



Results Q2 2021

Analyst Conference Call

CEWE Stiftung & Co. KGaA



August 10, 2021

cewe

This presentation contains forward-looking statements that are based on current assumptions and forecasts of the management of CEWE. Known and unknown risks, uncertainties and other factors could lead to material differences between the forward-looking statements given here and the actual development, in particular the results, financial situation and performance of our Company. The Company assumes no liability to update these forward-looking statements or to conform them to future events or developments.

All numbers are calculated as exactly as possible and rounded for the presentation. Due to this, rounding differences might occur.

The logo for the company 'cewe' is displayed in a white rectangular box. It features a stylized red 'M' icon followed by the word 'cewe' in a red, lowercase, cursive font.

M cewe



Agenda

1. Corporate Development by Business Segments

1.1 Photofinishing

1.2 Retail

1.3 Commercial Online-Print

1.4 Other

2. Group Results

3. Financial Details

4. Outlook

5. Q&A-Session

CEWE Photo Award: The world's largest photo competition with a record number of 606,289 photos submitted from over 170 countries



cewe
Photo Award

Our world is beautiful
Internationaler Fotowettbewerb

Für jedes eingereichte Foto
spendet CEWE 10 Cent an

 **SOS
KINDERDÖRFER
WELTWEIT**



Soy Sauce making

Azim Khan Ronnie
(Bangladesh)

Winner Category
„Aerial Photos“



Rainy Season

Hartmut Schwarzbach
(Germany)

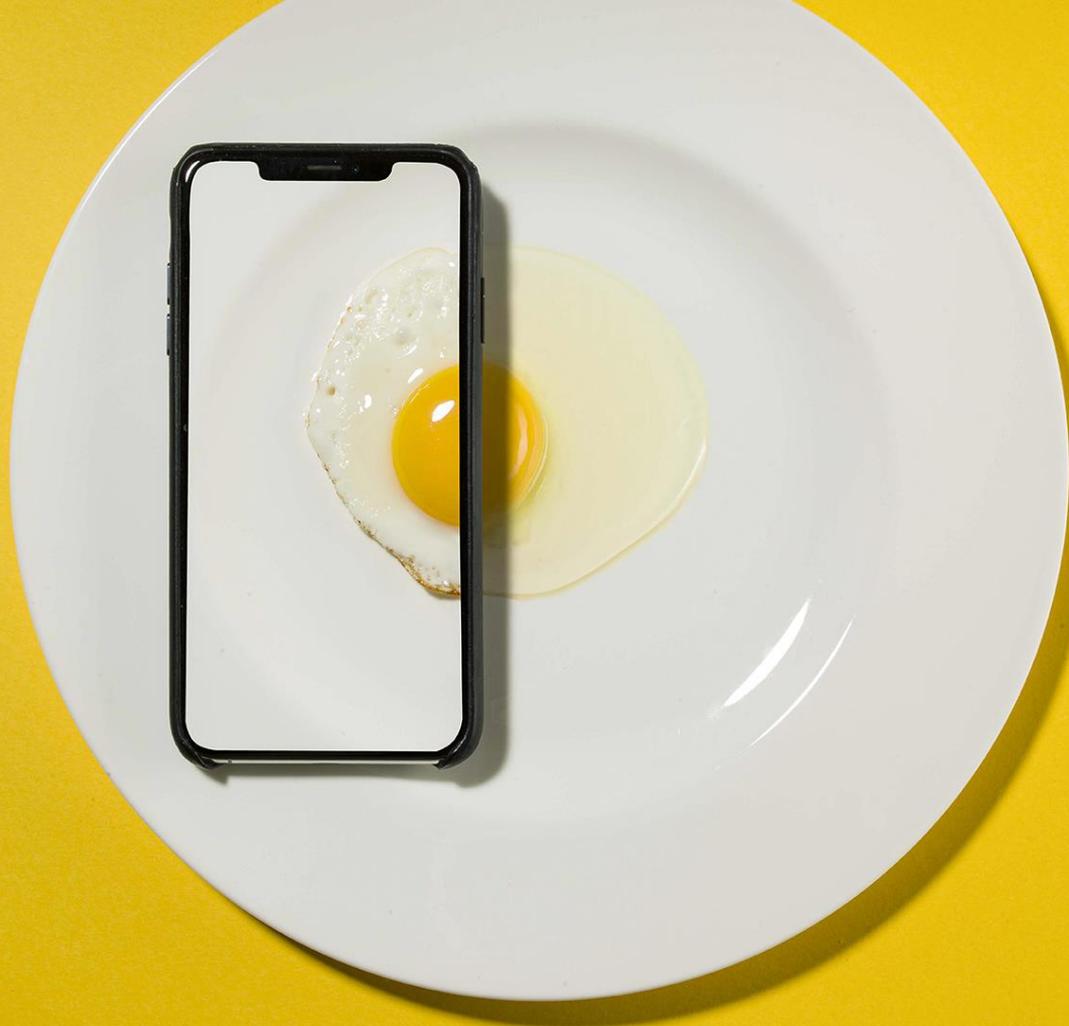
Winner Category
„People“



Turtle Watch

Siegfried Claeys
(Belgium)

Winner Category
„Travel & Culture“



Egg Phone

David Weimann
(Germany)

Winner Category
„Cooking & Food“



ICE Train

Cor Boers
(Netherlands)

Winner Category
„Architecture
& Technology“



Red Image

Hans Lahodny
(Austria)

Winner Category
„Hobby & Leisure“



Frozen Lighthouse

Manfred Voss
(Germany)

Winner Category
„Landscapes“



*Little Dandelion
Umbrella*

Petra Jung
(Switzerland)

Winner Category
„Nature“



The Clan cuddles

Josef Schwarz
(Germany)

Winner Category
„Animals“

PR-Clippings: CEWE Photo Award 2021



One jumbo group hug

★ ELEPHANTS old and young huddle up to stay safe from predators in a heartwarming photo called The Clan Cuddles. It is one of 10 incredible images shortlisted for the Cewe Photo Award 2021 – a worldwide competition covering everything from animals and landscapes to travel and culture. ★ The image of the herd was captured in South Africa by German photographer Josef Schwarz.

The Telegraph



GEO



Luzerner Zeitung

CEWE Award 2021 : découvrez les gagnants du plus grand concours photo au monde

Photographie **SUIVRE CE THEME**



Opera News



BUSINESS WOMAN&life

CEWE PHOTO AWARD 2021: ZWYCIĘZCY W NAJWIĘKSZYM KONKURŚIE FOTOGRAFICZNYM NA ŚWIECIE

Cewe Photo Award 2021 : les lauréats

De ti beste blant 606.289 innsendte bilder
Cewe Photo Awards 2021: Finalistene

HORIZONT

FOTOIT meinbezirk.at

By lemondedelaphoto.com | 10d

Haarlems Dagblad

The Dead Pixels Society

Schweizerin gewinnt in der grössten Kategorie

DERSTANDARD

wiamedia

heise online



LE MONDE DE LA PHOTO

FOTOWETTBEWERB

Diese Fotos zeigen die Schönheit der Welt

Über 600.000 Fotos aus 170 Ländern wurden für diesen Fotowettbewerb eingereicht. Wir zeigen die besten zehn

ANSICHTSSACHE 20. Juli 2021, 12:17 25 Postings



sh:z

CEWE-PHOTO-AWARD 2021

Scharbeutzer Manfred Voss gewinnt mit „Eingefrorenem Leuchtturm“

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FOTOS DER WOCHE

Die Gemeinschaft
 Rund 600 der grauen Riesen
 leben im Addo Elephant
 Park bei Port Elizabeth in
 Südafrika

Die Erzieherinnen
 Junge Elefanten wachsen
 im Schutz ihrer Mütter
 und Tanten auf, die
 ihnen alles Wichtige für
 Leben beibringen

Der Kleinsten
 Rund 20 Monate dauert die
 Entwicklung eines Elefant-
 babys im Bauch der Mutter.
 Bei der Geburt wiegt es zwischen
 75 und 100 Kilogramm

Südafrika

**Hier schlagen
 dicke Herzen
 höher**

Josef Schwarz versteht sich als absoluter Romantiker: Er möchte mit der Kamera „Bilder im Stil von Caspar David Friedrich malen“. Mit diesem Foto ist ihm das gelungen. „Der Clan kuschelt“, heißt seine

Aufnahme, die mit dem CEWE Photo Award 2021 in der Kategorie „Tiere“ ausgezeichnet wurde. Entstanden ist das Bild während einer Reise durch Lesotho und Südafrika, immer wieder hatte Schwarz ein großes

Wasserloch im Zentrum des Addo Elephant Park nahe Port Elizabeth besucht. Dort versammeln sich ständig Gruppen der imposanten Tiere, um zu trinken oder ein erfrischendes Bad zu nehmen.

Es ist ein Kommen und Gehen. Wenn die Wasserstelle sehr stark frequentiert ist, warten die ankommenden Clans, bis sich eine Gruppe vom Wasser entfernt. „Das geht hier gestrich ab, wie an einer Bushaltestelle

in London“, beschreibt Schwarz das soziale Verhalten der Tiere. Wenn der Fotograf hat viele Länder bereist und zahlreiche Tiere abgetipelt, doch dieses Bild habe ihn emotional so sehr bewegt wie kaum ein anderes in

seiner ganzen Laufbahn. „Es zeigt das Innehalten und stärkt den Zusammenhalt im Tagesablauf einer Gruppe und ist jederzeit auch auf uns Menschen übertragbar“, schwärmt Schwarz über das Miteinander.

Für seine Fotos hat er ein einfaches Rezept: „Das Wesentliche bei der Gestaltung und dem Bildaufbau liegt in der Reduktion, dem Weglassen von nichtssagen- dem Beiwerk, das oft von wesentlichen Bild-

inhalten ablenkt.“ An einen Wettbewerb würde er dabei nicht denken: „Ich fotografiere, was mir Spaß macht – und nicht für einen Trend, der bei Juoren gut ankommt.“ ■

HELMUT BROD



VIEW BILDER

Wer lacht, erschreckt sein Unglück

Ihre Heimat zählt zu den ärmsten Ländern der Welt. Was diese Kinder nicht hindert, sich ihres Lebens zu erfreuen

Tachoban/Philippinen – Man könnte meinen, diese Kinder hätten nichts zu lachen. Schließlich leben sie in einem Slum an Flussmündungen, der häufig von Müll verschopt – in der von Juni bis November dauernden Regenzeit, die viele tieferen Hütten überflutet. Doch obwohl das Foto bei Starkregen entstand, sind sie sich die Kinder bestens. Ein Grund: Sie waren im Trucken, dafür wurde der Fotograf Hartmut Schwarzbach nach bis auf die Knochen.

Für das Bildwerk „Menschen dokumentieren er die Folgen eines Superstürms, der die Stadt Tachoban 2013 fast komplett zerstörte. Bei aller Lebensfreude, die das Bild ausstrahlt – insgesamt ist die Situation vor Ort eher traurig. Als Opfer des Klimawandels warten diese Kinder seit Jahren auf die Umwandlung in ein hochwasserreiches Gebiet. Gletschwabi sind es gerade ihre Energie, Härtekeit und Zuversicht, für die das Bild beim Cewe Award, dem weltgrößten Fotoettbewerb, in der Kategorie „Menschen“ zum Gewinner gekürt wurde. Denn es zeigt wohl das Beste unserer Spezies.



