

Press Release

Dr. Oetker maintains the previous year's high level in the 2021 financial year

- The effects of the corona pandemic are still noticeable
- Significant cost increases expected in 2022

<Bielefeld, June 7, 2022> The food companies of Dr. Oetker achieved sales of around EUR 3.7 billion in the 2021 financial year and were thus at the high sales level as the previous year, despite the normalization of the markets after the exceptional year 2020 caused by the corona pandemic. The investments of Dr. Oetker and Conditorei Coppenrath & Wiese amounted to around EUR 136 million. The companies are thus creating the basis for further growth in the coming years.

The 2021 financial year continued to be shaped by the increasingly challenging consequences along the entire supply chain. As a result of the war in the Ukraine, companies are witnessing an intensification of the difficult procurement situation in the current financial year, and are recording significant cost increases for raw materials.

"We are pleased to report that we have again succeeded in generating the same level of sales in 2021 as in 2020, a special year for us, in which Dr. Oetker grew organically by 11% - and this despite at times the noticeable downturn in numerous markets in which we sell our products. Against the

**FINANCIAL YEAR
2021**

background of the very challenging economic conditions with noticeable increases in procurement costs in the second half of 2021, we still achieved a reasonable result. The procurement and logistics situation in particular was a challenge for us – and in view of the consequences of the war in the Ukraine will continue to be a considerable and unfortunately increasingly difficult burden. Nevertheless, thanks to our close supplier relationships and above all thanks to the flexibility and commitment of our employees, of which I am very proud, we were able to essentially maintain our ability to deliver," explains Dr. Albert Christmann, Chairman of the International Management Board of Dr. Oetker on the occasion of the publication of the annual figures.

**SALES
DEVELOPMENT**

The Dr. Oetker companies operating on all continents achieved sales of EUR 3.71 billion in 2021 and thus remained stable compared to the previous year (also EUR 3.71 billion). Dr. Oetker achieved around 66% of its total sales outside of Germany.

ACQUISITIONS

In terms of acquisitions, the focus in 2021 was primarily on the integration of the companies acquired in previous years. Smaller companies were also taken over: With the acquisition of Create Better Group Ltd. strengthened its new business models in October 2021. The group is the UK market leader in the B2C sector of multi-brand specialty stores and thus complements the European market leader for multi-brand specialty stores, New Cakes B.V., which already belongs to Dr. Oetker. In addition, with the

**REGIONAL
DEVELOPMENT
DR. OETKER**

acquisition of Kuppies, Dr. Oetker has taken over a brand and a production facility for ready-to-eat cakes in India.

The regional picture also largely reflected the effects of the corona pandemic: The Germany region achieved sales above the level of the previous year. Dr. Oetker benefited from the successful innovations, which more than compensated for the overall sluggish recovery of the professional business. The Western Europe region was unable to match the high sales of the previous year because individual country markets - following the leap in growth in the previous year - fell back to the sales level of 2019, meaning that only thanks to the market share gains of the Dr. Oetker national companies was it still possible to generate acceptable levels of sales.

Unfortunately, weak exchange rates in Eastern Europe impacted sales development in the region. In organic terms, Eastern Europe nevertheless achieved a moderate increase in sales compared with 2020. Encouraging business developments in Turkey contrasted with declines in Poland. In addition, poor harvests led to a weak preserving season, which had a negative impact on the sale of preserving products in many Eastern European countries.

The Americas region benefited from the reopening and recovery of key distribution channels such as Wilton's Craft Stores in the US and Mavalério's party stores in Brazil. With the home baking trend continuing, the group was able to record significant organic growth in the Americas.

**INNOVATIONS
DR. OETKER**

The national companies in South Africa, Tunisia and India also achieved significant growth rates. They were thus well above the previous year's level. Business with specialty baking items from the so-called specialty retail companies developed positively. This pleasing development was significantly supported by NewCakes, a specialist retailer with a wide range of baking utensils and products, whose sales contributions were included for the first time in the past financial year. InterNestor, which sells motif cakes via the [deinetorte.de](https://www.deinetorte.de) platform, also made a pleasing contribution to growth.

In the 2021 financial year, Dr. Oetker launched a large number of innovative products and at the same time further developed existing ranges. The company also continued to implement its sustainability strategy and introduced LoVE It!, a plant-based vegan pudding, in the cake and dessert category. The launch of the low-fat, no-sugar-added high-protein pudding range in various European countries was also very successful. After a promising test last year, Dr Oetker has expanded the offerings under the “Taste of Christmas” sub-brand in several national markets to include Christmas decorations, baking mixes and dessert powder. In the pizza category, the La Mia Grande range continued to grow in sales and market share. In addition, a number of new product launches took place on the international markets. These include La Mia Pinsa, a longer shaped, sourdough flat bread made using several types of flour with a long resting period for the dough, and The Good Baker, a vegetarian pizza in several varieties with optimized nutritional profiles.

