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## PRESS RELEASE

In a highly challenging 2020 ECCO stayed financially strong and continued investing in the future.

ECCO recorded net sales of EUR 1,092 million (2019: EUR 1,360 million) and profit before tax of EUR 45 million.

2020 was for ECCO as for so many a very challenging year. First priority was to ensure the safety of our more than 21,000 employees around the world as well as our consumers. The COVID-19 outbreak caused ECCO to take early measures on restricting travelling, office and factory attendance, and closing shops.

Despite the extraordinary circumstances during 2020, ECCO continued investing heavily in its distribution, acquiring e.g. the business in Russia and a large number of ECCO shops in the Middle East and the Netherlands. Major investments were made in digital platforms, advanced marketing capabilities, and infrastructure enabling product innovation. Investments in 2020 were at a record high of EUR 195m.

ECCO's development in direct-to-consumer sales continued, and net sales from retail and e-commerce combined grew by 2% supported by strong online sales growth of 34% and acquisition of shops. Overall, net sales saw a decline to EUR 1,092m (2019: EUR 1,360m).

During 2020, ECCO remained profitable and financially strong. Eliminating the effects of acquisitions, the earnings were halved as also seen from EBITDA, which declined by 54% from 2019 to EUR 119m.

*"ECCO's 2020 results reflect the unprecedented impact of the pandemic, which led to a temporary closure of most of our shops and an unparalleled decline in profit. However, our business model and organisation have once again proven robust, allowing us to act swiftly in times of changes,"* says ECCO's CEO Steen Borgholm.

To be even more relevant for consumers in the future, ECCO accelerated certain strategic initiatives. In 2020, a new brand and marketing expression #MovesLikeYou was piloted and shifted towards a more versatile product range such as sneakers and athleisure.

In continuation of ECCO's efforts over many years to constantly create a more sustainable footprint, efforts were taken one step further and a number of ambitious environmental targets were set. By 2030, ECCO aims to run on renewable energy and in its tanneries use bio-based chemicals and closed-loop water systems only, a real breakthrough in our industry.

*"Even as we operate our business in the new reality, we're determined to make sure we don't lose sight of the sustainability agenda which ranks high among ECCO's priorities. We don't have all the answers and are not perfect, but we have a unique opportunity to be frontrunners and secure progress in our industry by raising the bar for responsible shoemaking. So that's what we do,"* says CEO Steen Borgholm.

For further information related to ECCO's Annual Report 2020, please contact [press@ecco.com](mailto:press@ecco.com)

**About ECCO**

ECCO is one of the world's leading shoe brands, combining style and comfort. ECCO's success is built on top-quality leathers and innovative technology. ECCO is a highly responsible company that owns and manages every aspect of the value chain from leather and shoe manufacturing to wholesale and retail activities. ECCO's products are sold in 89 countries from over 2,180 ECCO shops and more than 14,000 sales points. Founded in Denmark, ECCO is family-owned and has been moving people since 1963. The company employs 21,400 people worldwide. [group.ecco.com](http://group.ecco.com)