



PRESS RELEASE

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Q1 2020/21

- Sales revenues in Q1 2020/21 decline by 56.3 percent to EUR 22.4 million due to Europe-wide COVID-related lockdowns (previous year: EUR 51.2 million)
- Operating expenses decline noticeably as a result of short-term cost-cutting measures and lower revenues (EUR -6.2 million or -25.1 percent)
- Consolidated earnings drop to EUR -8.3 million (previous year: EUR 1.2 million) due to lower sales revenues
- Solid financial position with equity ratio of 39 percent (previous year: 54 percent) and secured medium-term financing
- Unchanged forecast for 2020/21: year of transition characterised by slightly lower revenues and improved, but again clearly negative consolidated earnings expected

Group sales revenues drop sharply as lockdowns are imposed to fight the COVID-19 pandemic

In the first quarter of 2020/21 (December 2020 to February 2021), the European clothing market was strongly influenced by the pandemic and the measures taken to fight it. Dr. Stella A. Ahlers, CEO of Ahlers AG: “Against this background, the business performance in the first quarter of 2020/21 was in line with our expectations. Currently we are focusing on the implementation of our comprehensive performance programme “New Tomorrow”. This way, we want to make the company future-proof.” Total Group revenues in the first quarter of FY 2020/21 declined by EUR 28.8 million or 56.3 percent from EUR 51.2 million to EUR 22.4 million.

Double-digit growth rates in e-commerce

In the first three months of the current fiscal year, e-commerce grew by around 20 percent compared to the same period of the previous year. This growth is mainly attributable to the company’s own online shops, which doubled their revenues.

Earnings decline sharply due to revenue effect despite noticeably reduced operating expenses

The cost-cutting measures introduced in the course of 2020, the efficiency programmes of the previous year and the lower Group revenues resulted in clearly reduced operating expenses (EUR -6.2 million or -25.1 percent). While the reduced expenses dampened the effect of the lower revenues on gross profit,



it was not offset in full. EBIT before one-time effects dropped to EUR -7.9 million (previous year: EUR 1.6 million). Consolidated earnings declined from EUR 1.2 million in the previous year to EUR -8.3 million in the first quarter of 2020/21.

Full-year forecast unchanged – 2020/21 expected to be a year of transition influenced by COVID-19

The Management Board confirms the revenue and earnings forecast published in the 2019/20 Annual Report. In view of the current information on the development of the pandemic, the Management Board expects Group sales revenues in the fiscal year 2020/21 to be slightly below the previous year's figure (2019/20: EUR 151.6 million). Operating expenses should decline moderately in the fiscal year 2020/21, resulting in EBIT before one-time effects that is essentially on a par with the previous year (2019/20: EUR -12.4 million). Extraordinary expenses and extraordinary income should largely balance each other out. With the financial result slightly lower, the absence of one-time effects in particular should contribute to an improved but still clearly negative result before and after taxes on income (2019/20: EUR -18.4 million).

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:

		Q1 2020/21	Q1 2019/20	Change
Sales revenues	EUR million	22.4	51.2	-56.3%
EBIT before one-time effects	EUR million	-7.9	1.6	n.a.
Consolidated net income	EUR million	-8.3	1.2	n.a.
Net Working Capital*	EUR million	76.4	73.9	3.4%
Net financial liabilities	EUR million	50.0	31.4	59.2%
Free Cashflow	EUR million	-6.6	-7.2	8.3%
Equity ratio	%	39.1	53.6	-14.5 PP

*Inventories, trade receivables and trade payables

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