

A photograph of four people walking through a large warehouse. From left to right: a woman in a dark blue polo shirt and jeans, a man in a light blue button-down shirt and jeans holding a tablet, a woman in a dark blue polo shirt and jeans holding a yellow hard hat, and a man in a dark blue polo shirt and jeans. The background shows high industrial shelving units filled with boxes and pallets. Large orange geometric shapes are overlaid on the left and right sides of the image.

Quarterly statement

as of March 31, 2024

Key figures TAKKT Group and divisions

	Q1/23	Q1/24	Change in %
TAKKT			
Sales in EUR million	321.8	269.0	-16.4 (-16.5*)
Gross profit margin in percent	40.0	41.2	
EBITDA in EUR million	30.2	16.8	- 44.5
EBITDA margin in percent	9.4	6.2	
Adjusted EBITDA margin in percent	9.6	7.4	
EBIT in EUR million	20.9	8.5	- 59.3
Profit before tax in EUR million	18.6	6.5	- 65.1
Profit in EUR million	14.3	5.1	- 64.3
Earnings per share in EUR	0.22	0.08	- 64.3
Free cash flow in EUR million	14.5	21.3	46.9
Industrial & Packaging			
Sales in EUR million	180.1	154.7	-14.1 (-15.0*)
EBITDA in EUR million	26.9	16.8	- 37.5
EBITDA margin in percent	14.9	10.9	
Adjusted EBITDA margin in percent	14.9	12.2	
Office Furniture & Displays			
Sales in EUR million	73.2	60.3	-17.7 (-16.7*)
EBITDA in EUR million	5.4	3.1	- 43.7
EBITDA margin in percent	7.4	5.1	
Adjusted EBITDA margin in percent	7.4	5.5	
FoodService			
Sales in EUR million	68.5	54.0	-21.1 (-20.2*)
EBITDA in EUR million	2.6	1.8	- 31.3
EBITDA margin in percent	3.8	3.3	
Adjusted EBITDA margin in percent	4.7	3.7	

* organic, i.e. adjusted for currency effects

TAKKT STRENGTHENS RESILIENCE IN THE FIRST QUARTER

- › **Free cash flow increases to EUR 21.3 (14.5) million**
- › **Gross profit margin improved to 41.2 (40.0) percent**
- › **Organic sales growth of minus 16.5 percent**
- › **Adjusted EBITDA margin at 7.4 percent, implementation of structural cost reductions**

TAKKT continues to work intensively on strengthening its resilience in a persistently challenging environment. In the first quarter, the Group achieved good results in optimizing cash generation, strengthening the gross profit margin, and making structural cost adjustments. Demand in the first quarter of the new year was characterized by continued weak conditions in the markets relevant to TAKKT. “In discussions with our B2B customers, we continue to see a great deal of restraint and uncertainty. Many companies are reducing their costs, investments, and staff. We expected a difficult start to the new year. This has been confirmed,” says CEO Maria Zesch. Sales reached EUR 269.0 (321.8) million. Organic sales growth amounted to minus 16.5 percent. It was impacted by three percentage points due to the discontinuation of the Certo business in the previous year and negative working day effects. While the I&P and OF&D divisions performed at a comparable level to the final quarter of 2023, the FoodService business saw a much sharper decline. In addition to a persistently weak market environment, temporary effects out of the harmonization of ERP systems and significantly lower project business contributed as well.

All three divisions improved their gross profit margin in the first quarter. For the Group, this signified an increase to 41.2 (40.0) percent, which was due to lower costs for inward freight and improved purchasing conditions. “With our business model we are in a resilient position, especially in times of crisis. In addition to the high gross profit margin, strict cost management also contributes to this. In the first quarter, we intensified the adjustment of our personnel structure by consistently adapting the number of employees to the lower demand. The resulting savings will significantly reduce our personnel costs in the coming months,” says CFO Lars Bolscho. In the first quarter, the resulting one-time expenses had a negative impact on reported earnings. EBITDA amounted to EUR 16.8 (30.2) million and was impacted by one-time expenses amounting to EUR 3.0 (0.6) million. The adjusted EBITDA margin was at 7.4 (9.6) percent.

