PRESS RELEASE

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Half-year report 2020/21 (Dec 1, 2020 – May 31, 2021)

- Q2 2020/21: Revenue growth of 89 percent compared to prior-year´s period
- Pandemic-related charges send sales revenues falling by 16.1 percent to EUR 59.3 million in H1 2020/21 (previous year: EUR 70.7 million)
- Lower operating expenses as a result of cost-cutting measures and declining revenues (EUR -3.1 million or -7.3 percent)
- Government stopgap aid is the main reason for one-time effects of EUR 9.1 million and clearly improved consolidated earnings of EUR -4.1 million (previous year: EUR -9.4 million)
- Solid financial position with equity ratio of 47.2 percent (previous year: 48.8 percent) and secured medium-term financing
- Forecast for 2020/21 adjusted to reflect lower revenues caused by extended lockdowns. However, government stopgap aid leads to much better consolidated earnings than previously expected

Q2 2020/21: 89 percent revenue growth due to low prior-year basis and short-term easing of restrictions in March – Six-month revenues impacted by COVID-related lockdowns

It was mainly the low prior-year basis and the short-term easing of the pandemic-related restrictions in March 2021 which sent sales revenues rising by 89 percent to EUR 36.9 million in the second quarter of 2020/21 (March – May 2021), up from EUR 19.5 million in Q2 2019/20. Dr. Stella A. Ahlers, CEO of Ahlers AG: "Large parts of the pre-ordered merchandise could be delivered at the beginning of the second quarter, providing positive catch-up effects after the Europe-wide lockdown in winter 2020/21. The current fiscal year 2020/21 will nevertheless be strongly influenced by COVID-19." On the whole, the COVID-related restrictions in the first six months of 2020/21 sent revenues falling by EUR 11.4 million or 16.1 percent to EUR 59.3 million (H1 2019/20: EUR 70.7 million). Revenues thus came in at the lower end of expectations.

Own e-commerce revenues up by 56 percent

Ahlers' own e-commerce segment grew its revenues by 56 percent in the first half of the year, thus dampening the general downward trend. Both the company's own online shops and the marketplace business contributed to this growth in roughly equal measure. Together, the share of eCommerce in total sales was 14.4 percent (previous year 7.6 percent).

Government stopgap aid is the main reason for high one-time effects and clearly improved consolidated earnings

In the first half of FY 2020/21, it was primarily the government's stopgap aid for companies that had to discontinue all or essential parts of their business operations due to the COVID-19 lockdowns which generated considerable extraordinary income. The sale of a non-operating property made an additional contribution to extraordinary income. One-time effects in H1 2020/21 thus totalled EUR 9.1 million. As of the six-month stage of 2020/21, consolidated earnings stood thereby at EUR -4.1 million, up by noticeable 56.4 percent on the previous year (EUR -9.4 million).

Full-year forecast adjusted to reflect expectation of lower revenues caused by extended lockdowns and clearly improved consolidated earnings due to high extraordinary income from stopgap aid

The Management Board has adjusted the revenue and earnings forecast for the full fiscal year published in the 2019/20 Annual Report. Dr. Stella A. Ahlers: "The course of the COVID-19 pandemic ("third wave") led to more extensive and longer-lasting Europe-wide containment measures than originally assumed. The lockdown-related revenue shortfall of the first six months of 2020/21 is unlikely to be largely offset in the second half of the fiscal year as previously projected." As a result, Group sales revenues in FY 2020/21 are now expected to be at best in the mid-single-digit percentage range below the prior year level (2019/20: EUR 151.6 million). In the full fiscal year 2020/21, extraordinary income from stopgap aid granted by the government will lead to high positive one-time effects, though. Consequently, earnings before and after income taxes are likely to improve much more strongly than previously expected. While consolidated earnings in the second COVID-19 year are expected to be negative again, they should be about halved compared to the previous year (2019/20: EUR -18.4 million). The company's financial position should thus be affected less strongly than assumed at the beginning of the fiscal year. The comprehensive restructuring project "New Tomorrow" should take full effect as of the following fiscal year and have a greater impact on earnings.

This full-year forecast is subject to the still dynamic pandemic developments in our markets. Adjustments in the course of the coming months are therefore possible.

Summary of Ahlers Group figures:

		H1 2020/21	H1 2019/20	Change
Sales revenues	EUR million	59.3	70.7	-16.1%
EBIT before one-time effects	EUR million	-12.9	-8.5	-51.8%
Consolidated net income	EUR million	-4.1	-9.4	56.4%
Net Working Capital*	EUR million	74.7	69.1	8.1%
Net financial liabilities	EUR million	40.2	37.6	6.9%
Cashflow from operating activities	EUR million	-7.7	-10.5	26.7%
Equity ratio	%	47.2	48.8	-1.6 PP

*Inventories, trade receivables and trade payables

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