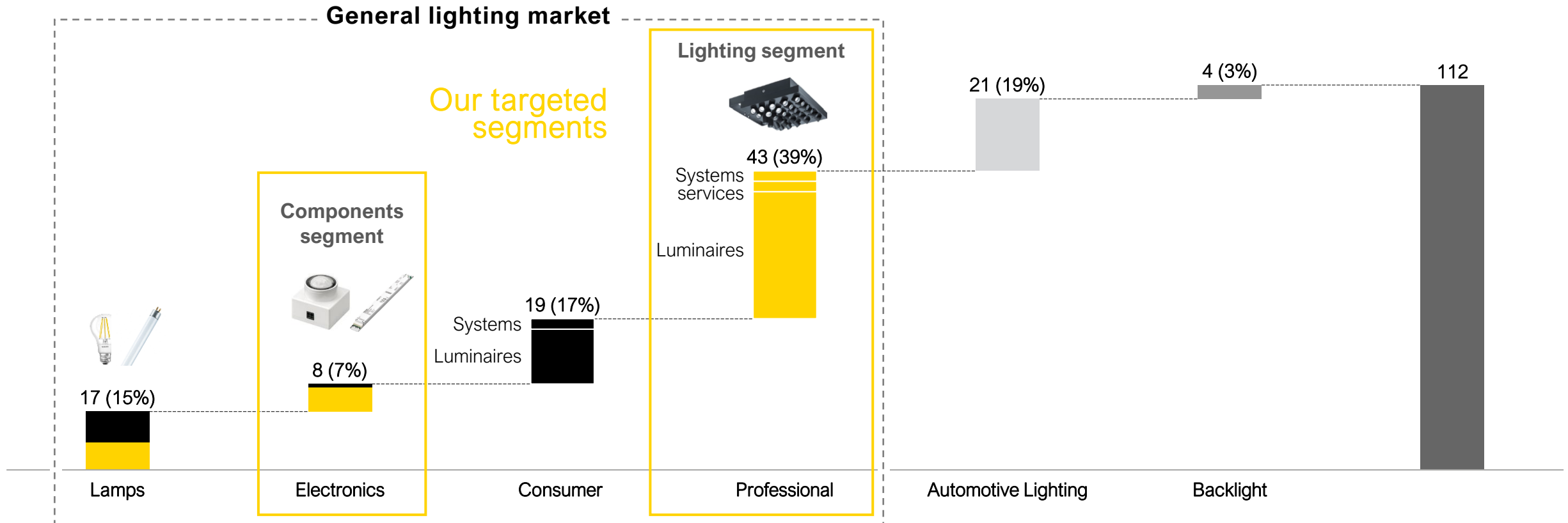
of total sales are  
generated in  
Europe

Figures are based on consolidated financial statements financial year 2022/23 (1 May 2022 – 30 April 2023)



# THE GLOBAL LIGHTING MARKET – STRUCTURE AND SIZE

WORLDWIDE LIGHTING MARKET SIZE IN USD BN



Source: BCG 2020 Lighting-Market Model.

Note: Electronics for automotive lighting are not modelled separately, given the limited size of the market.

■ Consumer ■ Professional



# OUR VALUE CHAIN

## FROM COMPONENT TO CONNECTED LIGHTING SOLUTION

### LED MODULES



### LED DRIVERS



### SENSORS, CONTROLS, HARDWARE AND SOFTWARE



### LUMINAIRES



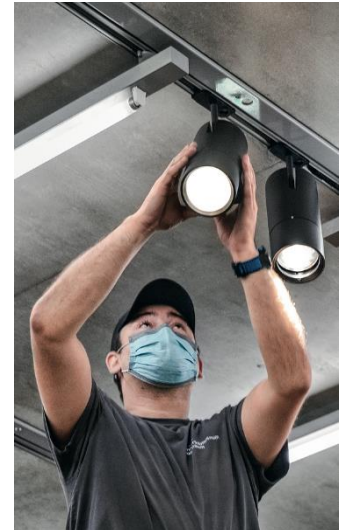
### LIGHT MANAGEMENT (USER INTERFACE & APPS)



### LIGHTING SOLUTIONS



### SERVICES & SOLUTIONS



## COMPONENTS SEGMENT

## LIGHTING SEGMENT



# WHERE OUR PRODUCTS MAKE A CONTRIBUTION TO CUSTOMERS BY OFFERING THEM THE BEST LIGHT



## Indoor



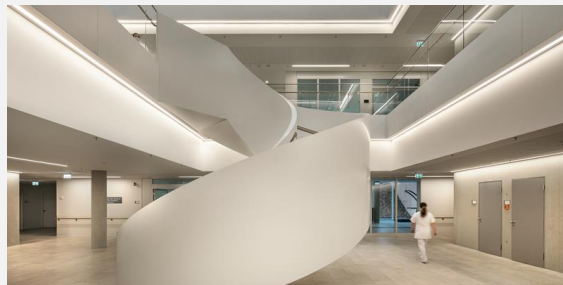
Industry



Office & Education



Retail and Arts & Culture



Health & Care

## Outdoor



Architecture



Sports & Arena



Urban areas



Roads, Transportation & Tunnel

# TRIDONIC

provider of smart, efficient lighting technology for professional applications



# THE COMPONENTS SEGMENT – TRIDONIC AT A GLANCE

TRIDONIC IS THE TECHNOLOGY BRANCH OF THE ZUMTOBEL GROUP

The **LED driver** converts mains power supply into low voltage DC supply required by the LED light source



**Lighting Control Systems** enables automated lighting adjustment and maintenance according to needs



**Wireless devices** enable easy individual maintenance and steering of single luminaires or whole systems



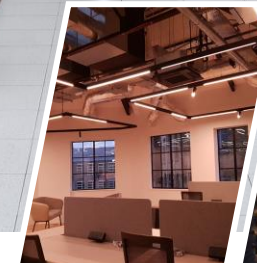
The **LED modules** carry the real light sources: semiconductors. Available in various forms and colours



Ambient light and motion detection **sensors** recognise changes and report back to the management system



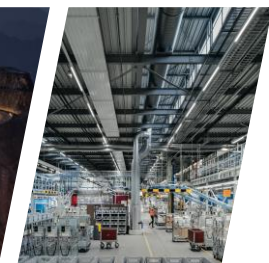
Illumination will automatically be ensured by **emergency converters and batteries** at mains interruption



Office



Outdoor

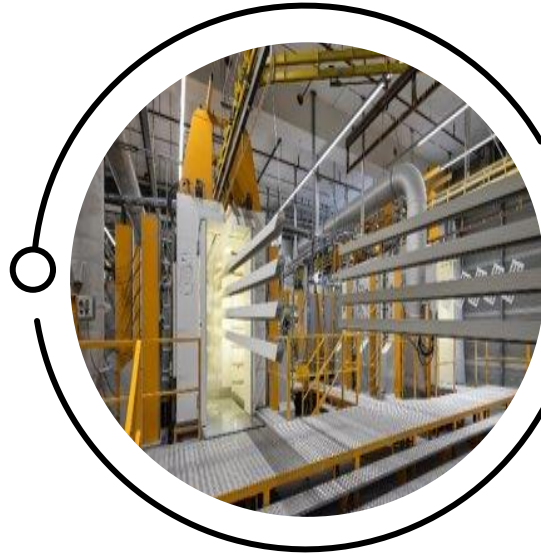


Industry

**ZUMTOBEL Group**



# SUSTAINABILITY IS AN INTEGRAL PART OF THE ZUMTOBEL GROUP



## Climate neutrality

Emissions in Scope 1 and Scope 2 further reduced by more than 3,000 t CO<sub>2</sub>e



## Partner of choice

Processes and documents implemented in terms of the Supply Chain Sourcing Obligations Act



## Circular economy

First Cradle to Cradle Certified® certifications successfully completed

Sustainability Ratings and Initiatives





# MEGA TRENDS IN OUR FAVOR

CO<sub>2</sub> reduction  
Energy efficiency  
Green building  
Digitalisation  
Refurbishment  
Circular economy

# OUR APPROACH

Connectivity  
Supply chain due diligence  
Health, well-being and biodiversity  
Strong European production network  
Education and engaged employees  
Sustainable solutions



# REFURBISHMENT – GROWTH MARKET AND BUSINESS OPPORTUNITY



## **Less energy consumption**

To limit the immense increase in CO<sub>2</sub> emissions, modern lighting is needed to reduce energy demand.

The improved efficiency of LEDs makes a significant contribution to energy savings.



## **Reducing the costs**

Energy accounts for the largest share of the operating costs of a lighting installation.

Those who save here make substantial savings during enormous energy price increases. And the investment is quickly amortised.














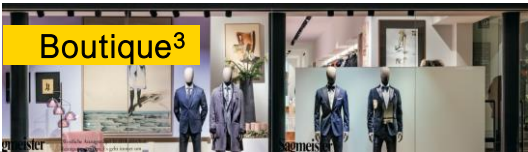


## **Light control for refurbishment**

A lighting control system reduces your actual energy consumption by an additional 20 percent on average.

**Opportunity:**  
**Refurbishment makes up to ~50% of the non-residential construction**



# ENERGY SAVINGS THROUGH LIGHTING REFURBISHMENT

Application	Luminaire old		Energy consumption old [kWh/m <sup>2</sup> a]	Luminaire new		Energy consumption new [kWh/m <sup>2</sup> a]	Amortisation in years <sup>4</sup>	Reduction of energy consumption	Savings in €/a <sup>4</sup>	Reduction of CO <sub>2</sub> equivalent [kg/m <sup>2</sup> a]
<b>Industry<sup>1</sup></b> 		COPA I	37.54		CRAFT II plus	11.58	1.1	- 69 %	8,963	5.69
		TECTON-I	40.38		TECTON C	9.54	0.89	- 76 %	10,647	6.75
<b>Office<sup>2</sup></b>  		ONDARIA O	30.76		ONDARIA	13.04	2.93	- 58 %	497	3.88
		RTX II	34.32		ECOOS II	13.46	4.73	- 61 %	585	4.57
<b>Boutique<sup>3</sup></b> 		SPIRIT	88.98		VIVO II	48.43	1.89	- 46 %	875	8.88



# LIGHTING INFRASTRUCTURE AS A DIGITAL BACKBONE FOR SMART BUILDINGS

## Our product portfolio



### Illumination

Infrastructure support,  
electricity source

+



### Digital infrastructure

Connectivity, sensors  
beacons, localisation

+



### Cloud based applications

Building model, dashboard,  
data time series, data analytics

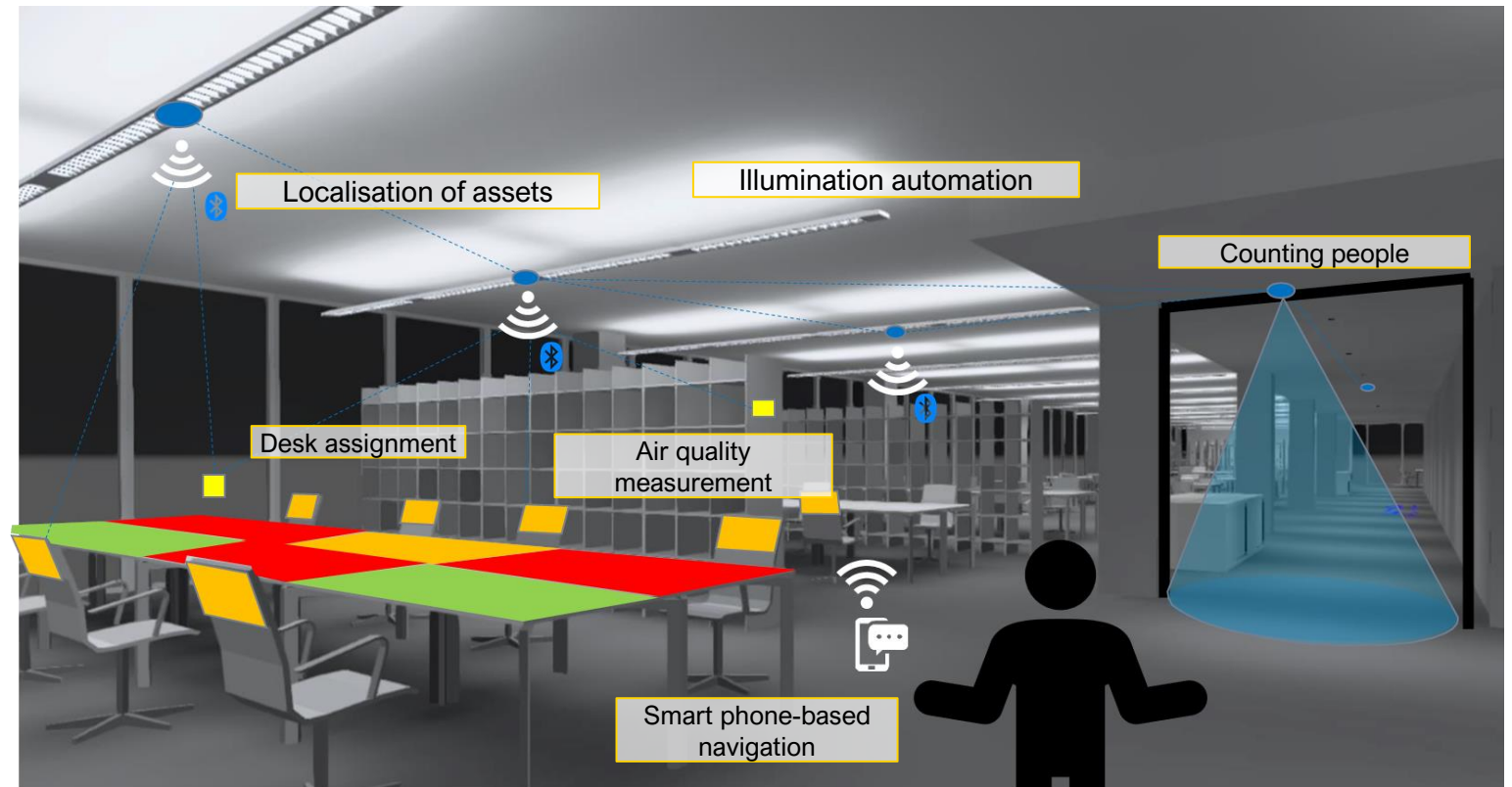
=



### Integrated lighting solutions

Smart infrastructure as an ideal basis for  
new services

## Example: Applications for illumination-based wireless systems in an office



**Integrated lighting solutions lower investment costs, minimise operating costs and help to reduce the carbon footprint**