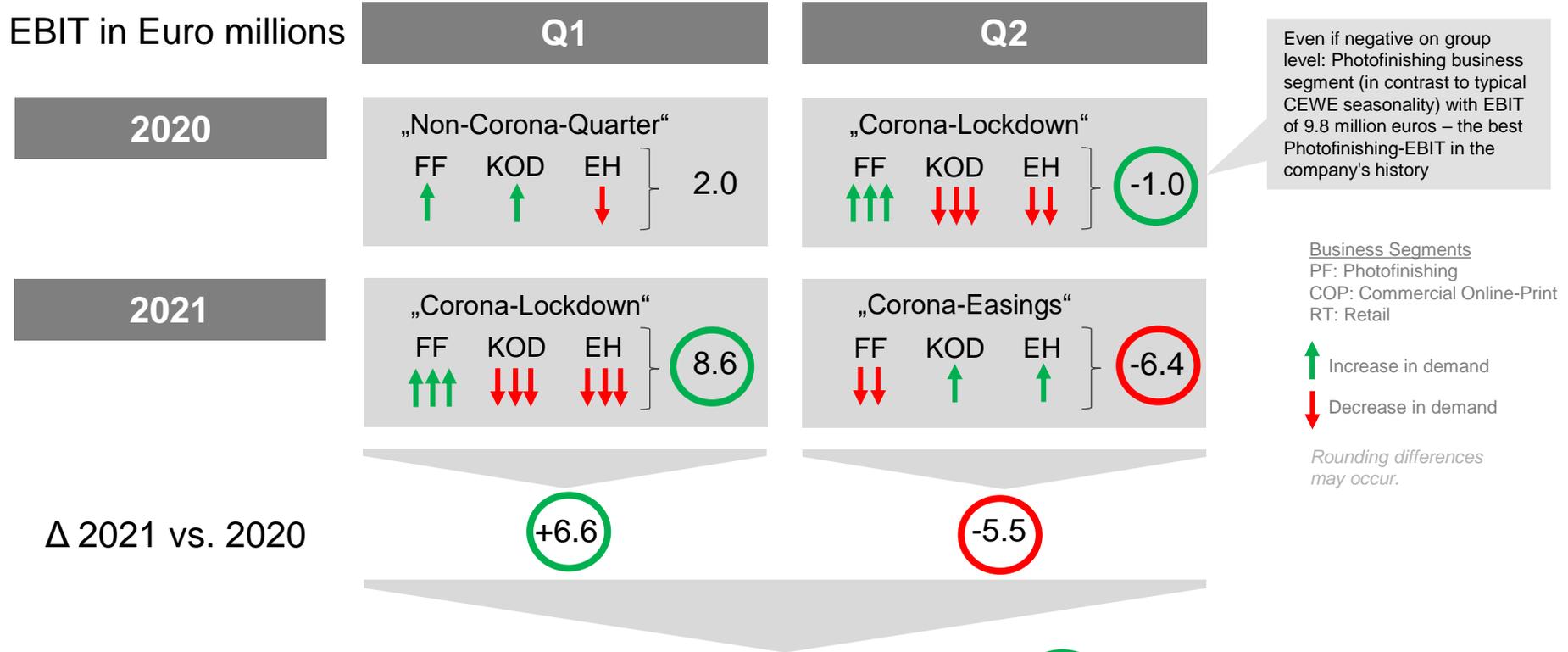
Preisträger Hartmut Schwarzbach, 64

FOTO: HARTMUT SCHWARZBACH/CEWE AWARDS



CEWE after H1 with a head start in earnings vs. 2020

Changes of Corona-lockdowns and -easings impact demand behavior



CEWE after H1 with a head start in earnings of **+1.1** million euros



Results Q2: Photofinishing as expected weaker, COP improved

- **Photofinishing** is developing weaker in Q2 than in a normal non-corona year: With the first Corona easings in Q2, people catch up on things that were not possible in lockdown and order fewer photo products. **Turnover decreased** by -15.4% to **93.6 million euros**, **EBIT** is reduced accordingly to **-5.6 million euros**.
- **Commercial Online-Print** benefits from the Corona easings in Q2 with sales growth and significantly improved earnings. The optimized production and cost structure sustainably improves the earnings situation. **Turnover increased** by 25.8% to **13.7 million euros**, **EBIT improved** by 2.6 million euros to **-0.2 million euros**.
- **Hardware Retail** improves results in Q2 with optimized point-of-sale-structure: Despite 40 shops less **turnover** reached previous year's level with **7.6 million euros**. **EBIT improved** by 2.9 million euros to **-0.3 million euros** (mainly due to restructuring costs in the previous year).
- In total, the growth in sales in Commercial Online Print cannot virtually offset the decline in Photofinishing, with **Group turnover**, at **116.7 million euros**, falling short of that of the previous year by -10.6%. The **Group EBIT** is reduced accordingly to **-6.4 million euros**, driven by the core business segment of photofinishing.



1.1 Photofinishing



CEWE honored twice with TIPA World Award for the first time



TIPA World Award for CEWE Calendar A2 Gold Edition

NEU:

Mit Gold-
veredelung



TIPA World Award for CEWE Photo Center





WHITE WALL

TIPA World Award for RoomView Function



10 TIPA World Awards for CEWE and WhiteWall

The infographic is set against a dark brown background with a faint globe pattern. On the left, the CEWE logo is in a red box. On the right, the WHITE WALL logo is in a white box with a green square icon. A central gold box contains the text '2X'. Below this, two rows of TIPA World Awards logos are shown. The first row (left side) includes awards for 2018, 2019, 2020, and 2021. The second row (right side) includes awards for 2021, 2020, 2017, and 2013. At the bottom, the text '10x TIPA World Award' is written in large gold letters.

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WHITE WALL

2X

TIPA WORLD AWARDS 2018

TIPA WORLD AWARDS 2019

TIPA WORLD AWARDS 2020

TIPA WORLD AWARDS 2021

TIPA WORLD AWARDS 2021

TIPA WORLD AWARDS 2020

TIPA WORLD AWARDS 2017

TIPA WORLD AWARDS 2013

10x TIPA World Award

New products: Cooperation with Faber-Castell



- Faber-Castell colored pencils in an individual photo metal case from CEWE

Vaccination @ CEWE

Szczepienia przeciwko COVID-19 - ważne informacje

Szczepionki są najbardziej skuteczną metodą chroniącą przed zarażeniem różnymi chorobami. Ludzkość z powodzeniem korzysta z tej zdobyczy cywilizacji od wielu lat.

Dlaczego warto?

- 1 Szczepionka wywołuje w organizmie człowieka naturalną produkcję przeciwciał, aby chroniły nas przed zakażeniem COVID-19.
- 2 Chronisz siebie i innych przed zakażeniem – wg ekspertów ochrona przed zakażeniem to aż 95 %.
- 3 Zyskujesz większy spokój, bo nie stwarzasz zagrożenia dla swoich bliskich, przyjaciół i Ty jesteś bezpieczny.
- 4 Wszystkie szczepionki przechodzą testy kliniczne w celu sprawdzenia bezpieczeństwa i skuteczności.
- 5 Szczepionki Pfizer i Moderna są skuteczne również w przypadku mutacji angielskiej i południowoafrykańskiej, co potwierdzają ostatnio przeprowadzane testy.
- 6 Badania przeprowadzone w Izraelu wykazały, że już podanie 1 dawki szczepionki Comirnaty (Pfizer i Moderna) wzięło się z mniejszym ryzykiem zgonu z powodu COVID-19 (o 72%), hospitalizacji z powodu COVID-19 (o 74%), ciężkiego przebiegu COVID-19 (o 62%), a także mniejszym ryzykiem zakażenia SARS-CoV-2 (o 42%) i zachorowania na objawową COVID-19 (o 57%).
- 7 Szczepienie nie boli, a samo szczepienie zajmuje kilka chwil.
- 8 Im więcej będzie nas zaszczepionych, tym szybciej wrócimy do normalności – odporność zbiorowa to świat bez maseczek, spotkań bez ograniczeń i swobodne wyjazdy.

