



RCB Investor's Lunch Wolford AG

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FINANCIAL YEAR 18/19

STRATEGY

OUTLOOK

WOLFORD SHARE



FINANCIAL YEAR 2018/19

Challenging conditions in the FY 2018/19

Difficult market conditions

New brand strategy needs time to take effect

Restructuring of the sales organization

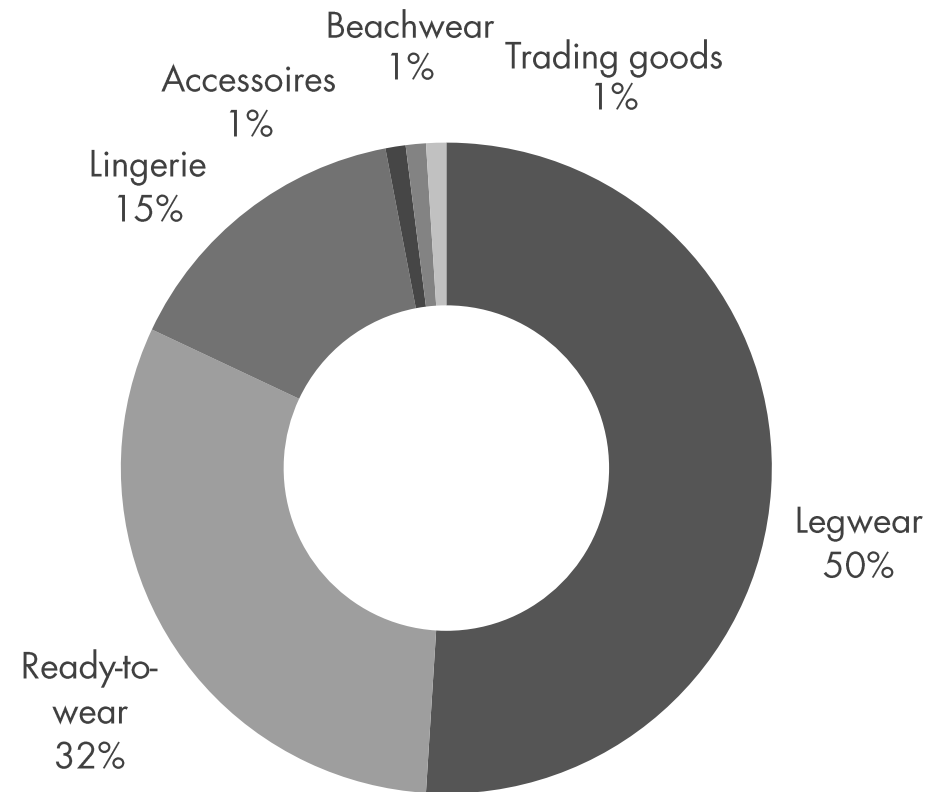
Group earnings 2018/19



| | | 2018/19 | 2017/18 | Chg. in % |
|-------------------------------------|------------|----------------|----------------|------------------|
| Revenues | in € mill. | 137.22 | 149.07 | -8 |
| EBITDA | in € mill. | -1.40 | -2.47 | 43 |
| EBIT | in € mill. | -8.98 | -9.22 | -3 |
| Earnings before tax | in € mill. | -10.11 | -11.43 | -12 |
| Earnings after tax | in € mill. | -11.10 | -11.53 | -4 |
| Cash flow from operating activities | in € mill. | -4.12 | 3.20 | >100 |
| Employees (on average) | FTE | 1,347 | 1,433 | -6 |