# WHY INVEST IN ZUMTOBEL GROUP





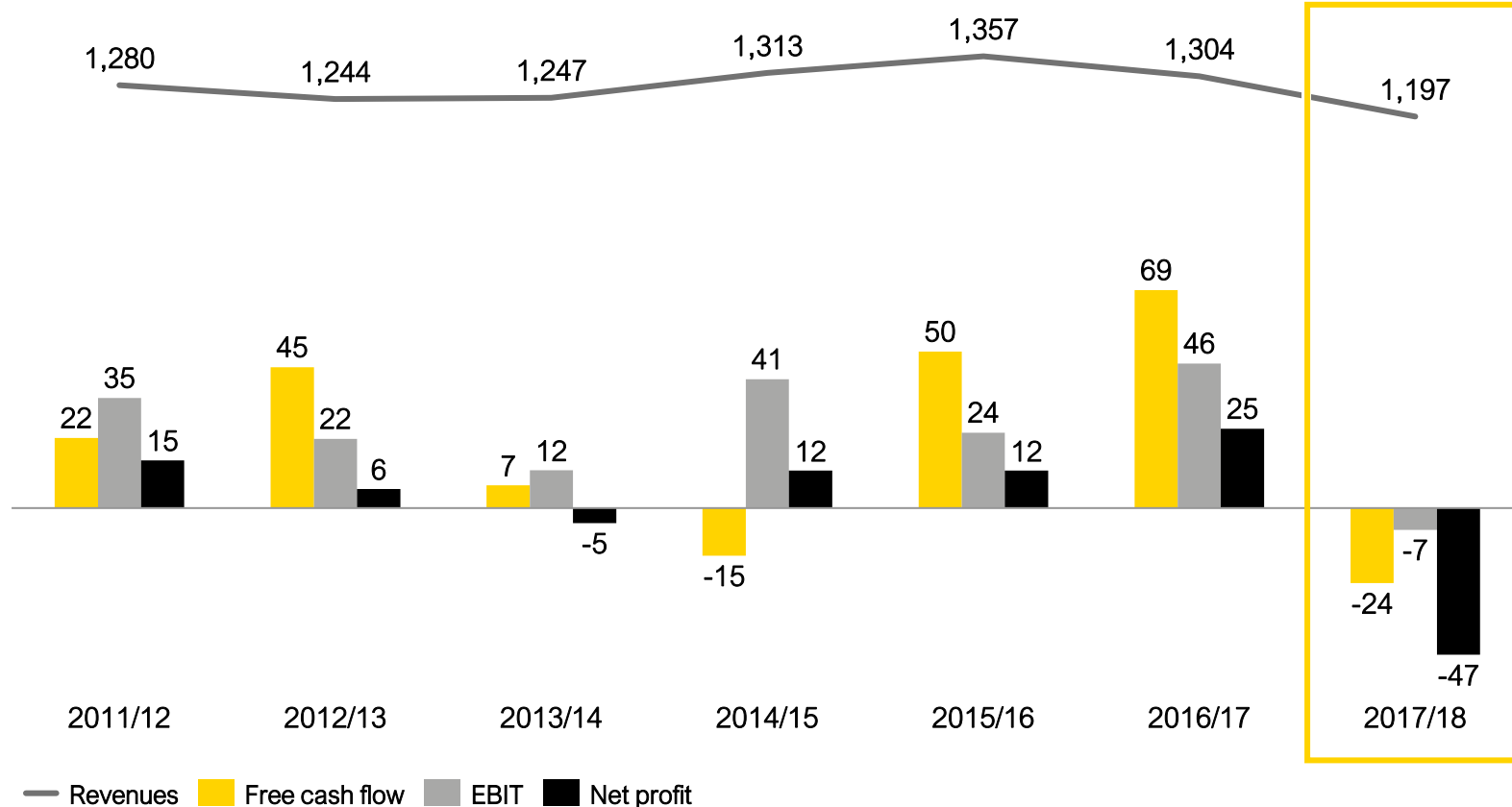


# OUR TRANSFORMATION



# WHERE DO WE COME FROM?

FINANCIAL DATA in EUR mn



## KEY FACTS

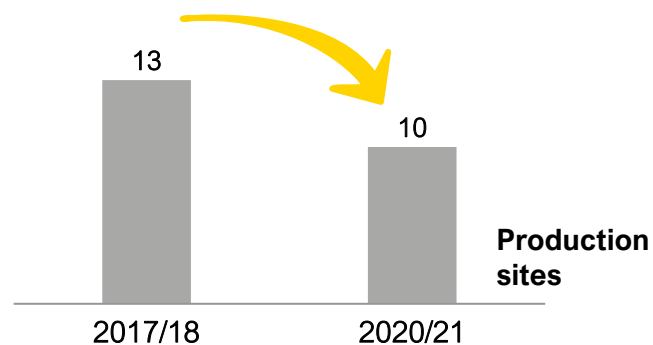
- Growth between 2013/14 and 2015/16 driven by LED transformation in Lighting and higher value per light point (both segments)
- Start of commoditisation after 2016/17 due to LED technology saturation
- High-cost structure and lack of fix cost adjustment led to a substantial drop in topline and negative net income
- Inefficient processes
- High overhead and SG&A costs



# SUCCESSFUL TRANSFORMATION 2017/18 – 2020/21

## We streamlined our operational footprint

- Production network rebalanced
  - Closure of Usingen (2017), Guangzhou (2019), Jennersdorf (2019) and Barrowford (2021)
  - Reintegration of Les Andelys (2020)
- Ramp up of Niš, Serbia (since 2018)
- New Zealand and Australia downsized to local assembly



## Generated cost savings of

EUR **60–70** mn



## We reduced our cost position

- Simplified management layer structure for an increased focus on customers in Sales, Product Management and R&D
- Significant fix cost reduction in central functions and SG&A

## We did prepare for the future

- Internal program (Fit-4-2025)
- Clear dual brand strategy and positioning in indoor
- Integration of acdc in Thorn outdoor
- Use platforms to stretch two brands over multiple tiers in industry, retail and office application

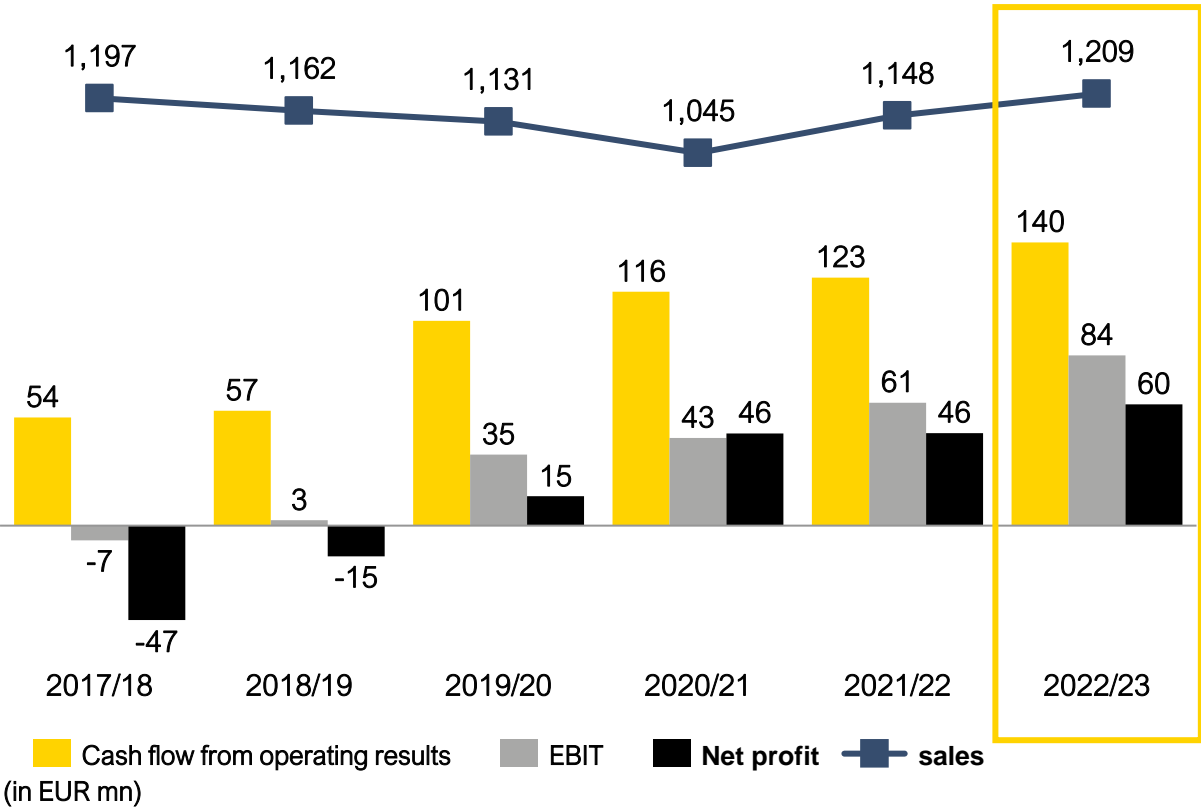




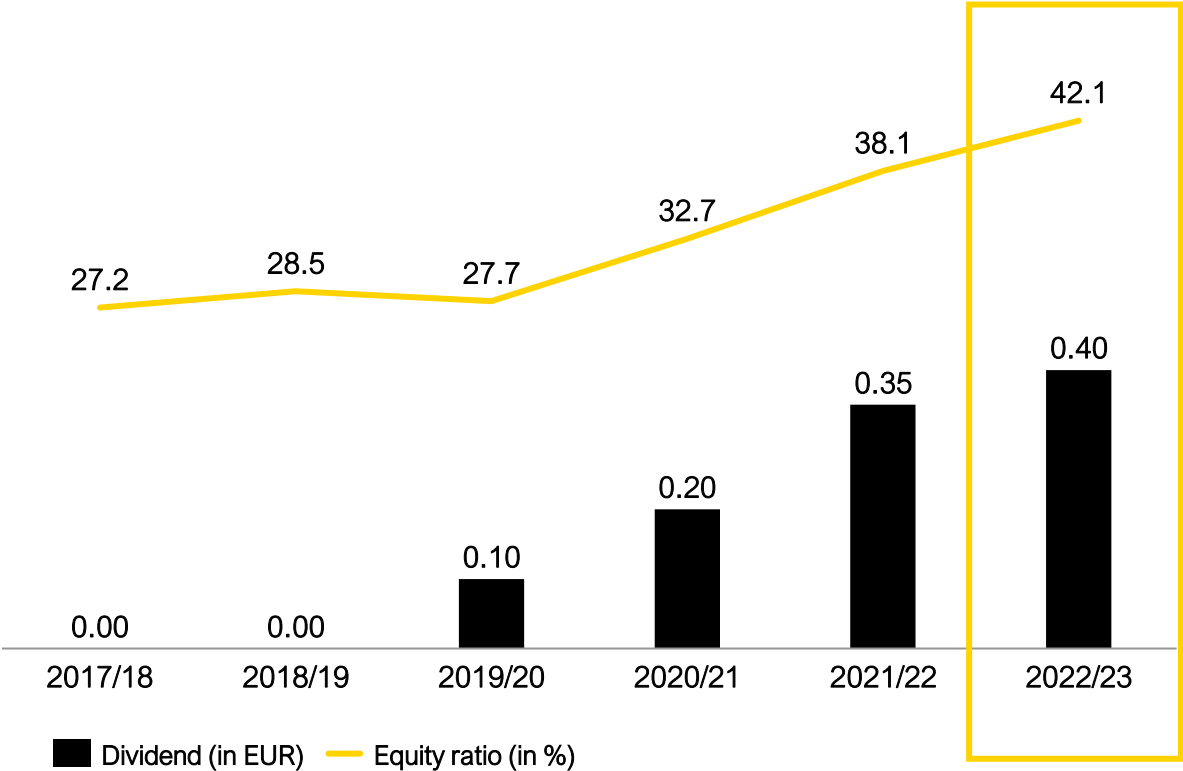
# SIGNIFICANT IMPROVEMENT IN FINANCIAL PERFORMANCE IN ALL AREAS OVER THE LAST 5 YEARS

