

Press release

ALTANA achieves sales of more than 3 billion euros for the first time in 2022

- Sales increase by 13 percent to 3,021 million euros
- EBITDA margin at 15 percent due to inflation
- Continued high investment in innovation and sustainability

Wesel, March 17, 2023 – ALTANA generated sales of 3 billion euros for the first time in the 2022 fiscal year. Sales rose by 13 percent to 3,021 million euros (previous year: 2,667 million euros). The specialty chemicals group has thus achieved growth of almost 40 percent in the past two years despite the very challenging and volatile environment.

Following significantly higher volumes in 2021, growth in 2022 was mainly driven by price/mix and positive foreign-exchange effects. Adjusted for acquisition and exchange-rate effects, sales increased by around 8 percent. Earnings before interest, taxes, depreciation and amortization (EBITDA) were above the average of the previous years, at 452 million euros, but 6 percent below the figure for 2021 due to high material, energy, and freight costs. The EBITDA margin was 15 percent due to inflation and therefore below the long-term target range.

"In spite of all the challenges, ALTANA once again completed a successful year in 2022," said Martin Babilas, CEO of ALTANA AG. "The past year once again made two qualities of the entire ALTANA team clear: Our company is highly resilient even in very turbulent times, primarily due to our financial and innovative strength as well as our flexible and customer-oriented positioning. Secondly, we not only react to external factors of influence, but actively make important contributions to meeting the great challenges of our time, first and foremost climate change."

Despite the volatile environment, in 2022 ALTANA further increased its already high research and development expenditure to 193 million euros, a rise of more than 7 percent over the previous year.

ALTANA's innovation pipeline produced, among other things, the market launch of ECOLEAF, a technology for producing metallic label decorations with a significantly improved environmental profile. The system, developed in the ACTEGA division, not only eliminates the use of plastic carrier foils, but also avoids wasting metals by using only the amount of metallic pigments required for the respective application. As a result, the carbon footprint can be reduced by more than 50 percent vis-à-vis conventional processes.

Further expansion of renewable energies at the sites

In 2022, ALTANA also continued to drive forward its program aimed at reducing its greenhouse gas emissions. In November, the BYK division commissioned a 2,000-square-meter solar plant at its production site in Shanghai. The facility supplies around 400,000 kWh of green electricity a year. In Germany, a solar plant is currently under construction at ACTEGA in Bremen that will generate up to 855,000 kWh annually in the future. Meanwhile, ECKART is planning a solar plant that will cover the base load of the electricity supply at the division's largest manufacturing site in Hartenstein near Nuremberg. ALTANA already generates its

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own energy from renewable sources, including hydropower and biogas, at eight of its worldwide sites.

Growth in all divisions

In the 2022 fiscal year, all four divisions contributed to the growth. The largest division, BYK, achieved sales of 1,371 million euros, up 12 percent on the previous year. Adjusted for exchange-rate effects, sales grew by 7 percent.

The effect pigments specialist ECKART recorded sales of 397 million euros, corresponding to 4 percent growth. The acquisitions that were made in 2021 to expand the division's business with metal powders for functional 3D were a contributing factor. In operating terms, sales were at the previous year's level.

The ELANTAS division, whose innovative insulating materials are increasingly being used to expand e-mobility, posted sales of 698 million euros, 18 percent above the prior-year figure. Adjusted for currency effects, the sales growth was 11 percent.

ACTEGA's sales increased by 20 percent to 555 million euros. The acquisition of the closure materials business in 2021 to strengthen PVC-free solutions also had an impact here. Adjusted for acquisition and exchange-rate effects, growth amounted to 13 percent.

Sales growth in all regions of the world

In fiscal 2022, ALTANA achieved growth in all of the world's regions. Europe, which continues to be the strongest region in terms of sales, reached 1,081 million euros. This corresponds to an increase of 5 percent (4 percent in operating terms). Sales growth in Germany was 8 percent (7 percent in operating terms). In the Americas, the Group recorded the most significant increase, with sales rising by 31 percent (18 percent in operating terms) to 895 million euros. This development was driven by sales in the U.S. market, which rose by 34 percent (19 percent in operating terms). In Asia, ALTANA generated sales of 989 million euros, 9 percent more in a year-to-year comparison. Adjusted for currency effects, sales in this region climbed by 4 percent. The ALTANA Group achieved the highest operating growth rate in India, at 27 percent.

Outlook

Depending on when the economy starts to recover, ALTANA expects sales to increase slightly in 2023. Depending on the development of the price situation in the field of material, logistics, and energy costs and the remaining uncertainties related to the sufficient availability of certain raw materials and energy sources, ALTANA forecasts slightly improved earnings profitability for 2023.

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Key figures at a glance

ALTANA Group (in € million)	2022	2021	Change in %	Operating change ¹ in %
Sales – total	3,021	2,667	13	8
Sales by division				
BYK	1,371	1,227	12	7
ECKART	397	383	4	0
ELANTAS	698	594	18	11
ACTEGA	555	463	20	13
Sales by region				
Europe	1,081	1,029	5	4
<i>thereof Germany</i>	318	295	8	7
Americas	895	682	31	18
<i>thereof U.S.</i>	595	446	34	19
Asia	989	906	9	4
<i>thereof China</i>	540	515	5	-2
Other regions	56	50	12	8
Earnings before interest, taxes, depreciation and amortization (EBITDA)	452	482	-6	-10
Operating income (EBIT)	288	323	-11	
Earnings before taxes (EBT)	305	275	11	
Earnings after taxes (EAT)	232	195	19	
Research and development expenses	193	180	7	
Headcount	6,957	6,731	3	
Safety key figures				
WAI 1 (number of reported occupational accidents with lost time of one day or more per million working hours)	2.5	2.1	19	
WAI 2 (number of reported occupational accidents with lost time of more than three days per million working hours)	2.0	1.5	33	
WAI 3 (number of lost work days due to reported occupational accidents per million working hours)	23.1	25.2	-8	
Carbon footprint				
Total CO ₂ equivalents (Scope 1 + Scope 2) ² (t)	92,629	102,851	-10	
<i>of which offset by compensation</i> (Scope 1) ² (t)	40,729	33,351	22	
CO ₂ equivalents specific (Scope 1 + Scope 2) ² (kg/kg finished product)	0.16	0.17	-6	

¹ Adjusted for acquisition and exchange-rate effects

² Scope 1: direct emissions; Scope 2: indirect emissions. The value for Scope 2 shown here is calculated according to the market-based method. Biogenic emissions are not included.

The presentation on the Annual Press Conference and the Corporate Report 2022 are available for download at www.altana.com.

ALTANA is a global leader in true specialty chemicals. The Group offers innovative, environmentally compatible solutions for coating manufacturers, paint and plastics processors, the printing and packaging industries, the cosmetics sector, and the electrical and electronics industry. The product range includes additives, specialty coatings and adhesives, effect pigments, sealants and compounds, impregnating resins and varnishes, and testing and measuring instruments. ALTANA's four divisions, BYK, ECKART, ELANTAS, and ACTEGA, all occupy a leading position in their target markets with respect to quality, product solution expertise, innovation, and service.

Headquartered in Wesel, Germany, the ALTANA Group has more than 48 production facilities and 63 service and research laboratories worldwide. Throughout the Group, about 7,000 people work to ensure the worldwide success of ALTANA. In 2022, ALTANA achieved sales of more than € 3 billion. About 7 percent of the total sales is invested in research and development each year. Its high earning power and high growth rate make ALTANA one of the world's most innovative, fastest growing, and most profitable chemical companies.