

## PRESS RELEASE

### **Thimm Group significantly increases revenue in 2022 and sets the course for long-term corporate success**

- » **Customer focus: Successful alignment to the consumer goods industry and e-commerce**
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**Norheim, 3 April 2023** – Thimm Group has closed the 2022 financial year successfully. Revenues increased to EUR 723 million and EBITDAR to EUR 105 million. Due to the sale of Thimm Packaging Systems, the number of employees fell to 2,425 including 103 apprentices. The equity ratio rose to 46% and represents a solid foundation for the future of the family business.

Kornelius Thimm, CEO of Thimm Group, emphasises: “Despite extreme price increases for our raw materials and high levels of uncertainty in our sales markets, we still significantly increased our company result. The sale of our industrial packaging division and the associated focus on our customers in the consumer goods sector led to an overall good result in the last financial year. This has created an important basis for the implementation of the investment programme announced in the previous year. With this EUR 400 million investment programme, we are laying the foundations for the successful implementation of our growth strategy ‘THIMM 2030’.” As part of a generational change, Kornelius Thimm replaced the long-standing Managing Director Mathias Schliep in his role as Thimm Group CEO on 1 July 2022.

#### **Full focus on the consumer goods industry**

“For several years we have noted the strong demand for innovative and sustainable packaging solutions, especially for consumer goods for everyday use and for e-commerce shipping packaging. This is where we see our core competence and we have therefore aligned our company accordingly over the last year,” explains Kornelius Thimm. As part of this focus, in July 2022 Thimm Group sold its industrial packaging business division, Thimm Packaging Systems, to the Japanese Rengo Group. The division had 1,075 employees at 8 sites in Germany and the Czech Republic.

Over the last few years, the corrugated cardboard sector had already been subjected to the impacts of the Coronavirus pandemic. In 2022, Russia’s war in Ukraine caused further major market challenges. This has resulted in huge price increases, particularly in the energy sector and for corrugated cardboard base paper, the most important raw material. Price increases, which were necessary for cost offsetting, have led to a significant revenue increase in the Thimm pack’n’display business division. However, due to rising inflation and the associated consumer purchasing restraint, sales in the division declined in line with the corrugated cardboard sector.

Thimm Group’s consistent focus on the digital printing process led to an increase in digital printing sales of around 12% in the Christiansen Print business division. The development of new application areas also contributed to this positive development.

### **Extensive investments in challenging market situations**

Regardless of the tense market situation last year, Thimm began implementing its investment programme. In 2022, the corporate group invested around EUR 33 million in a major expansion of all plants in Germany and other countries, as well as in the digitalisation and automation of production processes. For example, Thimm invested EUR 3 million in the installation of a new folding box gluing machine at its Czech corrugated cardboard plant in Všetaty, where the folding and gluing of sustainable corrugated cardboard packaging is now fully automated. In Wörrstadt, the gluing centre was also supplemented by a new folding box gluing machine at a cost of over EUR 4 million. This expansion will enable the site to be further developed into a speciality site with a focus on the consumer goods industry. Thimm also commissioned an inline system in Northeim for EUR 5 million, which is setting new quality standards in the further processing of corrugated cardboard. Most recently, the packaging manufacturer gave the green light to investment in a new EUR 20 million HP digital web press to be installed at the Alzey site and scheduled for commissioning in the first quarter of 2024.

### **Digitalisation vision "Internet of Packs"**

With the acquisition of the second digital web press, the company is pursuing its digitalisation strategy. The HP PageWide T1195i Press is a further development of the system installed at the Ilsenburg site. Thimm is thus responding to customer requirements: "Our objective is no lead times for the production of packaging and displays, no minimum order quantities, no additional costs in the supply chain and all within a sustainable manufacturing process," explains Kornelius Thimm. He sees the expansion of preprint as a competitive advantage: "The resulting additional capacity on the new digital printing web press enables us to significantly reduce direct printing on our further processing machines and achieve faster operating speeds for higher productivity. The installation of the machine also represents an important milestone in our digitalisation strategy in that we are driving forward the digitalisation of the entire supply chain – also beyond the packaging sector." The company's vision is the "Internet of Packs" - i.e. the networking of machines and objects in packaging management in a similar way to the Internet of Things. With the new digital printing system, the company is taking a decisive step closer to this vision.

### **Sustainable positioning for the future**

In addition to digitalisation, the packaging manufacturer continues to focus on sustainability. Kornelius Thimm reports: "As a responsible family business, we take care of society and the environment. This makes it more important than ever for our company to act prudently and sustainably. That is why we have set ourselves the long-term target of net-zero production and we are currently developing an implementation plan for this." Thimm Group is therefore committed to the Science Based Targets Initiative. This initiative highlights proven procedures for reducing emissions and defines net-zero targets for individual companies in accordance with climate science. "The focus is on measures that will enable net-zero production. To this end, in late 2022 we installed a photovoltaic system on the roof

of the plant at the Sibiu site in Romania. We are now gaining experience in alternative power generation for our corrugated cardboard production – also for future investments.” The company’s new Key Figure Update published in March 2023 provides a transparent overview of all sustainability activities.

Despite the persistent challenges, Kornelius Thimm remains confident: “We are aware of the tense market situation, and we are continuing to adapt to ongoing uncertainties in terms of sales and cost development in 2023. Nevertheless, we assume a stable earnings performance. Our family business is very well equipped because we have great employees who work together to advance the company with their qualifications, success orientation and passion. At the same time, we are not afraid to put ourselves to the test. For example, as part of our ‘THIMM 2030’ strategy, we are working on the further development of our brand. I am sure that with the new brand orientation, we will inspire employees, customers and partners even more. Our investment programme is also enabling us to establish the company on a digital and sustainable basis in the best possible way so we can continue to be the innovative, reliable partner for our customers.”

### **About Thimm**

The Thimm Group is a leading solutions provider for the packaging and distribution of goods. Its solutions portfolio includes corrugated cardboard transportation and sales packaging, high-quality promotional displays and print products for further industrial processing. Through its innovative and sustainable solutions, Thimm helps its customers to differentiate and individualise themselves in the market. To this end, in its sustainability vision for 2030, the family business anticipates economic, environmental and social challenges in advance and solves them. Thimm Group's aspiration is to always offer customers the best solution. This strong customer focus drives the innovation and the pioneering spirit of the company. There is therefore consistent investment in expanding the company's market presence as well as in future-oriented technologies. Founded in 1949, the family business currently has more than 2,500 employees at 13 sites in Germany, France, Poland, Romania, and the Czech Republic, and generated annual revenue of around EUR 723 million in 2022. More information is available at [www.thimm.com](http://www.thimm.com)

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