
Information of the Einhell Group

Annual general meeting of Einhell Germany AG

On Friday, June 19, 2020 the ordinary general meeting took place at the business premises of Einhell Germany AG, Landau an der Isar, which took place as a virtual general meeting without the physical presence of the shareholders or their representatives.

CEO Andreas Kroiss reported in his speech about the following issues:

The Einhell Group achieved once again a record turnover in the past financial year. For the financial year 2019, the Einhell Group generated revenues of € 605.7 million in comparison with the previous year of € 577.9 million. The Einhell Group achieved earnings before tax of € 32.5 million (previous year € 36.0 million) with a pretax yield of 5.4% (previous year 6.2%). These earnings represent the third best result in the company's 55-years history.

For the period January to May 2020, the group-revenues amount to € 273.1 million (previous year € 273.3 million). In May, very positive revenues were recorded in almost all sales channels due to high demand. This means that the Einhell Group was able to compensate in May the sales declines caused by the corona pandemic in March and April. The sales achieved with products from the Power X-Change platform were also very satisfying.

The Einhell Group will pay a dividend to its shareholders unchanged to the previous year of € 1.40 per preferred share and € 1.34 per common share.

E-commerce is the fastest growing sales channel in the DIY industry. Since this area also has a high priority at Einhell and differs significantly from the conventional sales channels, Einhell relies on specialists. For this reason, the online trade area is separated from the stationary sales and supervised by e-commerce experts. E-commerce managers are already in use in some group companies. This approach should be rolled out to all Group companies in the short to medium term.

In order to push ahead with the internationalization of the Company, we aim to tap into the markets in Thailand and South Africa. We intend to enter the market in Thailand with the help of a partner or suitable takeover candidate. In addition, the market in South Africa should be also initially served with a partner; a subsequent takeover of the partner should follow.

Due to the very positive business development in recent weeks, the Board of Directors does not rule out that the forecast for the year 2020 issued at the beginning of the year with revenue of € 610 million and a pretax yield of 5.5% could now be achieved. However, this assumes that no second wave of Covid19 infections and the resulting limitations will occur in the markets that are relevant for Einhell.

Landau/Isar, 19 June 2020

The Board of Directors