

HARTMANN



INFORM

INFORMATION FOR OUR
SHAREHOLDERS FOR THE
FIRST HALF YEAR OF 2023



KEY PERFORMANCE

KEY PERFORMANCE INDICATORS HARTMANN GROUP FOR THE FIRST HALF YEAR

in EUR million, rounding differences not balanced out

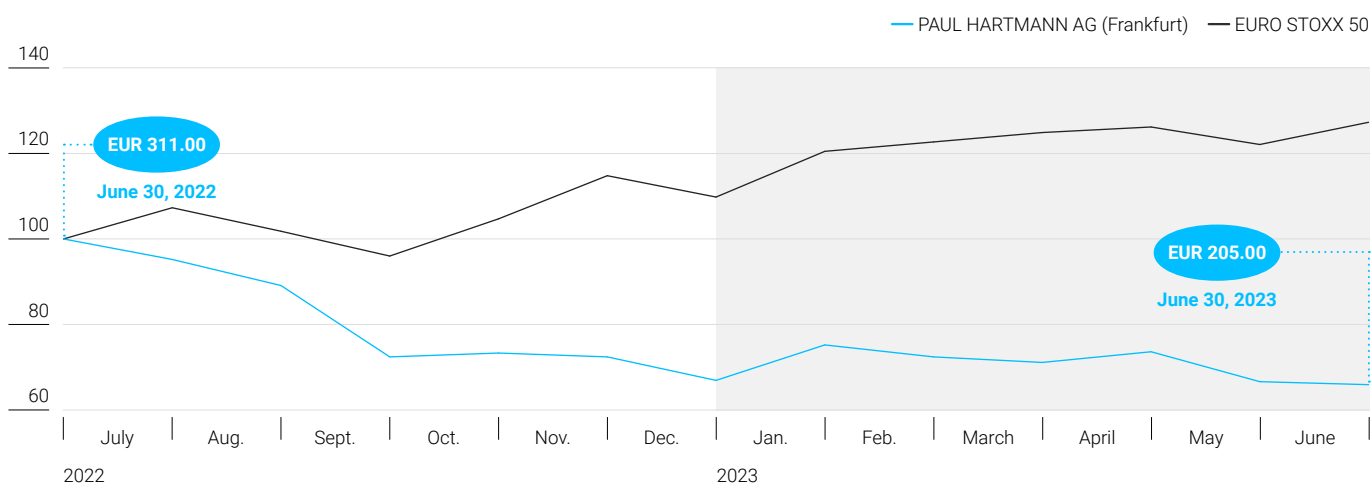
	30.06.2022	30.06.2023	Change
Sales revenues	1,122.8	1,165.3	42.5
of which foreign share in %	68.7	70.0	1.3%-Pt.
Organic sales growth in %	-3.6	3.6	
Adjusted EBITDA	88.5	92.7	4.2
Return on adjusted EBITDA in %	7.9	8.0	0.1%-Pt.
	31.12.2022	30.06.2023	
Equity ratio in %	56.3	55.0	-1.3%-Pt.
Net financial position (+) / Net financial debt (-)	-140.9	-180.8	-39.9
Employees	10,290	10,285	0.0%
Market capitalization *	743.1	732.3	-10.8

* Including own shares

THE HARTMANN SHARE

DEVELOPMENT OF THE HARTMANN SHARE COMPARED TO EURO STOXX 50

Monthly closing prices indexed, June 30, 2022 (= 100 percent) to June 30, 2023



BASIC INFORMATION ON THE HARTMANN SHARE

SIN	747404
ISIN	DE0007474041
Exchange	Frankfurt Stock Exchange
Segment	Open Market
Type of share	Registered shares held in collective custody
Capital stock	EUR 91.3 million
Number of shares	3,572,424 units, of which 20,682 units are held as own shares

PERFORMANCE OF THE HARTMANN SHARE

The closing price of the HARTMANN share on the Frankfurt Stock Exchange at the end of June 2023 was EUR 205 per share, EUR 3 lower than the year-end price for 2022 (EUR 208).



