

## **Press Release**

### **Despite tense economic situation: Dr. Oetker achieved sales growth in 2022**

- EUR 4 billion sales for the 2022 financial year
- Adjusted sales growth of 5.7 percent
- Far-reaching investments in the coming years

**<Bielefeld, 25. April 2023> The food companies of Dr. Oetker (Dr. Oetker including Conditorei Coppenrath & Wiese) increased their total sales adjusted for consolidation and exchange rate effects by 5.7 percent to EUR 4 billion for the 2022 financial year (previous year: EUR 3.7 billion). The investments of Dr. Oetker and Conditorei Coppenrath & Wiese amounted to around EUR 125 million.**

**FINANCIAL YEAR  
2022**

**The 2022 financial year was characterized by the supply chain problems of the corona pandemic, but above all by Russia's war of aggression on Ukraine and the associated consequences for the global economy. The companies countered the massive increase in costs on the procurement markets with significant cuts on the cost side. In addition, price increases were also unavoidable. For the current 2023 financial year, Dr. Oetker and Conditorei Coppenrath & Wiese expect the environment to remain very challenging, while at the same time forecast sales growth that will be driven by product innovations and investments, but also by manageable price effects.**

"The war in Ukraine has brought great suffering to the people living there, and at the same time turned the world economy upside down. The markets which were already affected by the aftermath of the corona pandemic, were shaken once again, putting political, economic and social structures to the test in many countries. The fact that our around 17,000 employees generated organic sales growth of 5.7 percent against the background of sharply rising raw material and energy prices, and the loss of our Russian subsidiary shows the resilience of our international positioning. In order to maintain this competitiveness, we, like other manufacturers, made massive cost savings, but at the same time had to increase our prices, which, however, could not cover the enormous unplanned increases in expenses. We therefore launched an internal efficiency program that defines potential savings in all specialist areas and countries, which also streamlines our processes along the entire value chain. All this goes hand in hand with significant investments in innovations, sustainability and digitization, which will maintain our future viability," explains Dr. Albert Christmann, Chairman of the International Executive Board of Dr. Oetker, on the occasion of the publication of the annual key figures.

**SALES  
DEVELOPMENT**

The Dr. Oetker companies, which are active on all continents, generated sales revenues of EUR 4 billion during 2022, and thus achieved growth of 5.7 percent compared to the previous year. Dr. Oetker achieved around 65 percent of its total sales outside of Germany.

**REGIONAL  
DEVELOPMENT  
DR. OETKER**

Sales growth took place in all regions. Dr. Oetker was able to make significant gains, particularly in the European markets and in Region 3A (Africa/Asia/Australia). In Germany, too, the positive level of the previous year was exceeded.

Following an already good previous year, the Western Europe region again recorded higher-than-expected sales growth. Nevertheless, volume development was challenging in some countries: In Italy in particular, Dr. Oetker struggled with a declining market for ambient products. There were also negative volume effects due to the price increases in Spain, Portugal and Austria.

In Eastern Europe, Dr. Oetker recorded pleasing sales growth compared to the previous year, despite negative currency effects and the discontinuation of Dr. Oetker's key business in Russia. Additional listings with various customers in Poland contributed to this.

Sales in the Americas region were impacted by the challenging business of Wilton in the USA with baking decor: Since the start of the war in Ukraine, the markets for decorations and baking products have been in an inflation-induced downtrend almost everywhere in the Dr. Oetker national markets, but especially in the USA. Nevertheless, the region achieved moderate growth, particularly in the markets of Canada and Brazil. In terms of sales, business development in the 3A region was also above the previous year. Growth was achieved above all in India, due to the

**INNOVATIONS  
DR. OETKER**

pleasing development in the Professional business, and in South Africa.

The specialty retail companies' business with special baking products was characterized by the reluctance of hobby bakers to buy decorative items. Overall, however, the area of these new business models recorded significant growth, which was due to the first full-year inclusion of the Create Better Group acquired in England in the previous year.