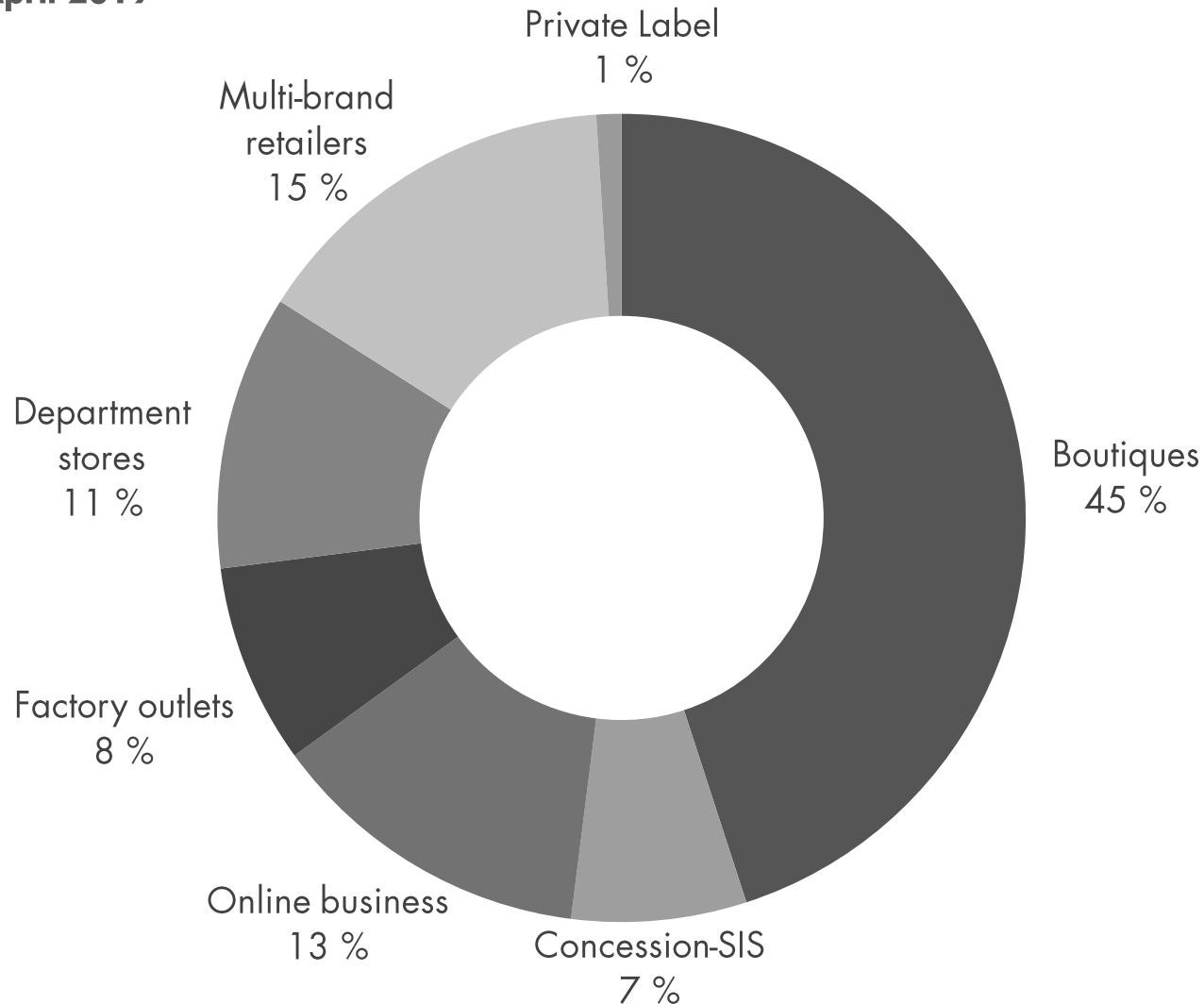
Key product group: Legwear

May 2018 – April 2019



70% of revenue with monobrand POS

May 2018 – April 2019



**Controlled
Distribution:
70%**

Restructuring shows results



Sales decline of 12 million euros could be compensated

Balance sheet 30.04.2019

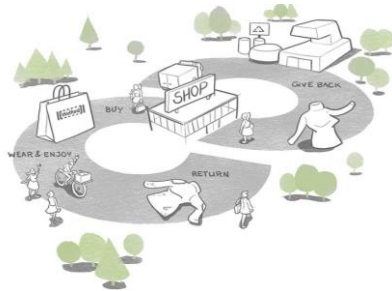
| | | 30.04.2019 | 30.04.2018 | Chg. in % |
|-----------------|------------|------------|------------|-----------|
| Equity | in € mill. | 42.72 | 33.90 | 26 |
| Net Debt | in € mill. | 19.62 | 30.09 | -35 |
| Working Capital | in € mill. | 31.07 | 34.59 | -10 |
| Equity Ratio | in % | 36 | 30 | 22 |
| Gearing | in % | 46 | 89 | -48 |



STRATEGY

We've built a „Where to play?“ and
„How to win?“ strategy
to restart our business and fuel growth

Highlights FY 2018/19



Introduction biodegradable products



Presentation of the new pilot store concept in Amsterdam

Wolford is the first – and still the only – company in the apparel and textile industry to receive “Gold” certification from “Cradle to Cradle” for developing environmentally compatible products



