

Hartmann

Corporate presentation

17 August 2022



Hartmann at a glance

Strong positions

Global leader in moulded-fibre egg packaging

South American leader in fruit packaging

World's largest technology manufacturer

Snapshot

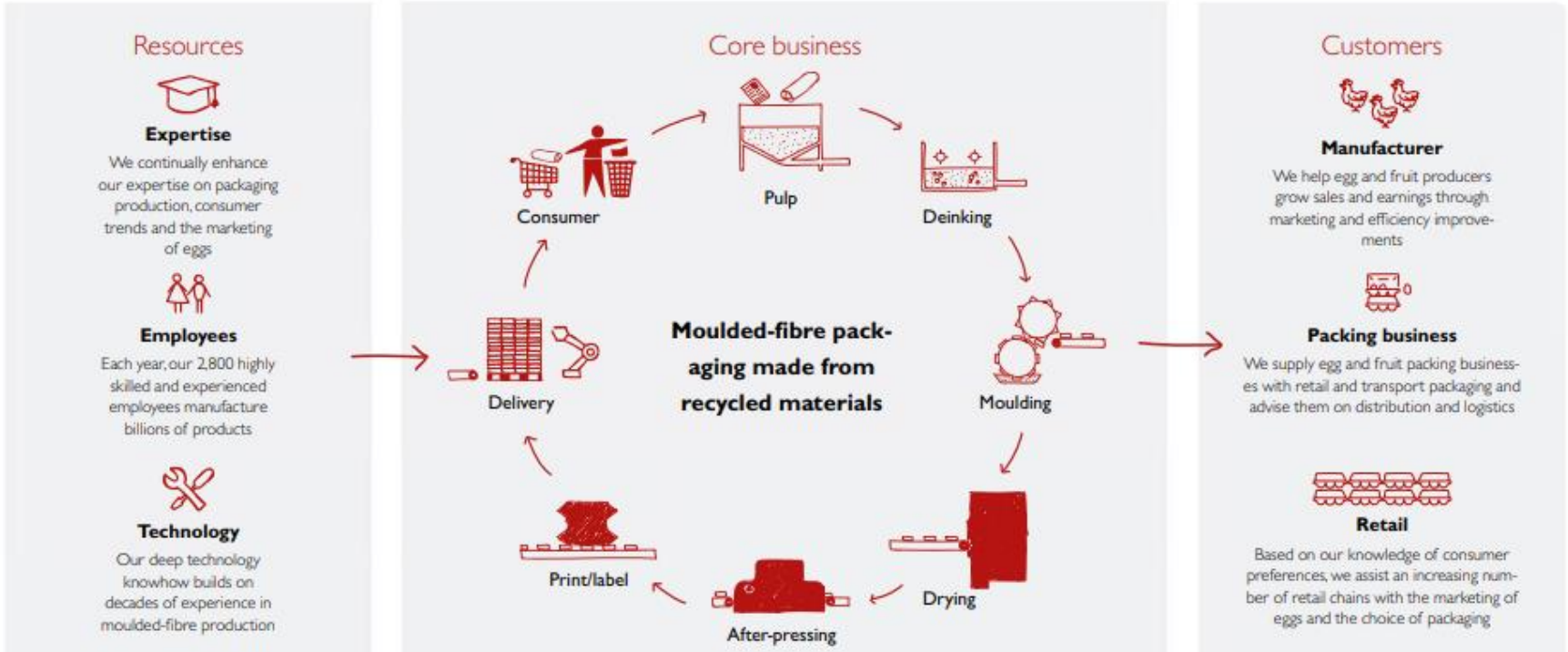
15 factories and 2,800 employees

Expected 2022 revenue of DKK 2.9-3.3bn with 2-7% profit margin

Investment outlook around DKK 225m following significant expansion



Business model



Strategy – trends and strengths

Trends

Demographics



Population growth
Increasing prosperity
Urbanisation
Retail growth

Sustainability



Growing awareness
Single-use plastic ban
Well-proven alternative

Consumer behaviour



Consumption growth
Demand for more egg types
Focus on nutrition and animal welfare
Clear differentiation of eggs

Strengths

Expertise



Customer advice
Consumer research
Data-based approach

Platform



Solid market positions
+50 countries
15 factories*

Products



Versatile portfolio
Renewable and tailored
FSC and CO₂ neutral

Technology



Proven since 1936
Industry-leading
Internal and external

*Including Russian factory

Q2 2022 highlights

Revenue

794
DKK**m**

- Revenue lifted by pricing actions
- Subdued demand and slight volume decline
- No exports to Ukraine and Russia

