



50 YEARS OF
FIELMANN

fielmann

GROUP QUARTERLY REPORT
AS AT 30 SEPTEMBER 2022

Fielmann Group: Interim report as at 30 September 2022

Dear Shareholders, Dear Friends of the Company,

The economic environment in 2022 continues to be influenced by the ongoing coronavirus pandemic as well as the effects of the war in Ukraine. Inflation rates remain persistently high, consumer sentiment is declining further. In Germany, corresponding measures are at their lowest level since the onset of recording in the early 1990s.

While many competitors have increased prices, customers of the Fielmann Group can rely on guaranteed low prices. We also remain committed to our Vision 2025 and continue to invest in the digitalisation and internationalisation of our family business. Our growth in e-commerce and in our international markets is a result of this.

Report on earnings, financial position and assets

Q1-Q3/2022

Compared to the previous year, the Fielmann Group increased the number of glasses sold in the first three quarters by 5.5% to 6.39 million (previous year: 6.06 million). External sales incl. VAT and changes to inventories rose in the same period by 5.4% to €1.53 billion (previous year: €1.45 billion) and consolidated sales increased by 5.3% to €1.32 billion (previous year: €1.25 billion). When comparing the two nine-month periods, EBITDA fell to €267.5 million (previous year: €317.8 million). There was an increase of 44.9% in other operating income, particularly as a result of currency effects. Compared to the previous year, our e-commerce business delivered particularly strong growth of +39%. In total, we shipped more than one million parcels to our customers. With the further rollout of our omnichannel platform, we expect continued growth in the coming months. As the sale of prescription eyewear requires measurements and services in retail stores, e-commerce continues to be driven mainly by lower-margin sunglasses and contact lenses. The resulting change in the product mix is adding to our sales growth, however with only a subpar contribution to earnings.

The Fielmann Group grew in all major markets compared with the previous year, recording double-digit growth in Italy, Slovenia, Spain and in several Eastern European countries. As the price leader, we are expanding our market share in a challenging environment.

A decisive factor that impacted our earnings is the adjustment of salaries for our store staff. Our personnel costs rose by €43 million after nine months to a total of €564.6 million (previous year: €521.7 million). By increasing the salaries, we reflect our appreciation for the committed and dedicated ser-

vice our employees in Germany and abroad are delivering to our customers every day. By offering attractive wages, we succeed in a competitive labour market characterised by a shortage of skilled staff. In the first nine months, we created almost 400 additional jobs in our stores, employing a total of 22,640 staff as at the reporting date (previous year: 22,245). This increase in staff is mainly driven by our international expansion in Spain, Italy, the Czech Republic and Poland.

In addition to the change in our product mix towards more sunglasses and contact lenses, our guaranteed low prices and additional costs incurred as part of our "50 years of Fielmann" anniversary impacted our earnings. Earnings before taxes amounted to € 141.0 million after nine months (previous year: € 181.3 million) and the consolidated net income for the period to € 98.7 million (previous year: € 125.0 million). Earnings per share (EPS) fell to € 1.12 (previous year: € 1.41).

Q3/2022

Fielmann increased the number of glasses sold in the third quarter of 2022 by 2.8% to 2.23 million (previous year: 2.17 million). External sales grew by 0.9% to € 536.4 million (previous year: € 531.6 million) and consolidated sales rose by 0.4% to € 462.7 million (previous year: € 460.8 million).

In the third quarter, the EBITDA reached € 96.1 million (previous year: € 131.2 million). Earnings before taxes (EBT) stood at € 52.0 million (previous year: € 85.4 million). The net income fell by € 22.5 million to € 36.3 million (previous year: € 58.8 million).

Financial position and assets

The cash flow from operating activities (Q1–Q3/2022) of € 193,3 million was significantly below the previous year's level (€ 288.3 million), mainly due to the decline in earnings combined with a considerable increase in inventories. The cash flow from financial operations includes the dividend payment for the 2021 financial year approved by Fielmann AG's Annual General Meeting on 14 July 2022 of € 126.0 million, which corresponds to € 1.50 per share.

In line with our Vision 2025, we invested € 46.6 million in tangible and intangible assets during the first nine months (previous year: € 59.2 million). All investments were financed from our cash flow. Of this amount, € 1.9 million are attributable to IT infrastructure and € 37.2 million to new store openings as well as the expansion and redesign of existing stores.