New window concept introduced worldwide



New visual language presented



New partner in China announced



Key strategic initiatives



Key strategic initiatives | Reshaping product portfolio

Excursus: Ath_W



Key strategic initiatives | Reshaping product portfolio

Excursus: Cradle to Cradle®



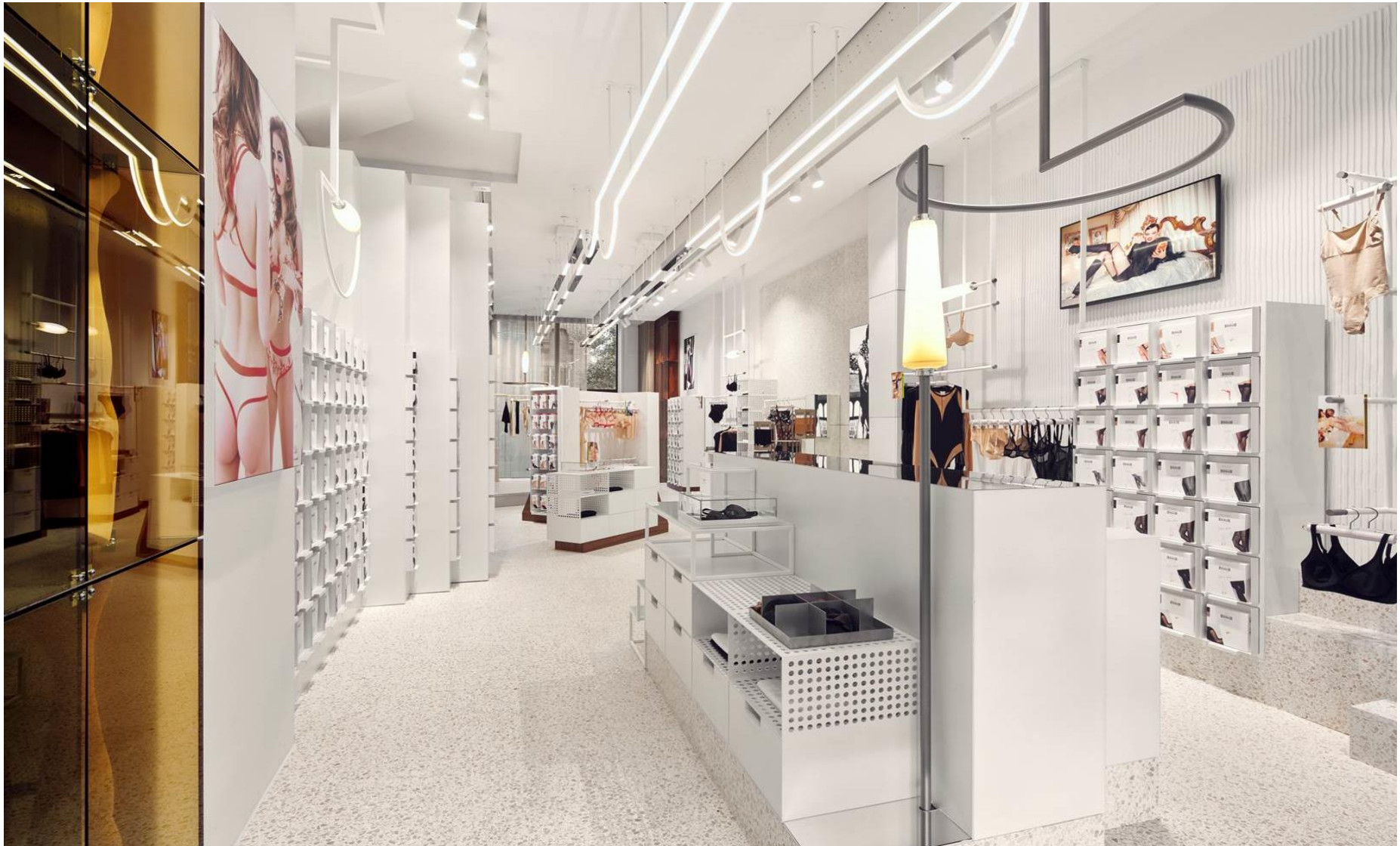
Key strategic initiatives | Elevate DTC experience