Innovative, sustainable and healthier products were also a success factor for Dr. Oetker during the 2022 financial year. In the Pizza category, recipe revisions of the most important sub-brands and product innovations in the La Mia Grande and La Mia Pinsa ranges had a positive impact on sales. The increased consumer demand for vegan alternatives is being met by Pizza Ristorante al Salame Vegano. Dr. Oetker Professional expanded its range with five variants of the popular pizza alternative Pinsa under the range name La PINSA! In the fresh food sector, Dr. Oetker caters to the trend towards vegan products with the VEGA garden herbs cream. The high-protein muesli in various flavors and the high-protein chocolate and chocolate cakes complement the high-protein and low-sugar product range. Plant-based brownies and muffins expand the vegan sub-brand LoVE it! The trend towards natural products is also served by the Weinstein baking powder introduced in July 2022 and the vegan Streusel-Spaß Bio, the first organic product in the decor range.

**CONDITOREI  
COPPENRATH &  
WIESE**

With the new product launches, Dr. Oetker considers the consumer's desire for a healthy and conscious lifestyle. The fact that enjoyment is not forgotten was honored, among others, by the animal protection organization PETA, which presented the Ristorante Pizza Margherita Pomodori with the Vegan Food Award 2022.

Conditorei Coppenrath & Wiese achieved a significant increase in sales of 11.7 percent in 2022. This growth also resulted from price increases that were unavoidable in response to cost increases, despite significant internal efficiencies. The strategic segments of sheet cakes and rolls and cakes performed particularly well.

Conditions in the United Kingdom remain challenging due to the post-Brexit situation, the still unfavorable exchange rate of the pound sterling to the euro and high rates of inflation. Nevertheless, Conditorei Coppenrath & Wiese was able to further expand its business there. Business in North America continued to develop positively.

**INVESTMENTS**

Investments at Dr. Oetker and Conditorei Coppenrath & Wiese remained at a high level in 2022 at EUR 125 million (previous year: EUR 136 million). In this way, the companies are not only laying the foundations for future growth in the coming years and ensuring state-of-the-art technology but are also investing heavily in sustainability projects in accordance with the Sustainability Charter and in the future-proof, data-driven digitization of all corporate processes.

Significant projects completed in the past financial year include, for example, the social building at the Dr. Oetker location in Wittenburg, the development of a new line for innovative products, and initial investments in solar plants at the Wittlich location, the commissioning of a new warehouse at the Leyland location in the UK, and plant and warehouse expansions in Mexico. In the past financial year, Conditorei Coppenrath & Wiese made investments in training and further education facilities as well as in the construction of a new building for research and development, after investing significantly in the expansion of production and storage capacities in previous years.

**EMPLOYEES**

The number of employees, reported for the first time on a full-time equivalent basis, remained stable in 2022 at 16,924 compared to the previous year. 7,047 people were employed in Germany and 9,877 people were employed at the foreign locations.

**OUTLOOK 2023**

For the current financial year 2023 The two companies, Dr. Oetker and Conditorei Coppenrath & Wiese, nevertheless expect overall sales to be significantly higher than in the past financial year, given the ongoing challenging framework conditions. The forecast increase in sales results on the one side from price effects, on the other side, from selective volume increases through planned operational measures such as product innovations and market investments, as well as through the further expansion of distribution.

The situation on the procurement markets will remain challenging due to the persistently high prices and strained supply chains. For many commodity groups, continued limited availability must be expected, which will be accompanied by even higher prices. In addition, costs for sugar are expected to rise. This will be impacted on the one hand by the poor sugar harvests in 2022 due to the climate, and on the other hand by the energy costs required for sugar production, which are expected to remain at a high level; the same applies to wheat prices. In addition, generally higher energy and logistics costs are to be expected.

When it comes to investments, Dr. Oetker and Coppenrath & Wiese are planning a significant increase in spending on the future areas of innovation, sustainability, and digitization. In addition, replacement investments will be made in 2023 for the Conditorei Coppenrath & Wiese to secure production capacities and for Dr. Oetker's pizza business. The two companies are also investing in production lines and the further expansion of warehouse and shipping capacities.

“As in previous years, we expect a very tense economic situation for the current financial year and beyond, largely driven by the consequences of the war in Ukraine. We are meeting this challenge on the one hand with cost-cutting measures, but also with an investment offensive, particularly in the areas of digitization, sustainability, and innovations. There is no question that digital transformation will help us face the future with confidence. At the same time, we are doing everything we can to promote the responsible use of

natural resources and are setting a good example ourselves. That's why we're systematically driving forward the projects in our Sustainability Charter and not only thinking about environmental protection in a sustainable way, but also in regenerative terms wherever it is already possible today," concludes Dr. Christmann.

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