## KEY FINANCIAL INDICATORS – SIX-YEAR OVERVIEW

Better results than last year – in 2022/23 for the 5<sup>th</sup> year in a row



Another dividend increase in 2022/23







# Q1 2023/24 RESULTS



# 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**



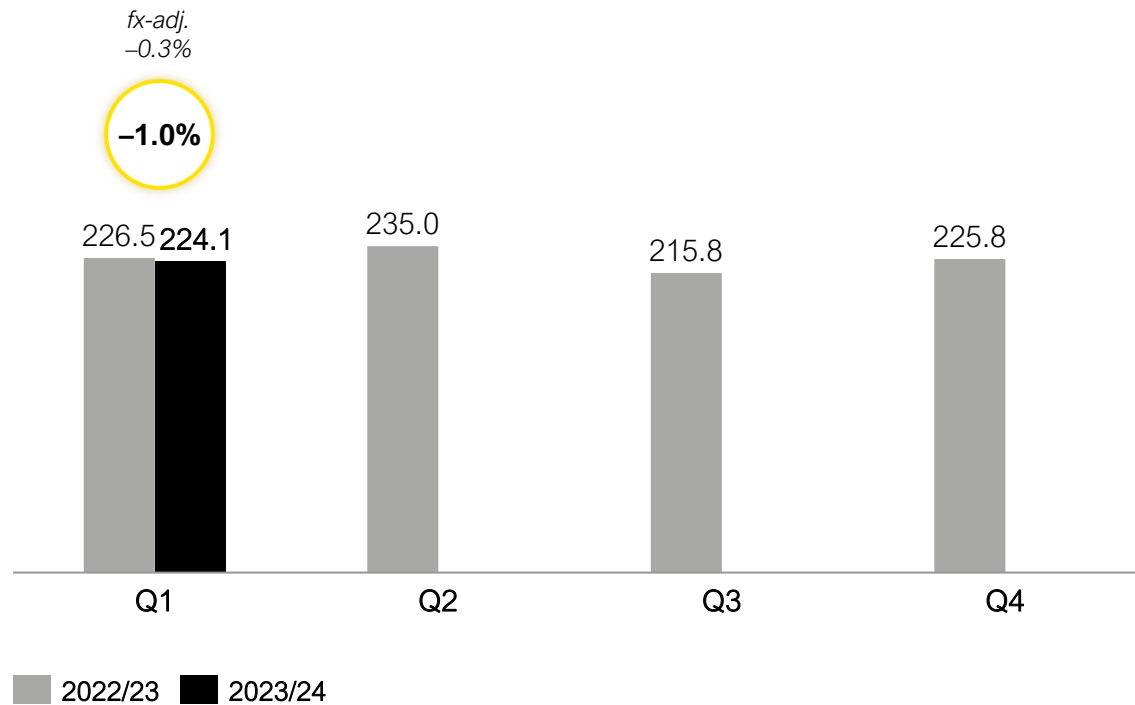
**Volvo Trucks Ghent, Belgium**



## LIGHTING SEGMENT

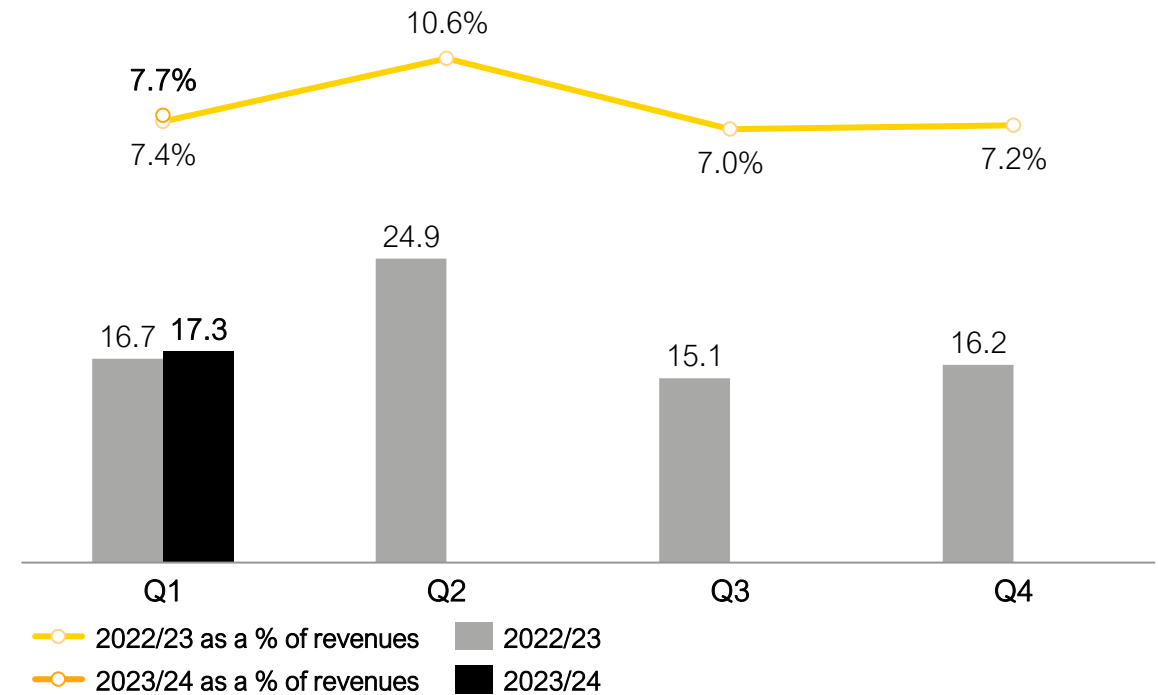
# IMPROVEMENT IN EBIT MARGIN, REVENUES REMAIN FLAT

### REVENUES IN EUR MN



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

### EBIT IN EUR MN



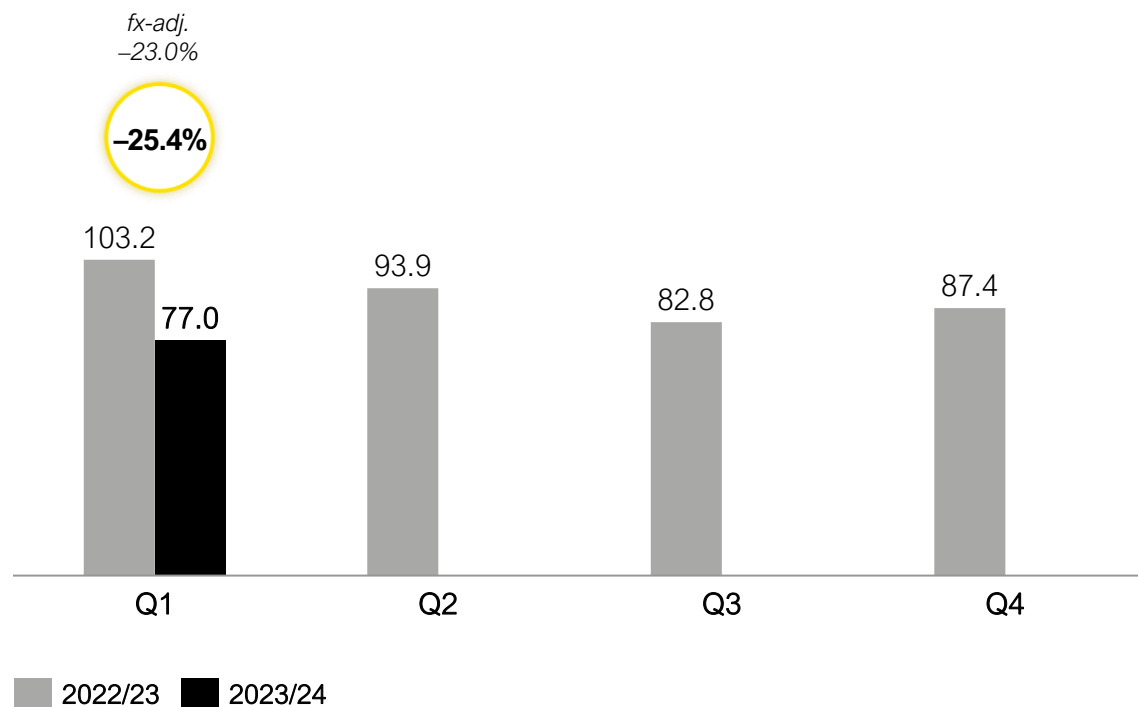
FY 2022/23 EUR 72.9 mn (margin of 8.1%)



## COMPONENTS SEGMENT

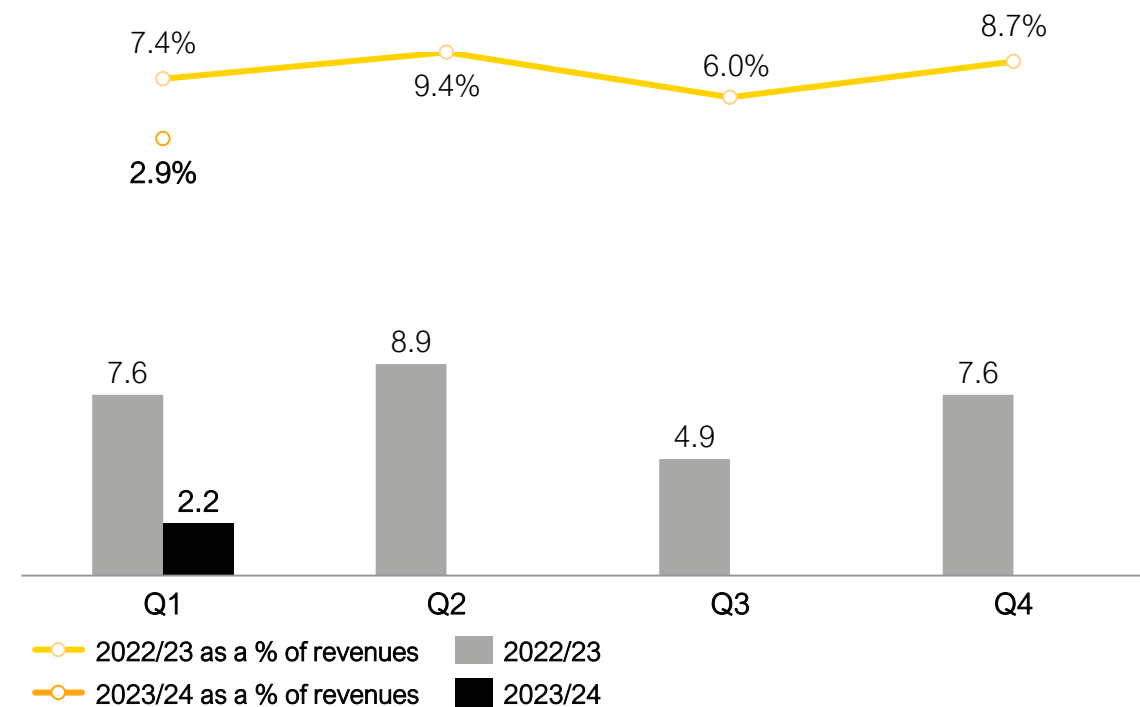
# Q1 REVENUE NEGATIVELY IMPACTED BY HIGH CUSTOMERS' INVENTORY LEVELS

### REVENUES IN EUR MN



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

### EBIT IN EUR MN

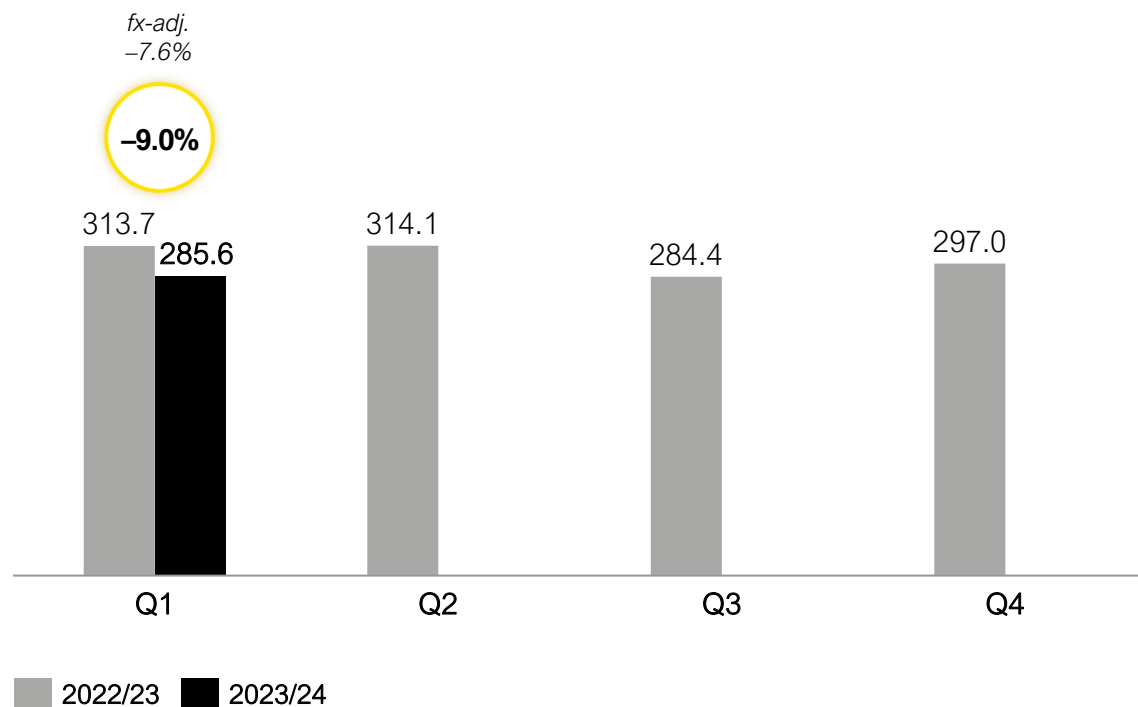


FY 2022/23 EUR 29.1 mn (margin of 7.9%)