Excursus: New Store Concept



Key strategic initiatives | Elevate DTC experience

Excursus: New Store Concept



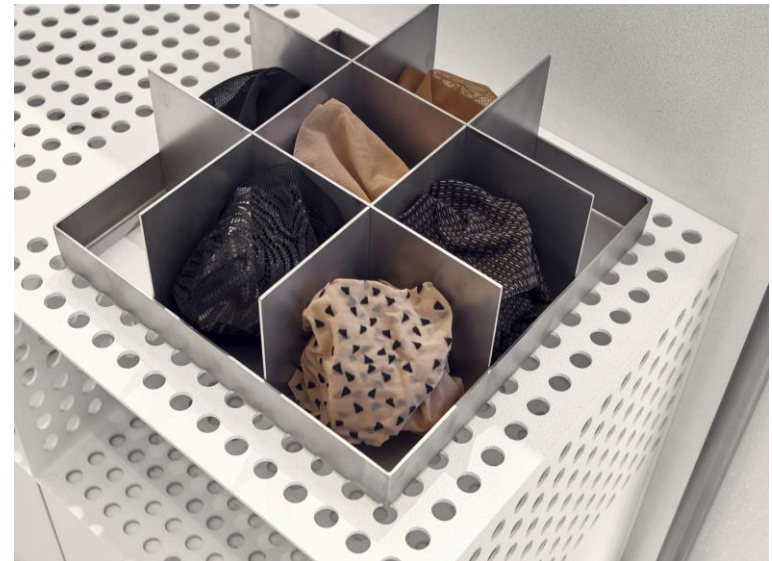
Key strategic initiatives | Elevate DTC experience

Excursus: New Store Concept



Key strategic initiatives | Elevate DTC experience

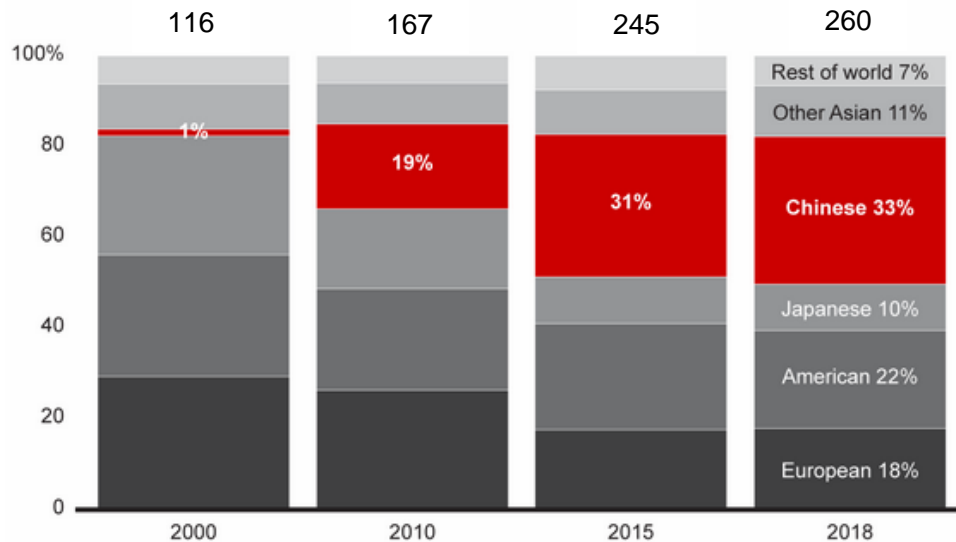
Excursus: New Store Concept



Key strategic initiatives | Channel & geographic expans.

Excursus: China (1/2)

Global luxury market by consumer nationality (€ billions)



Note: Segments do not add up to 100% due to rounding
Sources: Bain Luxury Goods Worldwide Market Study, 2018; Bain analysis

