

HARTMANN: Figures for the first half of 2022 particularly affected by cost increases for materials

- Earnings impacted by massive rise in materials, transport and energy costs
- Extensive measures taken to secure supply capability
- Transformation Program strengthens Company

Heidenheim, August 11, 2022. Across all business segments, the HARTMANN GROUP generated sales revenues of EUR 1,122.8 million in the first half of 2022. This represents a moderate organic decline in sales of -3.6% compared to the same period of the previous year. Adjusted EBITDA amounted to EUR 88.5 million, which is in line with expectations and represents a decline of EUR 59.7 million compared to the same period in 2021.

Massive increases in costs for materials, transportation and energy significantly impacted the Company's business performance in the first half of 2022. With the outbreak of the Russian-Ukrainian war, raw material prices continued to rise, which increasingly destabilized global supply chains and energy supplies.

HARTMANN confirms its outlook for 2022 published in the Annual Report 2021 with a moderate organic decline in sales and a declining adjusted EBITDA of EUR 190 to 230 million. However, depending on how the increased geopolitical and macroeconomic risks develop, negative deviations are possible.

Further information on the key financial figures, including a segment analysis, can be found in the half-year report at hartmann.info.

Securing supplies

HARTMANN took measures at an early stage to secure supplies for its customers, such as hospitals, despite supply chain difficulties. These measures include the increasing of inventories and investments to reduce dependency on gas for production. Price adjustments were also made to counter the higher costs and ensure sustainable supplies. The continuing rise in costs for materials will require further efficiency improvements and cost savings in the coming months.

Gas utilization sustainably reduced

Energy prices, and gas prices in particular, have risen dramatically. A shortfall in gas supplies is also possible. HARTMANN addressed the gas supply situation in Germany and the rest of Europe at an early stage and developed counter measures. These include investments in LPG tanks and the use of alternative energy sources. The Company has also invested in the efficient use of energy in its production machinery. This will sustainably reduce the reliance on gas throughout the Group.

Transformation Program proves itself in times of crisis

The strategic Transformation Program launched in 2019 is proving its value in the current situation. HARTMANN has been able to dampen the impact on earnings resulting from the serious increase in costs for materials and energy and has coped well with the crisis so far. The high investments in infrastructure and product innovations are beginning to pay off.

Heidenheim area also benefits

As part of the Transformation Program, EUR 40 million will be invested in the production site in Herbrechtingen alone over the next two years to strengthen future competitiveness in the incontinence market. In addition to the construction of a new production plant, work has begun on modernizing existing facilities and infrastructure.

Support for Ukraine

Since the beginning of the Russian-Ukrainian war, HARTMANN has made substantial donations in cash and in kind to aid organizations and supported numerous aid supply initiatives. In addition, the Company has created housing for Ukrainian refugees at various locations, including in the Heidenheim area.

About HARTMANN GROUP

The HARTMANN GROUP is one of the leading European providers of professional medical and care products and associated services. Every day, healthcare professionals and patients rely on HARTMANN brands in the segments of Incontinence Management (e.g. MoliCare®), Wound Care (e.g. Zetuvit®) and Infection Management (e.g. Sterillium®). This is expressed in our brand promise of “Helps. Cares. Protects.” In 2021, the HARTMANN GROUP reported Group sales of EUR 2.3 billion. Founded in 1818, the company sells its products and solutions in 130 countries around the world. For the future, the HARTMANN GROUP is currently implementing its strategic Transformation Program with its high-performance, customer-oriented and passionate team.

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To learn more about the HARTMANN GROUP, visit: <https://hartmann.info/>.

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