**CONDITOREI
COPPENRATH &
WIESE**

With the new product launches, Dr. Oetker takes into account the consumer's desire for a healthy and conscious lifestyle. In accordance with the Dr. Oetker Sustainability Charter, the company encourages its consumers to make conscious purchasing decisions, among other things by introducing the Nutri-Score. In all Dr. Oetker countries in which Nutri-Score is legitimized, the labeling model will be visible on the front of the packaging of all branded products by the end of 2023 at the latest.

Conditorei Coppenrath & Wiese recorded a slight decline in its sales of 2% in 2021. While the private label business in Germany continued to decline, the brand business performed well and developed positively, primarily as a result of the positive development of the strategic sheet cake segment and gateaux. The gateaux business recovered and reached the levels prior to corona. The conditions in business with Great Britain continue to be difficult. Due to the post-Brexit situation and the still unfavorable exchange rate between the British pound and the euro, business remained well below the sales level of the previous year. The group's e-commerce business, on the other hand, developed dynamically in the 2021 financial year. In this area, the company continues to cooperate with all leading e-commerce retailers

In addition, Conditorei Coppenrath & Wiese focused on optimizing its production processes in the 2021 financial year. In particular, this included the continuation of projects aimed at faster set-up for production changes, metering optimization and so-called low-cost automation.

INVESTMENTS

Investments at Dr. Oetker and Conditorei Coppenrath & Wiese remained at a high level in 2021 at EUR 136 million (previous year (previous year: EUR 156 million)). The majority of this was attributable to Dr. Oetker. In this way, the companies are laying the foundations for additional growth in the coming years and ensuring state-of-the-art technology and high-quality processes throughout the entire supply chain. Significant projects completed last year include two new production lines at the pizza location in Wittlich and Lebcz (Poland), a new shipping warehouse at the Leyland location in Great Britain and various investments in further process automation, for example at the Bielefeld location. In order to continue expanding capacity, Conditorei Coppenrath & Wiese also made investments in the construction of a new high-bay warehouse in the past financial year. The company was thus able to expand the storage capacity at the Atter location by 20,000 storage spaces.

EMPLOYEES

In 2021, the number of employees grew to 17,916 employees. 7,610 people were employed in Germany and 10,307 people were employed at the foreign locations.

OUTLOOK 2022

The two companies Dr. Oetker and Conditorei Coppenrath & Wiese are sticking to their medium-term plans despite the considerable uncertainties, the high double-digit percentage increase in the cost of raw materials as a result of various bottlenecks that also need to be overcome, and a similar development in packaging materials, transport services and energy. For 2022, they expect total sales to be slightly higher than in the past financial year, given the ongoing challenging

framework conditions. Sales development will be stimulated by operational initiatives, in particular product innovations and market investments, as well as by the further expansion of distribution in the context of the internationalization concept. As a result of the war in Ukraine and the disruptions in global supply chains caused by the corona pandemic, significant cost increases are expected, forcing price increases and cost-saving measures. The aim is to pass on as little of the cost increases as possible to consumers and also to generate the necessary funds to be able to continue to push the innovations in products and services as well as in sustainability and digitization that have been launched, in order to enable sustainable growth for Dr. Oetker.

"Despite the current confusing and difficult global political situation, we are looking ahead with confidence, even though the impact of the war in Ukraine on trade, supply chains and the availability of raw materials is more than challenging. We are deeply affected by the suffering of the people as a result of the Russian war of aggression against Ukraine, which is why we are continuing our humanitarian support unchanged. At the same time, Dr. Oetker continues to invest in innovative products and services as well as in sustainability and digitization in order to remain attractive to consumers and competitive in the future," concludes Dr. Christmann.

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Key Figures 2021

Due to rounding up or rounding down, it is possible that individual figures (€, %, etc.) cannot be added up exactly to the total stated.

Sales revenue

	€ billion 2019	€ billion 2020	€ billion 2021	Nominal growth	Adjusted growth*	
				Change 2020/2021 in %	Change 2019/2020 in %	Change 2020/2021 in %
National (Germany)	1.17	1.25	1.28	2.3	6,4	1.8
International	2.22	2.46	2.43	-1.3	13,5	-1.0
Total	3.39	3.71	3.71	0.0	11,0	0.0

* Adjusted for currency effects and acquisitions.

Investments*

	€ million 2019	€ million 2020	€ million 2021	Change 2020/2021 in %
National (Germany)	93	101	74	-26.7
International	56	55	61	11.9
Total	149	156	136	-13.2

* Excluding companies consolidated for the first time.

Percentages relate to exact investment figures, not to rounded amounts.

Employees (headcount)

	2019	2020	2021	Change 2020/2021 in %	Change 2020/2021 without effects due to change in scope of consolidation in %
National (Germany)	7,041	7,246	7,610	5.0	4.7
International	9,194	10,330	10,307	-0.2	-0.9
Total	16,236	17,576	17,916	1.9	1.4