

PRESS RELEASE

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HUNTER DOUGLAS RESULTS Q1 2021

Rotterdam, May 6, 2021 – Hunter Douglas, the world market leader in window coverings (Luxaflex®) and a major manufacturer of architectural products, results for Q1 2021:

- **Sales:** 25.9% higher to USD 1,052.2 million, compared with USD 835.8 million in Q1 2020.

The 25.9% sales increase reflects a 22.5% volume increase and 3.4% positive currency impact. Volume increased in all areas.

The sales increase reflects unusually strong demand for home furnishing products in particularly North America and Europe due to the COVID-19 crisis; including a high backlog from Q4 2020.

North America accounted for 53% of sales, Europe 38%, Asia 3%, Latin America 3%, and Australia 3%. Window Coverings were 94% and Architectural Products 6% of sales.

- **Earnings before interest, tax, depreciation and amortization – EBITDA:** USD 182.5 million, compared with USD 88.1 million in Q1 2020.
- **Income from Operations:** USD 144.1 million compared with USD 49.6 million in Q1 2020. Results in local currencies were higher in all areas.
- **Profit before Tax:** USD 144.0 million, compared with USD 48.4 million in Q1 2020.
- **Total Net Profit:** USD 108.6 million (per share EUR 2.61) compared with USD 38.6 million in Q1 2020 (per share EUR 1.00).

Operating cash flow:

USD 37.7 million negative compared with USD 5.2 million negative in Q1 2020.

The outlook is cautiously optimistic but dependent on the development of the COVID-19 crisis and an expected normalization of consumer demand.

Hunter Douglas is in a strong position in terms of its brands, products, distribution and finances.

Profile Hunter Douglas

Hunter Douglas is the world market leader in window coverings and a major manufacturer of architectural products. The Company has its Head Office in Rotterdam, the Netherlands, and a Management Office in Lucerne, Switzerland. The Group is comprised of 134 companies with 47 manufacturing and 87 assembly operations in more than 100 countries. Hunter Douglas employs about 23,000 people and had sales in 2020 of USD 3.5 billion.

The common shares of Hunter Douglas N.V. are traded on Amsterdam's Euronext and the Frankfurter Börse .

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A consolidated Statement of Income (Annex 1), Balance Sheet (Annex 2), Cash Flow Statement (Annex 3) and Sales change attribution percentages by geographic region (Annex 4) are attached.

Annex 1

CONSOLIDATED STATEMENT OF INCOME

Q1 ended March 31
 (amounts in USD/mln)

	<u>2021</u>	%	<u>2020</u>	%
Net sales	1,052.2		835.8	*
Cost of sales	<u>-616.9</u>		<u>-494.8</u>	*
Total gross profit	435.3	41.4	341.0	40.8
Expenses:				
-Marketing, A & P and selling	<u>-180.7</u>		<u>-179.1</u>	
-General and administrative	<u>-72.1</u>		<u>-73.8</u>	
Subtotal expenses	<u>-252.8</u>		<u>-252.9</u>	
EBITDA	182.5	17.3	88.1	10.5
Depreciation and amortization	<u>-38.4</u>		<u>-38.5</u>	
Income from operations	144.1	13.7	49.6	5.9
Interest received	0.1		0.2	
Interest paid	<u>-1.1</u>		<u>-2.5</u>	
Other financial income	<u>0.9</u>		<u>1.1</u>	
Income before taxes	144.0		48.4	
Taxes on income	<u>-35.4</u>		<u>-9.8</u>	
Profit before non-controlling interest	108.6		38.6	
Non-controlling interest	<u> </u>		<u> </u>	
Total net profit	<u>108.6</u>	10.3	<u>38.6</u>	4.6
Net profit per average common share	3.12		1.11	
Net profit per average common share - fully diluted	3.12		1.11	

