

First half of 2023: earnings above prior-year period, exceeding expectations – Outlook for financial year 2023 confirmed

- Moderate organic growth in sales
- In the first half of 2023, adjusted EBITDA was higher than in the same period of the previous year and exceeded expectations
- Outlook for financial year 2023 confirmed
- Transformation Program creates solid basis for continued development

Heidenheim, 11 August 2023. In the first six months of financial year 2023, the HARTMANN GROUP generated sales revenues of EUR 1,165.3 million. This corresponds to moderate organic sales growth of 3.6% compared to the same period of the previous year. Some markets relevant to HARTMANN are still performing below pre-pandemic levels. Adjusted EBITDA amounted to EUR 92.7 million, an improvement of EUR 4.2 million compared to the same period of 2022.

HARTMANN continued to successfully implement targeted price adjustments and cost measures. Initiatives to develop innovative products and services continued. The Company also continued to focus on its Transformation Program, which will contribute approximately EUR 40 million to adjusted EBITDA in 2023 alone.

A slight decline in some raw material prices only had a limited positive effect on HARTMANN's earnings for various reasons. For example, the Company stopped benefiting from contracts that expired at the end of 2022, which secured favorable purchasing prices that were even lower than typical pricing conditions at the time. Furthermore, there was a recent extensive increase in internal inventories to ensure security of supply even at higher material costs than those currently in place.

- In the Incontinence Management segment, sales in the hospital business increased. Against the background of higher material costs, the Company implemented targeted price adjustments.
- The Wound Care segment continued to grow, particularly in the strategically important area of advanced wound care. Traditional wound care also developed positively.
- In the Infection Management segment, demand for disinfection products and gloves continued to decrease due to a declining market.
- In the Complementary Group Divisions segment, CMC recorded positive sales development due to price increases, which could only partially compensate for the cost increases. At KOB, the compression bandages segment developed particularly well. KNEIPP was still confronted by a shrinking market for bath products and additional material costs.

The considerably positive earnings contributions of the Transformation Program, which will add up to EUR 140 million by the end of 2023, along with numerous product launches in the second half of the year, form a solid basis for HARTMANN's continued development. Some of these new products improve quality of life for various degrees of incontinence, while others support the treatment of wounds that are difficult to heal. However, the recovery of demand in the markets and the normalization of procurement markets remain important requirements for future growth.

Currently, HARTMANN confirms its forecast for financial year 2023 with an adjusted EBITDA of EUR 145 to 185 million and moderate organic sales growth.

HARTMANN



Press release

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