Nie podjąłeś jeszcze decyzji?
WARTO SIĘ ZASTANOWIĆ



CEWE Poland



CEWE Oldenburg

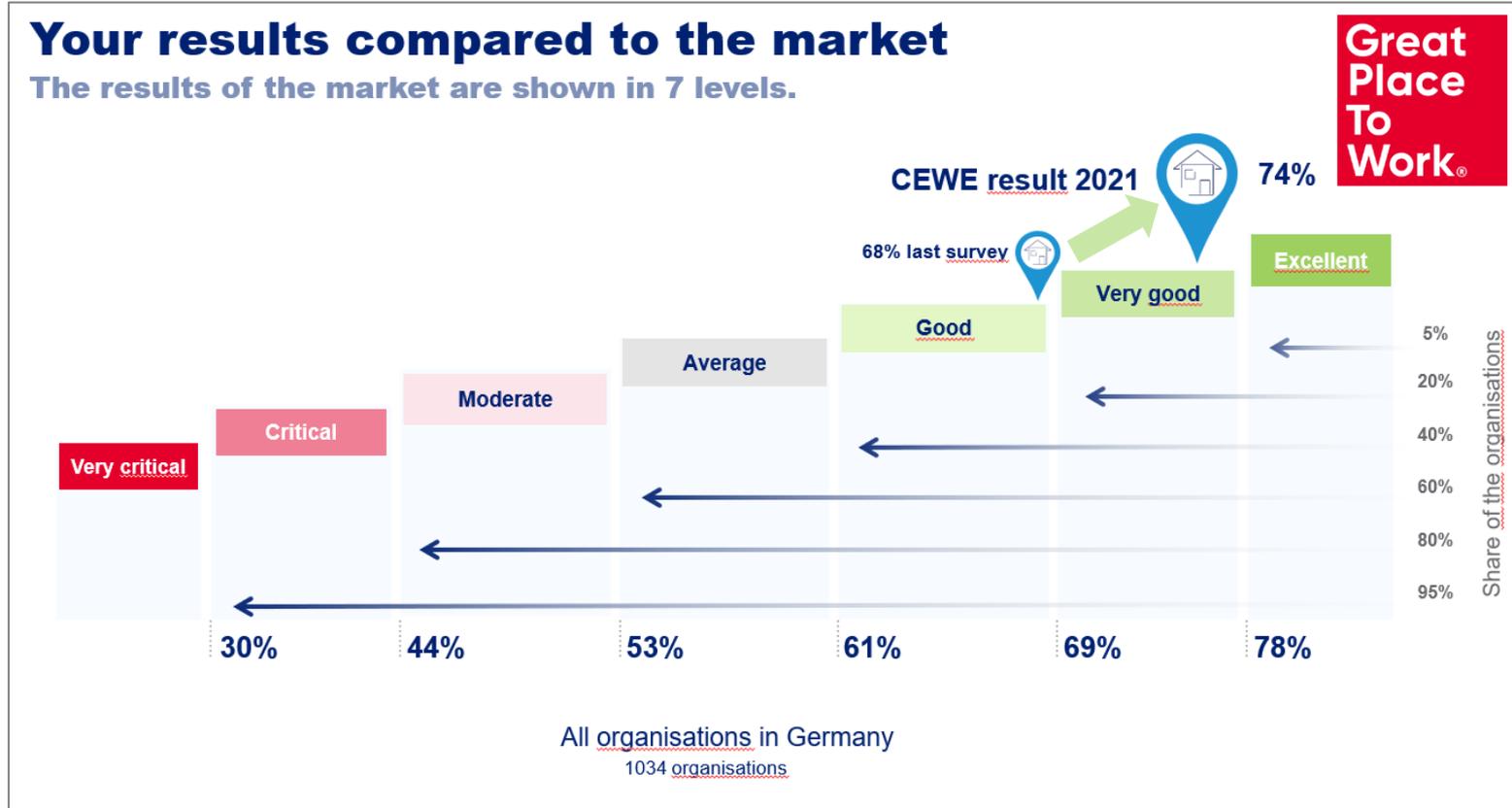


CEWE Eschbach



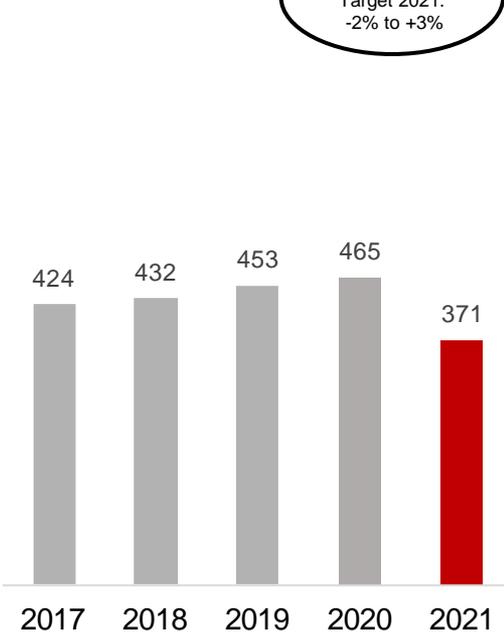
WhiteWall

CEWE is a great place to work

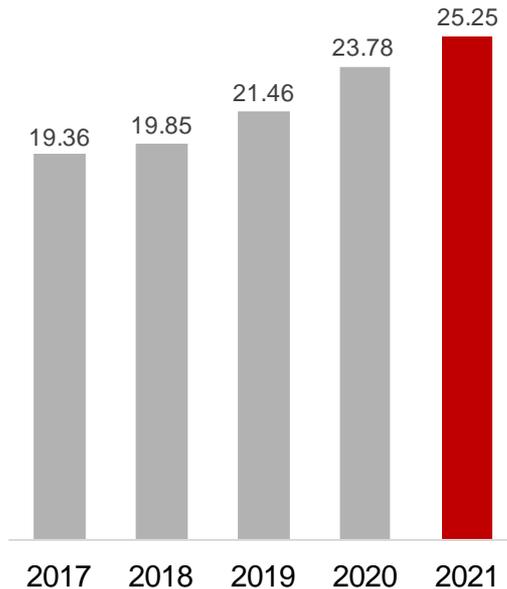


Number of prints and turnover Photofinishing Q2

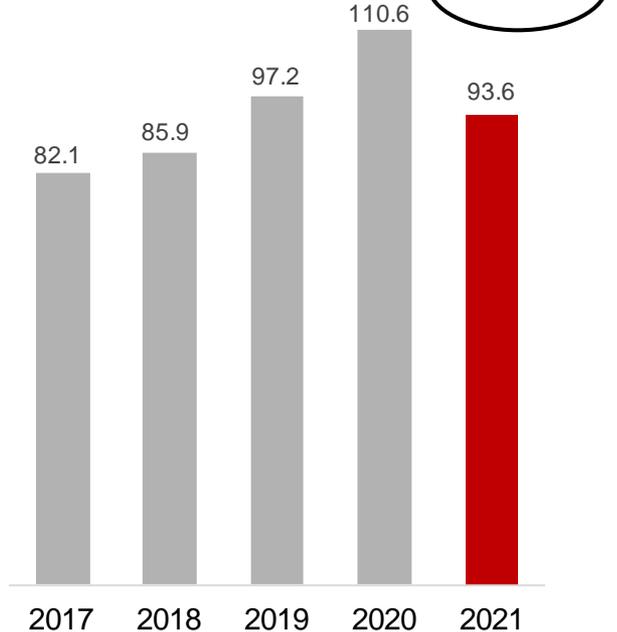
Total prints
in millions



Value per photo
Turnover / photo
(Euro cent / photo)



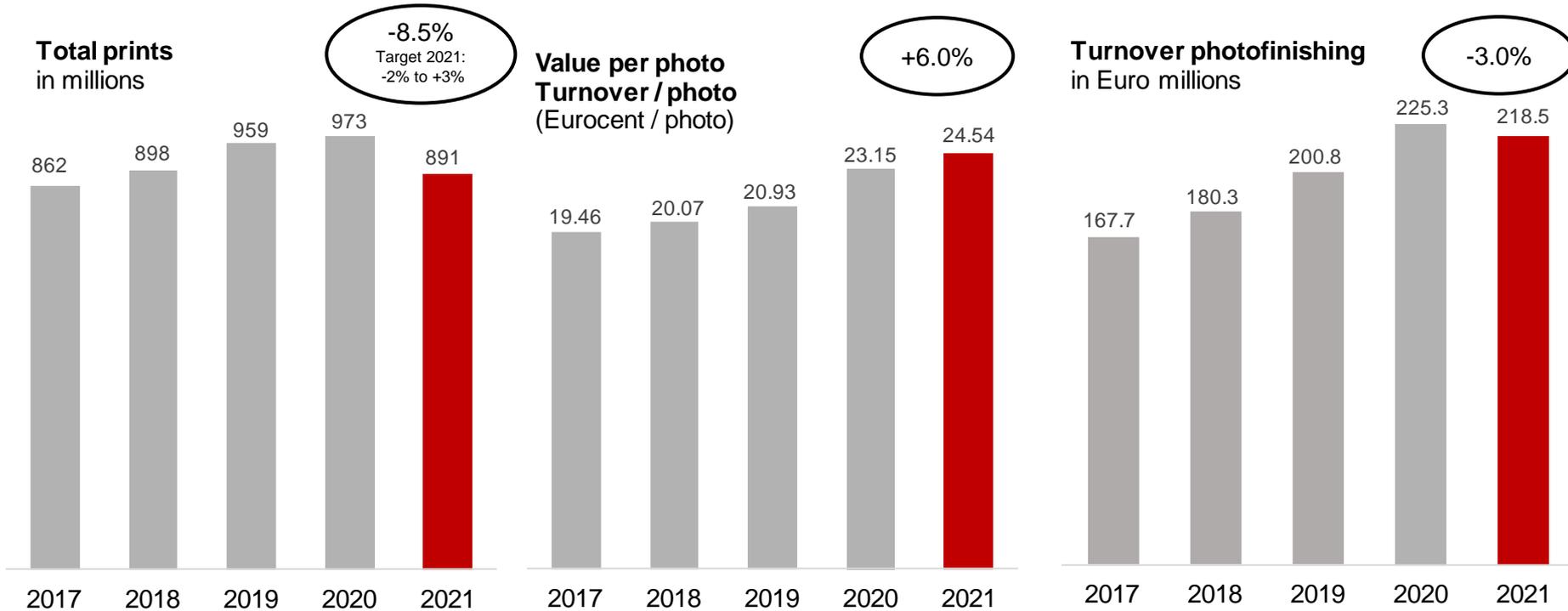
Turnover Photofinishing
in Euro millions



Rounding differences may occur.

- > After a long time first Corona easings in Q2: people catch up on things that were not possible in the lockdown and order fewer photo products (and even less multi-photo-products)
- > Turnover per photo increases with + 6.2%

Number of prints and turnover Photofinishing H1

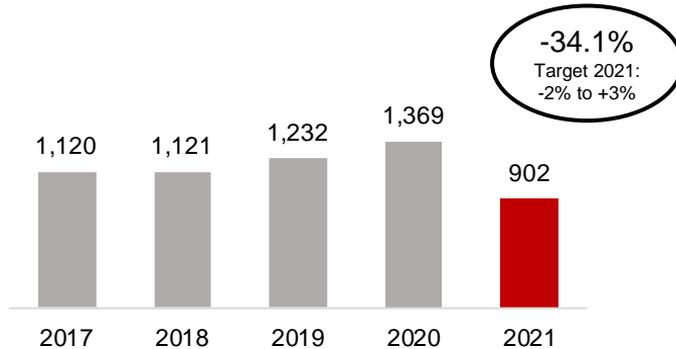


Rounding differences may occur.

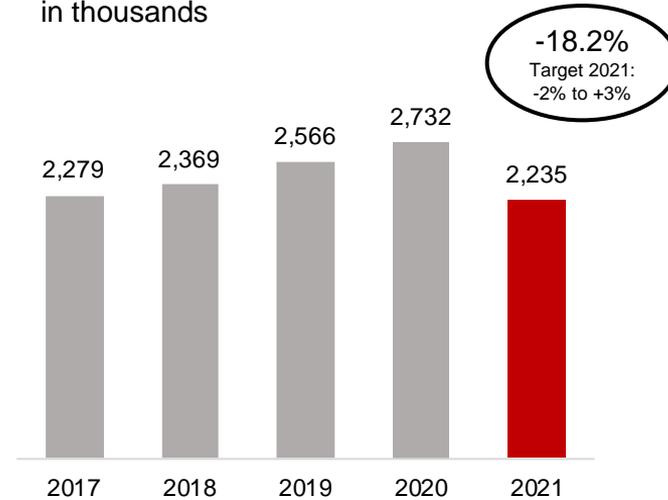
- > Q2 decline in demand also visible in the first half of the year: people catch up on things that were not possible in lockdown and order fewer photo products
- > Turnover per photo increases with + 6.0%

CEWE PHOTOBOOK Q2 and H1

CEWE PHOTOBOOK Q2
in thousands



CEWE PHOTOBOOK H1
in thousands

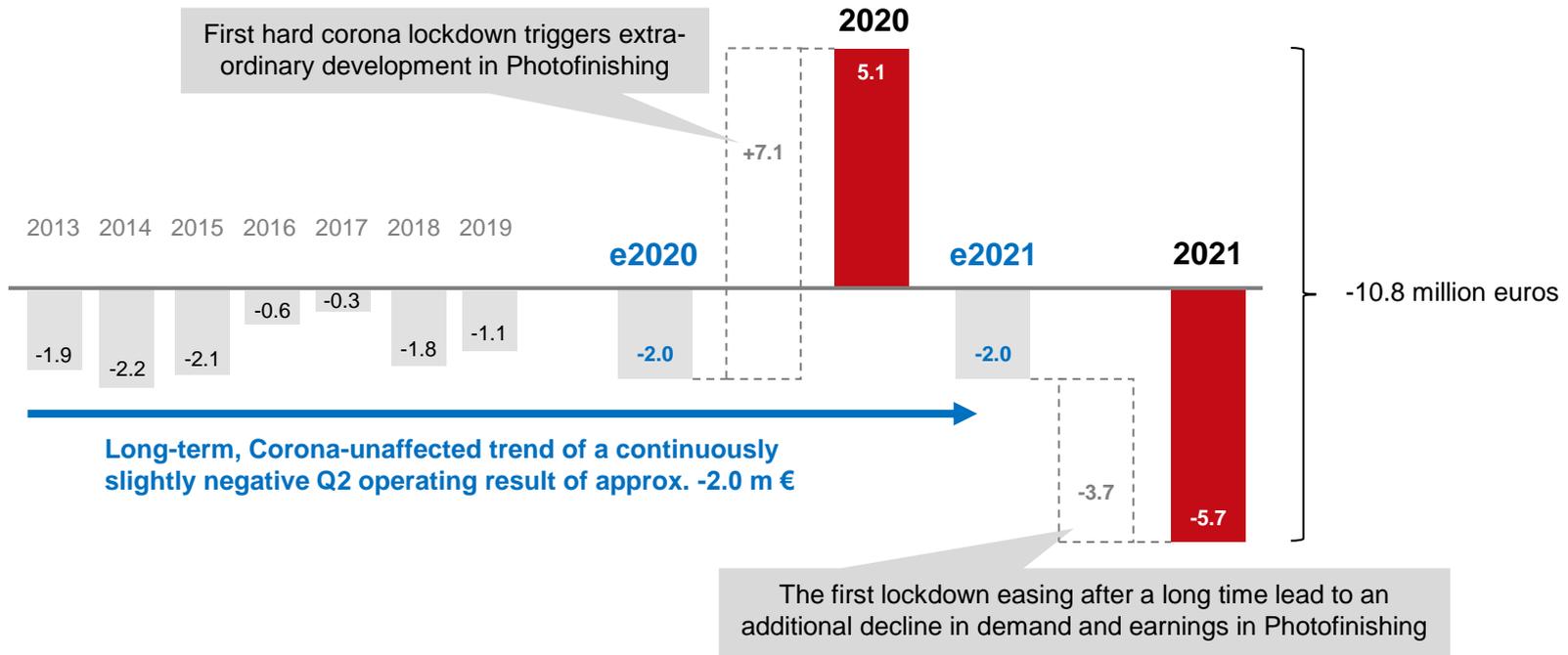


Rounding differences may occur.