A multi-year share chart and a performance calculator to determine the performance of your investment can be found on our website:
www.hartmann.de/hartmannshare



Financial calendar

March 19, 2024

Publication of the annual financial statements 2023

April 26, 2024

110th Annual General Meeting

Dear shareholders,

In the first half of 2023, the HARTMANN GROUP generated sales revenues of EUR 1,165.3 million. This corresponds to moderate organic sales growth of 3.6%. At EUR 92.7 million, adjusted EBITDA was EUR 4.2 million higher than in the same period of the previous year and exceeded expectations.

Some markets relevant to HARTMANN, such as the hand disinfection market, are still performing below pre-pandemic levels. Additional material costs are exerting an influence on our results, due to the expiration of contracts with very favorable purchasing conditions. As in the prior year, we successfully offset a large proportion of the additional costs in the first half of the year thanks to additional targeted price adjustments and cost measures. In addition, our focused continuation of the Transformation Program generated further positive contributions. In the fiscal year 2023, the program will contribute an additional approx. EUR 40 million to adjusted EBITDA. This means that the program's contribution to profitability totals EUR 140 million per year, starting from its launch in 2019 to the end of 2023.

Over recent months, all segments have been preparing for a large number of product launches scheduled for the second half of the year. The launches will strengthen sales development over the coming years. However, the recovery of demand in the markets and the normalization of procurement markets remain important requirements for future growth.

We currently confirm our outlook for financial year 2023 of an adjusted EBITDA of EUR 145 to 185 million and moderate organic sales growth.

Please see the following pages for more in-depth information on our key financial figures, along with details on the expansion of our product portfolio in compression therapy, HARTMANN's successful development in the pharmacy market and other current corporate topics.

Kind regards

Yours, Britta Fünfstück

Britta Fünfstück

BUSINESS PERFORMANCE AS OF THE FIRST HALF OF 2023

Moderate organic sales growth with persistently high material costs and partial decline in demand

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.

In the first six months of the year, some markets relevant to HARTMANN were still performing below pre-pandemic levels. In addition, the cost of materials increased. The Company successfully implemented targeted price adjustments and cost measures.

HARTMANN also continued to focus on its Transformation Program. In 2023 alone, the program will contribute around EUR 40 million to adjusted EBITDA. Since its launch in 2019, it will contribute a total of EUR 140 million to earnings per year.

Different segment developments

The **Incontinence Management** segment generated sales of EUR 379.2 million in the reporting period. This corresponds to organic sales growth of 8.7% compared to the same period of the previous year. Successful price adjustments were a contributing factor. Against the backdrop of higher material costs, the Company implemented targeted cost measures. Higher sales in hospitals and nursing homes also had a positive effect. In addition to incontinence slips, the segment’s growth drivers included skin care products.

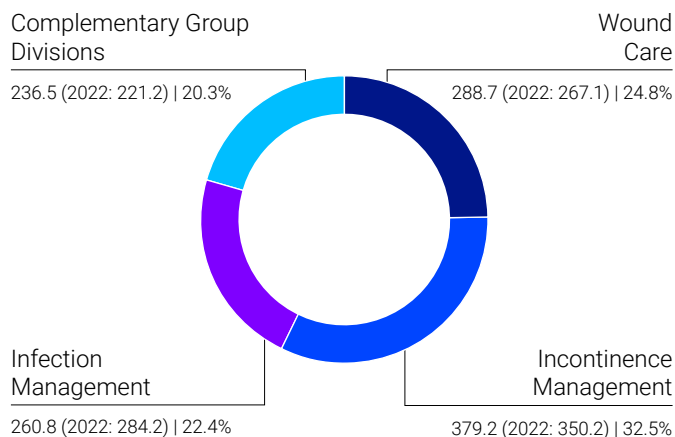
From January to June, sales in the **Wound Care** segment amounted to EUR 288.7 million. Compared to the first half of 2022, this corresponds to moderate organic sales growth of 7.9%. Price adjustments also contributed to the development. The strategically important area of advanced wound care grew by double digits. In traditional wound care, HARTMANN maintained its position as market leader. Overall, the company is No. 1 in wound care in the European pharmacy market¹.