China offers huge potential for Wolford

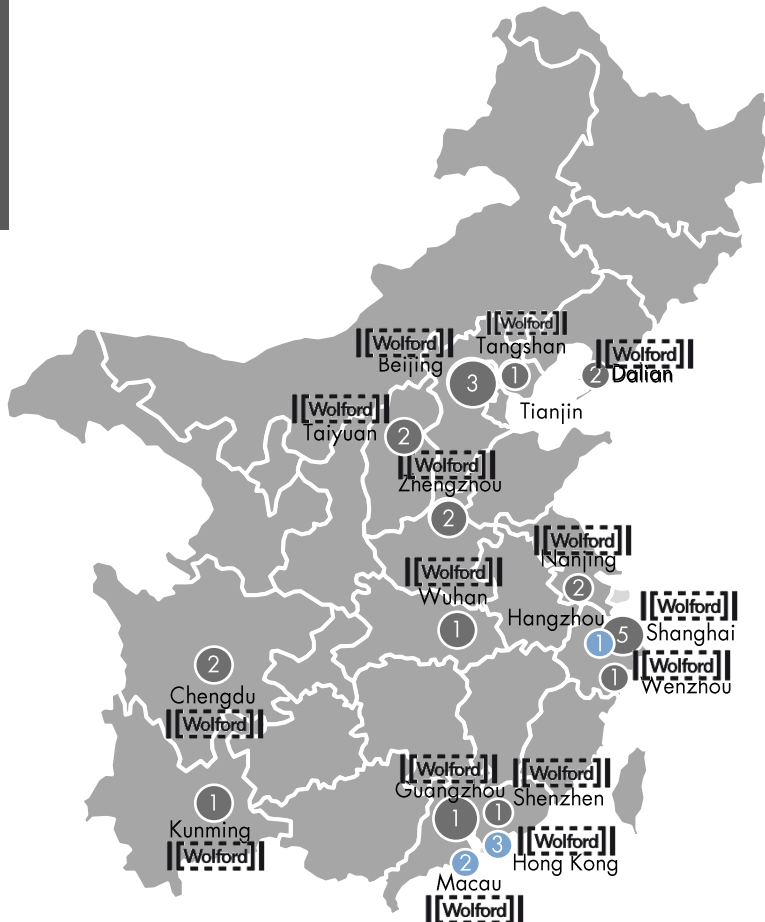
- ▶ Chinese consumers dominate the global luxury goods market
- ▶ Chinese customers will make up at least 45% in 2025 and they will make half of their luxury purchases in China
- ▶ Right positioning plus right marketing approach will create a new „blue ocean“ for luxury „Skinwear“

Key strategic initiatives | Channel & geographic expans.

Excursus: China (2/2)

Current Situation

- 6 retail stores
- 26 wholesale stores*



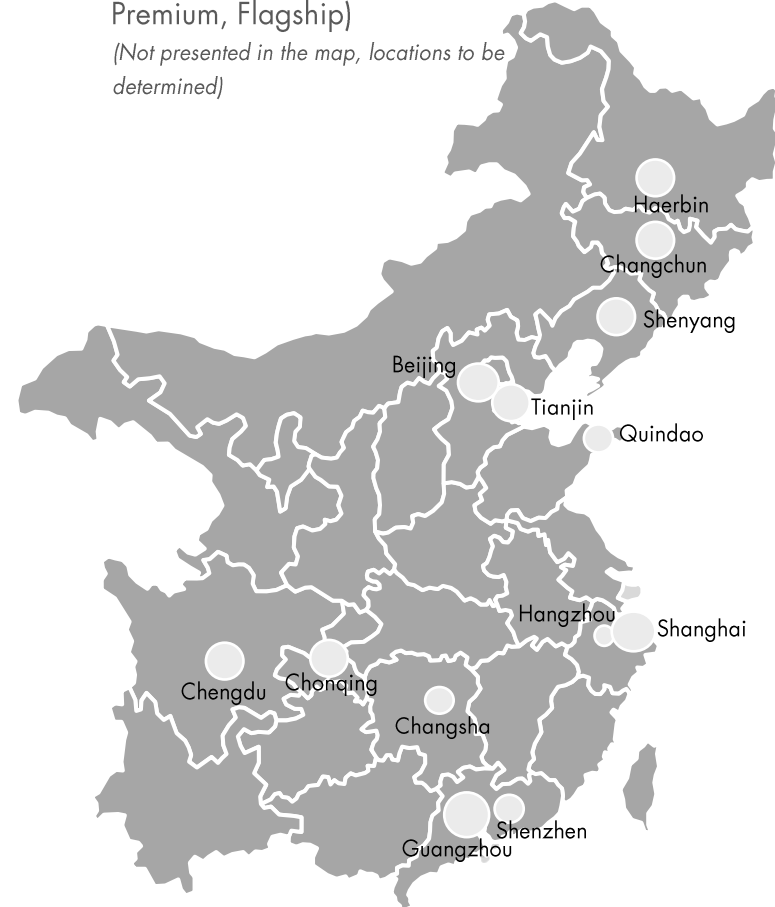
*Number acc. to Wolford's website; the business plan of the local management shows 18 WS stores