- The extraordinary development in the Corona lockdown in Q2 of the previous year (catch up of many photo books, even with older image material) is not repeated, and (after a long time, the first) corona easings in the current Q2 reduced demand additionally
- Above all, the classic multi-photo product feels the temporary lack of images due to vacation restrictions

As expected, the previous year's extraordinary development in Photofinishing did not repeat

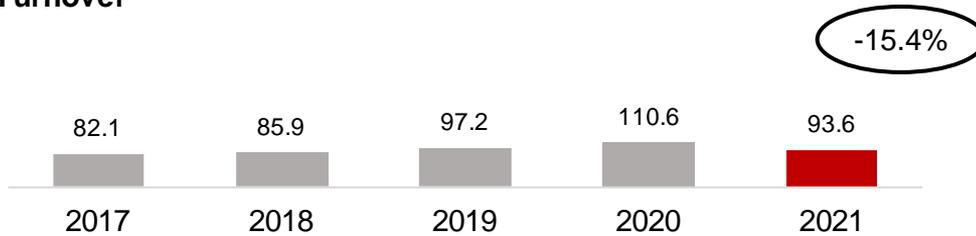
Photofinishing EBIT in Q2 in million euros



Business Segment Photofinishing Q2

in Euro millions

Turnover



EBIT



➤ **Q2 photofinishing weaker than in a normal non-coronavirus year: as soon as coronavirus easing was implemented in Q2 people caught up with things they couldn't do in lockdown, hence ordering fewer photo products**

Last year customers used the time spent at home during the first lockdown to place orders, including orders for photo products from old photos taken some time ago ("clean-up-effect"). As expected this extraordinary development was not repeated in Q2 this year.

On the contrary: The current easing of coronavirus restrictions (the first one in a long time) also dampened demand: people caught up with things they hadn't been able to do during lockdown and this resulted in fewer orders for photo products.

Additionally (pre) Easter business this year was in Q1 (March) and not in Q2 (April) as last year. Nor was there much post-Easter business this year, since less travelling/fewer Easter holiday trips overall clearly meant that far less photo material was available to people.

The decline in business resulting from the relaxing of coronavirus regulations led to a weaker photofinishing EBIT than in a "normal" non-coronavirus year prior to 2020

Only remaining 0.4 million euros in social insurance payments in the form of short-time work allowances helped offset some of the personnel costs incurred without work performed (Q2 2020: 0.7 million euros)

Q2 2021 special effects: - 1.0 million euros

- Effects resulting from the Cheerz purchase-price allocation: - 0.5 m. euros
- Effects resulting from the WhiteWall purchase-price allocation: - 0.5 m. euros

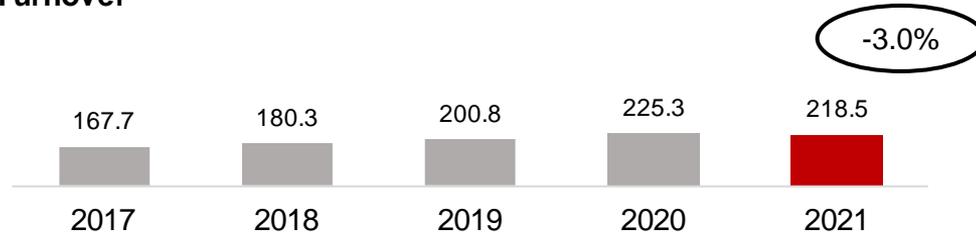
Previous-year special effects Q2 2020: - 1.1 million euros

- Effects resulting from DeinDesign purchase-price allocation: - 0.1 m. euros
- Effects resulting from Cheerz purchase-price allocation: - 0.5 million euros
- Effects resulting from WhiteWall purchase-price allocation: - 0.5 million euros

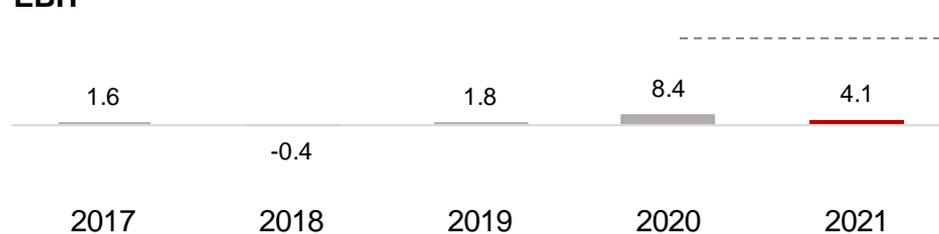
Business Segment Photofinishing H1

in Euro millions

Turnover



EBIT

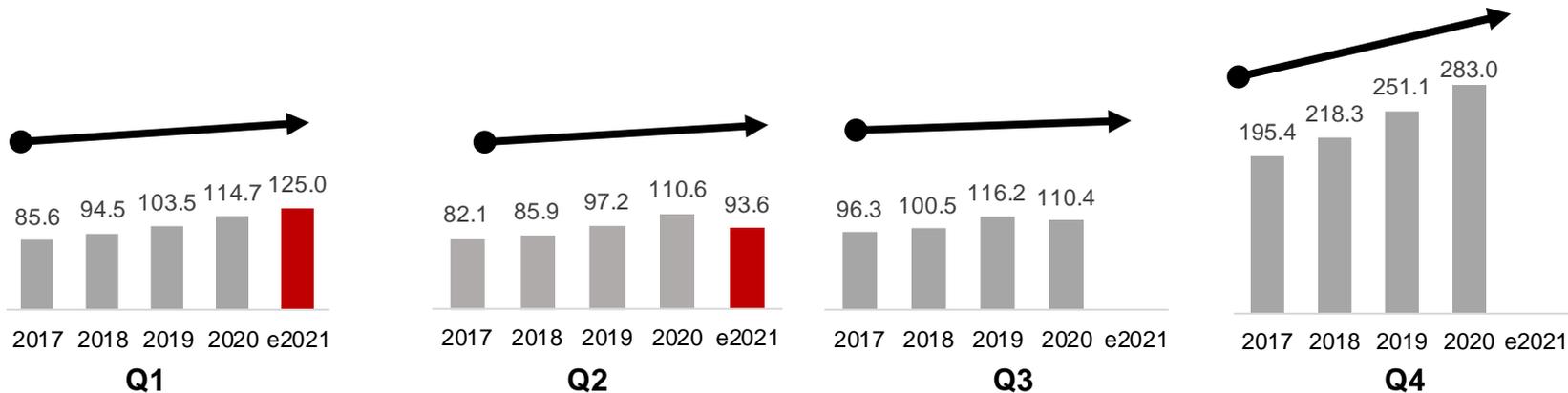


➤ **Switching between coronavirus lockdown and the easing of coronavirus restrictions has changed demand-related behaviour in Q1 and Q2 in comparison to the previous year and hence likewise the earnings situation**

- In 2021, demand for photo products and as a result photofinishing sales is showing a completely different profile from the one in 2020: Q1 2020 was the last so far largely "normal" (non-corona) quarter, Q1 2021 on the other hand was a period strongly affected by the lockdown, just like Q2 in 2020. In contrast, the current Q2 2021 was impacted by easings of coronavirus regulations.
- While the ongoing lockdown situation in Q1 generated growing online business to significantly benefit the development of sales and earnings, in Q2, as soon as initial coronavirus lockdown easing began, people caught up with what had not been possible during lockdown, thus generally ordering fewer photo products.
- The Q1 rise in earnings in photofinishing was absorbed in Q2 due to the change in demand: EBIT declined to 4.1 million euros
- Only remaining 0.6 million euros in social insurance payments in the form of short-time work allowances helped to offset some of the personnel costs incurred without work performed (H1 2020: 0.7 million euros)
- H1 2021 special effects: -2.1 million euros
 - Effects resulting from the Cheerz purchase-price allocation: - 1.0 million euros
 - Effects resulting from the WhiteWall purchase-price allocation: -1.1 million euros
- Previous year H1 2020 special effects: -2.2 million euros
 - Effects resulting from the DeinDesign purchase-price allocation: - 0.2 m. euros
 - Effects resulting from the Cheerz purchase-price allocation: - 1.0 million euros
 - Effects resulting from the WhiteWall purchase-price allocation: -1.0 million euros

Photofinishing-Turnover by Quarter

Estimated seasonal distribution: CEWE 2017 to 2021 – Share in turnover by quarter as a million



Turnover target 2021
approx. 600 to 660 m€*

Q1 target
114.0 to 125.4 m€

Q2 target
102.0 to 112.2 m€

Q1 actual
125.0 m€



Q2 actual
93.6 m€

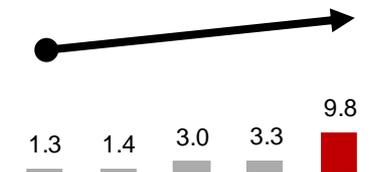


> **The extraordinary development in the Corona lockdown in Q2 of the previous year is not repeated, on the contrary (after a long time) the first corona easings in the current Q2 reduced demand and turnover**

Photofinishing-EBIT by Quarter

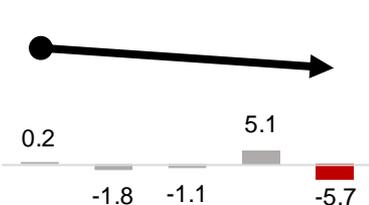
Estimated seasonal distribution: CEWE 2017 to 2021 – EBIT by quarter in Euro million

2017 2018 2019 2020 e2021

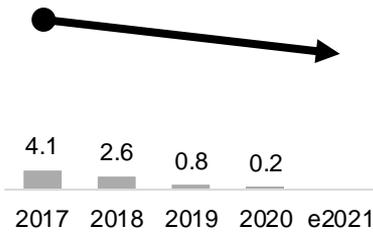


Q1

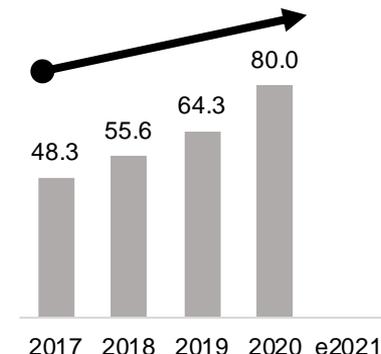
2017 2018 2019 2020 e2021



Q2



Q3



Q4

EBIT target 2021
73 to 85 m€*

Q1 target
+3.7 to +4.3 m€

Q2 target
-1.5 to -2.0 m€

Q1 actual
+9.8 m€



Q2 actual
-5.7 m€



- > The extraordinary development in the Corona lockdown in Q2 of the previous year is not repeated, on the contrary (after a long time) the first corona easings in the current Q2 reduced demand and turnover



1.2 Retail



Retail with focus on photofinishing business

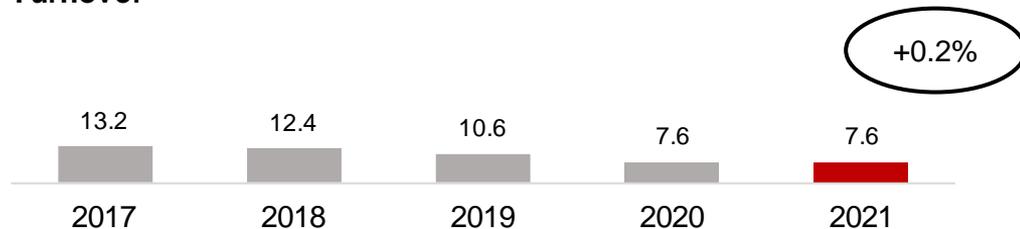


- Retail segment contains hardware revenue only, photofinishing business is shown in photofinishing segment

