

Hartmann expands capacity in the USA and Europe and lifts investment outlook

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In 2020-2021, Hartmann will invest around DKK 150 million in completing another significant expansion of the production capacity at the group's existing factory in Missouri, USA. In addition, Hartmann will add further production capacity at existing factories in Europe. The addition follows the ongoing expansions, which are progressing according to plan and expected to be commissioned in 2020. Hartmann adjusts the investment outlook for 2020 to around DKK 450 million from around DKK 400 million.

Capacity utilisation is high at Hartmann's factories in the USA and Europe, and demand for sustainable moulded-fibre packaging is increasing among existing and new customers across the group's markets. Hartmann expects to commission the expanded production capacity at the factory in the USA in the second half of 2021, while the capacity expansion in Europe is expected to be commissioned in the first half of 2021. The investments are expected to contribute to group revenue and operating profit in 2021.

"Our employees have succeeded in gaining market shares, and we are strongly positioned for further expansion. We are already increasing production capacity in the USA and Europe, and we decided today to take the next steps and expand further next year to stay at the forefront of the positive development in our markets," says CEO Torben Rosenkrantz-Theil.

In addition to the ongoing expansion in the USA and Europe, the work to establish a new factory in Brazil is progressing according to plan, and the conditional acquisition of Mohan Fibre in India is now expected to be approved in the second half of 2020.

Hartmann maintains 2020 guidance of revenue in the DKK 2.5-2.7 billion range after restatement for hyperinflation and a profit margin of 15-18% before special items and restatement for hyperinflation.

Hartmann will publish the H1 interim report today on 19 August 2020.

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About Brødrene Hartmann A/S

Hartmann is the world's leading manufacturer of moulded-fibre egg packaging, a market-leading manufacturer of fruit packaging in South America and the world's largest manufacturer of technology for the production of moulded-fibre packaging. Founded in 1917, Hartmann's market position builds on its strong technology know-how and extensive experience of sustainable moulded-fibre production dating back to 1936. Hartmann sells egg and fruit packaging to manufacturers, distributors and retail chains, which are increasingly demanding sustainable packaging solutions and specialised marketing expertise. Our versatile product portfolio is customised to accommodate customer and consumer needs in each individual market. Hartmann sells machinery and technology to manufacturers of moulded-fibre packaging in selected markets. Headquartered in Gentofte, Denmark, Hartmann has 2,000 employees. Hartmann's production platform consists of 12 factories in Europe, Israel and North and South America.

Attachments

- [Company announcement.pdf](#)