The **Infection Management** segment recorded sales of EUR 260.8 million in the first two quarters of 2023, representing an organic decline in sales of –8.7% compared to the same period of 2022. Demand for disinfection products and examination gloves continued to fall due to a declining market.

In the **Complementary Group Divisions** segment, HARTMANN generated sales of EUR 236.5 million in the first half of 2023. Compared to the same period of the previous year, this corresponds to moderate organic sales growth of 5.9%. At the CMC Group, successful price adjustments could only partially compensate for high burdening effects, which mainly included the increased cost of materials. At the KOB Group, business with compression bandages developed particularly well. At the KNEIPP Group, negative factors in the first six months of financial year 2023 included the markets’ inflation-related shift away from branded products that had already occurred in the previous year, the shrinking market for bath products and additional material costs. The German market and online business in particular developed positively from spring onwards.

SHARE OF TOTAL SALES BY BUSINESS SEGMENT

in EUR million and percent



Growth in Europe, Asia-Pacific and the Americas

In the first half of the year, HARTMANN recorded a slight organic decline in sales of –0.7% compared to the same period of the previous year in its core sales market Germany. In the economic region Europe, Middle East and Africa (EMEA excluding Germany), the Company achieved moderate organic sales growth of 5.0% compared to the first half of 2022. In the Asia-Pacific region (APAC), HARTMANN achieved organic sales growth of 11.9%. In the Americas region, organic sales growth was 11.5%.

¹ Market study by data specialist IQVIA.



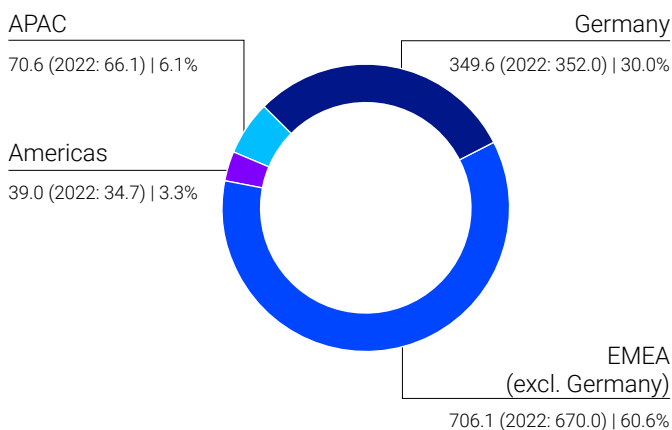
Would you like additional current information on HARTMANN? You can find our half-year report for 2023 on our website: www.hartmann.de/downloads_en

Earnings in the first half of 2023 above prior-year period, exceeding expectations despite high additional material costs

In the first half of 2023, adjusted EBITDA amounted to EUR 92.7 million. This corresponds to an increase of EUR 4.2 million compared with the same period of the previous year. The adjusted EBITDA margin was 8.0%, a slight improvement on the prior-year period. The Transformation Program again made a positive contribution to earnings. Targeted price adjustments and cost measures also had a positive effect. By contrast, high additional material costs continued to impact earnings in the first six months of 2023. 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 which were still below the level of the current conditions. Furthermore, there was a recent extensive increase in internal inventories to ensure security of supply even at higher prices than those currently in place. Wages and salaries also increased.