Business Segment Retail* Q2

in Euro millions

Turnover *



EBIT *



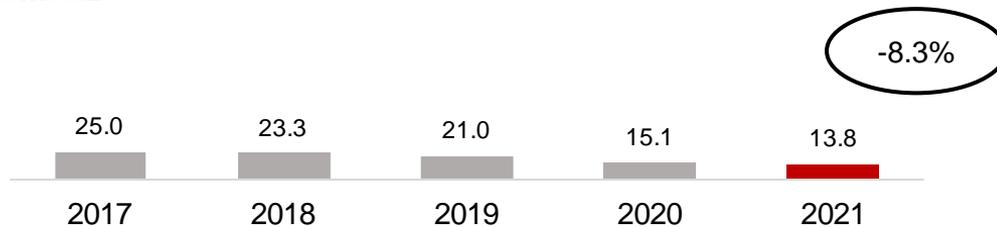
➤ **Hardware retailing improves with an optimised store structure earnings in Q2**

- Hardware retailing also benefited from coronavirus easing measures in the second quarter, achieving turnover at the same level as that of the previous year, at 7.6 million euros, in spite of having 40 stores fewer (corresponds to more than ¼ of the previous 140 stores)
- Due to a focus on photofinishing and online business and to refraining from low-margin hardware business, the active reduction in turnover before the onset of the coronavirus crisis was at around a strategic -10% to -15%
- The EBIT reported for retailing improved significantly by 2.9 million euros.
- In Q2 of the previous year, around 1.7 million euros in restructuring provisions and 1.5 million euros in allowances for inventories of stocks were accrued on the basis of the store structure optimisation announced
- Only remaining 0.2 million euros in social insurance payments in the form of short-time work allowances helped to offset some of the personnel costs incurred without any work being performed (Q2 2020: 0.8 million euros)
- Q2 2021 special effects: none
- Previous-year special effects Q2 2020: -3.2 million euros
 - Restructuring provisions for retailing: -1.7 million euros
 - Allowances for inventories of stocks: - 1.5 million euros

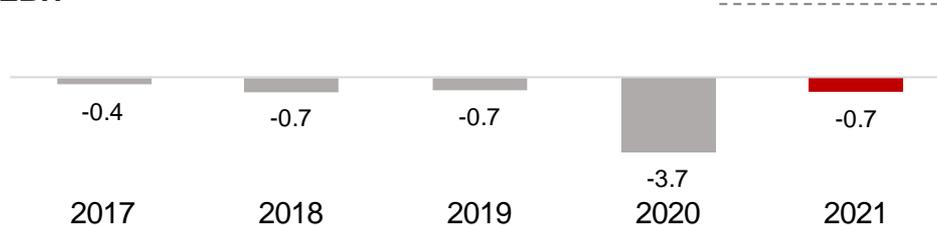
Business Segment Retail* H1

in Euro millions

Umsatz *



EBIT *



➤ **Hardware retailing improves with an optimised store structure earnings in H1**

- In Q1, retailing saw sales dropping by 16.8%, as a result of the ongoing lockdown situation and in a comparison with the pre-coronavirus period. A focus on photofinishing and online business and refraining from low-margin hardware business actively reduced turnover before the onset of the coronavirus crisis by around a strategic -10% to -15%. In Q2, also against the background of coronavirus easing and in spite of around 40 stores fewer (corresponds to more than ¼ of the previous 140 stores), retailing also achieved turnover at the same level as in the previous year
- By that the retail segment can somewhat slow down the decline in sales in the first half of 2021 to -8.3%

- The EBIT reported for retailing improved significantly by 2.9 million euros
- In H1 of the previous year, around 1.7 million euros in restructuring provisions and 1.5 million euros in allowances for inventories of stocks were accrued on the basis of the store structure optimisation announced
- Only remaining 0.7 million euros in social insurance payments in the form of short-time work allowances helped to offset some of the personnel costs incurred without any work being performed (H1 2020: 0.9 million euros)
- H1 2021 special effects: none
- Previous year H1 2020 special effects: -3.2 million euros
 - Restructuring provisions for retailing: -1.7 million euros
 - Allowances for inventories of stocks: -1.5 million euros

** only hardware, no photofinishing
Rounding differences may occur.*

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1.3 Commercial Online-Print

Commercial Online-Print



Service focus



Cost leader in industrial online printing



Metropolitan area Berlin

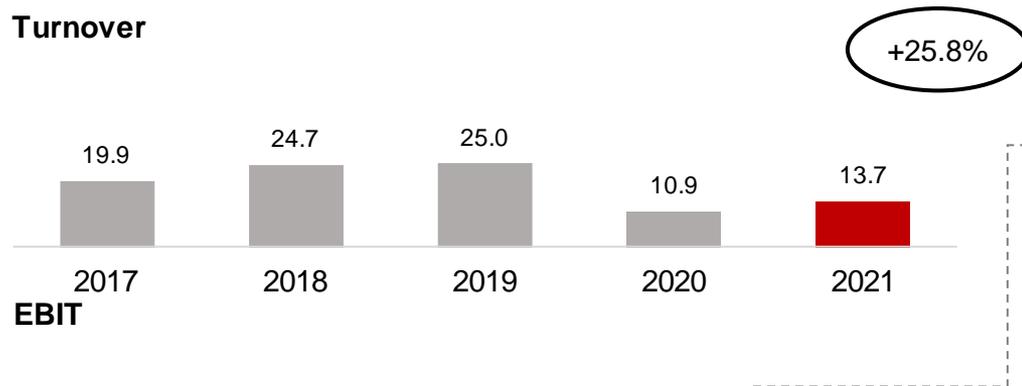


- Business and advertising prints: flyers, business cards, stationery, packaging, promotional items, etc.

Business Segment Commercial Online-Print Q2

in Euro millions

Turnover



EBIT



➤ **COP benefits from the easing of coronavirus rules with increasing turnover**

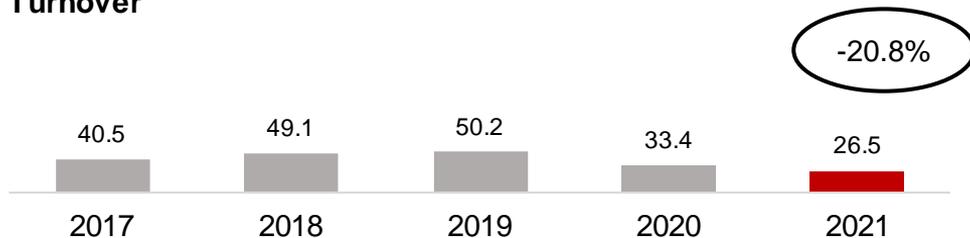
➤ **The optimised production and cost structure is sustainably improving the earnings situation in COP**

- Easing of coronavirus restrictions and the resulting revival of business life is seeing a rise in demand for printed advertising material. COP in B2B printing business has increased sales by 25.8% in comparison to the same quarter of the previous year which was clearly weakened by the coronavirus lockdown
- Thanks to this turnover and the optimised cost structure, COP improved its quarterly earning by a pleasing 2.6 million euros
- The ongoing strict cost management in conjunction with a generally more efficient production and cost structure back up this improvement in earnings
- Only remaining 0.3 million euros in social insurance payments in the form of short-time work allowances helped to offset some of the personnel costs incurred without any work being performed (Q2 2020: 0.8 million euros)
- Q2 2021 special effects: -0.1 million euros
 - Effects resulting from the Laserline purchase-price allocation: - 0.1 million euros
- Previous-year special effects Q2 2020: -0.1 million euros
 - Effects resulting from the Laserline purchase-price allocation: - 0.1 million euros

Business Segment Commercial Online-Print H1

in Euro millions

Turnover



EBIT



➤ **The optimised production and cost structure is sustainably improving the earnings situation in COP**

- In Q1, COP was strongly impacted by the coronavirus in a B2B printing business, with a 43.2 % drop in sales during lockdown in comparison to a virtually coronavirus-free first quarter in 2020. In Q2, the easing of coronavirus restrictions and the resulting revival of business life is perceivable and is seeing a rise in demand for printed advertising material: COP increased by 25.8% against the second quarter of 2020 which was weakened by the coronavirus lockdown
- The COP thus achieved a total turnover of 26.5 million euros in the first half of 2021 and reduced the accumulated decline in turnover to -20.8%
- The ongoing strict cost management in conjunction with a generally more efficient production and cost structure resulted in a clear improvement in earnings in the amount of 2.6 m. euros
- Remaining 0.9 million euros in social insurance payments in the form of short-time work allowances helped offset some of the personnel costs incurred without work performed (H1 2020: 0.9 million euros)
- H1 2021 special effects: - 0.1 million euros
 - Effects resulting from the Laserline purchase-price allocation: - 0.1 m. euros
- Previous year H1 2020 special effects: -0.2 million euros
 - Effects resulting from the Laserline purchase-price allocation: - 0.2 m. euros



1.4 Other

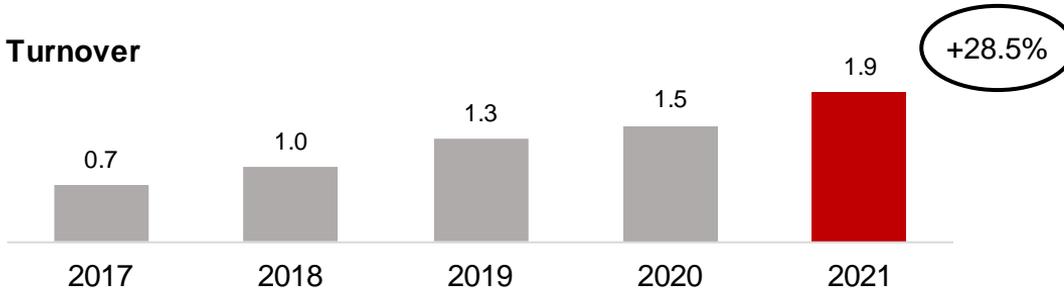


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Business Segment Other Q2

in Euro millions

Turnover



EBIT



Structural and corporate costs and profits arising from real estate property and company investments are shown in the "other" business segment.

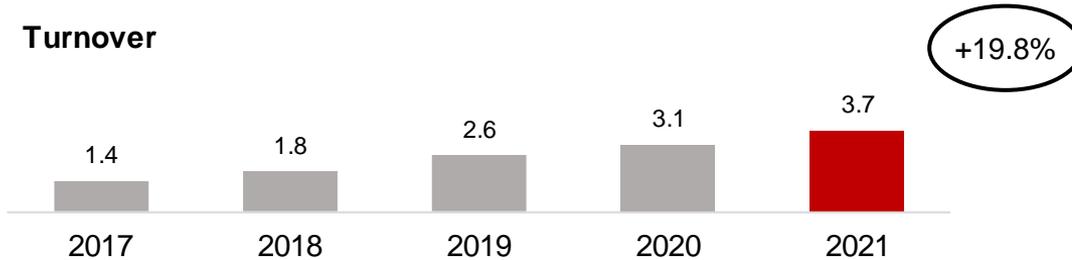
- futalis continues to develop strongly and increases turnover in the other business segment by 28.5%
- The EBIT contribution of the segment is mainly due to the costs for the Annual General Meeting (in the previous year only in October) at EUR -0.3 million, around EUR 150 thousand less than in the previous year (Q2 2010: EUR -0.1 million)
- With a slightly positive result above the break-even level, futalis continues to make a very gratifying contribution to the segment result

➤ **Segment for Other business continues to increase turnover**

Business Segment Other H1

in Euro millions

Turnover



EBIT



Structural and corporate costs and profits arising from real estate property and company investments are shown in the "other" business segment.