Earnings

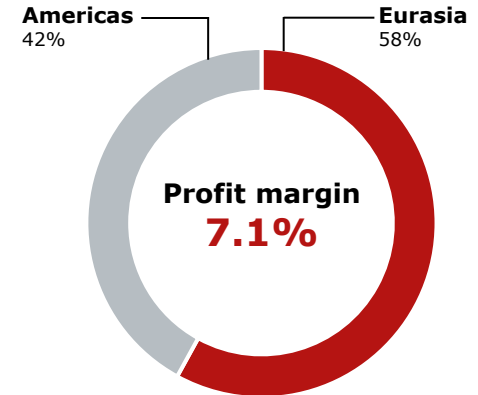
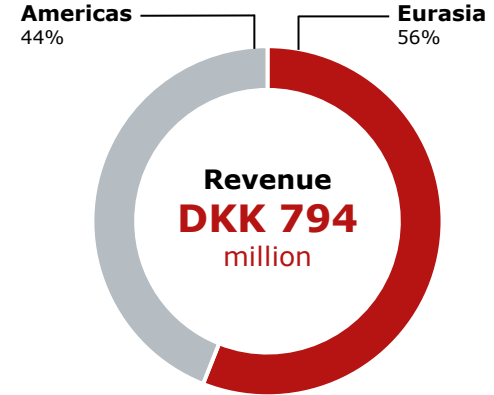
56
DKK**m**

- Decent earnings secured by pricing actions
- Increasing energy and paper prices from high level
- Continued cost reduction initiatives

Investments

45
DKK**m**

- Lower investments compared to high 2021 level
- Sales process for Russian factory initiated
- Impairment loss of DKK 81 million recognised



Guidance 2022 and financial ambitions

Guidance 2022 unchanged

Revenue

DKK 2.9-3.3bn

Profit margin*

2-7%

Investments**

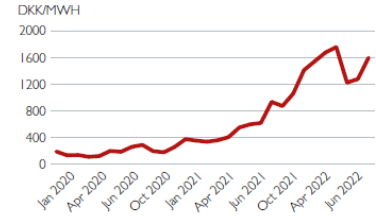
DKK ~225m

*Before restatement for hyperinflation and special items

**Excluding investments covered by insurance

- Continued effect of pricing actions
- Persistently high energy and paper prices
- Increasing inflationary pressure
- Price adjustments implemented at time lag
- Assuming sustained natural gas supplies
- War in Ukraine, increasing raw material prices, macroeconomics in South America and COVID-19 entail low transparency

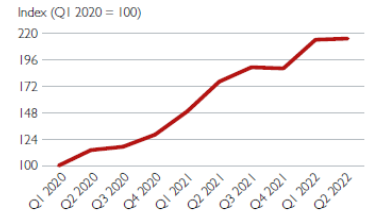
Electricity prices in Europe



Natural gas prices in Europe



Average recycled paper prices



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Upcoming events

ABG Small & MidCap seminar	21 September 2022
Q3 interim report 2022	15 November 2022



Torben Rosenkrantz-Theil
CEO



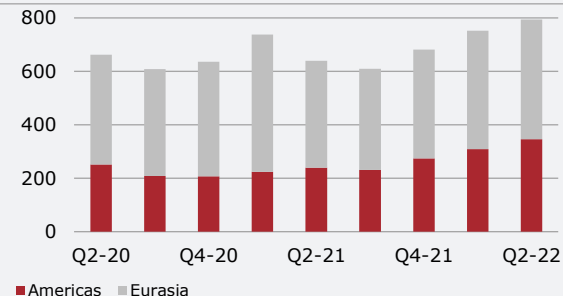
Flemming Steen
CFO

Appendix: Financials Q2 2022

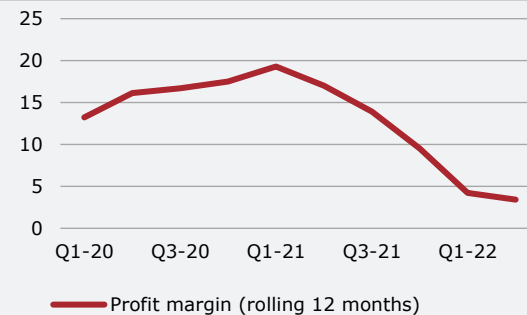
- Higher selling prices entail 24% increase in revenue
 - Slight decline in group sales volume
 - Subdued demand for egg packaging
- Decent profitability despite challenging external conditions
 - Historically high and increasing input prices and inflation
 - Successful efforts to increase selling prices
 - Lower contribution from machinery sales

