

## Press Release

### **Dr. Oetker increases global sales to EUR 3.7 billion in the 2020 financial year**

- Organic sales growth of 11 percent
- Growth in the retail range
- Losses in the Professional business
- Focus on sustainability

**<Bielefeld, Germany, May 18, 2021> Dr. Oetker's food companies increased their sales to around EUR 3.7 billion in the 2020 financial year, and were therefore able to grow by 11 percent after adjusting for the effects of the scope of consolidation and exchange rates. The investments of Dr. Oetker and the Conditorei Coppenrath & Wiese amounted to around EUR 156 million. The companies are thus creating the basis for further growth in the coming years.**

**The corona pandemic had a significant impact on the 2020 financial year, which among other things, led to a sharp decline in sales for the out-of-home market. On balance, the companies were able to compensate for these losses despite high investments in maintaining production.**

**FINANCIAL YEAR  
2020**

**"The impact of the corona pandemic on global economic activity was - and still is - severe. Fortunately, we were able to quickly adapt to the uncertain challenges. We developed hygiene and safety concepts to maintain all our work**

processes and implemented them in a disciplined way. Thanks to our innovative product and service solutions and, above all, the impressive commitment of our entire workforce, we were able to achieve a satisfactory result in the 2020 financial year despite the pandemic,” explains Dr. Albert Christmann, Chairman of the Executive Board of Dr. Oetker on the occasion of the publication of the annual key figures.

**SALES  
DEVELOPMENT**

The Dr. Oetker companies operating on all continents achieved sales of EUR 3.71 billion in 2020 and grew by around 10 percent in the year under review when compared to the previous year (EUR 3.39 billion). Adjusted for the effects of the scope of consolidation and exchange rates, growth even reached 11 percent. Dr. Oetker achieved around 66 percent of its total sales outside of Germany.

**ACQUISITIONS**

In terms of acquisitions, the focus in 2020 was primarily on the continued integration of the companies acquired in previous years. In addition, smaller companies were acquired that complemented organic growth: As of July 30, 2020, the shares in InterNestor GmbH, an online provider of home-baked individualized gateaux, were increased from 49 to 100 percent. In addition, Dr. Oetker acquired NewCakes B.V., the European market leader in multi-brand specialty store cakes in the Netherlands.

**REGIONAL  
DEVELOPMENT  
DR. OETKER**

The regional picture also largely reflected the effects of the corona pandemic: The retail ranges increased, while out-of-home consumption and professional markets essentially collapsed. The regions of Germany and Western Europe

benefited overall from moderate increases in sales in the retail ranges despite weak Professional sales. This pleasing development was strongly driven by the two strategic categories of pizza and cakes and desserts, with the powder-based ranges in particular contributing to the increase in sales.

Dr. Oetker also recorded strong year-on-year growth after adjusting for currency effects in the Eastern Europe region. However, this organic increase in sales was weakened by negative effects from the sometimes massive devaluation of Eastern European currencies.

In the Americas region, the impact of the pandemic was felt more strongly than in Europe. Sales in euros were slightly above the previous year's level, but increased significantly compared to 2019 when adjusted for currency effects. The national company in Canada achieved double-digit growth rates in local currency, primarily due to its successful pizza range. Dr. Oetker Brazil also showed very good development in the cake and dessert segment in 2020. By contrast, the Mavalério and Wilton companies were strongly negatively affected: The lockdown and the resulting closure of the important Craft Stores in the USA and the Party Stores in Brazil led to a drop in sales.

Business performance in Africa, Asia and Australia was largely driven by growth in the cake and dessert category. The strong performance of the national companies in Egypt, Tunisia, Morocco and India is worthy of particular mention.

**INNOVATIONS  
DR. OETKER**

In the new business models, Hospitality GmbH in particular was not able to gain momentum as Dr. Oetker had originally planned. Due to the pandemic-related restrictions, the opening of planned hospitality formats in the USA and Germany was postponed until the financial year 2021.