- futalis continues to develop strongly and increases turnover in the other business segment by 19.8%
- The segment's contribution to EBIT is slightly weaker than in the previous year, mainly due to the costs for the Annual General Meeting (last year only in October)
- With a slightly positive result above the break-even level, futalis continues to make a very gratifying contribution to the segment result

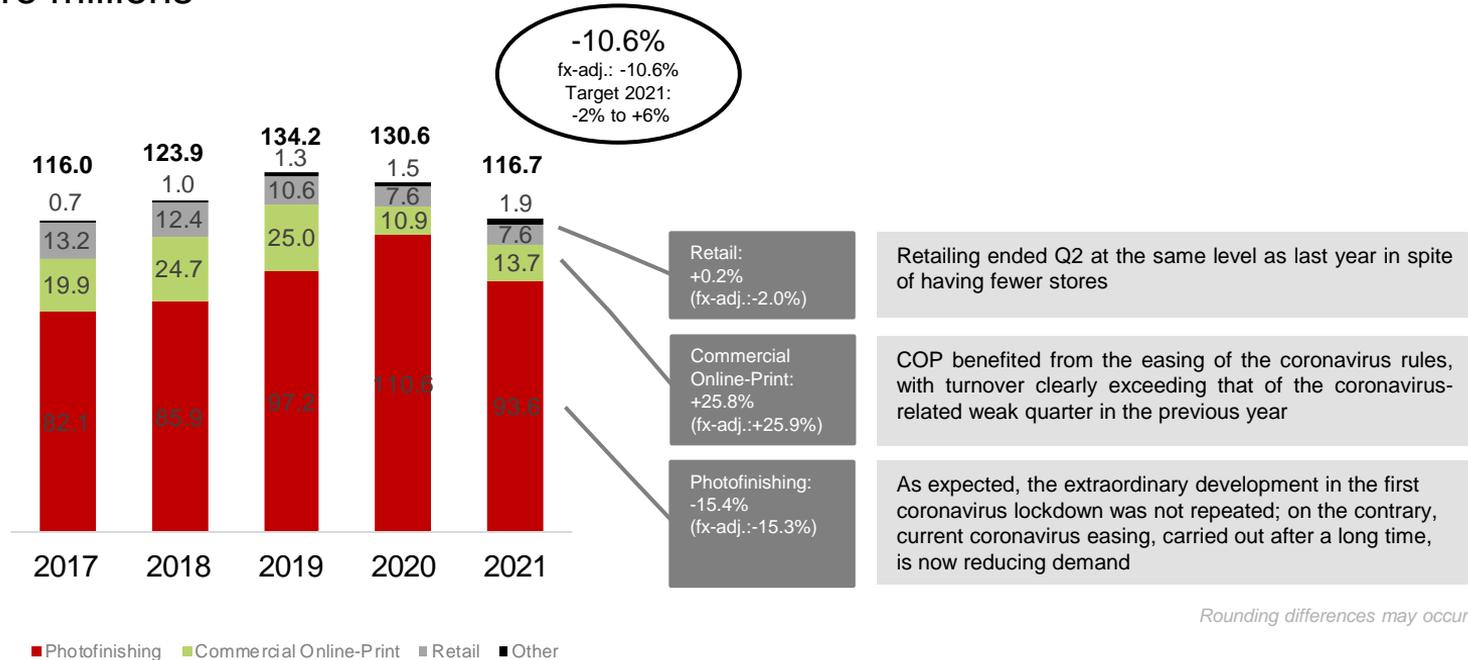
➤ **Segment for Other business continues to increase turnover**



2. Group Results Q2 2021

Group Turnover Q2

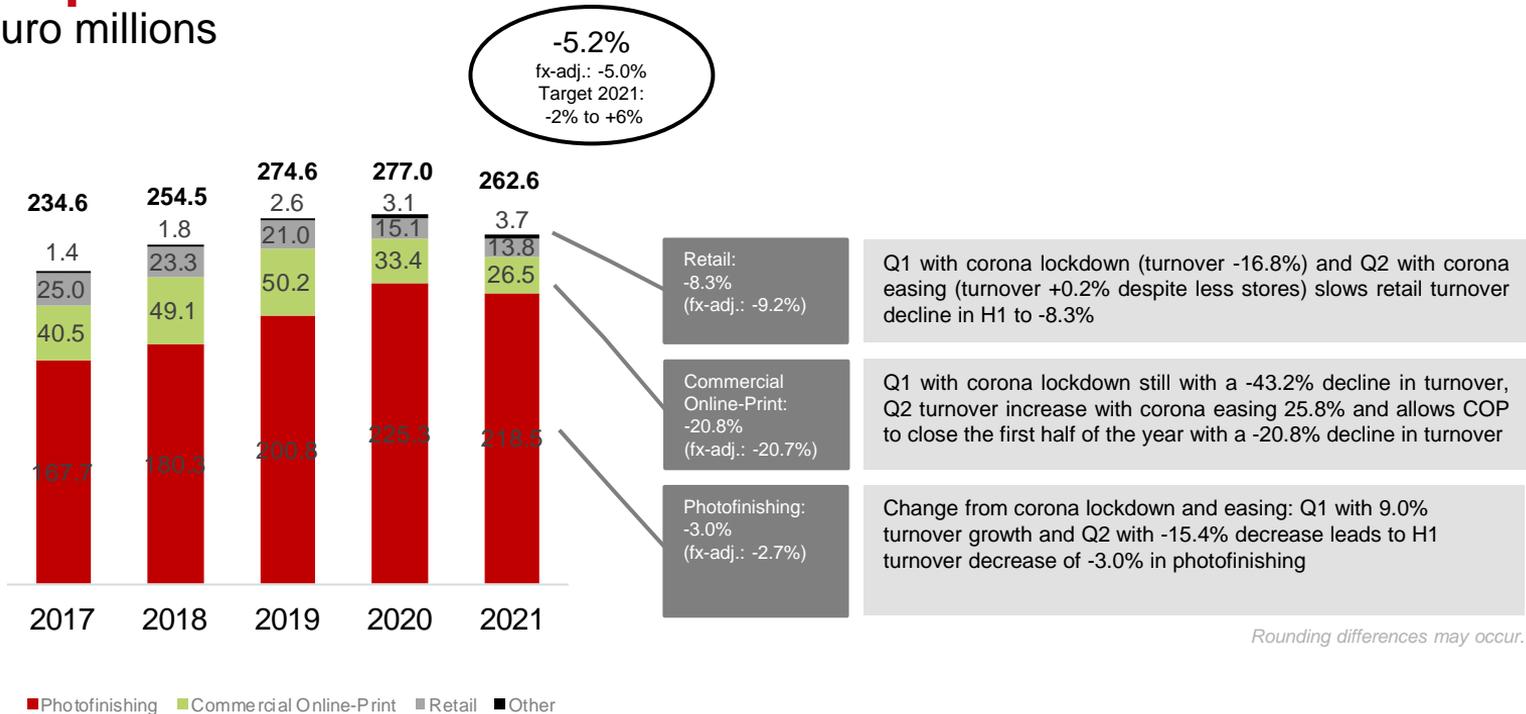
in Euro millions



- > The extraordinary development in photofinishing last year was not repeated as expected; easing of restrictions additionally reducing demand and turnover
- > COP turnover clearly raised and retailing at the same level as last year

Group Turnover H1

in Euro millions

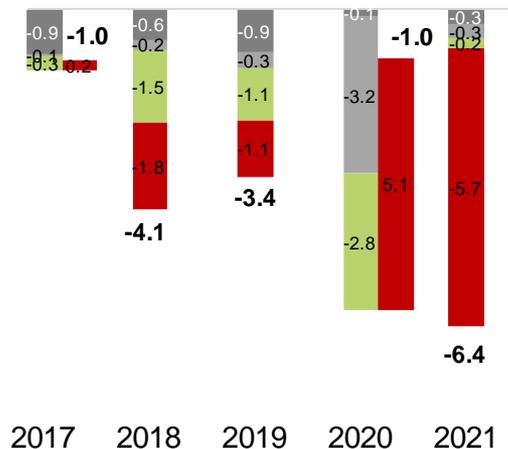


➤ **Q2 decline in turnover in photofinishing also perceivable at a Group level in H1**

EBIT

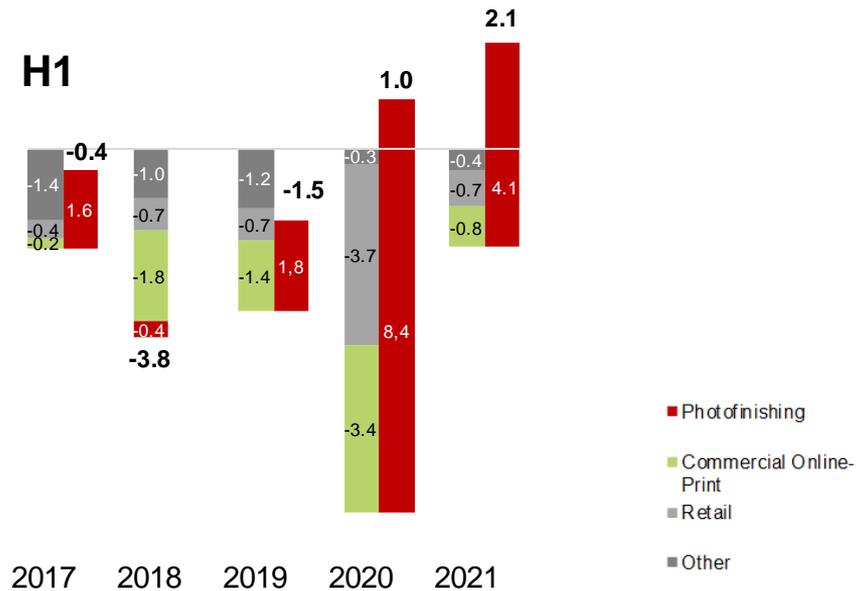
in Euro millions

Q2



➤ Q2 Group EBIT: corona-driven decline in photofinishing earnings greater than improvement in earnings in COP and retail

H1



➤ With a head start in Q3: Group EBIT in H1 better by 1.1 million euros than in the previous year