* restated for outgoing freight reclassification

Annex 2

CONSOLIDATED BALANCE SHEET
 As per March 31
 (amounts in USD/mln)

	<u>2021</u>	<u>2020</u>
ASSETS		
Fixed assets		
Intangible fixed assets	1,407.0	1,357.0
Tangible fixed assets	468.8	492.0
Right-of-use tangible fixed assets	135.6	127.1
Other financial non-current assets	<u>210.2</u>	<u>195.2</u>
Total fixed assets	2,221.6	2,171.3
Current assets		
Inventories	617.6	624.9
Accounts receivable		
-Trade	437.7	379.9
-Other	184.4	152.8
Cash and other short-term deposits	<u>50.0</u>	<u>34.2</u>
Total current assets	<u>1,289.7</u>	<u>1,191.8</u>
	<u>3,511.3</u>	<u>3,363.1</u>
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Capital stock	9.8	9.2
Additional paid-in capital	167.3	167.3
Retained earnings	<u>1,847.0</u>	<u>1,578.8</u>
Total shareholders' equity	2,024.1	1,755.3
Non-controlling interest	<u>0.3</u>	<u>0.1</u>
Total Group equity	2,024.4	1,755.4
Non-current liabilities		
Interest-bearing loans and borrowings	205.3	491.2
Lease liabilities	102.3	96.1
Preferred shares	9.7	9.2
Provisions	224.7	270.9
Deferred income tax liabilities	<u>43.9</u>	<u>33.1</u>
Total non-current liabilities	585.9	900.5
Current liabilities		
Trade and other payables	832.4	603.6
Lease liabilities	40.6	37.0
Interest-bearing loans and borrowings	<u>28.0</u>	<u>66.6</u>
Total current liabilities	<u>901.0</u>	<u>707.2</u>
	<u>3,511.3</u>	<u>3,363.1</u>

Annex 3

CONSOLIDATED CASH FLOW STATEMENT

Q1 ended March 31
 (amounts in USD/ mln)

	<u>2021</u>	<u>2020</u>
Net profit from continuing operations	108.6	38.6
Net profit (loss) from discontinued operations		
Adjustments for:		
Depreciation tangible fixed assets	21.1	21.5
Depreciation right-of-use tangible fixed assets	11.1	10.8
Amortization patents & trademarks	6.2	6.2
Decrease provisions	-4.8	-20.4
Other non-cash items	7.2	-5.4
Operating cash flow before working capital changes	149.4	51.3
Changes in working capital:		
-(increase) decrease trade and other receivables and prepayments	-55.2	8.2
-increase inventories	-23.0	-27.7
-decrease trade and other payables	-108.9	-37.0
Operating cash flow	-37.7	-5.2
Net cash from operations	-37.7	-5.2
Cash flow from investing activities		
Investments in tangible fixed assets	-18.4	-23.9
Divestment tangible fixed assets	6.3	
Decrease (increase) other financial non-current assets	4.8	-4.9
Net cash from investing activities	-7.3	-28.8
Cash flow from financing activities		
Increase interest-bearing loans and borrowings	58.2	43.3
Payment of lease liabilities	-9.7	-12.5
Net cash from financing activities	48.5	30.8
Net increase (decrease) in cash and cash equivalents	3.5	-3.2
Change in cash and cash equivalents		
Balance at 1 January	47.2	39.3
Net increase (decrease) in cash and cash equivalents	3.5	-3.2
Exchange difference cash and cash equivalents	-0.7	-1.9
Balance at 31 March	50.0	34.2

Annex 4

PERCENTAGE SALES CHANGE ATTRIBUTION

Explanation by geographic area

Q1 2021 vs 2020

Area	Volume	Currency	Acquisitions	Divestments	Total
Europe	20	7	0	0	27
North America	25	0	0	0	25
Latin America	4	-4	0	0	0
Asia	42	5	0	0	47
Australia	15	14	0	0	29
Total	23	3	0	0	26