As at 30 September, the Fielmann Group operated digital sales channels in almost all markets as well as 936 stores (previous year: 897), 326 of which also contained hearing aid studios (previous year: 308).

Outlook, forecast, opportunities and risk report

The effects of the war in Ukraine, persistently high inflation levels and continually rising interest rates are increasingly denting consumer confidence across Europe. Additionally, the lingering coronavirus pandemic continues to impact our business. Against this background, we expect external sales of approximately € 2 billion (previous year: € 1.94 billion), consolidated sales of around € 1.75 billion (previous year: € 1.68 billion) and an EBT of more than € 160 million (previous year: € 209.7 million) for 2022.

We remain optimistic: As the price leader, this crisis is an opportunity for us to gain market share and to retain our many new customers in the long term through excellent service.

Hamburg, November 2022
Fielmann Aktiengesellschaft
The Management Board

Composition of financial assets

1 January to 30 September in €000s	2022	2021	Change
Liquid funds	72,737	178,604	-105,867
Capital investments with a maturity of up to 3 months	8,856	9,466	-610
Cash and cash equivalents	81,593	188,070	-106,477
Non-current financial assets	2,011	2,055	-44
Other non-current financial assets	38,395	22,416	15,979
Capital investments with a maturity of more than 3 months	102,952	69,498	33,454
Financial assets	224,951	282,039	-57,088

Financial calendar 2022/2023

Preliminary figures FY 2022	February 2023
Financial results press conference	27 April 2023
Q1 report	27 April 2023
Annual General Meeting	13 July 2023
Bloomberg code	FIE
Reuters code	FIEG.DE
Securities ID number/ISIN	DE0005772206

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Cash flow statement

Cash flow statement according to IAS 7 for the period from 1 January to 30 September in € 000s	2022	2021	Change
Earnings before taxes (EBT)	141,017	181,335	-40,318
-/+ Profit shares of associates	-145	98	-243
+ Statement-related interest expenditure from leases	4,383	2,835	1,548
+ Statement-related other expenditure in the final result	1,421	4,148	-2,727
- Statement-related income in the final result	-4,688	-628	-4,060
+ Depreciations on tangible assets and intangible assets	57,475	62,893	-5,418
+ Depreciation of right-of-use assets	68,071	67,142	929
- Taxes on income paid	-45,005	-43,762	-1,243
+/- Other non-cash income/expenditure	3,039	-3,154	6,193
+/- Increase/decrease in accruals	-13,562	-2,861	-10,701
-/+ Profit/loss on disposal of tangible assets as properties kept as financial investments and intangible assets	-181	34	-215
-/+ Increase/decrease in inventories, trade debtors and other assets not attributable to investment or financial operations	-52,400	-7,761	-44,639
+/- Increase/decrease in trade creditors and other liabilities not attri- butable to investment or financial operations	34,653	29,119	5,534
- Interest paid	-1,221	-892	-329
+ Interest received	410	-210	620
= Cash flow from operating activities	193,267	288,336	-95,069
Receipts from the disposal of tangible assets	746	411	335
- Payments for tangible assets	-45,491	-47,661	2,170
- Payments for intangible assets	-1,105	-9,507	8,402
+ Receipts from the disposal of financial assets	35	39	-4
- Payments for financial assets	0	-21,881	21,881
+ Receipts from the disposal of securities and other investments	37,465	85,550	-48,085
- Payments for the acquisition of securities and other investments	-71,651	-32,427	-39,224
= Cash flow from investment activities	-80,001	-25,476	-54,525
Dividend paid to company to parent company shareholders	-125,979	-100,753	-25,226
- Payments to company owners and non-controlling shareholders	-6,953	-9,082	2,129
+/- Sale/Acquisition of own shares	-1,883	-2,850	967
+ Receipts from loans raised	29	47	-18
- Repayment of loans	-153	-145	-8
- Payments for liabilities from leases	-71,446	-65,684	-5,762
- Payments for the acquisition of additional shares in subsidiaries	-894	0	-894
= Cash flow from financing activities	-207,279	-178,467	-28,812
Changes in cash and equivalents	-94,013	84,393	-178,406
+/- Changes in cash and equivalents due to exchange rates	717	-45	762
+ Cash and equivalents at the beginning of the period	174,889	103,722	71,167
= Cash and equivalents at the end of the period	81,593	188,070	-106,477