3. Financial details

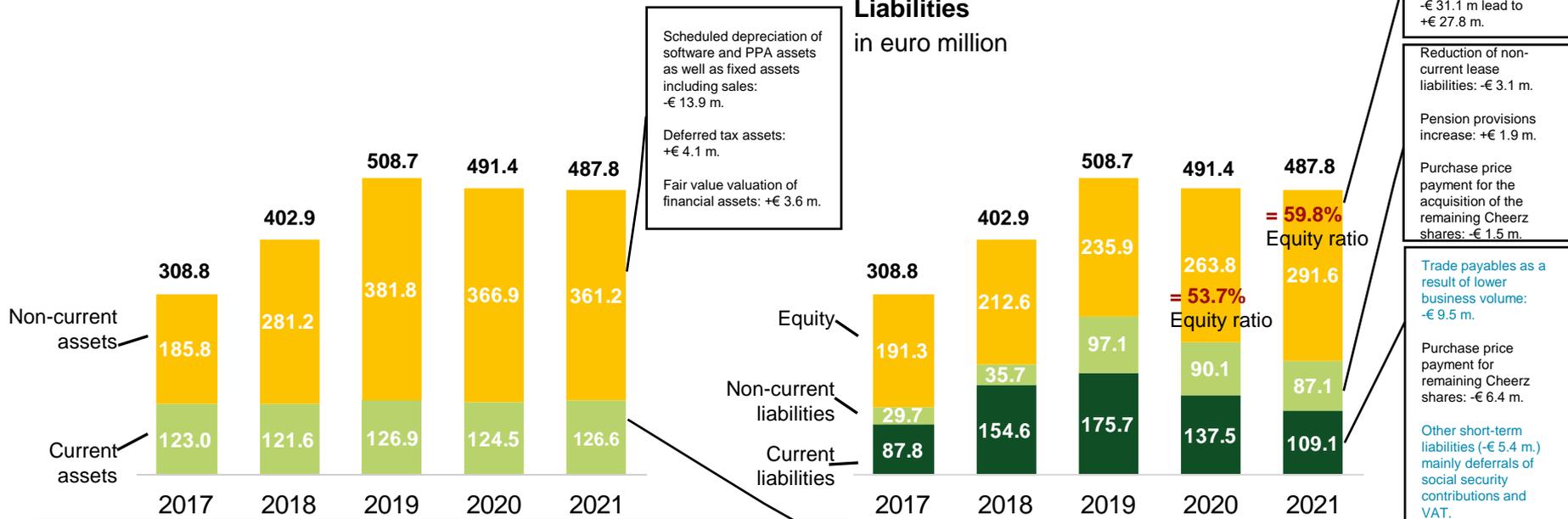
Consolidated income statement Q2

Figures in millions of euros	Q2 2020	% Turnover	Q2 2021	% Turnover	Δ as %	Δ as m€
Turnover	130.6	100.0%	116.7	100.0%	-10.6%	-13.8
Increase / decrease in finished and unfinished goods	0.1	0.1%	0.0	0.0%	62%	-0.1
Other own work capitalised	0.4	0.3%	0.3	0.2%	-33%	-0.1
Other operating income	4.2	3.2%	6.3	5.4%	48.7%	2.1
Cost of materials	-33.5	-25.7%	-31.5	-27.0%	-6.1%	2.0
Gross profit	101.7	77.9%	91.8	78.7%	-9.7%	-9.9
Personnel expenses	-43.4	-33.3%	-45.0	-38.5%	-3.5%	-1.5
Other operating expenses	-45.4	-34.8%	-40.4	-34.6%	11.1%	5.0
EBITDA	12.9	9.9%	6.5	5.5%	-49.8%	-6.4
Amortisation/Depreciation	-13.8	-10.6%	-12.9	-11.1%	6.8%	0.9
Earnings before interest, taxes (EBIT)	-1.0	-0.7%	-6.4	-5.5%	560%	-5.5

Rounding differences may occur.

- (+) Commercial Online-Print and Retail
- (-) Photofinishing (extraordinary development 2020 + Corona easing 2021)
- (+) Release of provisions for allowances, sale of fixed assets
- (+) Income from recyclable residual production materials
- (+) Business-driven reduction
- (+) Allowances for inventories in retail in the previous year
- (-) Exercise of stock option program, tariff adjustm., less short-time work
- (+) Reductions in Commercial Online-Print and Retail
- (+) Business-driven decline (especially mail order costs)
- (+) Restructuring provisions in Retail in the previous year

Balance Sheet at 30 June

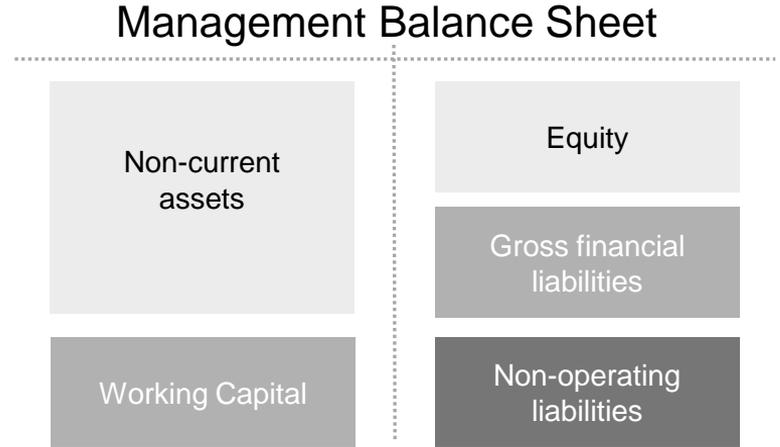
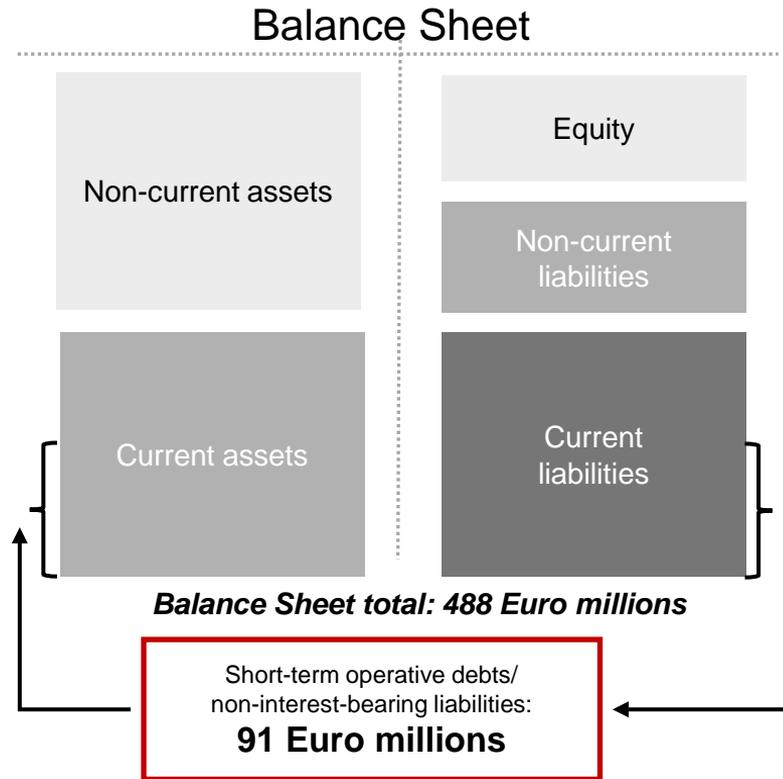


The decline in liquid funds (-€ 6.9 million) especially influenced by again regular income tax prepayments (expiry of special Corona measures, which increase the receivables from income tax refunds (+€ 6.8 m.)).

Stocks from a build-up of inventory in onsite photofinishing and COP, at the same time inventory reduction in retailing: +€ 2.6 m.

- > **CEWE with a very strong equity ratio of 59.8%**
- > **Expiry of Corona-related liquidity aid and Corona-related fewer supplier liabilities reduce liabilities, while equity increases due to strong Christmas business of last year**

From Balance Sheet to Management Balance Sheet

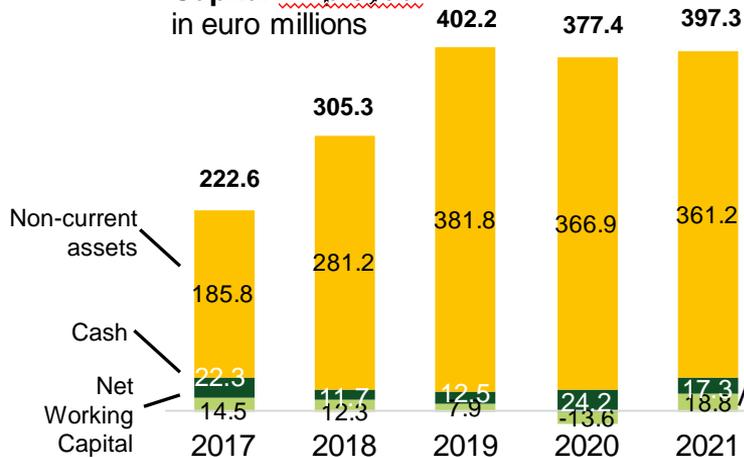


Balance Sheet total: 397 Euro millions

- > The Balance Sheet total is reduced to capital elements "to be paid for" (by way of dividends or interest) in the management balance sheet

Management-Balance Sheet at 30 June

Capital Employed
in euro millions



Scheduled depreciation of software and PPA assets as well as fixed assets including sales: -€ 13.9 m.

Deferred tax assets: +€ 4.1 m.

Fair value valuation of financial assets: +€ 3.6 m.

Net operative working capital

Stocks from a build-up of inventory in onsite finishing and COP, at the same time inventory reduction in retailing: +€ 2.6 m.

Trade payables due to less business -€ 9.5 m.

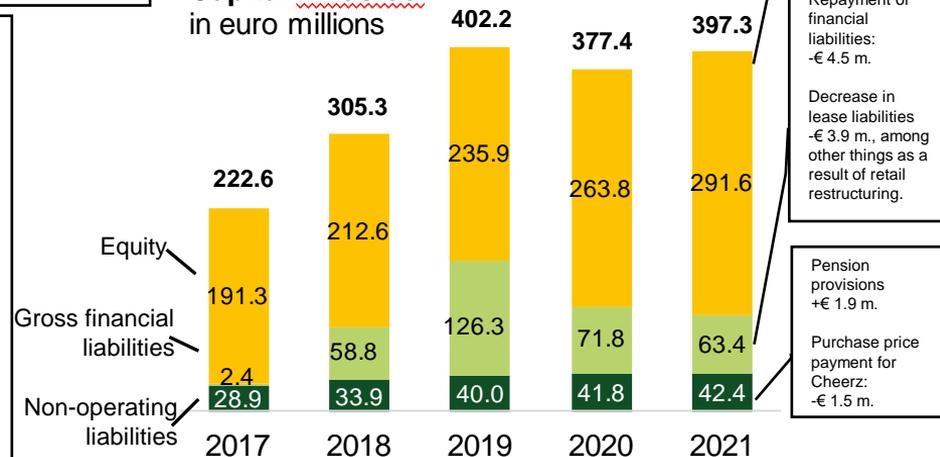
Other net working capital

Short-term tax item due to positive development of business: +€ 6.5 m.

Purchase price payment for acquisition of the remaining Cheerz shares reduces financial debt: -€ 6.4 m.

Mainly deferrals of social security contributions and VAT: -€ 5.4 m.

Capital Invested
in euro millions



Positive overall result: +€ 58.6 m. and dividends of -€ 31.1 m lead to +€ 27.8 m.

Repayment of financial liabilities: -€ 4.5 m.

Decrease in lease liabilities -€ 3.9 m., among other things as a result of retail restructuring.

Pension provisions +€ 1.9 m.

Purchase price payment for Cheerz: -€ 1.5 m.

➤ Capital employed increases due to the corona-related increase in net working capital

Free cash flow Q2

Decrease of € 8.8 m., due to lower operating investments, lower cash outflows for consolidated shares and more inflows from investments in financial assets and the sale of property, plant and equipment

Decrease of -€ 42.9 m., due to::

-€ 4.1 m. **earnings** (total EBITDA and non-cash effects)

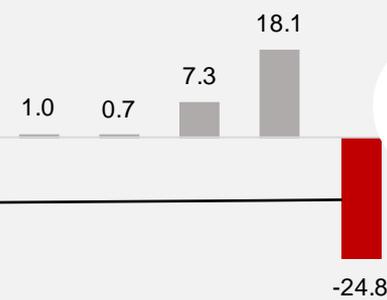
-€ 21.6 m. **tax payments** (postponed or reduced in the same quarter of the previous year due to Corona)

-€ 11.4 m. **other net working capital** (mainly lower increase in sales tax liabilities due to lower sales and last year's deferral of social security payments in France in the same quarter)

-€ 5.8 m. **operating net working capital** (especially in the previous year due to the corona-related increase in trade payables)

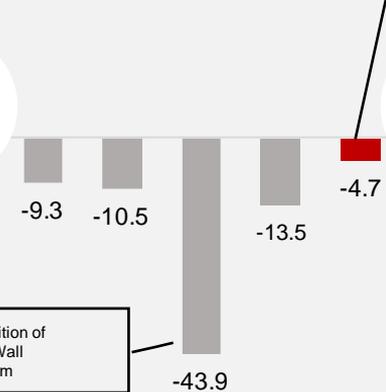
Cash Flow from operating business in euro millions

