# KROMI holds virtual general meeting 2020

- Solid performance despite economic slowdown in the regularly weaker first half of the year
- Positive EBIT despite Corona slump in fourth quarter due to tight cost management throughout financial year
- Active management of working capital: significant improvement of cash flow from operating activities by EUR 9.0 million

Hamburg, 9 December 2020 - KROMI Logistik AG successfully held its Annual General Meeting for the fiscal year 2019/2020 on Tuesday, 8 December 2020. Due to the current contact restrictions in response to the Corona pandemic, the Annual General Meeting was held in virtual form. Despite the significant decrease in revenues in the fourth quarter, KROMI has so far come through the corona crisis in good shape, and was able to record slightly positive EBIT under difficult conditions, and significantly improve its operating cash flow by EUR 9.0 million to EUR 7.2 million. In total, 82.52% of the registered share capital was represented. All items on the agenda were approved.

During the Annual General Meeting, the Managing Board reported in detail on KROMI's operating and strategic growth in fiscal year 2019/2020. CEO Bernd Paulini talked about the further development of the business model, among other things. It was officially and successfully launched mid-2019 and allows an improved description of the service portfolio for customers. He then went on to explain the business performance of the past financial year. After a strong first half of 2019/2020, the corona pandemic had a significant impact on KROMI's business activities in the fourth quarter, and thus also on its full-year performance. However, despite these setbacks in the final quarter, KROMI has generally gotten through the challenging times of the lockdown well, as CFO Christian Auth explained. This was primarily due to early, active cost management and strict working capital management, which resulted in a significant improvement in cash flow. For Christian Auth, this was the first full financial year for which he was responsible in his function at an Annual General Meeting. He joined KROMI in April 2019.

Moreover, the Managing Board provided an outlook for the company's further strategy and the current business development in fiscal year 2020/2021, with Paulini emphasizing the continued high demand for KROMI's business model: "Particularly in times of crisis, companies are increasingly looking at outsourcing solutions to cut costs - this is as clear now as it was in 2008/2009 during the financial crisis. As a result, we are currently holding many talks with potential new customers despite the uncertainties surrounding the further development of the corona pandemic." KROMI is also focusing on further streamlining its organizational structure in the current fiscal year. The new central "Operations" department, which was created in 2020, is of particular importance in this regard.

All items on the agenda were approved by a large majority. The Supervisory Board was expanded by one and Mr. Felix Höger was elected as the new member. With Mr. Höger, an experienced founder, manager, entrepreneur and member of the Supervisory Board was elected, who has been very successful in the IT business for 25 years. He will be a key advisor to KROMI in areas such as digitization and a valuable asset in our core competency KROMI Data. Prof. Dr. Eckart Kottkamp, who has been a member of the Supervisory Board for many years, was also confirmed in office.

The voting results of the Annual General Meeting can be viewed at http://ir.kromi.de/websites/kromi/English/4000/annual-general-meeting.html.

Company profile:

KROMI, Hamburg, is a manufacturer-independent specialist for the optimisation of tool availability and tool use, in particular of technically sophisticated cutting tools for metal and plastics processing in cutting operations. As a trustworthy and transparent partner to the manufacturing industry, KROMI combines machining technology, data management, lean logistics processes and tool trading to create convincing overall solutions. With networked tool dispensing machines in the customer's production area with simultaneous digital inventory controlling, KROMI ensures the optimum use and availability of the necessary operating resources at the right time and in the right place. The aim of KROMI's activities is to always offer the machining companies the highest customer benefit. To this end, customer processes are constantly analyzed in detail, opportunities and potential for improvement are identified, and thus the supply of tools is optimally integrated with all of the services required for this. KROMI currently has facilities in Germany, Slovakia, the Czech Republic, Spain and Brazil. In addition, KROMI is also active in eight other European countries. On the Internet at: www.kromi.de

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