Wholesale stores # Retail stores

Planned expansion by 2024

- 20 new retail locations (stores + outlets)
- 75 new wholesale locations (Department Stores, Medium, Premium, Flagship)

(Not presented in the map, locations to be determined)

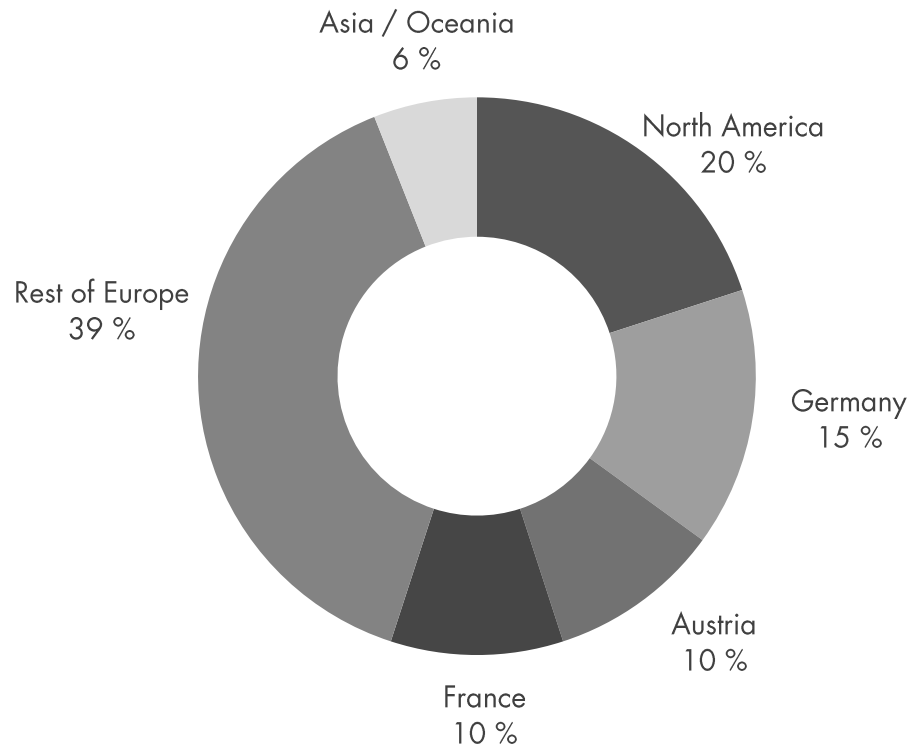


● New retail openings planned in next 5 years (locations might be subject to changes)

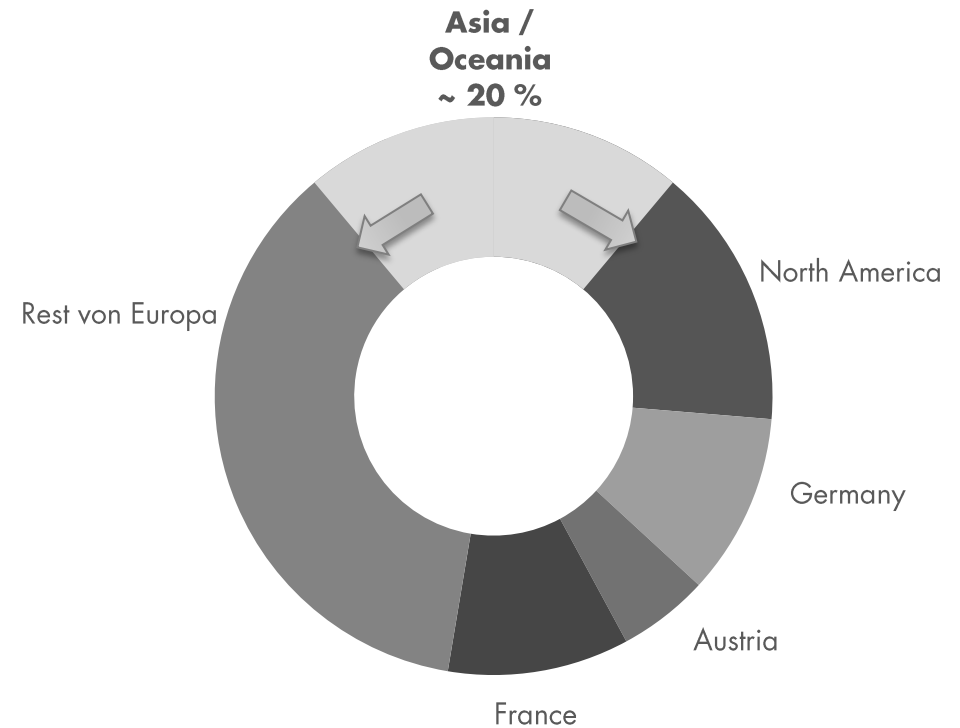
Key strategic initiatives | Channel & geographic expans.