2017 2018 2019 2020 2021



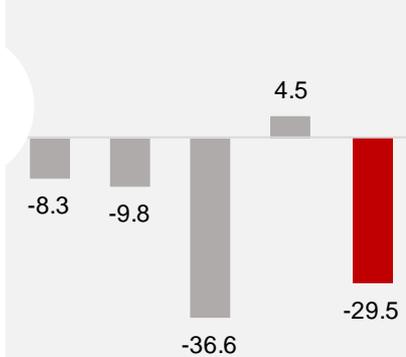
Outflow of funds from investment activities in euro millions

2017 2018 2019 2020 2021



Free-Cash Flow in euro millions

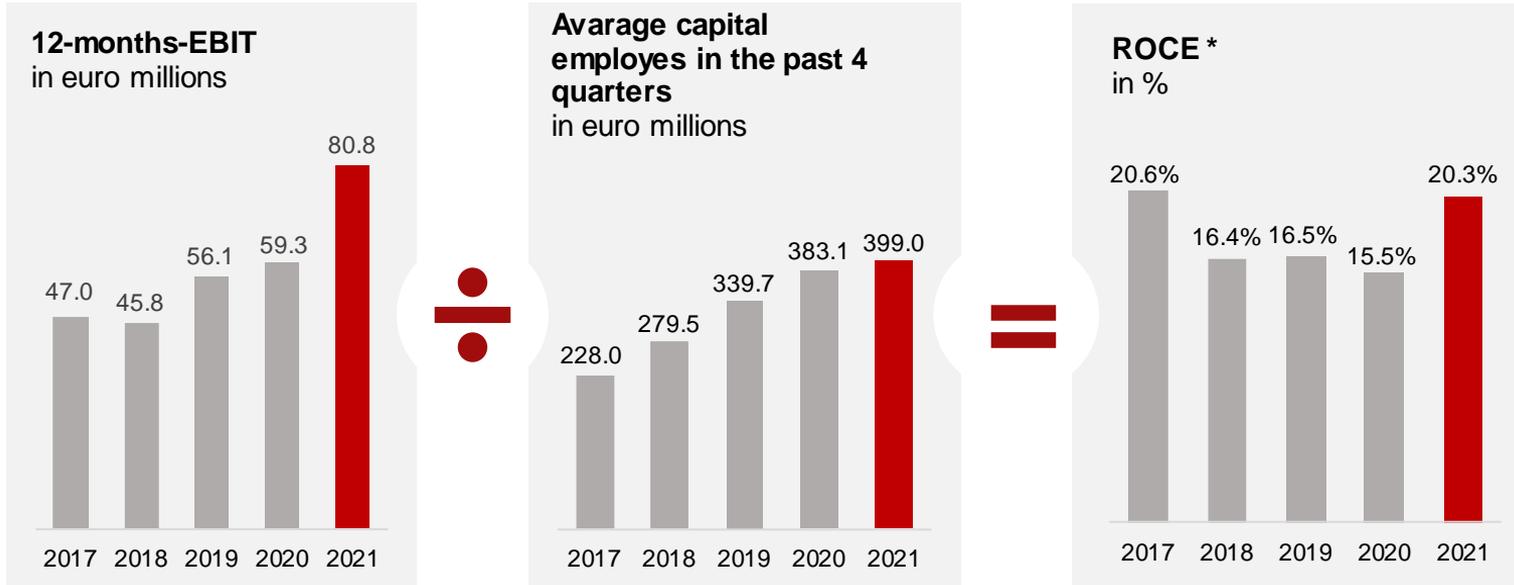
2017 2018 2019 2020 2021



Rounding differences may occur.

- Corona-related postponements of income tax payments and the absence of positive effects from the special Corona economy in Q2 2020 reduce cash flow from operating activities by 42.9 million Euro
- Lower cash outflow from investing activities
- Free cash flow in the second quarter fell by 34.1 million Euro as a result of various corona effects

ROCE



➤ Above all, earnings development of the 2020 Christmas business increases ROCE to 20.3%

* ROCE = EBIT / ⚡ Capital Employed. Rounding differences may occur.



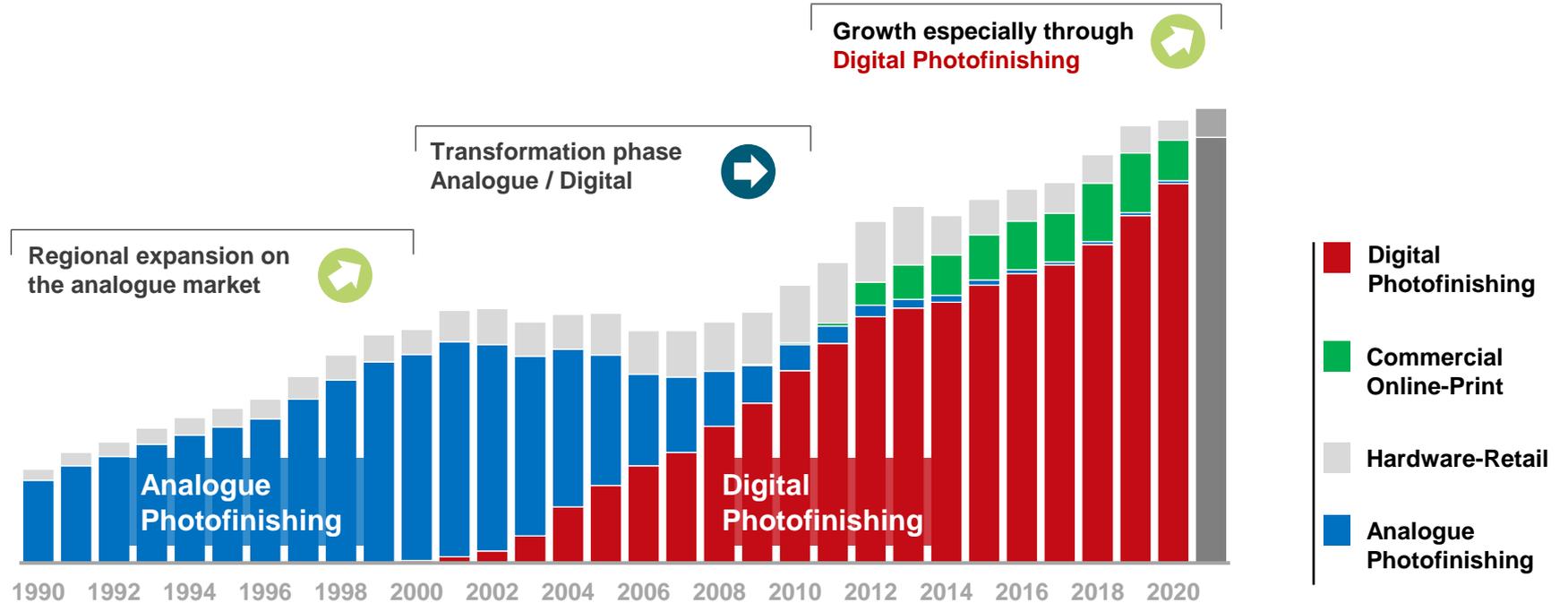
4. Outlook

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Revenue e2021: CEWE should continue to grow

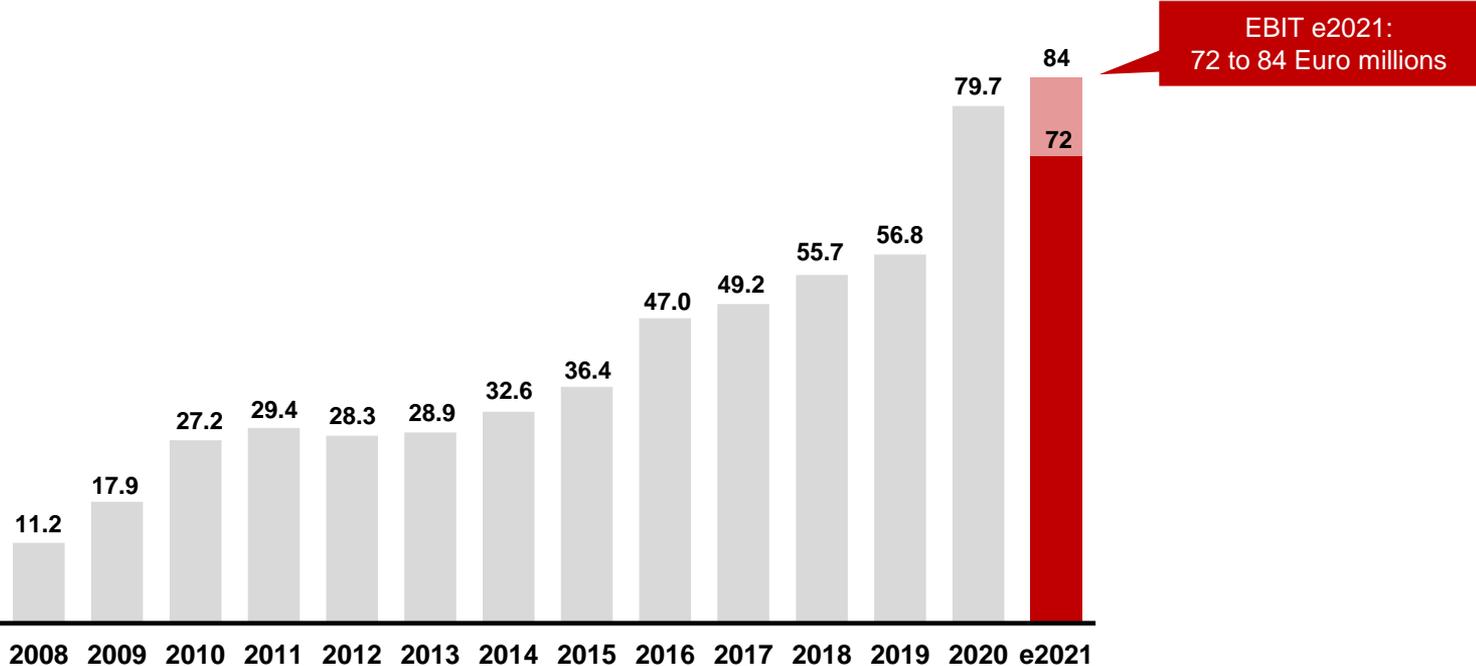
Revenue (CONCEPTUAL)

e2021: 710 to 770
Euro millions



EBIT development: e2021

in Euro millions



H1 with a head start confirms CEWE Group Targets 2021

EBIT in Euro millions	Q1	Q2	Q3	Q4	Full Year
2020	2.0	-1.0	-1.7	80.3	79.7
2021	8.6	-6.4			EBIT e2021 72 to 84
Δ 2021 vs. 2020	+6.6	-5.5			
	H1 +1.1				

CEWE Group Targets 2021

Targets		PY 2020	Target 2021	Change in %
Photos ¹	billion photos	2.34	~2.3 to ~2.4	-2 to +3
CEWE PHOTO BOOK	millions	6.52	~6.4 to ~6.7	-2 to +3
Operational Investments ²	Euro millions	35.6	~48	
Revenue	Euro millions	727.3	710 to 770	-2 to +6
EBIT	Euro millions	79.7	72 to 84	-10 to +5
EBT ³	Euro millions	76.4	70 to 82	-8 to +7
Earnings after tax ⁴	Euro millions	51.9	48 to 56	-8 to +7
Earnings per share	Euro	7.20	6.60 to 7.73	-8 to +7

¹ The number of photos is the sum of the images with which CEWE photo products were designed and refers to all images that are used in value-added products (e.g. CEWE PHOTOBOOK, CEWE CARDS, CEWE CALENDAR, CEWE WALL PICTURES and other photo gifts)

Rounding differences might occur.

² Outflows from investments in property, plant and equipment and intangible assets, netted against inflows from the sale of property, plant and equipment and intangible assets; without acquisitions/company acquisitions

³ Without subsequent valuations of equity instruments

⁴ Based on the normalized group tax rate of the previous year

» The ranges of these 2021 targets reflect the uncertainty that is currently arising from the pandemic and potential effects on CEWE's business development





5. Q&A-Session

Analyst Conference Call Q2 2021

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