



April 8, 2020 – 08:30 pm



## Update of the impacts of COVID-19 on the Group

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The Board of Directors of SEB S.A. met on April 8, 2020 to assess the impacts of the COVID-19 epidemic on the Group's business and review the corresponding action plans put in place.

**Priority objectives: the protection of employees and strict compliance with the local regulations in the many countries in which Groupe SEB operates.**

In response to this unprecedented crisis, the Group quickly implemented all the necessary measures to carry out this mission, including:

- the implementation of teleworking and business continuity plans wherever possible;
- the closure of industrial sites according to the directives or recommendations of local authorities. Thus far, of the Group's 42 sites, 24 plants have been temporarily closed;
- the reorganization and adaptation of the supply chain to ensure the best possible service for customers while protecting the health of employees.

### Review of the markets' current situation

The epidemic has spread rapidly to the Group's main markets in the last few weeks.

The situation has deteriorated sharply in Western Europe and, more recently, in the Americas. At this stage, Central Europe, Russia and Turkey have been less affected. The extension of containment measures and the closing of most physical stores were reflected in a downturn in non-food consumption and a substantial contraction in the Group's Consumer business in March in the impacted regions. While more resilient, online sales have failed to offset this drop.

In Asia excluding China, situations vary from one country to the other, but are overall better oriented with a gradual emergence from the crisis in South Korea as well as a pick-up in demand whereas consumption in Japan has been relatively firm despite store closure measures.

Simultaneously, China seems to start getting out of the crisis. Following a c.3-week shutdown, manufacturing restarted and our plants are back to full-capacity output, excluding the Wuhan site which has restarted and for which a return to normal production level is expected in April. As regards demand, the Chinese end-market shows signs of progressive improvement, primarily stemming from e-commerce, while the traffic in stores remains modest at date.

The Professional business is also impacted, owing to the closing of numerous restaurant chains, leading to the discontinuation of some deliveries and the postponement of some contracts.



## Economic and financial impacts

Against this critical backdrop, the trajectory of organic sales growth and of increase in Operating Result from Activity excluding COVID-19 mentioned earlier is no longer relevant. Given the scale and complexity of this unprecedented health crisis and considerable uncertainty over the crisis exit, the Group is unable as yet to precisely quantify the impacts for the full year, but revenue and Operating Result from Activity will be significantly down in 2020.

In the shorter term, the Group estimates that the loss in sales (Consumer and Professional) should amount to around €270m in the first quarter, including:

- €180m, resulting mainly from China (including the highly negative impact of COVID-19 and demanding comparatives from the Chinese New Year in early 2020), considerably lower than the estimate announced at end-February (€250m);
- €90m owing mainly to Europe and the Americas, particularly in March.

Given the current spread of the epidemic, the Group is expecting a substantially larger loss in revenue in the second quarter.

The Group is adapting to the situation and short-term imperatives by implementing cost savings measures, adjusting its capital expenditure and strictly controlling its cash flow, notably its working capital requirement. The financing structure is healthy and well-balanced in terms of instruments and maturities and free of financial covenants. Moreover, the Group has a syndicated credit facility amounting to €960m which is undrawn at date.

## 2019 dividend

For the sake of solidarity and responsibility towards all stakeholders, and to preserve the Group's resources, the Board of Directors decided today to reduce by a third versus dividend paid in 2019 the amount of the dividend to be paid to shareholders in 2020 in respect of fiscal year 2019. As such, the dividend which will be proposed at the Annual General Meeting of May 19 will be €1.43 per share. For all pure registered shares held over two consecutive financial years, a 10% dividend supplement will be paid, leading to a €1.57 dividend per share (this applies to shareholdings representing no more than 0.5% of the share capital). The ex-dividend date will be May 22 and the payment date will be May 26.

Corporate executive officers will reduce their compensation paid in 2020 according to the recommendation issued by AFEP\* on March 29, 2020 (25% reduction, pro rata to the duration of applied short-time working measures) and the Board of directors decided to reduce director fees to be paid in 2020 in the same proportion.



### Annual General Meeting

Given the circumstances and uncertainties over the end of containment in France, the Annual General Meeting convened for May 19, 2020 at Pavillon Vendôme in Paris will be held without the physical presence of shareholders at the company’s headquarters in Ecully (Rhône).

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Voting by correspondence will be the only way of exercising your voting rights. As such, prior to the holding of the closed-door meeting, shareholders are asked to fill out the correspondence voting form either by voting or abstaining for each resolution, or by giving their proxy to the Chairman. We would like to remind shareholders that they may send their questions by registered letter with acknowledgment of receipt to the following address:

SEB S.A, Service Actionnaires (Shareholder Relations department)  
112 Chemin du Moulin Carron, 69130 Ecully  
and by email to: [actionnaires@groupeseb.com](mailto:actionnaires@groupeseb.com)

Questions must be received no later than the fourth business day before the Annual General Meeting, namely May 13, 2020.

As usual, the Annual General Meeting will be broadcasted live on the Group corporate website.

Shareholders will be able to consult the Annual General Meeting page on the Group corporate website (<https://www.groupeseb.com/en/finance/annual-general-meeting>), which will be regularly updated with all the required information.

\*AFEP : Association Française des Entreprises Privées

## Change of date

Please note that, following a change in the communication schedule of Supor, our subsidiary listed on the Shenzhen Stock Exchange, the publication date of Q1 2020 Sales and Financial data has been modified. Initially set for April 27, it has been postponed to April 28, 2020.

Below you will find the updated schedule.

## Next key dates

<b>April 28</b>   after market closes	Q1 2020 sales and financial data
<b>May 19</b>   3:00 pm (Paris time)	Annual General Meeting - closed-door
<b>July 23</b>   before market opens	H1 2020 sales and results
<b>October 26</b>   after market closes	9-month 2020 sales and financial data

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World reference in small domestic equipment, Groupe SEB operates with a unique portfolio of 30 top brands including Tefal, Seb, Rowenta, Moulinex, Krups, Lagostina, All-Clad, WMF, Emsa, Supor, marketed through multi-format retailing. Selling more than 350 million products a year, it deploys a long-term strategy focused on innovation, international development, competitiveness and service to clients. With products being present in over 150 countries, Groupe SEB generated sales of approximately €7.3 billion in 2019 and had more than 34,000 employees worldwide.

SEB SA ■

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