**EGGER Group Closes Financial Year with 4.23 Billion Euros in Sales in a Challenging Environment**

The EGGER Group is closing its 2021/2022 financial year in exceptionally challenging times: The ongoing COVID-19 pandemic and the dramatic developments in Ukraine are having a massive impact on the global energy and raw materials markets. Product demand was high and is reflected in the financial figures.

EGGER reports a positive development of the key figures for the financial year 2021/2022: Group-wide **sales of EUR 4,234.3 million** (+37.4% compared to the previous year) and **EBITDA of EUR 877.5 million** (+41.0% compared to the previous year) were generated. The EBITDA margin is stable at 20.7% (previous year: 20.2%), and the shareholder’s equity ratio of 50.9% is above the previous year's figure of 42.0%. "This increase in results shows that, on the one hand, we have coped well with the challenges of the still ongoing pandemic and, at the same time, we have made very good use of the opportunities that have arisen in our industry," says Thomas Leissing, Chief Financial Officer and Speaker of the Group Management.

EGGER has produced record quantities in recent months, serving strong customer demand. With **10.5 million m³ of wood-based materials and timber**, the group achieved a production record. “We owe the positive development in this challenging environment above all to our approximately **10,800 employees**," said the Group Management in unison.

The EGGER Group recorded sales growth in all product areas. This is a result of three main factors: The positive market environment for sawn and building products, especially in the North American market, volume increases, especially due to the newest plants in Biskupiec (PL) and Lexington, NC (US), and price increases necessitated by cost pressure.

**Decorative** **Products** (products for furniture and interior design) achieved the largest share of turnover with 76.9% and, at **EUR 3,473.4 million**, is +36.6% above the previous year. At **EUR 506.9 million**, the **Flooring** **Products** Division was up +13.4% on the previous year. The **Building** **Products** Division closes the 2021/2022 business year with **EUR 534.7 million** (+62.7%).

Full details of the 2021/2022 financial year can be found in the annual financial report at [www.egger.com/credit-relations](http://www.egger.com/credit-relations).

In total, the group invested **EUR 293.6 million** in its production plants in the last business year. A large share of the growth investments (EUR 194.5 million) went to the expansion of the headquarters in St. Johann in Tyrol (AT). The majority of the investments support the objective of reducing CO2 emissions through recycling, process optimisation and innovations.

The situation on the global raw materials markets is extremely challenging. Events in Ukraine and their effects on global trade are leading to tightening of availability and price dynamics in the raw materials market. EGGER is also experiencing a huge increase in energy and transport costs. The increasing demand for wood, the most important raw material for the wood-based materials producer, is leading to additional cost pressure.

At the end of the financial year, the dramatic development in Ukraine became apparent. EGGER is represented by two plants in Russia. Both plants continue to produce in compliance with all EU sanctions for economic relations between the EU countries relevant for EGGER and Russia. For this purpose, a strict compliance structure and a programme for compliance with EU sanctions has been established. The wood-based materials produced in Russia are mainly sold locally as well as in the neighbouring Stan states.

**New Appointment to the EGGER Group Management**

In the current financial year, the top management body of the wood-based materials manufacturer is reshaping itself: Walter Schiegl stepped down from the Group Management after more than 20 years and will take over the Supervisory Board mandate from Michael Egger starting in autumn, thus helping to shape the strategic orientation of the EGGER Group in the future as well. Michael Egger celebrates his 75th birthday at the end of August and will then retire from the strategic board. The position of Walter Schiegl as responsible Chief Technology Officer is taken over by Hannes Mitterweissacher. Frank Bölling complements the Group Management and is responsible for the supply chain management. EGGER is thus responding to the potential and developments in the area of internal and external supply chain. Likewise, after many years, a representative of the Egger family will once again be active in the operational management of the EGGER Group: Michael Egger Jr. will take over the marketing/sales agenda from Ulrich Bühler, who will accompany Michael Egger Jr. with his many years of experience and expertise.

Together with Thomas Leissing and Michael Egger Jr., Hannes Mitterweissacher and Frank Bölling thus form the new management team of the EGGER Group.

**Subdued Expectations for the 2022/2023 Financial Year**

The crisis in Ukraine, volatile commodity markets, uncertain energy supplies, the ongoing COVID-19 pandemic and rising inflation are factors that dampen the EGGER Group's earnings expectations for the coming financial year. "In addition, uncertainties arise for us from the currency development in Russia, Argentina and Turkey. This mixture of factors makes it difficult to forecast the next few months," says Thomas Leissing.

For the EGGER Group as a whole, the outlook for sales development is subdued. The persistently high raw material and energy costs will lead to high product prices. Even though the outlook is currently gloomy, EGGER is sticking to its company strategy and continuing its stable growth under its own steam. "We continue to focus on a diverse product portfolio and innovations for our customers, make investments in additional finishing capacities as well as in improving the raw material and energy situation, and maintain our long-term supplier relationships with customers and suppliers," says Thomas Leissing.

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