



# Stronger TOGETHER

## Tough times never last, but strong teams do

**Throughout the last year and a half, we successfully went through integration into Hisense Corporation. We established a new sales region combining six Eastern European countries and started with the sales of Hisense products in the markets, where this brand was not present before. In these and in other cases, we smoothly merged with the existing Hisense organization previously present on some markets. This led us to improve overall efficiency, gave us the possibility to increase sales performance, and above all, obtain much stronger market position for the execution of further plans and ideas.**

That's how we entered year 2020 - full of enthusiasm and commitment to strongly outperform our competition. Unfortunately, as it often happens in our lives, the situation changes suddenly and as the whole world suffered a shock, we immediately understood that many of our ambitious plans and ideas have to be revised. The current COVID-19 crisis is not something that can be easily fixed by re-arranging "business as usual" ideas, but rather to build from scratch new models, procedures, solutions, and strategies.

After the first social and business environment check, the wider management group decided not to allow this new situation to ruin our previous work and future opportunities. We have decided not to wait and observe but to be the player in the new reality. To not only have ideas but to be in a position to perform in this hard time, we needed to have all of the team members on board. It didn't take long for all of us to agree not to give up but to "keep calm and carry on". In situations like these you realize even more, how important a strong and capable team really is.

After implementing all available measures to keep us safe and healthy in our working environment, we started with activities.

Obviously, a worldwide Coronavirus outbreak caused the need for our previous operations to be changed or upgraded. At first we assessed where sales will still have a chance to be effective and we will be able to adopt our sales strategy and plans. Linked to that, marketing and product policy actions were aligned. Next, we need to assure on the big scale the cost-effectiveness and receivables collection at the highest level. So, if previously we were mainly fighting for improving the market shares, upgrading team members' competencies and our profitability, now we need to take care much more of our liquidity, social environment, government restrictions, and health. We're pleased that we have carried out the above-mentioned task to a great extend in spite of very difficult circumstances.

At this stage, we stabilized business operations and maintained sell-in and sell-out at the level above the market's average performance. We are sure that in this constellation of the market reality we will be able to execute our crisis-mode plans, to end up with more or less the same organizational structure and higher market shares.

Regardless of the extremely difficult situation in Q1, in our region we managed to improve last year's result in sales by more than 20%, and margin by more than 30%.

Last but not least, we are certain that all of the above was achieved because of:

- strong team,
- strong relationship with our partners/key market players,



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- HQ support and trust in our actions,
- strong awareness of service providers of the need for closer cooperation and cost optimization,
- optimistic, but realistic approach,
- high quality of our products which makes the difference with end consumers at this difficult time.

EE Region One Team / Poland



EE Region One Team / Ukraine



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but strong teams do!**

STAY HEALTHY,  
Jan Štern, EE Cluster One