SHARE OF TOTAL SALES BY REGION

in EUR million and percent



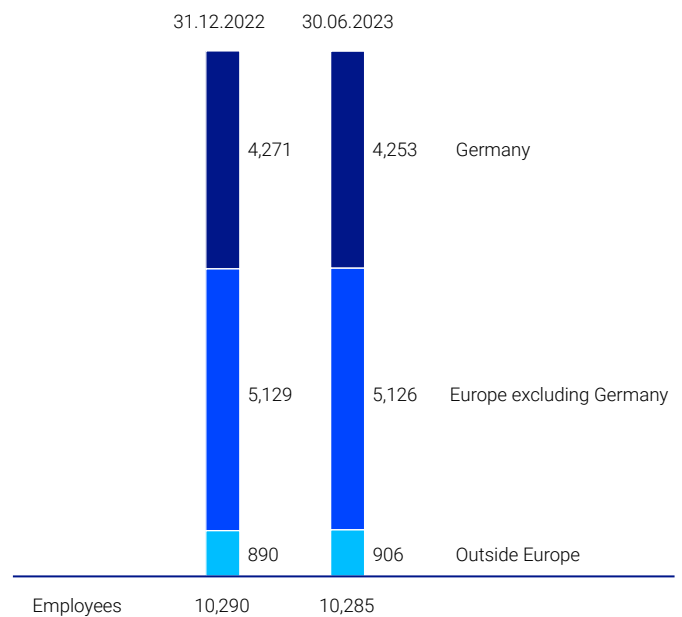
Equity ratio slightly lower

As of June 30, 2023, HARTMANN's equity ratio was 55.0%, 1.3 percentage points below the figure on December 31, 2022. The net financial position stood at EUR 180.8 million and thus deteriorated by EUR 39.9 million compared to the figure of EUR -140.9 million on December 31, 2022. This development reflects the high level of investment activity and increased net working capital.

Stable number of employees

As of June 30, 2023, the HARTMANN GROUP employed 10,285 people worldwide. This figure roughly corresponds to the number of employees at the end of business year 2022.

NUMBER OF EMPLOYEES IN THE HARTMANN GROUP



Outlook

In the coming months, difficult market conditions and high costs for materials, transportation and wages will continue to shape business development. Some slightly declining raw material prices are not yet having a correspondingly positive impact on HARTMANN's results, also because, as outlined, the Company is no longer benefiting from expired purchasing contracts with prices that were below typical levels at the time. While taking comprehensive measures to adjust prices and reduce costs, HARTMANN is continuing to focus on implementing its Transformation Program, which will have contributed a total of EUR 140 million to earnings by the end of 2023.

HARTMANN has prepared numerous product launches across the segments for the second half of 2023. These include new products aimed at improving quality of life for various degrees of incontinence, in addition to innovative solutions for the treatment of wounds that are difficult to heal, among other things. 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 a declining adjusted EBITDA of EUR 145 to 185 million and moderate organic sales growth.



STRATEGIC PARTNERSHIP WITH SIGVARIS GROUP

Patient autonomy in compression therapy

In May, HARTMANN and Sigvaris, a compression wrap specialist, announced a strategic partnership in the field of compression therapy. Wound care expertise was combined with adjustable wrap know-how to commercialize a highly effective range of compression therapy products. The new partnership includes adjustable compression wraps (ACWs) for foot and calf, as well as corresponding liners.

Patients and caregivers can apply the wraps independently and adjust the pressure if needed. The wraps are easy to remove, washable and can be worn in combination with normal clothing and shoes. For HARTMANN, the co-branded products will focus on patients with chronic wounds, such as venous leg ulcers.

Sigvaris, in turn, will focus on lymphatic applications (lymphedema). With this partnership, HARTMANN is expanding its product portfolio and strengthening its position in the attractive market for compression therapy.



NEW

NEW STERILE BARRIER SYSTEM FOR COMBISETS®

Higher safety, lower costs

Sterile barrier systems prevent sterilized products from external contamination, such as germs. This plays an important role in the fight against hospital associated infections. The need for such solutions is particularly high in the surgical field. The Risk Prevention division uses so-called vent bags made of polyethylene film for its CombiSets®. HARTMANN now produces these vent bags in-house to ensure security of supply and top quality while also achieving cost savings in the seven figure range.

The necessary approval by TÜV was achieved thanks to the successful cooperation of diverse project members in the HARTMANN Risk Prevention division, who covered the crucial areas of machine construction, sourcing, validation of special tearable film, and sterile barrier systems. As a result, a 28-meter-long production line in Veverská Bítýška, Czech Republic, is now producing vent bags for HARTMANN.



Supply reliability and top quality: HARTMANN now manufactures the vent bags for CombiSets® in-house.