In the financial year 2020, Dr. Oetker launched a large number of new products on the market. For example Dr. Oetker High Protein Pudding, which was launched in the cake and dessert category. The new dessert which has no added sugar, fits perfectly into the framework of a high-protein diet and is available in three delicious flavors: vanilla, chocolate and semolina. The new Dr. Oetker Lava Cakes with liquid centers in Choco Lava and Salted Caramel Lava varieties offer a special cake treat for between meals. At the international level, Dr. Oetker additionally introduced The Taste of Christmas range, a set of decor and baking products, in the previous business year. In Sweden, the Pippi Longstocking decor set was launched in 2020. The special feature: One Swedish krona from each set sold goes to the #pippioftoday organization, which supports refugee girls. In the UK, Dr. Oetker launched the Spectacular Science cupcake baking mix, which meets the special consumer demand for baking products for children. The new American Style Cheesecakes - available in four varieties - can be prepared without any baking, that is quickly and easily.

In the pizza category, Dr. Oetker launched the All American Pizza in the German retail market and La Mia Grande, which is already established in German-speaking countries and Denmark, in Spain, the Netherlands, Norway and Sweden.

**FOCUS ON  
SUSTAINABILITY**

Through the Dr. Oetker Sustainability Charter, which was rolled out internally in 2020, the company firmly anchors sustainability in its business practices. A total of 28 project teams are working to implement ambitious sustainability goals. These include activities with which Dr. Oetker positively shapes the social and environmental impact of its corporate activities. The company will achieve climate neutrality at all locations until 2022. The amount of food waste that Dr. Oetker can directly influence will be reduced by 25 percent by 2025. In addition, Dr. Oetker continues to focus on reducing sugar and salt in its products, using alternative or sustainable raw materials and packaging, and complying with ecological and ethical standards for the raw materials it uses. For its employees, the company remains a social employer that guarantees equal rights and promotes diversity.

**CONDITOREI  
COPPENRATH &  
WIESE**

Conditorei Coppenrath & Wiese was able to increase its sales revenue by around 6 percent in 2020. The increase in sales resulted primarily from the pleasing performance of the branded business in Germany, mainly as a result of the strong performance of the strategic segments of sheet cakes and rolls and small cakes, rolls and strudels. The cake business weakened due to the corona-related contact restrictions and the associated lack of occasions for consumption. In business with Great Britain, burdens from the continued unfavorable exchange rate of the British pound to the euro were partially offset by positive deviations in raw material costs and an active product range policy.

**INVESTMENTS**

In addition, Conditorei Coppenrath & Wiese focused on optimizing its production processes. This included the continuation of projects aimed at faster set-up for production changes, dosing optimization and so-called low-cost automation.

With a total of EUR 156 million, the investments of all companies of Dr. Oetker and Conditorei Coppenrath & Wiese in 2020 were above the previous year's level (EUR 149 million). The majority was accounted for by 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. In this context, for example, major investments were made in new production lines or warehouse expansions at the Dr. Oetker production locations in Germany, Poland, South Africa and Brazil. In order to continue expanding capacity, Conditorei Coppenrath & Wiese also made investments in further production lines for rolls and cheesecake and in new production technology for ready-made cakes in the past financial year.

**EMPLOYEES**

In 2020, the number of employees grew to 17,576 employees. 7,246 people were employed in Germany and 10,330 people were employed at the foreign locations. This increase by a total of 1,340 employees resulted in particular from the full-year inclusion of the companies acquired by Dr. Oetker in the previous year.

**OUTLOOK 2021**

The two food companies of the Oetker group expect total sales in 2021 to be roughly at the level of the past financial

year. It should be noted here that sales in the previous year were influenced by positive special effects in times of the corona crisis, which will not be repeated in this way in 2021, while the lockdown-related sales losses in the catering industry were still noticeable in the first two quarters of 2021. In the current financial year, sales development is being stimulated by operational measures initiatives, in particular product and market investments in all regions, as well as further expansion of distribution in the growth regions of Asia and Africa.

“In view of the uncertainties caused by the corona pandemic, it is difficult to give an exact forecast for the current financial year. Much will certainly depend on the success of vaccination in all countries of the world. Because if there is one thing we have learned, it is that we must find global solutions together. Neither the virus nor the global economy are impressed by national go-it-alone mentalities. We will still have to deal with the effects of the pandemic in the coming months and years. Nevertheless, I look to the future with confidence. We have initiated many exciting product and business model innovations, but also projects to improve our business processes, making our ways of working even more efficient,” says Dr. Albert Christmann.

Caption:

**Dr. Oetker generates two thirds of its sales outside Germany. Image: the plant near Izmir, Turkey**

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