POSSEHL

THE ENTREPRENEURS' GROUP

Press Release

Announcement on the financial year 2021

Possehl Group back on a successful track

- Adjusted sales stable at Euro 2.5 billion
- Double-digit growth in earnings before interest and taxes (EBIT) to Euro 177 million
- Equity ratio rises to 60 %

Lübeck, 22 February 2022 – Possehl has largely left the burdens of the Corona pandemic behind in the 2021 financial year. With consolidated sales of Euro 2.5 billion adjusted for precious metals (total sales Euro 4.4 billion) and earnings before interest and taxes (EBIT) of Euro 177 million, the Lübeck-based technology group was able to exceed its set targets and build on the good pre-crisis results. "As a Group, we have so far come through the Corona pandemic largely unscathed and were already able to match the good results of the pre-crisis years in the past financial year thanks to the high level of commitment of all Possehl employees. This demonstrates again the high robustness of our diversified Group of companies", comments Dr Joachim Brenk, Chairman of the Executive Board at Possehl, on the 2021 financial year.

Considerable successes were achieved in many of Possehl's ten divisions last year. This applies in particular to the Identification Solutions and Cleaning Technology divisions, both of which achieved double-digit growth and were able to further expand their good market positions. Continued high precious metal prices also supported the precious metals business in 2021, and a healthy construction market was the basis for another good year for the construction services sector. Demand for intralogistics solutions also remained high due to the growing online trade. In other areas of the Group, the economic recovery was still somewhat delayed. These include the Tyre Technology and Electronics divisions, which were still suffering from the unstable automotive economy last year. The Printing Machines business also had to contend even more with the effects of the Corona crisis and global travel restrictions.

For almost all Possehl companies, the worldwide supply restrictions were and are still being felt at the beginning of the new year. The associated shifts in sales led to an increase in total output and at the same time to a well-filled order cushion for the new year.

Due to its excellent liquidity situation, the Possehl Group had kept investments at a high level in the pandemic year 2020. Around Euro 110 million was also invested in future and modernisation projects in 2021. After the new construction and expansion of the domestic Tyre Technology locations, double-digit million euro amounts will be invested in the coming years in a new logistics centre as well as in a modern stainless steel competence centre. "The current development has encouraged us to also rely on our own manufacturing capacities in order to continue to be well equipped against fluctuations in the supply situation in the future", says Brenk with a view to the ongoing global supply constraints.

In addition to modern production facilities, digitalisation is the key growth driver and success guarantor for the Possehl companies. “We are aware that German SMEs are facing very big challenges in the field of digitalisation. As a global and strong Group of companies, we can also offer our companies the necessary support and expertise in this area”, says Brenk and adds: “With the establishment and further targeted expansion of our latest business division “Digital”, we are creating added value for all Possehl companies and at the same time investing in a promising business field.”

A reliable outlook for the current financial year 2022 is extremely difficult against the backdrop of geopolitical tensions, continuing supply bottlenecks and uncertainty about the further course of the pandemic. “Due to the high order backlog, continued strong demand for our products and services, and Possehl’s extremely stable asset and financial position, we are entering the new year with healthy optimism. We see good opportunities to take Possehl further forward through internal and external growth“, outlines Brenk, looking ahead.

About Possehl

The Possehl Group, which operates worldwide under the leadership of the management holding company L. Possehl & Co. mbH, is a diversified group with currently ten economically independent, decentrally organised business divisions. The Possehl Group comprises L. Possehl & Co. mbH and more than 200 subsidiaries in over 30 countries. In the financial year 2021, the Group achieved a preliminary turnover of EUR 4.4 billion. Possehl currently has around 13,000 employees worldwide.

The company was founded in 1847 by Ludwig Possehl as a hardware store in Lübeck. Since 1919, the non-profit Possehl Foundation has been the sole shareholder. This corporate structure enables the independence of the Possehl Group and forms the foundation for long-term entrepreneurial decisions.

For further information about Possehl please visit http://www.possehl.de

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