Another important pillar for TAKKT’s resilience is strong cash flow. Despite the lower EBITDA, the Group generated a significantly higher free cash flow of EUR 21.3 (14.5) million in the first quarter. “Following the already significant reduction in net working capital last year, we were able to free up an additional EUR 14.3 million due to very active inventory management, amongst other. We are also working on further improvements in the cash conversion cycle,” Lars Bolscho continues.

After a difficult start to the new financial year, TAKKT expects organic growth to increase over the course of the year. “Demand remains subdued at present. While the indicators relevant to us continue to point to negative growth rates, most forecasts for the eurozone expect GDP growth to improve in the second half of the year. In addition, the basis for comparison will then be significantly lower. We therefore continue to expect a gradual recovery in demand from quarter to quarter,” says CEO Zesch. “And we are continuing to work on our strategic topics. At the beginning of the year, we took a major step towards integrating Central and Hubert by harmonizing our IT systems in the FoodService division. In May, we will have completely migrated ratioform’s customers to kaiserkraft in the I&P division and discontinue ratioform’s independent brand presence. Both of these steps will contribute to our success in the long term but will also bring temporary challenges and have negative effects on our sales development.” TAKKT will evaluate and continuously implement further measures to manage its cost structures. In addition to further one-time expenses, this will lead to an increasing reduction in the cost base over the course of the year. “We confirm our forecast of an adjusted EBITDA margin of 8.0 to 9.5 percent for the full year and expect profitability to improve gradually over the course of the year,” says CFO Bolscho.

GENERAL CONDITIONS

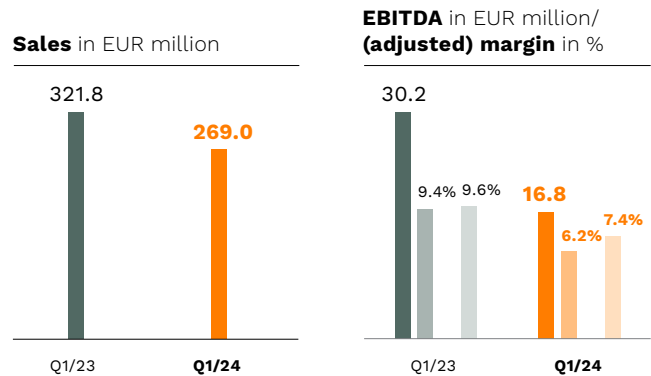
- › Economic conditions were challenging in the first three months of 2024. The economy in the eurozone stagnated, while GDP growth in Germany was negative for the third quarter in a row. Economic development in the USA was more stable but was also subdued.
- › The European Purchasing Managers' Indices for the manufacturing industry (manufacturing PMI) continued to decline over the course of the first quarter and remained well below the reference value of 50 points. For the eurozone, the manufacturing PMI reached 46.1 points in March and 41.9 points for Germany. This signals a very weak market environment for the I&P division.
- › The Restaurant Performance Index (RPI), the industry indicator relevant to Central and Hubert, has been consistently below the reference value of 100 points since December 2023. In the February survey, the expectations of the companies surveyed have recently deteriorated.

SALES AND EARNINGS REVIEW

TAKKT

- › Sales reached EUR 269.0 (321.8) million and were at minus 16.4 percent in the year-on-year comparison.
- › Organic growth amounted to minus 16.5 percent. The discontinuation of the Certeo business in the previous year and a working day effect had a negative impact of three percentage points on growth.
- › The I&P and OF&D divisions were only slightly below the development of the fourth quarter 2023, while growth at the FoodService division was significantly more negative.
- › All three divisions improved their gross profit margin. At Group level, the margin was at 41.2 (40.0) percent.
- › TAKKT continued its strict cost management. In the first quarter, higher prices for online marketing and lower marketing cost efficiency had a negative impact on marketing costs.
- › Savings in personnel costs were achieved through structural adjustments. These were implemented at the end of February and therefore had a limited impact in the first quarter.