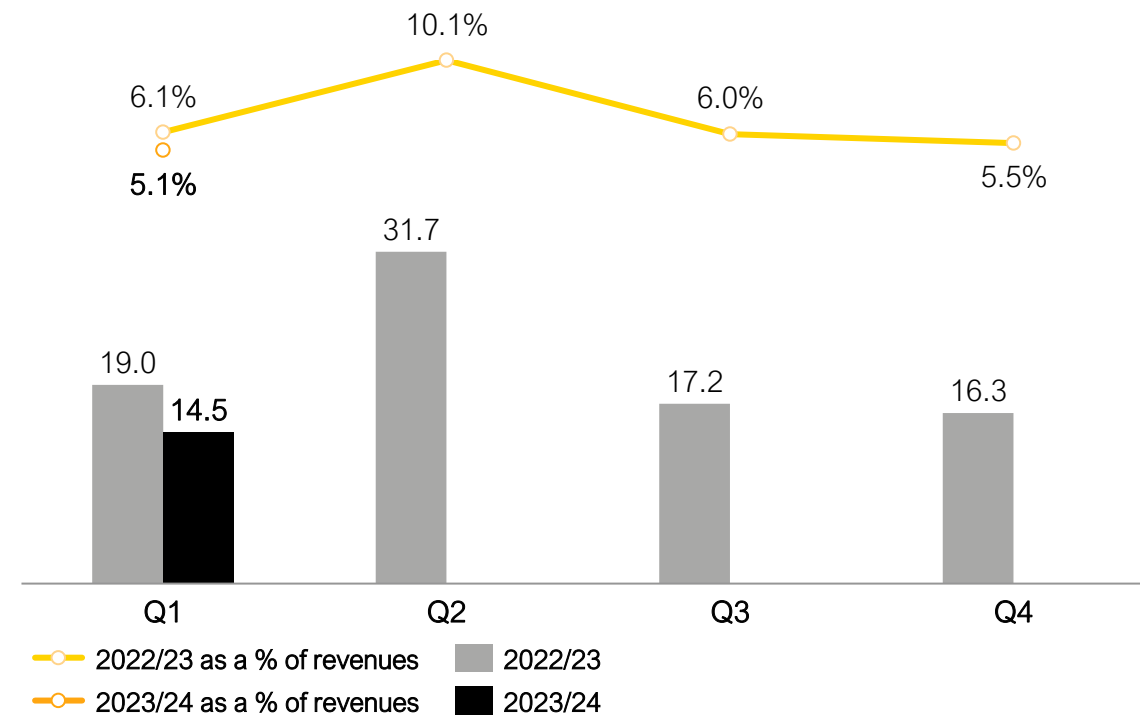
# REVENUE DECLINE IN A DIFFICULT MARKET ENVIRONMENT, EBIT MARGIN REMAINS SOLID

REVENUES IN EUR MN



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

EBIT IN EUR MN

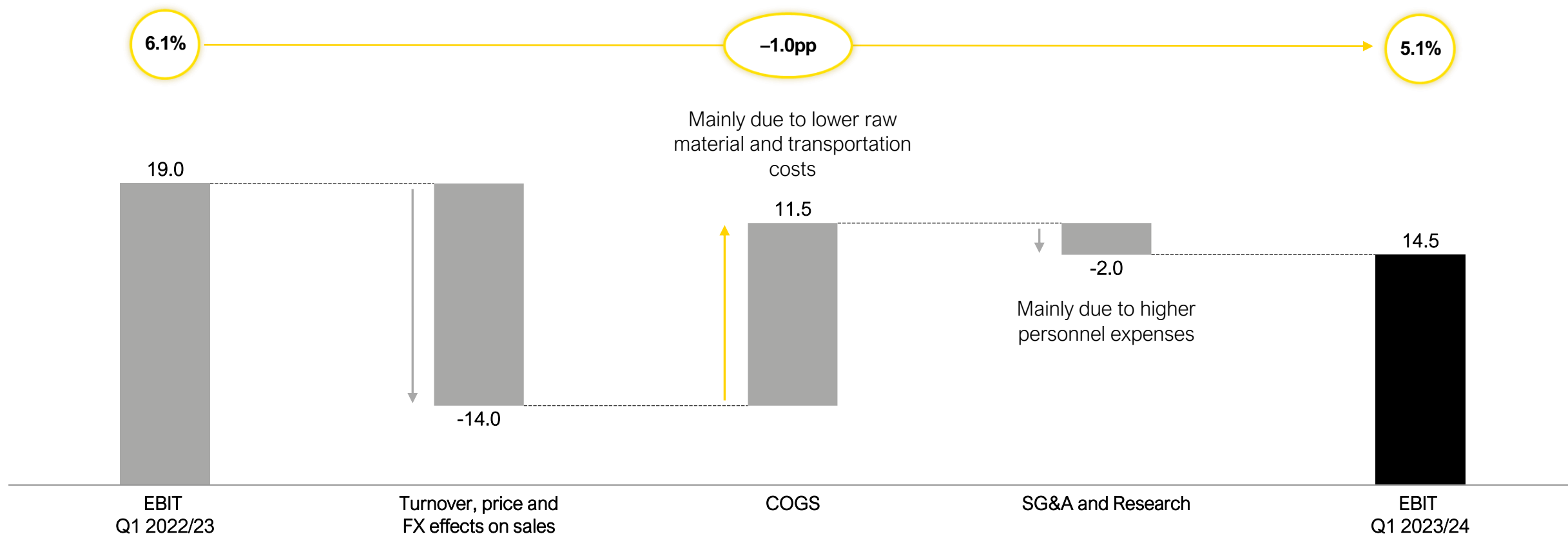


FY 2022/23 EUR 84.3 mn (margin of 7.0%)



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



# 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
<b>Cash flow from operating activities</b>	<b>–0.5</b>	<b>–1.4</b>
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
<b>Cash flow from investing activities</b>	<b>–6.2</b>	<b>–14.4</b>
<b>Free cash flow</b>	<b>–6.7</b>	<b>–15.8</b>



# 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

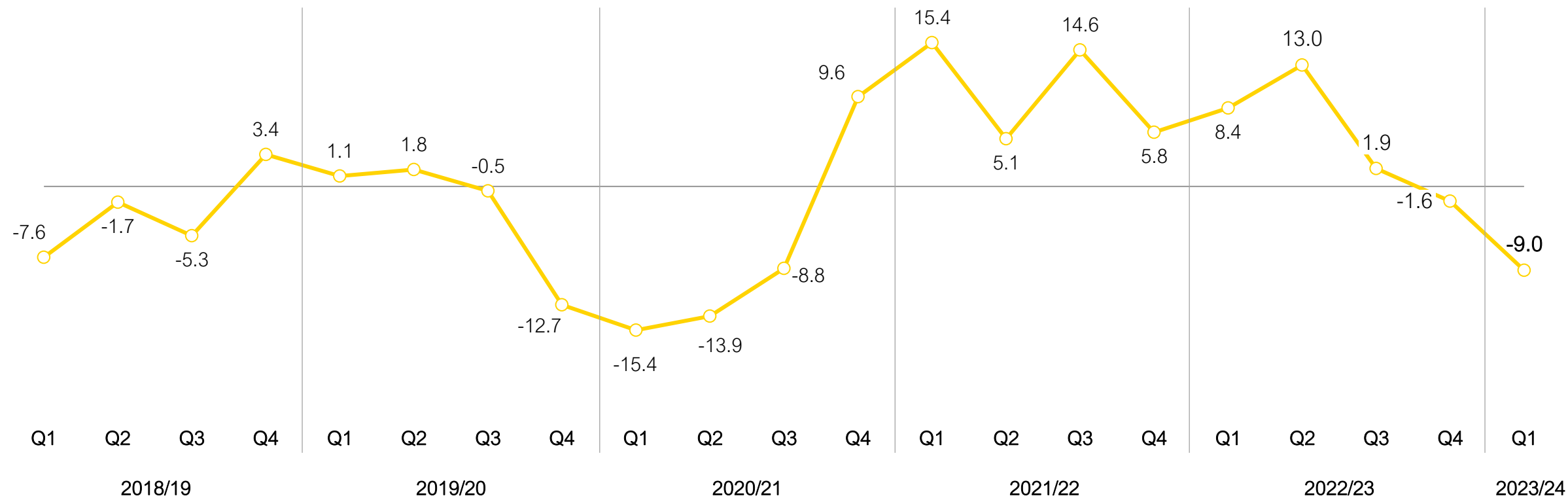
### Financial covenants attached to:

- Debt coverage ratio<sup>1</sup> < 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

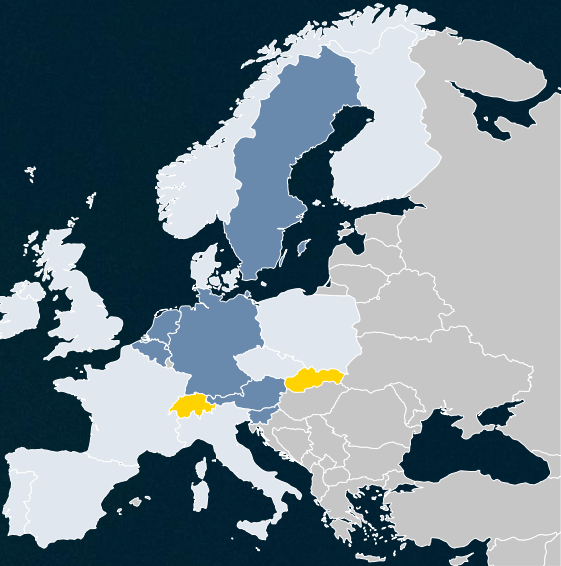
## ZUMTOBEL GROUP – REGIONAL REVENUE DISTRIBUTION

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
<b>Total</b>	<b>285.6</b>	<b>−9.0</b>	<b>−7.6</b>



# CURRENT MARKET OUTLOOK FOR THE FINANCIAL YEAR 2023/24

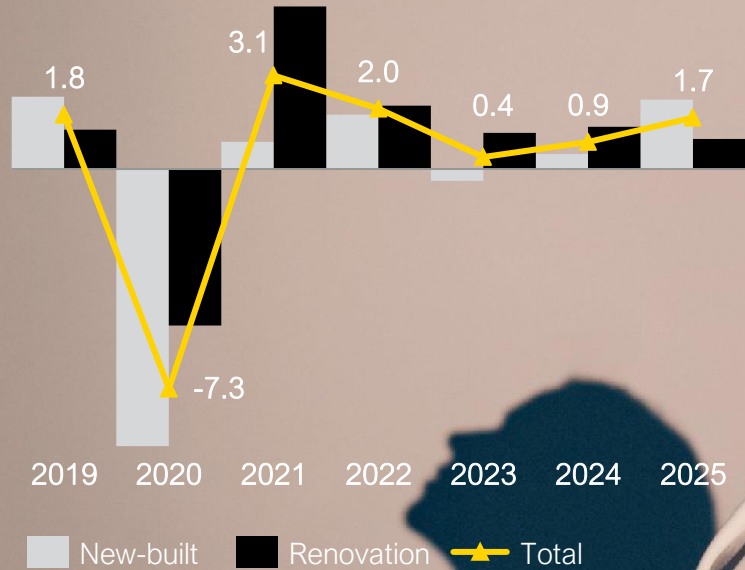
## Growth in non-residential construction in 2023



> +0.5%
  0 – +0.5%
  negative

- 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

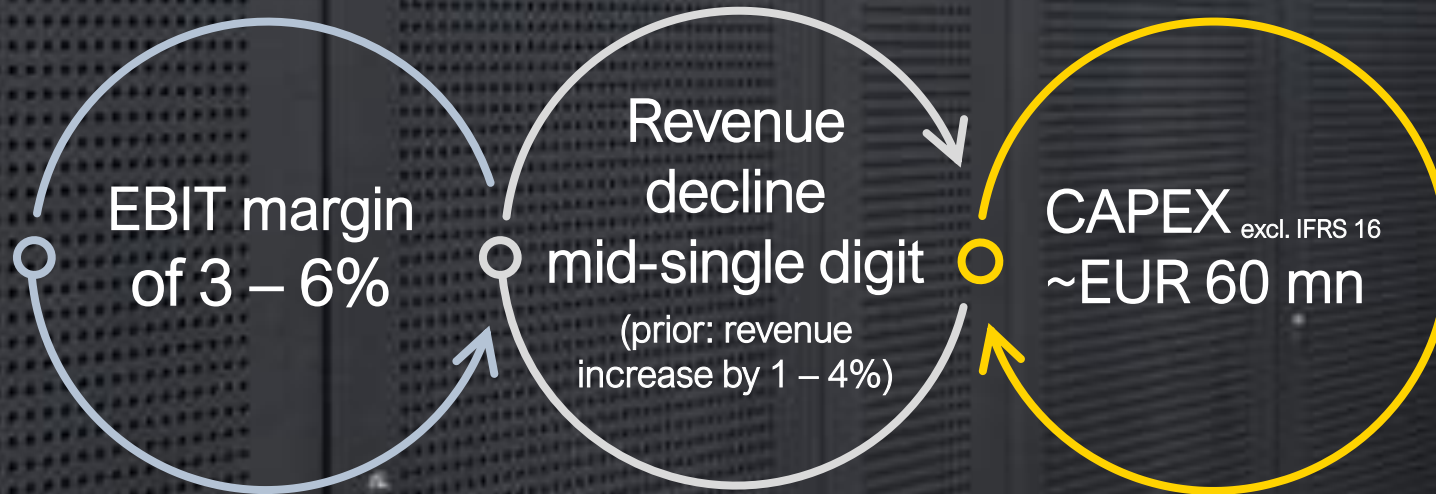


### Design to cost

- Value engineering
- Local sourcing in low-cost countries



# FY 2023/24 OUTLOOK



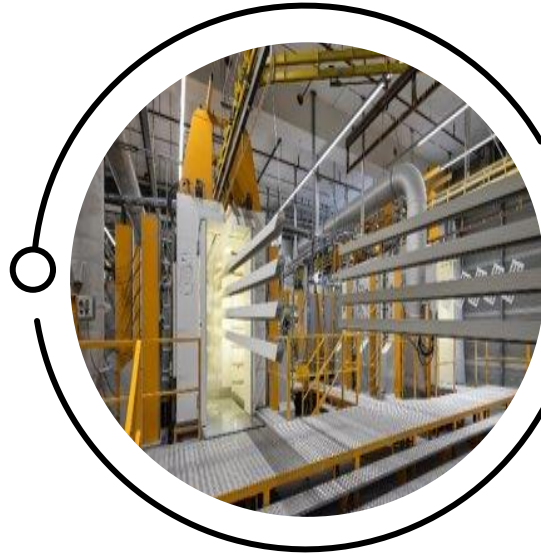


A modern interior space featuring large, curved, illuminated light fixtures in a warm yellow-gold color. The background includes a wall with vertical wood paneling and a dark doorway with a green exit sign.

# SUSTAINABILITY



# SUSTAINABILITY IS AN INTEGRAL PART OF THE ZUMTOBEL GROUP



## Climate neutrality

Emissions in Scope 1 and Scope 2 further reduced by more than 3,000 t CO<sub>2</sub>e



## Partner of choice

Processes and documents implemented in terms of the Supply Chain Sourcing Obligations Act



## Circular economy

First Cradle to Cradle Certified® certifications successfully completed

Sustainability Ratings and Initiatives





# THE ZUMTOBEL GROUP SUSTAINABILITY LANDSCAPE

## WHAT IS SUSTAINABILITY ?



**CLIMATE NEUTRALITY**



**CIRCULAR ECONOMY**



**PARTNER OF CHOICE**

## WHAT HAS SUSTAINABILITY TO DO WITH LIGHTING?

Corporate  
Sustainability

UN SDGs

Green Deal

Green Building

Energy Efficiency

Refurbishment

Health & Well-being

Dark Skies

EPDs

Services

Circular Economy

CDRs



**ZUMTOBEL**

**THORN**

**TRIDONIC**



# REFURBISHMENT – GROWTH MARKET AND BUSINESS OPPORTUNITY



## **Less energy consumption**

To limit the immense increase in CO<sub>2</sub> emissions, modern lighting is needed to reduce energy demand.

The improved efficiency of LEDs makes a significant contribution to energy savings.



## **Reducing the costs**

Energy accounts for the largest share of the operating costs of a lighting installation.

Those who save here make substantial savings during enormous energy price increases. And the investment is quickly amortised.














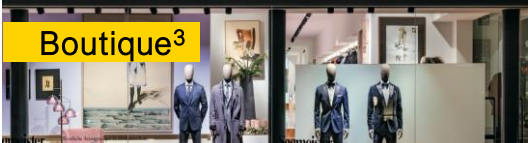


## **Light control for refurbishment**

A lighting control system reduces your actual energy consumption by an additional 20 percent on average.