Excursus: Asien

Present



2024





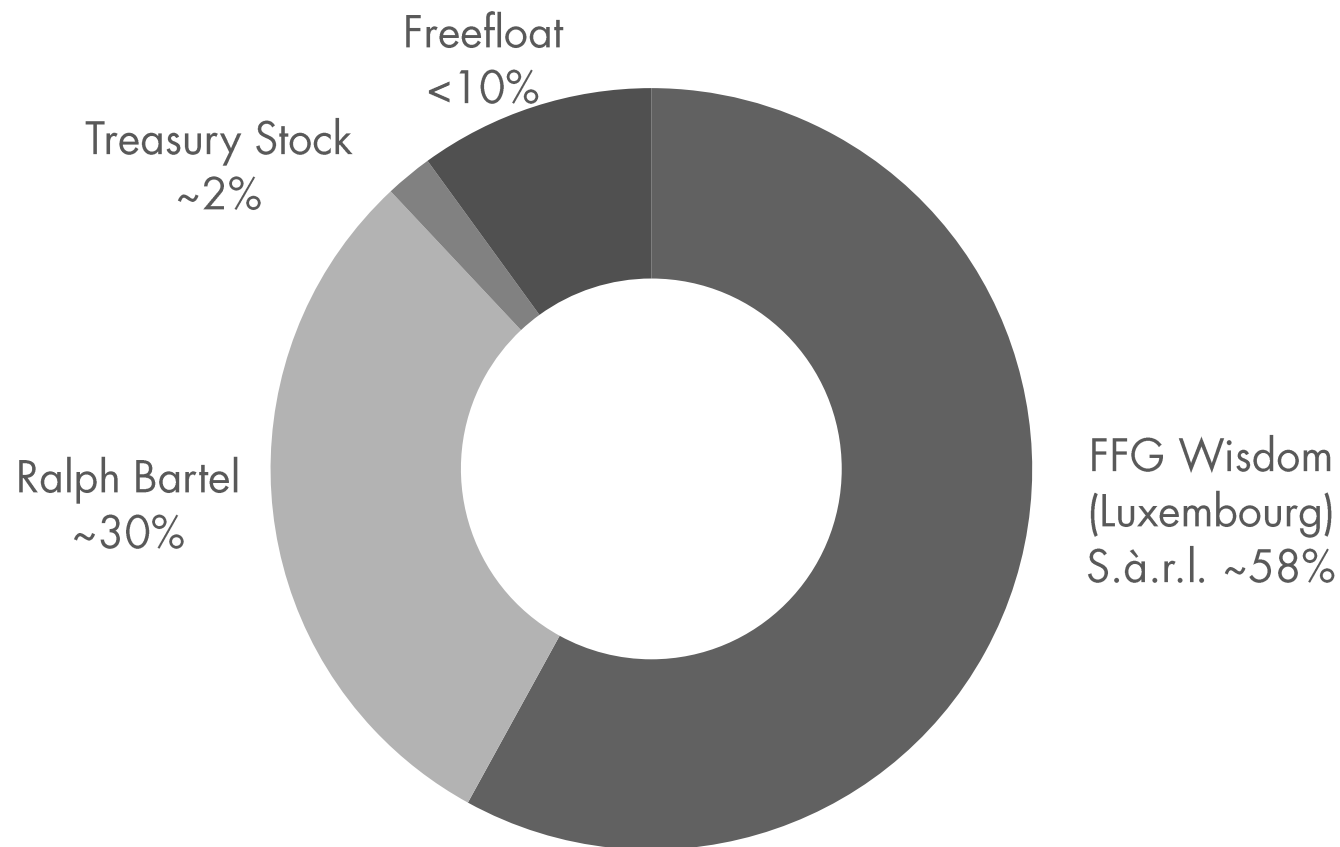
OUTLOOK

We have responded to the challenging market environment
and laid the foundation for future growth.



