

LUDWIG BECK



Corporate News

LUDWIG BECK with positive sales development in the 2023 fiscal year

Munich, March 21, 2024 – Munich-based fashion group LUDWIG BECK (ISIN DE 0005199905) experienced a mixture of ups and downs in the 2023 fiscal year. Despite the ongoing war in Ukraine and a subdued consumer sentiment forecast for the first quarter of 2023, LUDWIG BECK achieved an increase in sales of around 20% compared to the previous year, which had been affected by COVID-19 effects. The second quarter was characterized by cold and rainy weather in April and May, which somewhat dampened enthusiasm for the new spring/summer collection. Nevertheless, LUDWIG BECK managed to maintain sales at the previous year's level in the first half of the year. In the third quarter, the prolonged summer with warm temperatures negatively impacted the fashion trade. However, an increased demand for traditional costume fashion partially offset the lower demand for fall/winter merchandise. In addition to challenges from many online discount campaigns, LUDWIG BECK faced a snow chaos in Munich and a subsequent rail strike during the Christmas season.

Sales development

In the 2023 fiscal year, LUDWIG BECK (including online) generated gross sales of € 86.5m (previous year: € 83.8m). The "textile" segment contributed € 63.7m (previous year: € 60.8m) and the "non-textile" segment € 22.8m (previous year: € 23.0m) to this sales development.

Earnings situation

Gross profit rose from € 35.0m to € 35.3m, although the gross profit margin of 48.5% was below the previous year's figure of 49.8% due to higher price discounts.

Other income amounted to € 4.7m and was therefore significantly higher than the previous year's figure of € 3.8m.

Depreciation and amortization including finance leases amounted to € 6.8m (previous year: € 6.4m).

Other operating expenses increased from € 11.8m to € 13.3m, mainly due to higher occupancy and selling expenses as well as a loss on receivables of € 1.2m resulting from the withdrawal from a purchase agreement in connection with the sale of a property in Hanover.

Accordingly, earnings before interest, taxes, depreciation, and amortization (EBITDA) decreased from € 11.3m to € 9.9m.

Earnings before interest and taxes (EBIT) decreased from € 4.9m in the previous year to € 3.1m in the 2023 fiscal year. In addition to the negative effect from the loss on receivables, the disappointing December business was the main reason for this earnings development. LUDWIG BECK was within the planning corridor until the end of November 2023.

The financial result, including finance leases, amounted to € -2.5m in the fiscal year (previous year: € -2.1m). The sharp rise in short-term overdraft interest rates had an even greater negative impact on the financial result in the 2023e fiscal year than in previous years.

Earnings before taxes (EBT) amounted to € 0.6m (previous year: € 2.8m). Earnings after taxes (EAT) amounted to € 0.4m (previous year: € 2.2m).

In the 2023 fiscal year, LUDWIG BECK AG generated net income of € 1.0m (previous year: € -0.6m). Of this amount, € 0.5m was allocated to other revenue reserves. The Executive Board and Supervisory Board will propose to the Annual General Meeting that a dividend of € 0.15 per share be distributed from the remaining balance profit for the 2023 fiscal year.

Outlook

LUDWIG BECK is cautiously optimistic about the upcoming fiscal year and continuously believes in the relevance of stationary retail. The company is planning further investments in the flagship store at Marienplatz in 2024 to create new, fascinating shopping worlds through new designs and new brands. Despite challenging economic conditions, the management of LUDWIG BECK AG expects gross sales between € 90m and € 93m and earnings before taxes (EBT) of between € 0.5m and € 1.8m for the 2024 fiscal year.

Further information on the company and its shares can be found on the company's website at <http://kaufhaus.ludwigbeck.de>.

Key Performance Indicators

in €m	2023	2022
Revenues (gross)	86.5	83.8
Revenues (net)	72.7	70.4
Earnings before interest, taxes, depreciation, and amortization (EBITDA)	9.9	11.3
Earnings before interest and taxes (EBIT)	3.1	4.9
Earnings before taxes (EBT)	0.6	2.8
Earnings after taxes (EAT)	0.4	2.2
Equity	65.5	65.3
Equity Ratio in %	38.5	38.8
Investments in long-term assets	3.2	2.4
Number of employees (average) without trainees	409	389
Earnings per share (in €)	0.12	0.60

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