**Opportunity:**  
**Refurbishment makes up to ~50% of the non-residential construction**

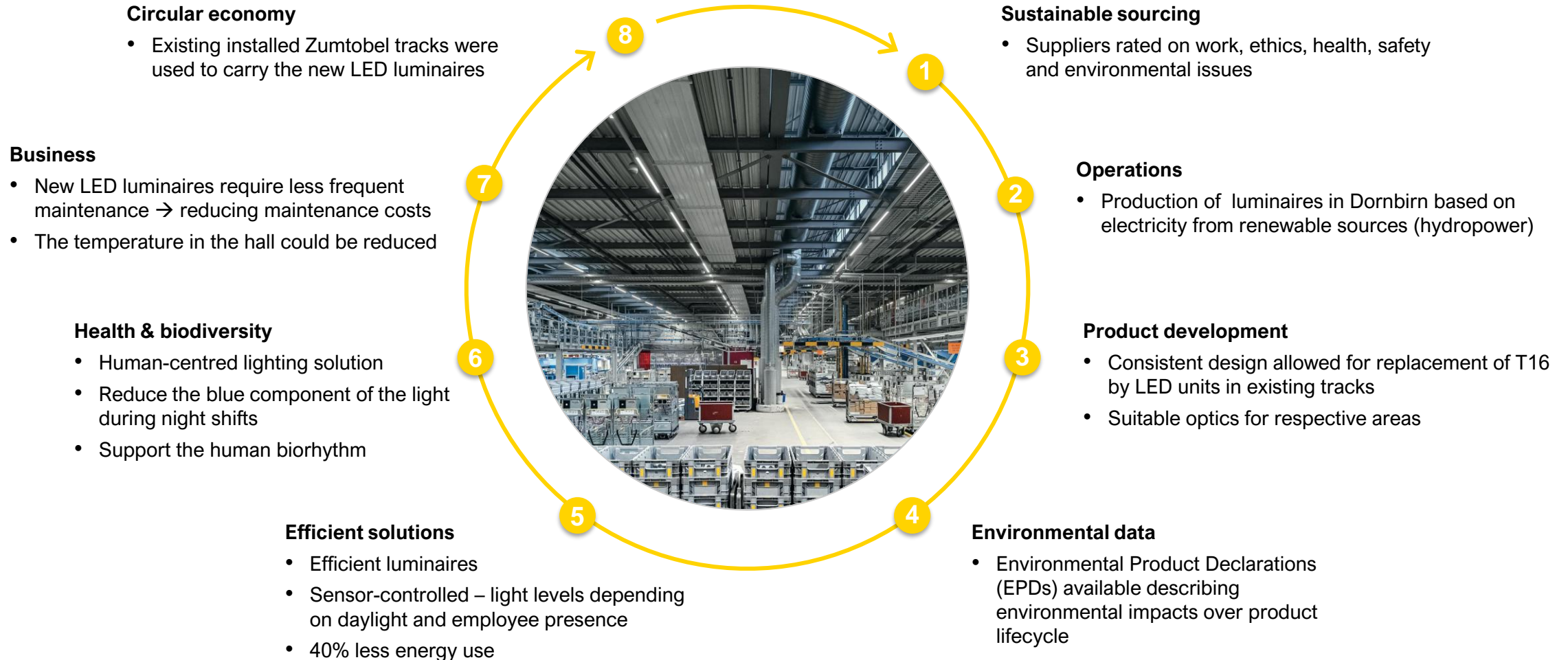


# ENERGY SAVINGS THROUGH LIGHTING REFURBISHMENT

Application	Luminaire old		Energy consumption old [kWh/m <sup>2</sup> a]	Luminaire new		Energy consumption new [kWh/m <sup>2</sup> a]	Amortisation in years <sup>4</sup>	Reduction of energy consumption	Savings in €/a <sup>4</sup>	Reduction of CO <sub>2</sub> equivalent [kg/m <sup>2</sup> a]
<b>Industry<sup>1</sup></b> 		COPA I	37.54		CRAFT II plus	11.58	1.1	- 69 %	8,963	5.69
		TECTON-I	40.38		TECTON C	9.54	0.89	- 76 %	10,647	6.75
<b>Office<sup>2</sup></b>  		ONDARIA O	30.76		ONDARIA	13.04	2.93	- 58 %	497	3.88
		RTX II	34.32		ECOOS II	13.46	4.73	- 61 %	585	4.57
<b>Boutique<sup>3</sup></b> 		SPIRIT	88.98		VIVO II	48.43	1.89	- 46 %	875	8.88



# WE HELP OUR CUSTOMERS BECOME MORE SUSTAINABLE





# THE EU GREEN DEAL OFFERS FURTHER GROWTH OPPORTUNITIES IN FOUR SECTORS

## Buildings

- **Funding for building sector**
- **Renovating 3% of area of public buildings p.a.**
- **Examples:** Building renovation/efficiency improvement, construction process

→ **Total required investment amount of 8 bn EUR**

## Industry

- **Fostering Circular Economy**
- **New alliances (e.g., Battery Alliance)** to push EU industry
- **Examples:** New facilities for green hydrogen, low carbon technologies

→ **Total required investment amount of 19 bn EUR**

## Transportation

- **Increase public transport, charging and hydrogen stations**
- **Freight operations involving rail and waterborne transport**
- **Examples:** Public transport, recharge infrastructure, electrification of transport

→ **Total required investment amount of 87 bn EUR**

## Energy

- **69% of investments needed relate to renewable energy generation** (e.g., solar power, hydrogen, wind)
- **Examples:** Renewable energy generation, energy storage and system

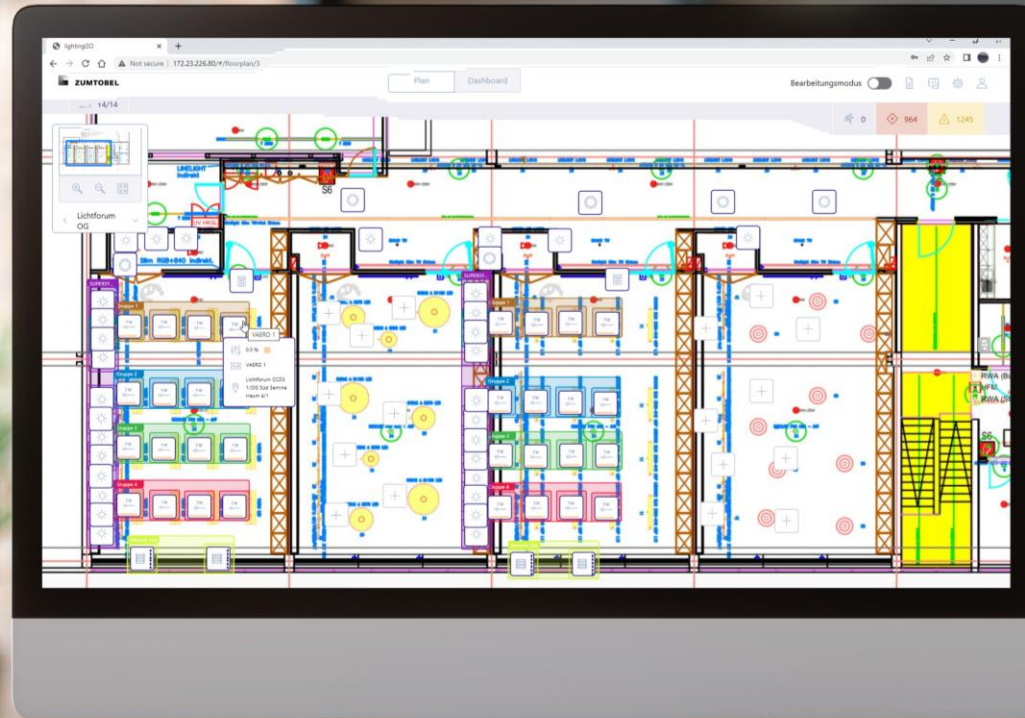
→ **Total required investment amount of 72 bn EUR**

The EU  
Green Deal

→ **The efforts in the four sectors are backed by an additional instrument, the Recovery and Resilience Facility (RRF) Plan**

The RRF Plan will finance **up to €723.8 billion** of reforms and investments until December 31, 2026, **of which at least 37% will address climate change**

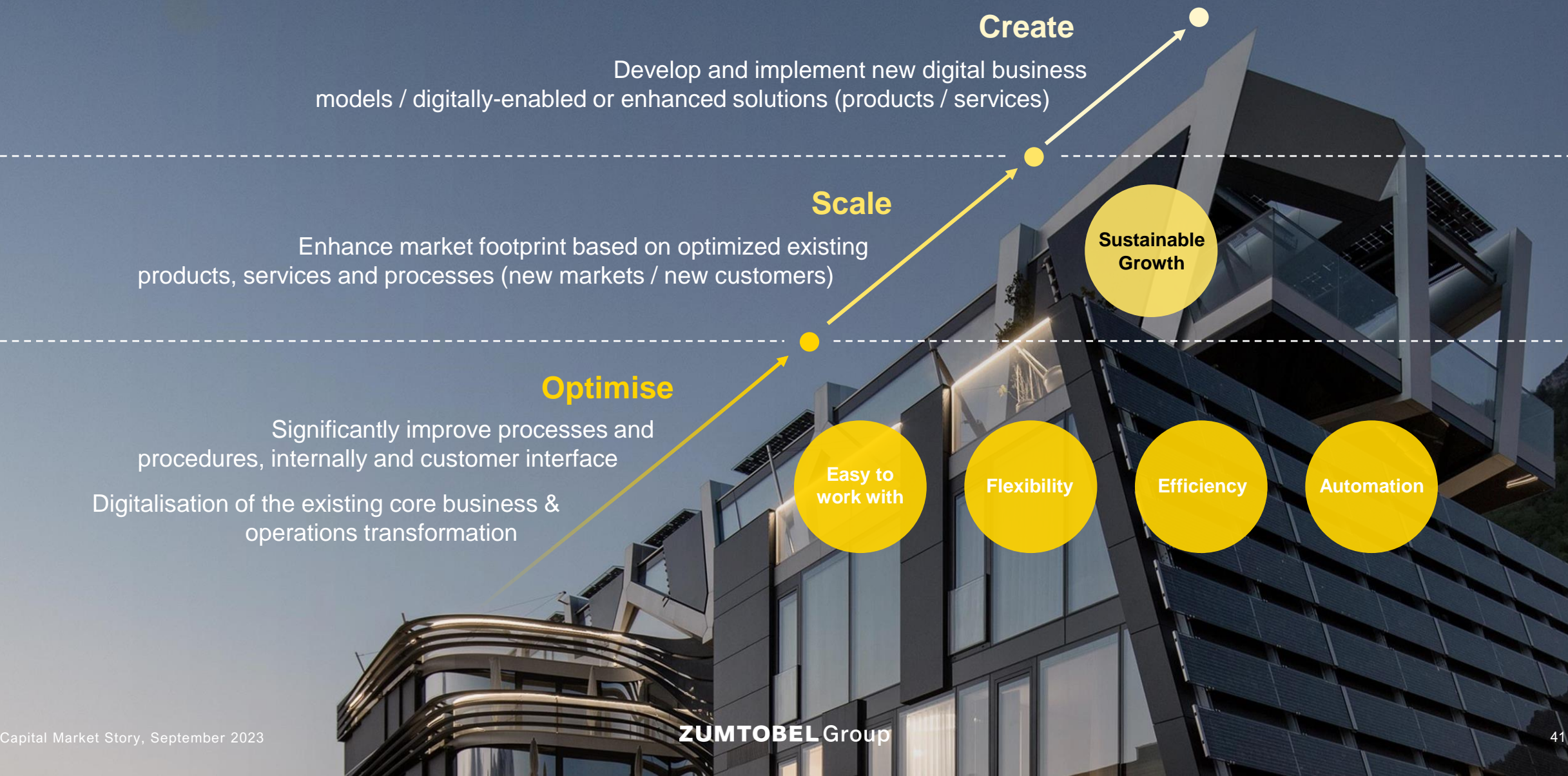




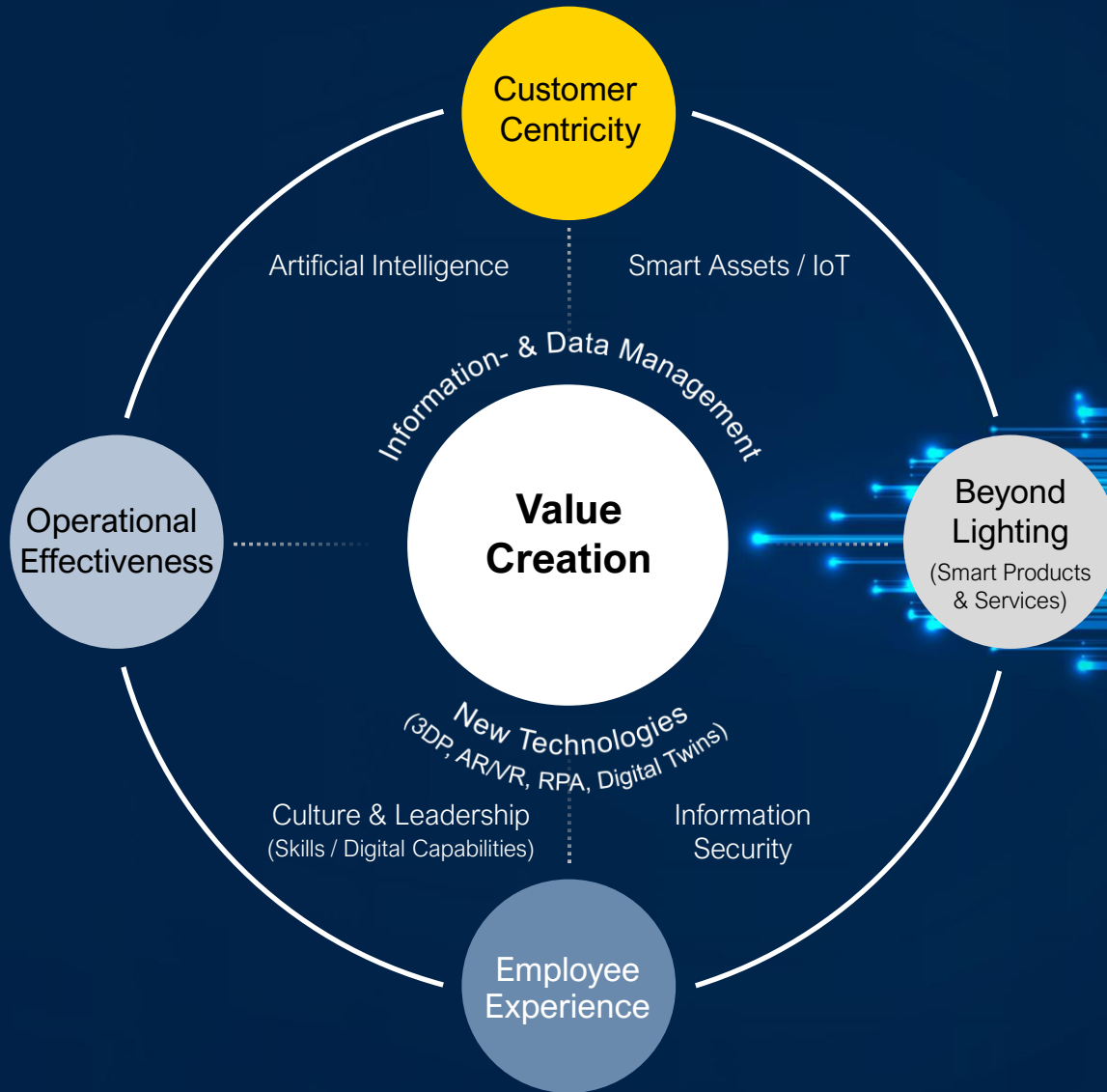
# DIGITALISATION



# OUR JOURNEY OF DIGITAL TRANSFORMATION







# Digital Transformation



# IMPLEMENTATION OF THE DIGITAL TRANSFORMATION

## Customer Centricity



### Customer Relationship Management

- Supporting the sales team
- Improving customer communication
- Improving sales management