WOLFORD SHARE

Shareholder structure



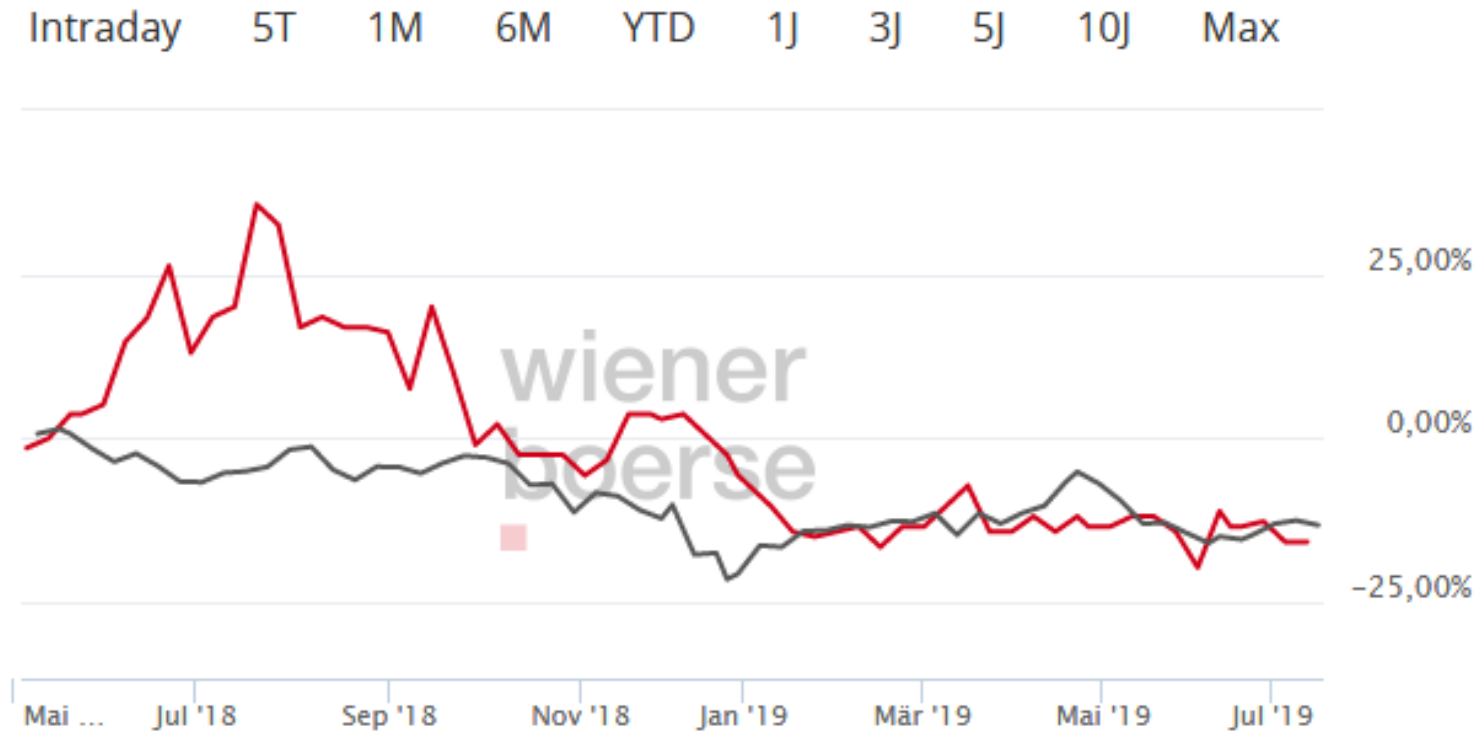
Key data on Woford shares



| | | 2018/19 | 2017/18 |
|--------------------------------------|---------|---------------|------------|
| Numbers of shares | in psc. | 6,719,151 | 5,000,000 |
| Shares outstanding (weighted) | in psc. | 6,631,011 | 4,911,860 |
| Treasury stock | in psc. | 88,140 | 88,140 |
| Share capital | in € | 48,848,227.77 | 36,350,000 |
| Market capitalization (16 July 2019) | | in € mill. | 72.6 |

Share performance

May 2018 – Mid of July 2019



Performance comparison: Wolford -15,80% and ATX Prime -13,24%

Thank you



EXCEPTIONAL EUROPEAN
SKINWEAR