Segment reporting 1 January to 30 September

The previous year's figures are stated in parentheses.

in € million	Germany	Switzerland	Austria	Spain	Other	Consolidation	Consolidated value
Sales revenues from the segment	1,005.3 (972.4)	154.0 (138.1)	62.8 (62.4)	91.4 (82.9)	75.5 (59.6)	-71.8 (-65.0)	1,317.2 (1,250.4)
Sales revenues from other segments	64.5 (60.0)		0.2 (0.2)		7.1 (4.8)		
Outside sales revenues	940.8 (912.4)	154.0 (138.1)	62.6 (62.2)	91.4 (82.9)	68.4 (54.8)		1,317.2 (1,250.4)
Cost of materials	244.9 (220.2)	30.6 (28.1)	13.8 (14.0)	31.8 (29.7)	28.0 (19.2)	-61.9 (-56.9)	287.2 (254.3)
Personnel costs	421.3 (397.9)	61.5 (55.2)	25.6 (23.6)	29.4 (24.8)	26.8 (20.2)		564.6 (521.7)
Scheduled depreciation	79.1 (83.1)	13.3 (11.9)	5.5 (5.1)	13.2 (12.4)	15.5 (17.5)		126.6 (130.0)
Expenses in the financial result	3.1 (5.2)	0.4 (0.3)	0.3 (0.2)	1.4 (1.2)	0.8 (0.4)	-0.2 (-0.2)	5.8 (7.1)
Income in the financial result	4.8 (0.6)	0.2 (0.2)				-0.2 (-0.2)	4.8 (0.6)
Result before taxes							
– in segments excl. investment income	118.8 (150.9)	22.3 (23.2)	7.9 (10.8)	8.4 (9.5)	-16.1 (-13.1)	-0.3 (0.0)	141.0 (181.3)
Taxes on income and earnings	35.5 (48.1)	3.5 (3.6)	1.0 (1.8)	2.1 (2.4)	0.3 (0.4)	-0.1 (0.0)	42.3 (56.3)
Net profit for the period	83.3 (102.8)	18.8 (19.6)	6.9 (9.0)	6.3 (7.1)	-16.4 (-13.5)	-0.2 (0.0)	98.7 (125.0)
Non-current segment assets excluding financial instruments and deferred tax assets	553.5 (574.4)	90.6 (87.7)	39.2 (38.4)	328.6 (329.0)	114.1 (98.2)		1,126.0 (1,127.7)
of which non-current segment assets excluding right-of-use assets	322.4 (339.6)	35.6 (30.4)	11.6 (10.3)	249.3 (256.6)	58.1 (50.6)		677.0 (687.5)
of which right-of-use assets	231.1 (234.8)	55.0 (57.3)	27.6 (28.1)	79.3 (72.4)	56.0 (47.6)		449.0 (440.2)
Additions to non-current segment assets excluding financial instruments and deferred tax assets	67.4 (76.8)	5.4 (28.1)	5.5 (10.0)	10.7 (4.6)	22.7 (30.2)		111.7 (149.7)
of which additions to non-current segment assets excluding right-of-use assets	29.2 (37.2)	4.3 (4.9)	2.4 (4.5)	2.6 (2.7)	8.1 (9.9)		46.6 (59.2)
of which additions to right-of-use assets	38.2 (39.6)	1.1 (23.3)	3.1 (5.5)	8.1 (1.9)	14.6 (20.2)		65.1 (90.5)
Shares in associates	5.2 (4.8)						5.2 (4.8)
Deferred tax assets	16.7 (12.2)	0.8 (0.0)	0.4 (0.3)	0.5 (0.2)	1.8 (0.9)		20.2 (13.6)