## Operational Effectiveness



### Digital Factory

- Multi-level planning based on customer priority
- Order and material availability
- Serial number tracking of e.g., luminaires / LEDs / drivers / batteries
- Batch tracking
- Quality queries and tests during production

## Employee Experience



### Digital Workplace

- Field Service Enablement (Touch)
- Agile collaboration methods / product-centred approach
- Virtual collaboration
- End-user enablement (Self-Service PowerBI, Fiori & SAC)

## Beyond Lighting



### Smart Buildings

- Digital control of the luminaires
- Measurement of light and air quality
- People counting
- Recording of movement information
- Asset tracking



# LIGHTING INFRASTRUCTURE AS A DIGITAL BACKBONE FOR SMART BUILDINGS

## Our product portfolio



### Illumination

Infrastructure support,  
electricity source

+



### Digital infrastructure

Connectivity, sensors  
beacons, localisation

+



### Cloud based applications

Building model, dashboard,  
data time series, data analytics

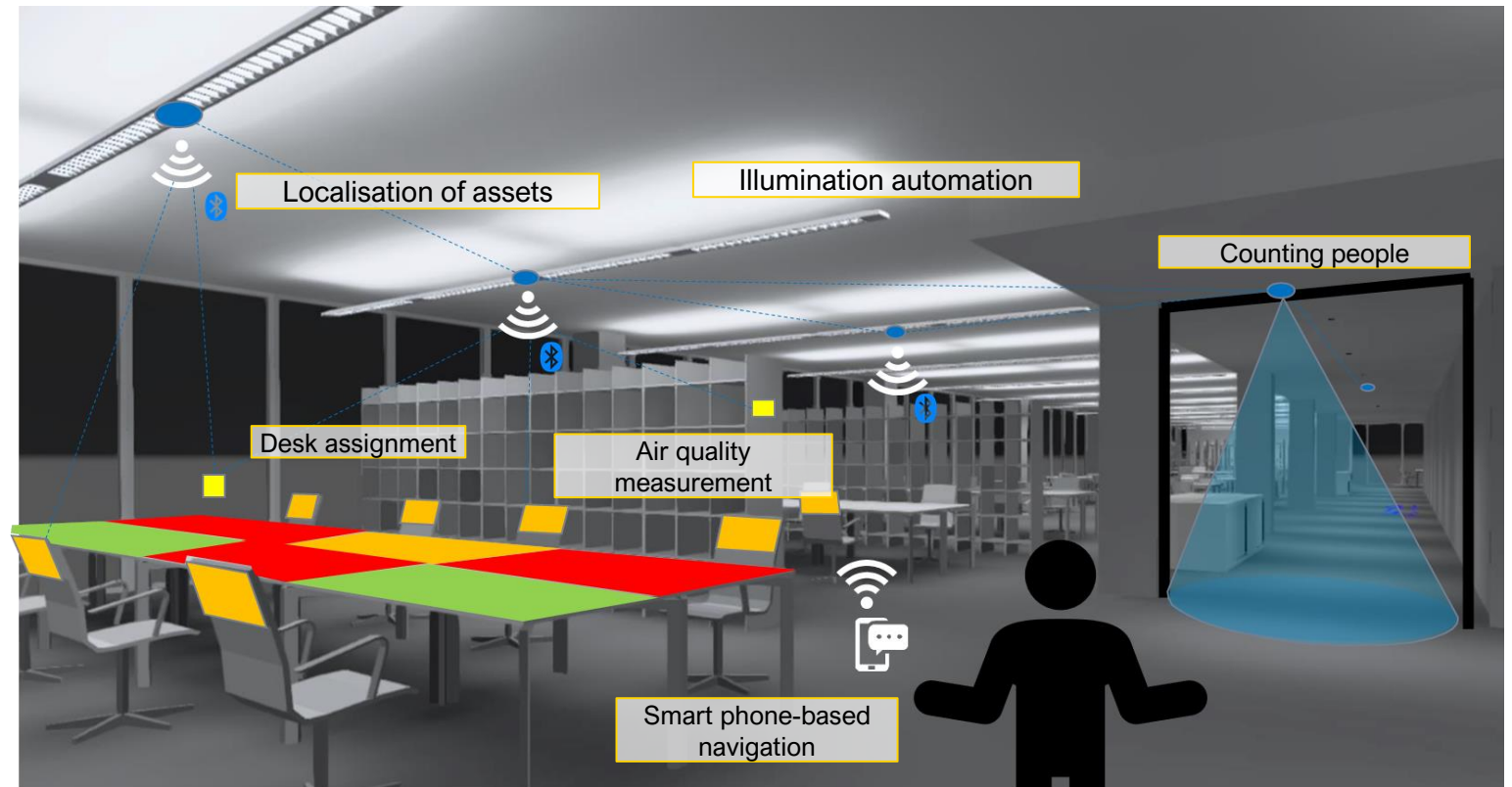
=



### Integrated lighting solutions

Smart infrastructure as an ideal basis for  
new services

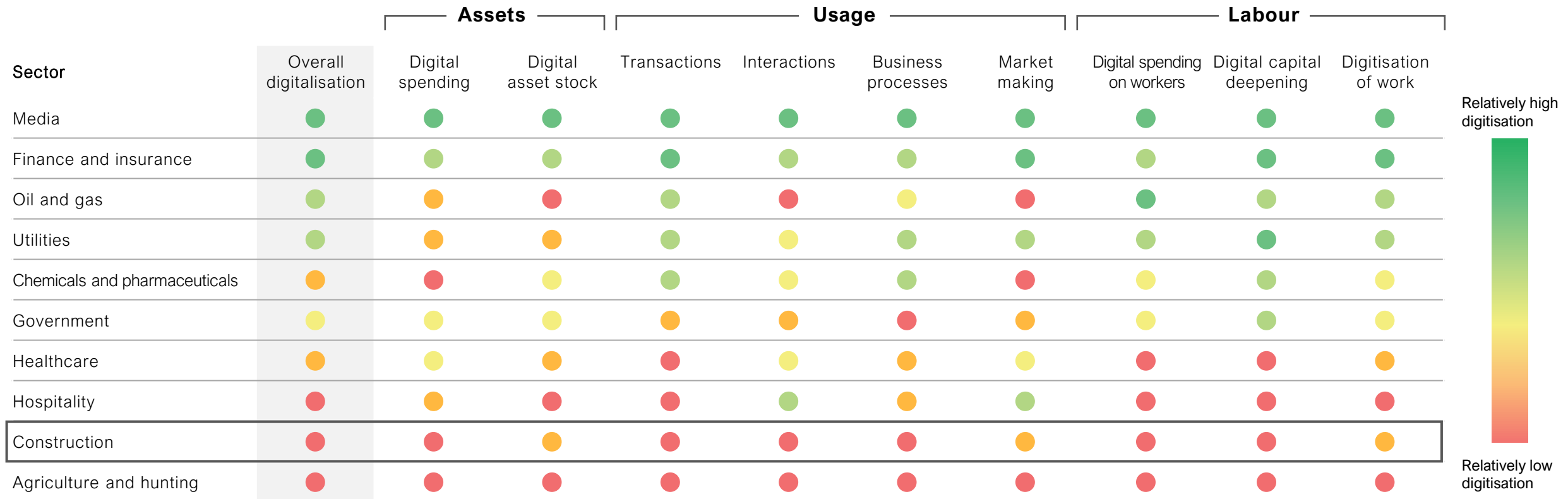
## Example: Applications for illumination-based wireless systems in an office



**Integrated lighting solutions lower investment costs, minimise operating costs and help to reduce the carbon footprint**



# STATUS QUO OF DIGITALISATION IN DIFFERENT INDUSTRIES



→ The construction industry is among the least digitised sectors. This opens up additional possibilities for growth as well as new business opportunities.

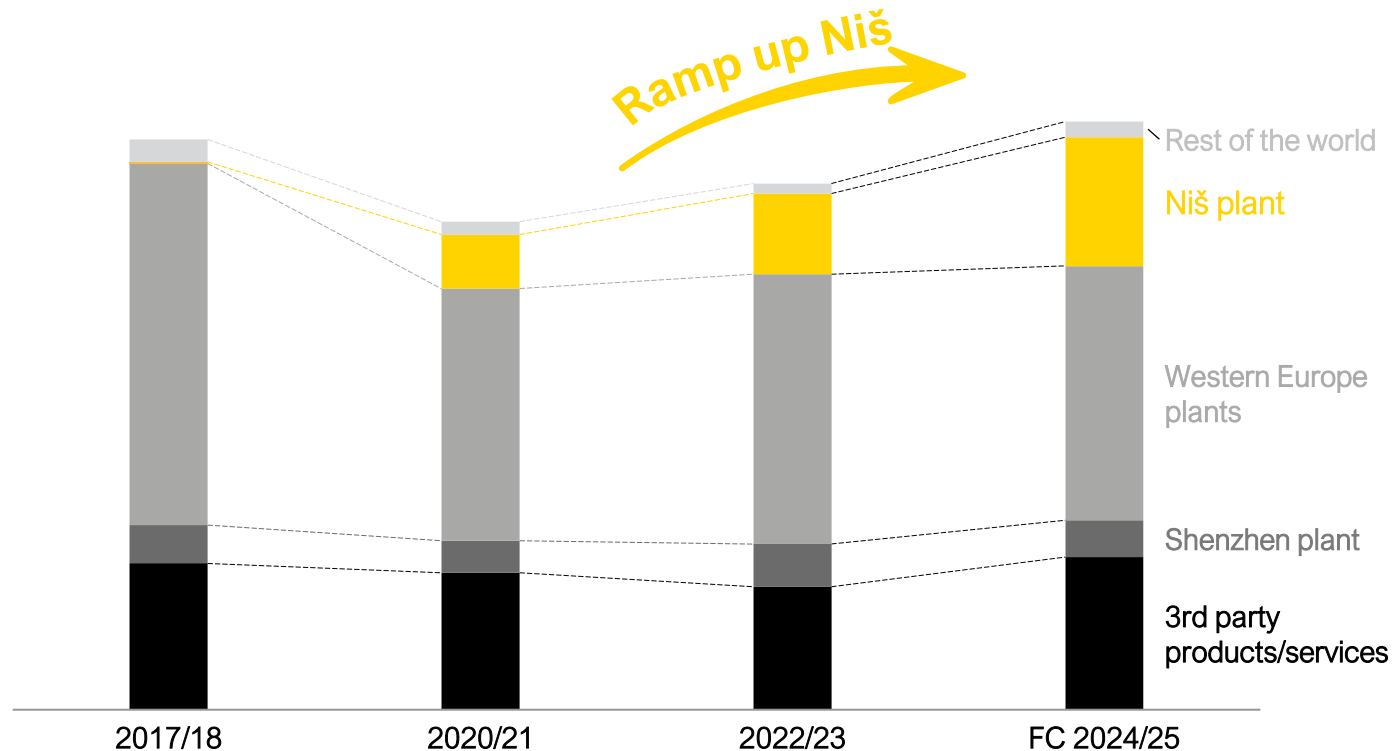


# OPERATIONAL EXCELLENCE



# OUR OPERATIONAL FOOTPRINT

## TRANSFORMATION OF PRODUCT VALUE



## KEY FACTS

### In-house production network

- Rebalance site utilisation in production network
  - Slightly adapt Western Europe sites
  - Closure of Usingen (2017), Guangzhou (2019), Jennersdorf (2019) and Barrowford (2021)
  - Reintegration of Les Andelys in 2020
- **Ramp up Niš year after year**
  - Most competitive European production site
  - Excellent human resources available
- Shorten End-2-End supply chain by increased regional production