- › EBITDA reached EUR 16.8 (30.2) million and was negatively impacted by one-time expenses due to the adjustments of EUR 3.0 (0.6) million. The EBITDA margin adjusted for one-time effects was 7.4 (9.6) percent.

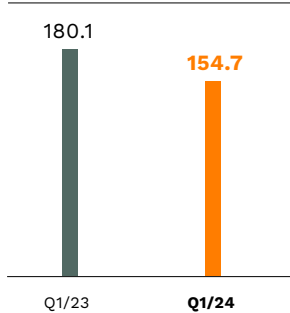


- › Depreciation and amortization amounted to EUR 8.3 (9.3) million.
- › The financial result amounted to EUR minus 2.0 (minus 2.3) million.
- › Tax expenses were significantly lower at EUR 1.4 (4.3) million due to lower earnings.
- › Profit for the period reached EUR 5.1 (14.3) million, with earnings per share of EUR 0.08 (0.22).

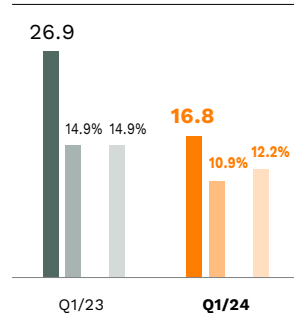
Industrial & Packaging

- › Sales growth was at minus 14.1 percent in comparison with the previous year, with currency effects having a positive impact of 0.9 percentage points.
- › Organic sales growth was minus 15.0 percent, impacted by just over two percentage points from the closure of Certeo and by an additional two percentage points from negative working day effects.
- › Gross profit margin improved to 43.7 (43.1) percent.
- › Other costs reduced significantly, marketing and adjusted personnel costs were in line with prior year.
- › EBITDA reached EUR 16.8 (26.9) million with a margin of 10.9 (14.9) percent.
- › One-time expenses were at EUR 2.1 million, adjusted EBITDA margin of 12.2 percent.

Sales in EUR million



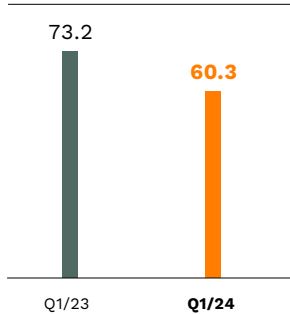
EBITDA in EUR million/
(adjusted) margin in %



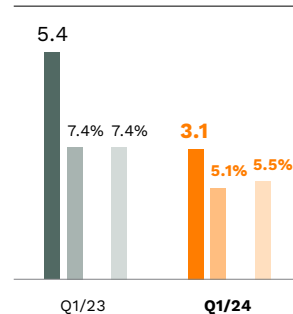
Office Furniture & Displays

- › Sales growth declined by 17.7 percent and was impacted by negative currency effects of one percentage point.
- › Organic sales growth was at minus 16.7 percent.
- › The gross profit margin increased to 44.8 (43.4) percent.
- › Marketing, personnel, and other costs below previous year.
- › EBITDA amounted to EUR 3.1 (5.4) million, while the EBITDA margin was at 5.1 (7.4) percent.

Sales in EUR million



EBITDA in EUR million/
(adjusted) margin in %

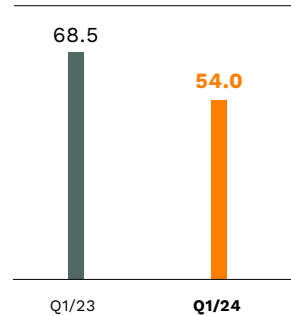


FoodService

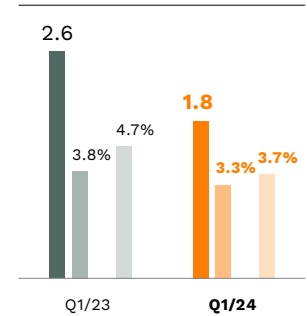
- › Sales declined by 21.1 percent, with negative currency effects of 0.9 percentage points.
- › Organic sales growth was minus 20.2 percent. This was due to a continued weak market environment, temporary effects from the harmonization of ERP systems, and a significant decline in project business.