DKKm	Q2 2022	Q2 2021
Revenue	794	639
Operating profit	56	72
Special items	0	0
Profit	21	54
Free cash flows (operating and investing)	28	9
Invested capital	2,103	1,889
Profit margin, %	7.1	11.3
ROIC, %	3.4	26.0

Revenue (DKKm)



Profit margin (%)



Appendix: Key figures and financial ratios

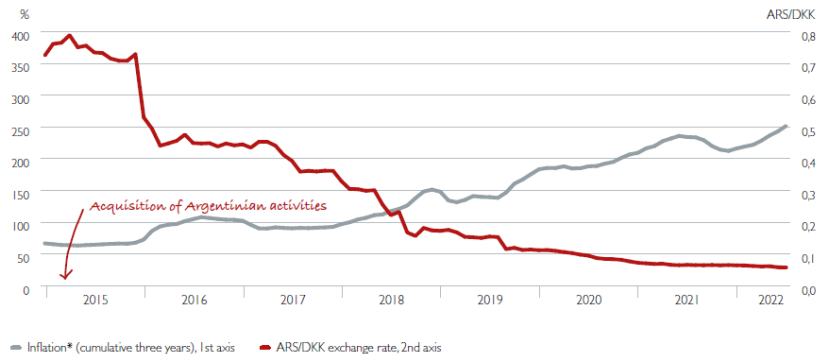
DKKm	Q2		H1	
	2022	2021	2022	2021
Revenue	794	639	1,546	1,376
Eurasia	448	399	891	913
Americas	346	240	655	464
Operating profit	56	72	98	252
Eurasia	36	64	59	235
Americas	26	12	52	28
Special items	0	0	0	0
Net financials	(9)	7	(2)	2
Profit	21	54	46	182
Free cash flows	28	9	(20)	(100)
Profit margin, %	7.1	11.3	6.3	18.4

Appendix: Balance sheet

DKKm	30.06.22	30.06.21
Assets	2,819	2,586
<i>Assets including discontinuing operations</i>	2,988	2,731
Net working capital (NWC)	447	355
Invested capital (IC)	2,103	1,889
Net interest-bearing debt	991	739
Equity	1,301	1,262
ROIC, %	3.4	26.0
Equity ratio, %	46.2	48.8
Gearing, %	76.2	58.5

Appendix: Hyperinflation

Inflation and exchange rate developments in Argentina

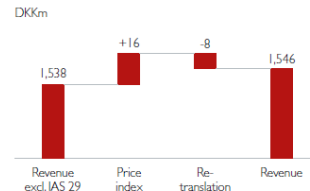


Effects of restating for hyperinflation on selected accounting figures year to date

DKKm	Excl. IAS 29	Price index	Re-translation	Total adjustment	2022 to date
Revenue	1,538	16	(8)	8	1,546
Operating profit before depreciation	180	(13)	(1)	(14)	166
Operating profit	98	(18)	0	(18)	80
Net financial items	(11)	9	0	8	(2)

* Restatement for hyperinflation is made based on Argentina's Wholesale Price Index up to 31 December 2016 and on the National Consumer Price Index from 1 January 2017.

Effects of restating year-to-date revenue



The total effect on Q2 2022 revenue of restating for hyperinflation under IAS 29 is a combination of restating for price index developments and the effect of using the exchange rate at the balance sheet date for purposes of translating from the Argentine peso into Danish kroner.

The price index rose by 36% during the first six months of the year, boosting revenue by DKK 16 million. The increase offset a decline in the ARS/DKK cross rate from 0.06385 at the beginning of the year to 0.05720 at 30 June 2022 reducing revenue by DKK 8 million as a result of the practice of using the exchange rate at the balance sheet date for currency translation purposes.

Revenue was DKK 1,546 million after a net positive impact of restating for hyperinflation of DKK 8 million.

For more information about hyperinflation, see page 86 and note 31 in the annual report for 2021

Read more in the annual report

Forward-looking statements

Disclaimer

This presentation contains forward-looking statements reflecting management's expectations of future events and must be viewed in the context of among other things the business environments and currency markets, which may cause actual results to deviate materially from those projected by Hartmann.