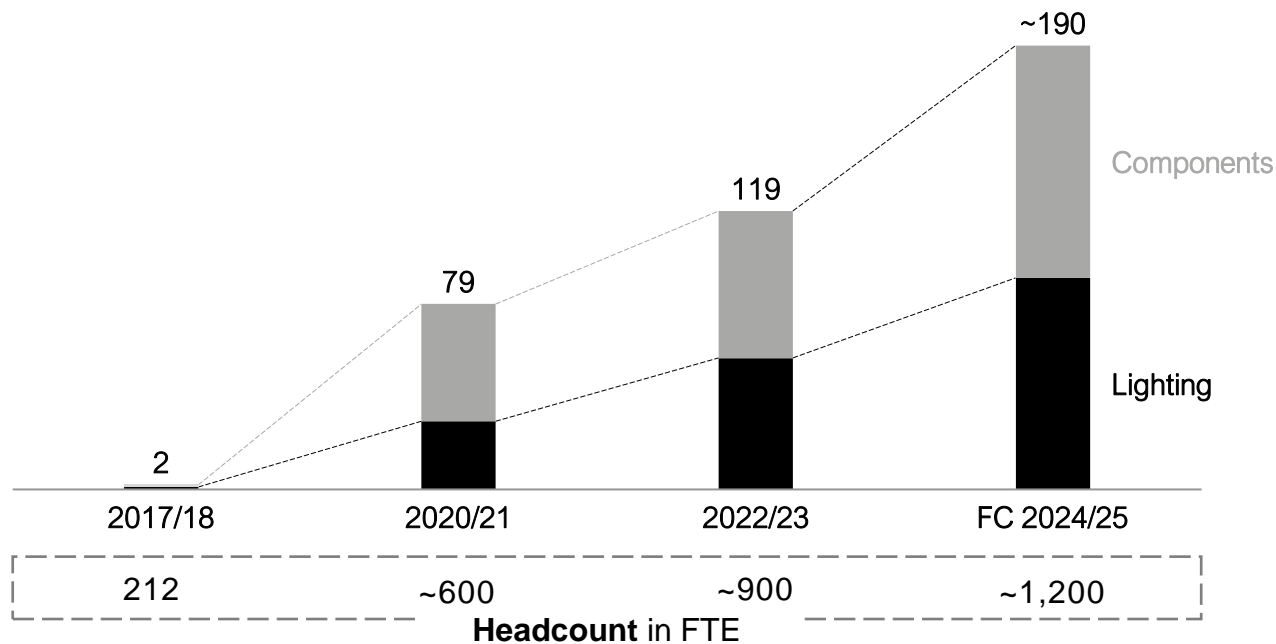
### 3<sup>rd</sup> party products mainly from Asia

- Thorn Eco growth for standard entry lighting applications for wholesale
- Thorn and Zumtobel branded products for portfolio enhancement with low Capex



# NIŠ AS BEST FIT SITE FOR EUROPEAN BUSINESS (COMPONENTS & LIGHTING)

## PRODUCT VALUE IN EUR MN



## CAPABILITY INCREASE FOR THE GROUP

- Research & Development
  - Production Engineering
  - Local Customer Product Design (CPD)
  - Development of new products started
  - >50 engineers (production engineering and CPD)
- Near-shoring of Group functionalities
  - Master Data Team
  - Purchasing Eastern Europe
  - Further Group functions
- DC for Eastern Europe planned
  - Shortcut transport distances to Eastern Europe and other regions

NIŠ





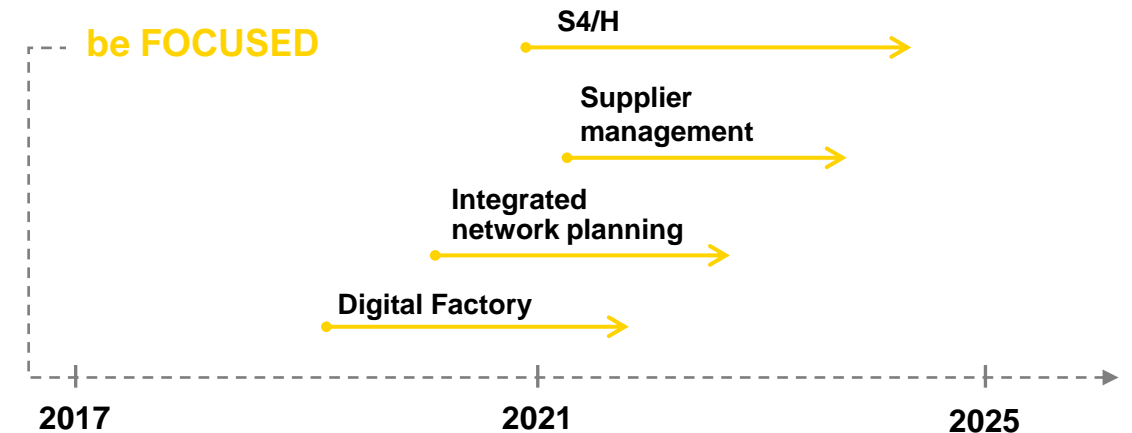
# HIGH FLEXIBILITY CREATES CUSTOMER VALUE AND ADDITIONAL BUSINESS – DIGITALISATION ALONG THE VALUE CHAIN SUPPORTS COST EFFICIENCY

## AGILITY BENEFITS BY PROCESSES

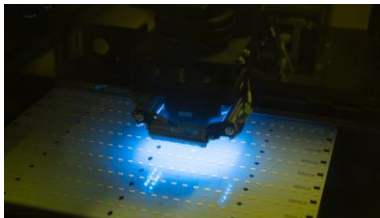
- Market growth potentials based on high flexibility and lead time performance (CPDs, fast deliveries for higher price ...)
- Product configuration to meet customer demand
  - Make to customer order with "one piece flow" is key
  - Requested lead times to market are reducing year after year
- Customers are asking for more individualised products
  - Customised products (CPD) with fast design and delivery of Tridonic components and Lighting luminaires

## DIGITAL TRANSFORMATION ALONG THE VALUE CHAIN

- Digital Transformation Program as part of “be FOCUSED” Group strategy (E2E planning & execution processes)



Digitalisation

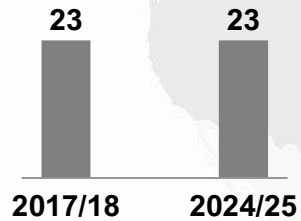




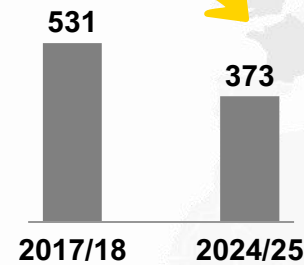
# OUR OPTIMIZED OPERATIONAL FOOTPRINT IN 2025

## PRODUCTION VALUE PER REGION IN EUR MN

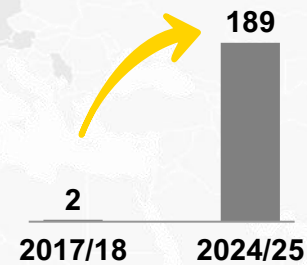
### Rest of the world



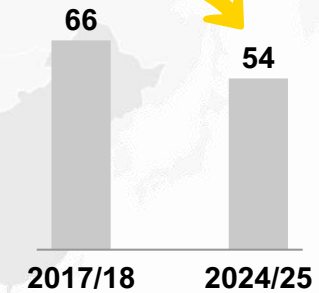
### Western Europe



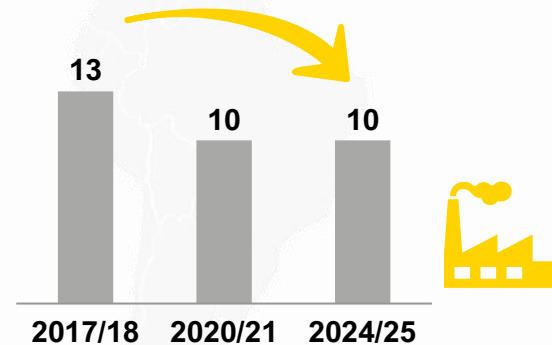
### Eastern Europe



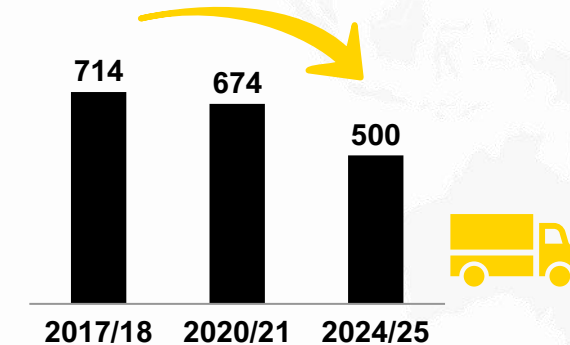
### China



### Streamline production sites



### Streamline supplier network



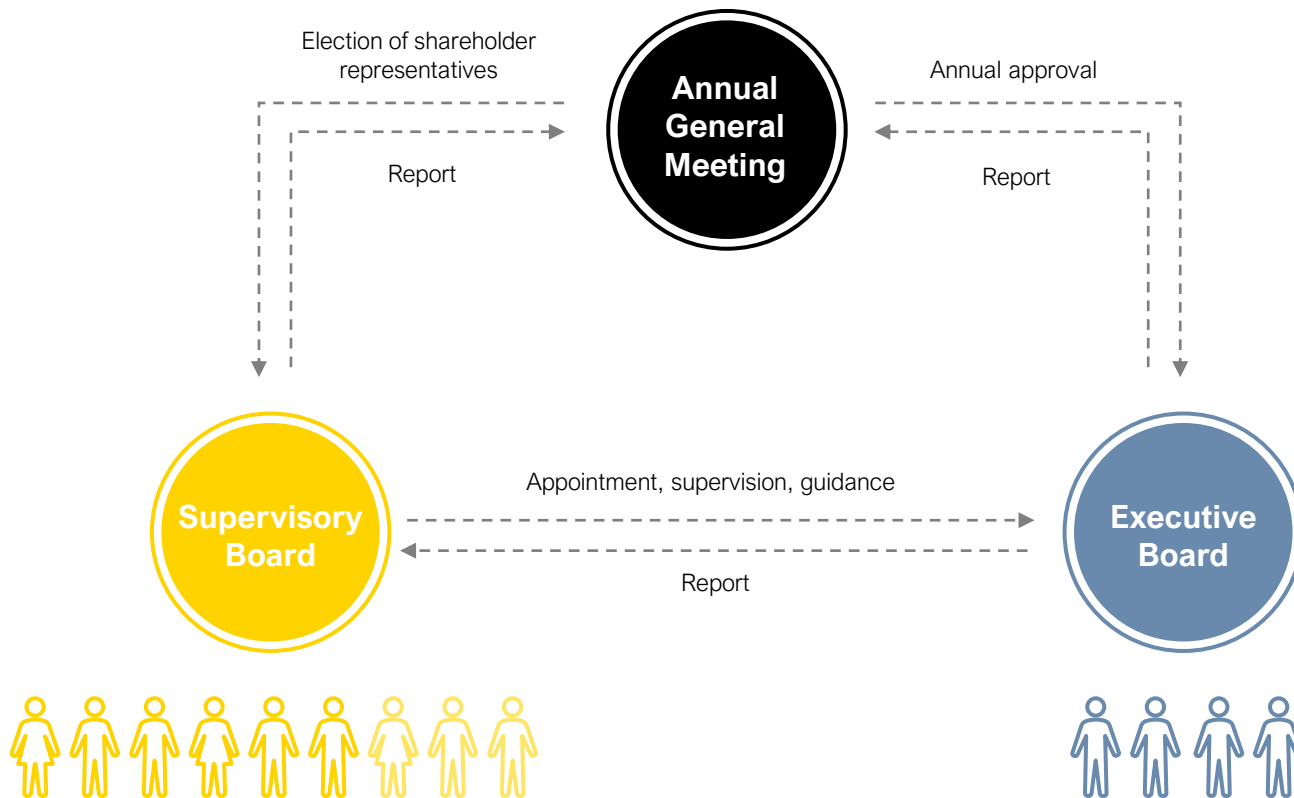




# **CORPORATE GOVERNANCE, REMUNERATION & SHAREHOLDER STRUCTURE**



# CORPORATE GOVERNANCE

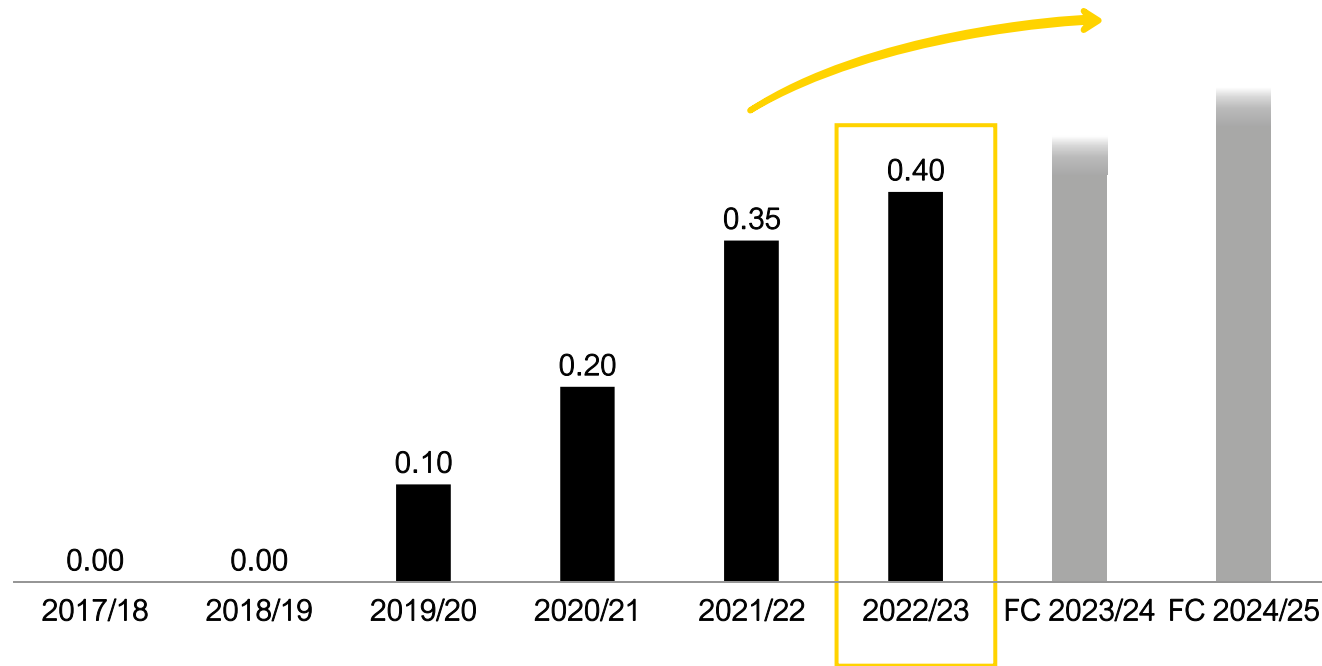


- **Annual General Meeting:**  
Shareholders protect their interests and exercise their voting rights at the annual general meeting. The shares of Zumtobel Group AG are issued in accordance with the "one share - one vote" principle.
- **Two boards with distinctive roles:**
  - **Executive Board (EB):**  
responsible for managing the company and representing it vis à vis third parties
  - **Supervisory Board (SB):**  
responsible for monitoring and guiding the EB
- **9 Supervisory Board members:**
  - thereof 6 shareholders
  - thereof 3 employee representatives