EUROPEAN PHARMACY MARKET

HARTMANN is No. 1 in various business segments

A fine success: according to independent market data ¹, HARTMANN is the leading supplier of multiple consumer products in European pharmacies. These include products for wound care, incontinence (e.g. adult diapers and patient pads), as well as examination gloves, surgical masks and household disinfection products. With its wide range of solutions, HARTMANN occupies top positions in numerous categories. Most recently, the Company introduced the attractive "Home Care" category concept, which bundles all products related to home care. With this, HARTMANN is continuing its Transformation Program in a consistent and focused manner. This year, the Company will also launch a range of innovative and cost-efficient products that ensure added value for customers.

¹ Market study by data specialist IQVIA.

Source: IQVIA CH Customized Insights, sales in LEU PUB, for the time period MAT M09/2022, limited to CHC class 52B2 RECTANGULAR INCONT PADS, 52B4 ALL IN ONE INCONT PRDS, 52C2 CELLULOSE BED SHEETS/PADS, 57C1 SURGICAL GLOVES, 57C5 DISPOSABLE GLOVES in *these countries: Austria, Belgium, Croatia, Czech Republic, France, Germany, Greece, Hungary, Italy, Poland, Portugal, Russia, Slovakia, Spain, Switzerland; reflecting estimates of real-world activity. Copyright IQVIA. All rights reserved.



HARTMANN ANNUAL GENERAL MEETING 2023

Once again in person after the pandemic

On April 28, 2023, HARTMANN once again held its Annual General Meeting as an in-person event. Following three virtual annual general meetings due to the coronavirus, shareholders showed great interest in gathering on site in Heidenheim once again. Almost 300 participants attended the event. The general discussion was especially dominated by the Transformation Program and HARTMANN's investments, among other topics. The shareholders approved the dividend of EUR 8.00 per share proposed by the Management Board and the Supervisory Board. Thus, the distribution remained stable compared to the previous year despite the challenging earnings development, providing proof of HARTMANN's sustainable and attractive dividend policy. With the election of the new shareholder and employee representatives, the proportion of female Supervisory Board members has risen to almost 60%. Furthermore, Prof. Dr. Hans Smola, dermatologist at HARTMANN's Medical Competence Center, offered shareholders interesting insights into one of HARTMANN's central business areas with a vivid presentation on wound care.

The next Annual General Meeting is scheduled for Friday, 26 April 2024.

PROMOTION

1. FC Heidenheim 1846 (FCH) among Germany's top clubs

HARTMANN congratulates FCH on their promotion to the German Football Bundesliga.

As a globally active company headquartered in Heidenheim, HARTMANN has been a partner of the club for over 20 years.

After advancing to the Bundesliga, employees are more excited than ever for the coming season. Customers are also showing interest: many sales presentations start with an exchange about Heidenheim's football club.

We wish them the best of luck and a successful first season in the Bundesliga!

FC Barcelona also congratulated the club on its promotion. Otto Maier (1877–1965), who worked as HARTMANN's country manager in Spain at the time, was one of the founders of this leading football club. Its president Joan Laporta recalled the close ties to Heidenheim and HARTMANN and therefore to 1. FC Heidenheim 1846.

THE HARTMANN GROUP AT A GLANCE

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.". Founded in 1818, the company sells with 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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HARTMANN GROUP**
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1. Responsible party, purpose and legal basis

By sending you the quarterly information "Inform" by mail, PAUL HARTMANN AG as the responsible party sends you various information in order to inform you about the development of the HARTMANN GROUP (in particular financial information) and current market developments.

For this purpose, your personal data (in particular first and last name, address, shareholder number, if applicable) will be processed on the grounds of the legal basis specifically stated in the data protection information below.

2. Your data protection rights, contact channels, further data protection information

Subject to the legal requirements, you have a right of access, rectification, erasure, restriction and, in the case of

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August 2, 2023

This report contains forward-looking statements. Actual results may be different from the ones implied by the forward-looking statements. Rounding discrepancies not balanced out.

IMPRINT



Helps. Cares. Protects.

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