Consolidated profit and loss account

For the period from 1 July to 30 September	3rd Quarter 2022 in €000s	3rd Quarter 2021 in €000s	Change from previous year in %
1. Consolidated sales	462,668	460,788	0.4
2. Changes in inventories	2,880	-1,338	-315.2
3. Total consolidated sales	465,548	459,450	1.3
4. Other operating income	6,678	1,532	335.9
5. Cost of materials	-103,292	-96,958	6.5
6. Personnel costs	-192,618	-173,043	11.3
7. Other operating expenses	-80,210	-59,758	34.2
8. Result before interest, taxes and depreciations	96,106	131,223	-26.8
9. Depreciation of right-of-use assets	-22,617	-23,069	-2.0
10. Other depreciations	-19,420	-22,760	-14.7
11. Interest expenditure from leases	-1,707	-1,038	64.5
12. Other expenses in the financial result	-272	784	-134.7
13. Income in the financial result	-135	210	-164.3
14. Result before taxes	51,955	85,350	-39.1
15. Taxes on income and earnings	-15,610	-26,516	-41.1
16. Net income for the quarter	36,345	58,834	-38.2
17. Income attributable to minority interests	-2,049	-2,826	-27.5
18. Profits to be allocated to parent company shareholders	34,296	56,008	-38.8
Earnings per share in € (diluted/basic)	0.41	0.67	

Consolidated profit and loss account

For the period from 1 January to 30 September	2022 in €000s	2021 in €000s	Change from pre- vious year in %
1. Consolidated sales	1,317,213	1,250,427	5.3
2. Changes in inventories	11,670	8,466	37.8
3. Total consolidated sales	1,328,883	1,258,893	5.6
4. Other operating income	13,425	9,268	44.9
5. Cost of materials	-287,187	-254,341	12.9
6. Personnel costs	-564,584	-521,696	8.2
7. Other operating expenses	-223,003	-174,301	27.9
8. Result before interest, taxes and depreciations	267,534	317,823	-15.8
9. Depreciation of right-of-use assets	-68,071	-67,142	1.4
10. Other depreciations	-57,475	-62,893	-8.6
11. Interest expenditure from leases	-4,383	-2,835	54.6
12. Other expenses in the financial result	-1,421	-4,246	-66.5
13. Income in the financial result	4,833	628	669.6
14. Result before taxes	141,017	181,335	-22.2
15. Taxes on income and earnings	-42,329	-56,336	-24.9
16. Consolidated net income for the period	98,688	124,999	-21.0
17. Income attributable to minority interests	-5,037	-6,243	-19.3
18. Profits to be allocated to parent company shareholders	93,651	118,756	-21.1
Earnings per share in € (diluted/basic)	1.12	1.41	

Consolidated balance sheet

Assets	Position as at 30 September 2022 in € 000s	Position as at 31 December 2021 in € 000s
A. Non-current fixed assets		
I. Intangible assets	148,745	164,224
II. Goodwill	177,205	176,410
III. Tangible assets	339,030	334,800
IV. Investment property	11,984	12,051
V. Right-of-use assets from leases	449,028	448,213
VI. Shares in associates	5,167	5,023
VII. Other financial assets	2,011	2,046
VIII. Deferred tax assets	20,169	14,418
IX. Other financial assets	38,395	40,363
X. Receivables from leases	253	12
	1,191,987	1,191,560
B. Current assets		
I. Inventories	186,063	153,063
II. Trade debtors	42,096	39,014
III. Other financial assets	67,924	60,595
IV. Non-financial assets	30,452	39,076
V. Tax assets	8,756	11,033
VI. Financial assets	102,952	60,648
VII. Cash and cash equivalents	81,593	174,889
	519,836	538,318
	1,711,823	1,735,878
Liabilities		
A. Equity		
I. Subscribed capital	84,000	84,000
II. Capital reserves	92,652	92,652
III. Profit reserves	587,444	620,003
IV. Other reserves	31,891	23,174
Consolidated equity of the parent company's shareholders	795,987	819,829
V. Non-controlling interests	51,913	52,962
	847,900	872,791
B. Non-current liabilities		
I. Accruals	26,566	28,923
II. Financial liabilities	59,002	62,741
III. Deferred tax liabilities	35,507	37,648
IV. Liabilities from leases	366,001	367,487
	487,076	496,799
C. Current liabilities		
I. Accruals	59,247	70,451
II. Financial liabilities	123	135
III. Liabilities from leases	94,010	89,864
IV. Trade creditors	88,069	79,615
V. Other financial liabilities	30,116	34,838
VI. Non-financial liabilities	86,885	69,460
VII. Income tax liabilities	18,397	21,925
	376,847	366,288
	1,711,823	1,735,878