- › The gross profit margin rose to 29.9 (28.4) percent.
- › Cost management shows effect, significantly lower marketing and personnel costs.
- › EBITDA amounted to EUR 1.8 (2.6) million. The margin declined to 3.3 (3.8) percent.
- › One-time expenses in the amount of EUR 0.2 (0.6) million.

Sales in EUR million

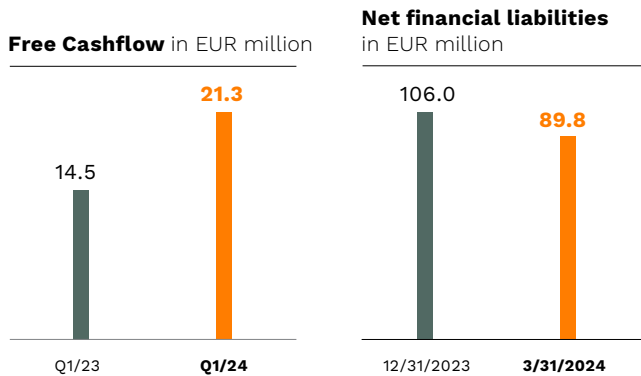


EBITDA in EUR million/
(adjusted) margin in %



FINANCIAL AND ASSET POSITION

- › Similar to EBITDA, cash flow before changes in net working capital was significantly below the previous year and amounted to EUR 13.5 (24.9) million.
- › TAKKT continued to reduce its net working capital in the first quarter, releasing a total of EUR 14.3 million. In particular, inventories were reduced once again.
- › As a result, cash flow from operating activities increased significantly to EUR 27.8 (20.6) million despite the lower EBITDA.
- › At EUR 3.0 (2.8) million, cash flow from investing activities was at a similar level to the previous year.
- › The repayment of lease liabilities, which mainly resulted from rental payments for buildings, amounted to EUR 3.5 (3.8) million.
- › Free cash flow amounted to EUR 21.3 (14.5) million and was therefore significantly higher than in the previous year.



- › Net financial liabilities fell to EUR 89.8 million compared to EUR 106.0 million at the end of 2023.
- › Total assets and balance sheet structure remained almost unchanged. The equity ratio rose slightly to 64.0 percent (year-end 2023: 63.8 percent).
- › At the end of March, TAKKT had committed, free credit lines of over EUR 200 million.

RISKS AND OPPORTUNITIES

- › TAKKT's risks and opportunities are explained in detail starting on page 68 of the 2023 annual report. The general risks and opportunities for the TAKKT Group did not change significantly in the first quarter of 2023. Based on the information currently available, the Management Board does not believe that there are any risks at present or in the forecast period that may be a risk to the Group as a going concern.
- › The most significant risk for the TAKKT Group, which is also a noteworthy opportunity, continues to be the economic development. Key risk factors for 2024 include the central banks' efforts to combat inflation by adopting a restrictive monetary policy, the risk of a prolonged or worsening recession in Germany and the consequences of the Russia-Ukraine and Israel-Hamas conflicts.
- › In addition, the entry of new providers and online marketplace models or a change in the behavior of established providers could lead to a more aggressive competitive environment and a consequent negative impact on sales and gross profit. TAKKT addresses the risk with an even more customer-oriented market

positioning, the expansion of cross-selling offers and a clear focus on sustainable products in order to stand out from the competition. In addition, TAKKT differentiates itself through focused positioning of the various brands.