# COMMITTED TO OUR DIVIDEND POLICY

## DIVIDEND IN EUR



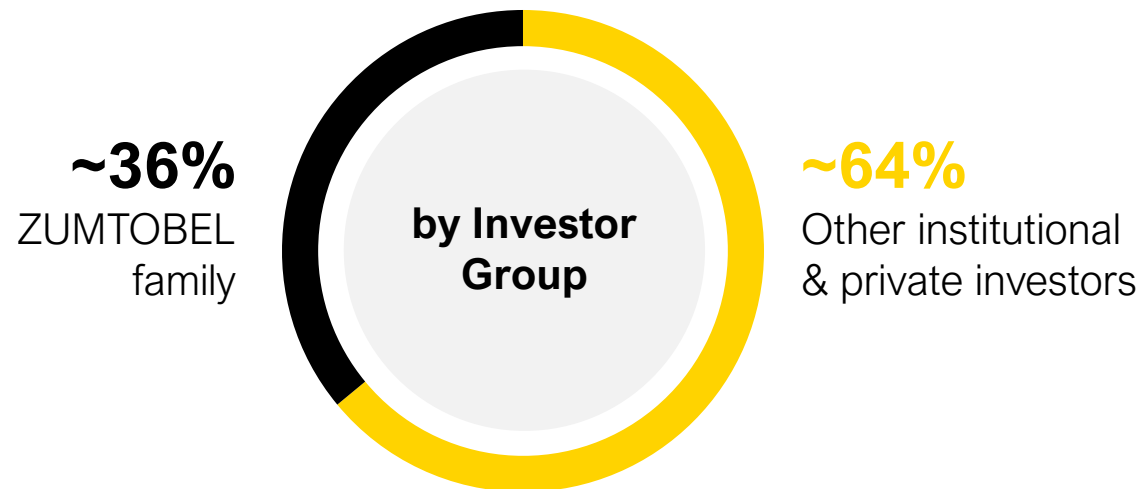
## DIVIDEND POLICY

- We are committed to delivering a continuous and reliable dividend
- We aim to distribute approximately 30% to 50% of the consolidated net profit after the deduction of any special effects
- Dividend amount will depend on debt coverage ratio level in order to secure our financial stability

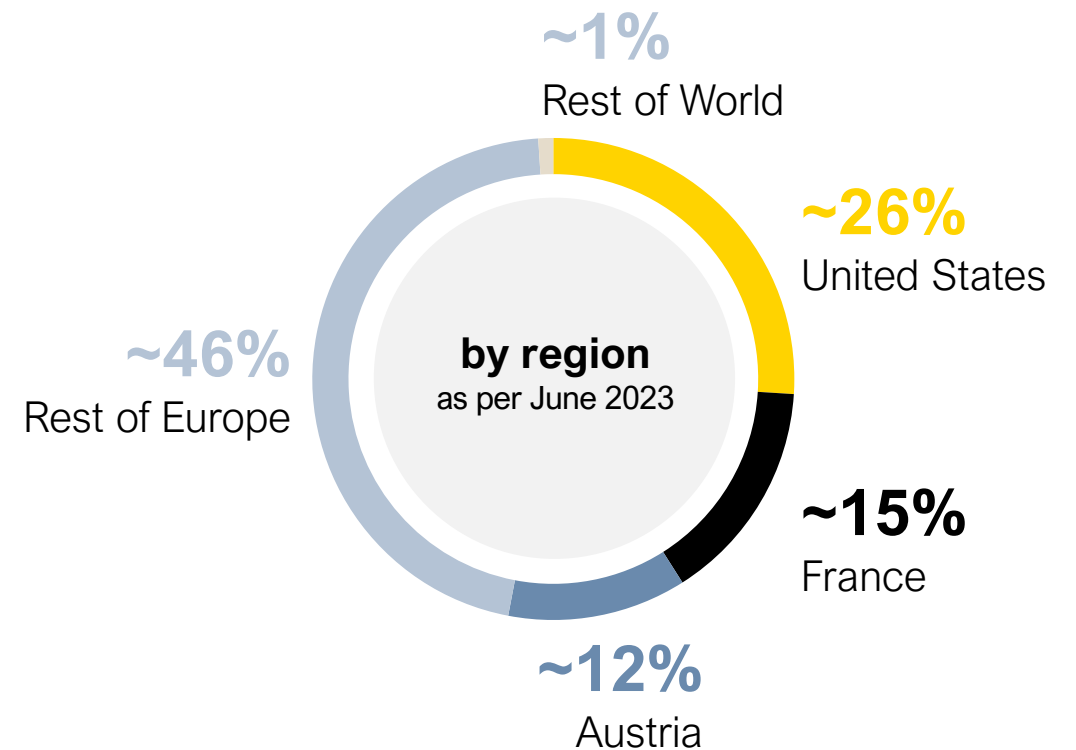


# SHAREHOLDER STRUCTURE

## SHAREHOLDER STRUCTURE

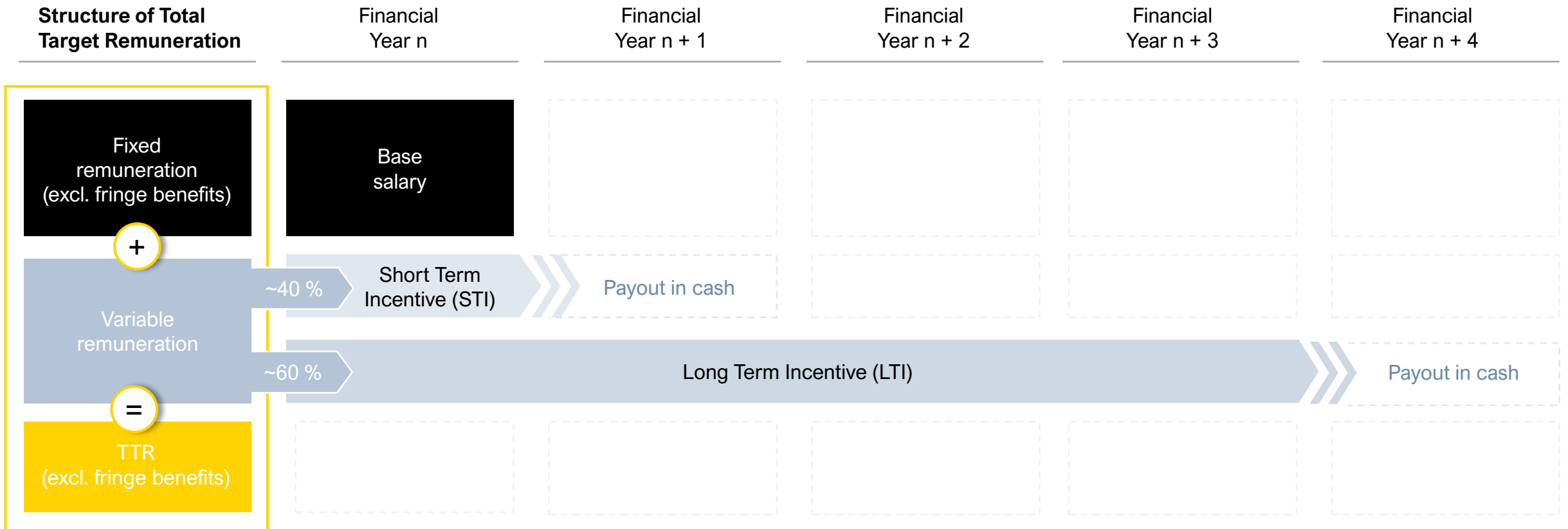


## INSTITUTIONAL INVESTORS





# TOTAL TARGET REMUNERATION (TTR)





# VARIABLE REMUNERATION (STI AND LTI)

Target amount

X

Total target achievement<sup>1</sup>

=

Payout in cash

**Short-Term  
Incentive (STI)**

E: -Product responsibility  
-Sustainable procurement  
-Op. environmental protection

S: -Responsible employer  
-Product responsibility  
-Sustainable procurement  
-Sustainable management

G: -Corporate governance & compliance  
-Sustainable management  
-Responsible employer

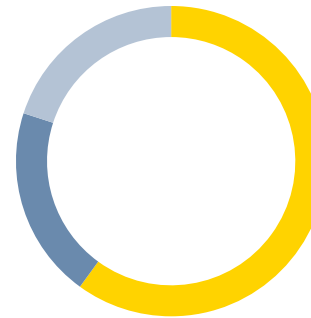


ESG targets

20%

20%

Free cash flow



60%

EBIT margin

**STI payout  
in cash<sup>2</sup>**

**Long-Term  
Incentive (LTI)**

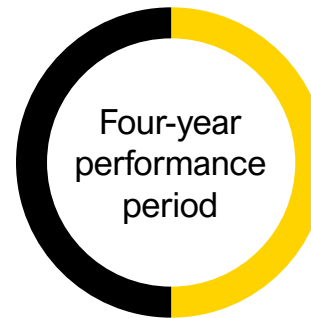
Peer Group:  
STOXX® Europe 600 Industrial  
Goods & Services



Relative TSR

50%

Four-year  
performance  
period



50%

Revenue growth  
based on Revenue  
CAGR

**LTI payout  
in cash<sup>2</sup>**

<sup>1</sup> 0-200% per performance criterion

<sup>2</sup> Cap at 200% of target amount



A silhouette of a woman with long hair, looking upwards towards a large, bright, circular light source (like a sun or moon) on the right side of the frame. The background is dark on the left and transitions to a lighter, warm tone on the right where the light source is.

# BACK UP



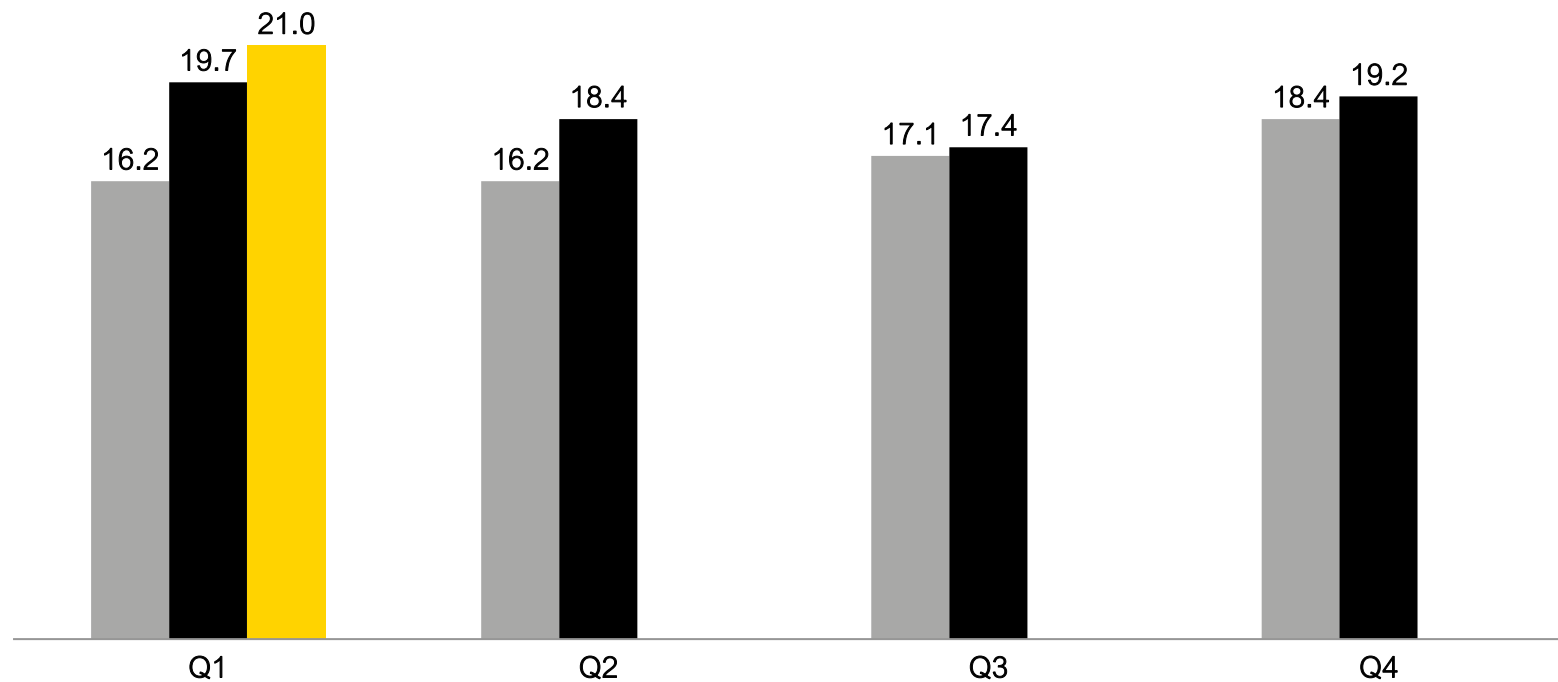
# FINANCIAL CALENDAR

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
<b>Net revenues</b>	<b>224.1</b>	<b>226.5</b>	<b>77.0</b>	<b>103.2</b>	<b>-15.5</b>	<b>-16.0</b>	<b>285.6</b>	<b>313.7</b>
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
<b>EBIT</b>	<b>17.3</b>	<b>16.7</b>	<b>2.2</b>	<b>7.6</b>	<b>-5.0</b>	<b>-5.3</b>	<b>14.5</b>	<b>19.0</b>
<b>Investments</b>	<b>3.6</b>	<b>10.2</b>	<b>2.4</b>	<b>3.2</b>	<b>0.6</b>	<b>1.6</b>	<b>6.6</b>	<b>15.0</b>
<b>Depreciation</b>	<b>-10.0</b>	<b>-9.4</b>	<b>-3.4</b>	<b>-3.3</b>	<b>-1.1</b>	<b>-1.1</b>	<b>-14.5</b>	<b>-13.8</b>



# 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**

Investor Relations

[investorrelations@zumtobelgroup.com](mailto:investorrelations@zumtobelgroup.com)  
[www.zumtobelgroup.com](http://www.zumtobelgroup.com)