- › TAKKT also deems the risk from structural changes in demand to be significant. The trend towards new forms of collaboration and virtual or hybrid event formats has been accelerated by the consequences of the coronavirus pandemic. This could result in long term market changes. As a result, there is the risk of decreased demand for office equipment and displays in the medium term. TAKKT is observing these trends and the demand behavior of customers and is continuously adapting the product ranges to the new circumstances. For example, the TAKKT companies offer products for new office concepts, remote work and to facilitate working from home. TAKKT also has a diversified positioning both internationally and in terms of its products. This reduces dependence on individual product groups such as office equipment or displays.
- › Limited product availability and rising purchasing prices also represent a significant risk for TAKKT. For example, if sales and earnings are delayed due to limited product availability and/or cannot be fully recognized or rising purchasing prices cannot be passed on in full. To minimize this risk, TAKKT continuously monitors the order backlog and, if necessary, adjusts its own purchasing behavior and inventories. TAKKT will also adjust its prices at shorter intervals than usual if necessary.
- › The acceleration of the company's transformation into a more integrated and customer-oriented group offers a significant opportunity. During the course of this restructuring, the risk also exists that goals or steps might be reached later or that results are unsatisfactory.

FORECAST

- › Economic expectations for Europe, and Germany in particular, remain very subdued. In a study published in April, the International Monetary Fund sees Germany bringing up the rear in terms of growth in Europe in 2024. GDP growth of 2.7 percent is expected for the USA.
- › After a difficult start to the new financial year, TAKKT expects organic growth to increase over the course of the year. Demand currently remains subdued. While the relevant indicators continue to point to negative growth rates, most forecasts for the eurozone anticipate an improvement in GDP growth in the second half of the year. In addition, the basis for comparison will then be significantly lower. The Group continues to expect an organic decline in sales in the high single-digit to low double-digit percentage range for 2024.
- › With regard to the EBITDA margin adjusted for one-time expenses, TAKKT continues to expect a value within the range of 8.0 to 9.5 percent. The reported margin will be burdened by one to one and a half percentage points due to one-time expenses.
- › TAKKT continues to work on strengthening cash generation and expects additional contributions to free cash flow from the reduction of net working capital and improved cash conversion. Free cash flow is expected to decrease significantly less than EBITDA compared to the previous year.

TAKKT will publish the 2024 half-year financial report on July 25.

Consolidated statement of income of the TAKKT Group in EUR million

	1/1/2024 – 3/31/2024	1/1/2023 – 3/31/2023
Sales	269.0	321.8
Changes in inventories of finished goods and work in progress	– 0.1	– 0.2
Own work capitalized	0.2	0.1
Gross performance	269.1	321.7
Cost of sales	– 158.3	– 192.9
Gross profit	110.8	128.8
Other operating income	1.2	1.0
Personnel expenses	– 53.0	– 53.3
Other operating expenses	– 42.2	– 46.3
EBITDA	16.8	30.2
Depreciation, amortization and impairment of property, plant and equipment and other intangible assets	– 8.3	– 9.3
Impairment of goodwill	0.0	0.0
EBIT	8.5	20.9
Finance expenses	– 1.9	– 2.3
Other finance result	– 0.1	0.0
Financial result	– 2.0	– 2.3
Profit before tax	6.5	18.6
Income tax expense	– 1.4	– 4.3
Profit	5.1	14.3
attributable to owners of TAKKT AG	5.1	14.3
attributable to non-controlling interests	0.0	0.0
Weighted average number of issued shares in million	64.7	65.1
Basic earnings per share (in EUR)	0.08	0.22
Diluted earnings per share (in EUR)	0.08	0.22

Consolidated statement of financial position of the TAKKT Group in EUR million

Assets	3/31/2024	12/31/2023
Property, plant and equipment	115.8	112.8
Goodwill	563.0	557.8
Other intangible assets	37.5	38.3
Other assets	13.3	13.6
Deferred tax	9.2	7.7
Non-current assets	738.8	730.2
Inventories	121.0	126.2
Trade receivables	122.5	115.3
Other receivables and assets	22.1	25.8
Income tax receivables	4.3	3.7
Cash and cash equivalents	8.4	5.6
Current assets	278.3	276.6
Total assets	1,017.1	1,006.8
Equity and liabilities	3/31/2024	12/31/2023
Share capital	65.6	65.6
Treasury shares	- 12.0	- 10.8
Retained earnings	572.4	567.4
Other components of equity	25.4	20.5
Total equity	651.4	642.7
Financial liabilities	67.8	64.9
Pension provisions and similar obligations	54.4	54.6
Other provisions	8.8	8.8
Deferred tax	73.1	70.4
Non-current liabilities	204.1	198.7
Financial liabilities	30.4	46.7
Trade payables and similar liabilities	75.7	65.1
Other liabilities	37.4	34.8
Provisions	15.9	15.1
Income tax payables	2.2	3.7
Current liabilities	161.6	165.4
Total equity and liabilities	1,017.1	1,006.8

Consolidated statement of cash flows of the TAKKT Group in EUR million

	1/1/2024 – 3/31/2024	1/1/2023 – 3/31/2023
Profit	5.1	14.3
Depreciation, amortization and impairment of non-current assets	8.3	9.3
Deferred tax expense	- 0.6	0.3
Other non-cash expenses and income	0.7	1.0
Result from disposal of non-current assets	0.0	0.0
Change in inventories	7.0	9.4
Change in trade receivables	- 7.3	- 6.5
Change in trade payables and similar liabilities	10.0	- 6.4
Change in provisions	1.1	- 4.5
Change in other assets / liabilities	3.5	3.7
Cash flow from operating activities	27.8	20.6
Proceeds from disposal of property, plant and equipment and intangible assets	0.2	0.2
Capital expenditure on property, plant and equipment and intangible assets	- 3.2	- 2.5
Cash outflows for the acquisition of minority interests	0.0	- 0.5
Cash flow from investing activities	- 3.0	- 2.8
Proceeds from Financial liabilities	19.4	34.3
Repayments of Financial liabilities	- 36.4	- 45.4
Repayments of lease liabilities	- 3.5	- 3.8
Dividend payments to owners of TAKKT AG	0.0	0.0
Payments to owners of TAKKT AG (share buy-back)	- 1.4	- 0.7
Proceeds from owners of TAKKT AG (Employee shares)	0.0	0.0
Cash flow from financing activities	- 21.9	- 15.6
Cash and cash equivalents at 1/1	5.6	7.6
Increase / decrease in Cash and cash equivalents	2.9	2.2
Non-cash increase / decrease in Cash and cash equivalents	- 0.1	0.0
Cash and cash equivalents at 3/31	8.4	9.8

Segment reporting by division in EUR million

1/1/2024 – 3/31/2024	Industrial & Packaging	Office Furniture & Displays	Food Service	Segments total	Others		Group total
Sales to third parties	154.7	60.3	54.0	269.0	0.0	0.0	269.0
Inter-segment sales	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Segment sales	154.7	60.3	54.0	269.0	0.0	0.0	269.0
EBITDA	16.8	3.1	1.8	21.7	- 4.9	0.0	16.8
EBIT	11.7	1.0	1.0	13.7	- 5.2	0.0	8.5
Profit before tax	10.4	0.1	- 0.1	10.4	- 3.9	0.0	6.5
Profit	8.0	0.1	- 0.1	8.0	- 2.9	0.0	5.1
Average no. of employees (full-time equivalent)	1,439	466	352	2,257	65	0	2,322
Employees at the closing date (full-time equivalent)	1,426	466	340	2,232	63	0	2,295

1/1/2023 – 3/31/2023	Industrial & Packaging	Office Furniture & Displays	Food Service	Segments total	Others		Group total
Sales to third parties	180.1	73.2	68.5	321.8	0.0	0.0	321.8
Inter-segment sales	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Segment sales	180.1	73.2	68.5	321.8	0.0	0.0	321.8
EBITDA	26.9	5.4	2.6	34.9	- 4.7	0.0	30.2
EBIT	20.9	3.5	1.6	26.0	- 5.1	0.0	20.9
Profit before tax	19.3	2.7	0.5	22.5	- 3.9	0.0	18.6
Profit	14.8	2.0	0.3	17.1	- 2.8	0.0	14.3
Average no. of employees (full-time equivalent)	1,471	521	395	2,387	64	0	2,451
Employees at the closing date (full-time equivalent)	1,459	523	402	2,384	67	0	2,451

ADDITIONAL INFORMATION

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