



Press Release

Oetker Group achieves growth across all business divisions

Solid overall results under challenging conditions

<Bielefeld, June 18, 2024> Despite the tense geopolitical situation and associated market disruptions, the Oetker Group managed to increase its sales by EUR 6.2 percent to over EUR 6.9 billion in 2023. The group is forecasting moderate growth again for the current financial year.

“The global conditions of 2023 were anything but easy for the Oetker Group. Following the existing market changes due to the aftermath of the corona pandemic and the ongoing war in Ukraine since 2022, the escalation of the Middle East conflict in October 2023 led to further proxy confrontations, putting additional pressure on already fragile global supply chains. It’s evident that world markets reacted with volatility. Moreover, the climate crisis, the uncertain energy supply, and further inflation with noticeable cost increases caused people in many countries to hold back on consumption,” commented Dr. Albert Christmann, General Partner of Dr. August Oetker KG, on the key figures of the 2023 financial statements published today. “At the same time, I am pleased that we were able to increase our sales organically by 6.3 percent despite these challenges. For the current financial year, we again expect rising sales.



THE 2023 FINANCIAL YEAR IN DETAIL:

Oetker Group Sales

In 2023, the Oetker Group achieved total sales of over EUR 6.9 billion, representing an organic increase of 6.3 percent compared to the previous year. The consumer goods-oriented business areas of Food and Beer and Nonalcoholic Beverages continued to make the largest contribution to the Oetker Group's sales growth. Dr. Oetker Food and Conditorei Coppenrath & Wiese together increased their sales by 4.6 percent. The Pizza and Professional divisions performed particularly well. The Radeberger Group was able to conclude its financial year in line with plans with a sales increase of 8.3 percent. In the brand portfolio, national specialties and regional premium brands again showed pleasing growth compared to the previous year. The Other Interests division continued its growth trajectory in 2023 and achieved another significant increase in sales. Growth was once again driven by the company flaschenpost, which successfully transformed from a beverage delivery service to an online supermarket, further increasing the average order value in the year under review. The IT premium data and information processing provider OEDIV Oetker Daten- und Informationsverarbeitung and the Hotel division also recorded sales increases, with revenues at Brenner's Park-Hotel expectedly significantly lower than the previous year due to renovation and modernization work.

The Oetker Group's sales in **Germany** increased by 7.1 percent to EUR 3.9 billion. The share of sales generated **outside Germany** remained almost unchanged from the previous year at 43.5 percent of total sales.



Investments

The Oetker Group's investments (excluding initial consolidations) amounted to EUR 303 million, 31 percent higher than the previous year's level (EUR 231 million). The Food division saw a particularly high increase (EUR +46 million). In addition, the Other Interests division recorded a significant increase of EUR 19 million, while investments in the Beer division rose moderately. Dr. Oetker Food invested as planned in future areas such as innovations, sustainability, and digitalization as part of a long-term investment program. A large portion of the investments was also allocated to expanding capacity in the international pizza plants.

Employees

In 2023, the Oetker Group employed a total of 19,140 people (previous year: 19,210) in Germany and 9,873 people (previous year: 10,189) abroad. The number of full-time equivalent employees worldwide remained largely stable at 29,013 in the year under review.

Business development of the individual divisions

Food division achieves moderate growth

The **Food** division consists of the companies **Dr. Oetker** and **Conditorei Coppenrath & Wiese**. In the 2023 financial year, it generated total sales of over EUR 4.1 billion. Inflationary cost pressures on the procurement side continued in parts. All national subsidiaries of the two food companies Dr. Oetker and Conditorei Coppenrath & Wiese were heavily affected by this. The Group had already initiated an efficiency and growth program in



the previous year, with which it structurally and sustainably saved costs while simultaneously investing specifically in innovations. The focus is primarily on measures to streamline processes and reduce non-value-adding costs. Through the gradual implementation of various measures, annual savings in the three-digit million range are being realized worldwide, which made it possible not to pass on all cost increases to customers through price hikes.

Dr. Oetker increased its sales by 4.4 percent compared to the previous year. However, sales of decorative items in the Cake and Dessert category did not grow. The reasons lie mainly in the inflation-induced consumer restraint in this product group. This particularly led to sales losses at Wilton, the market leader for cake decorations in the USA, as well as in the business with baking specialty products of so-called specialty retail companies. Overall, however, the Cake and Dessert category's revenues increased compared to the previous year.

In the Pizza category, sales rose significantly above the previous year's level. Successful innovations, such as the mini pizzas "My Pizza Slice" in Scandinavian countries, as well as targeted promotional activities, contributed to the sales volumes. Additionally, Dr. Oetker gained consumers from the out-of-home sector. Amid consumer downtrading shifts, high-quality frozen pizza has become a good alternative to restaurant visits or delivery services.



The Professional business continued its recovery and growth path after the end of the pandemic in 2023. Sales increased significantly compared to the previous year, with part of the sales increase necessarily being price-driven. However, growth impulses resulted in particular from the successful offering of Perfettissima pizzas as well as the significantly above-plan business with fast-food restaurant chains in India. Sales development in other assortments was also significantly above the previous year's level. A particular contribution came from Vitalis Muesli, which could grow in the German market through innovations, new listings, and expanded distribution, and also performed well across all countries. Partially compensating effects resulted from a weaker preserving season due to harvest and weather conditions, which was reflected in the sales of preserving products.

The regional picture was somewhat varied: The Germany region achieved moderate growth. Besides price increases, which were unavoidable since mid-2022 to partially compensate for the cost increase on the procurement side, the increased sales volumes in the Pizza sector had a particularly positive impact on sales development. In contrast, the Cake and Dessert category fell short of expectations due to the described consumer restraint and delistings, although sales here could also be moderately increased compared to the previous year. Moreover, the acquisition of Galileo, a producer specializing in frozen mini pizzas and snacks, positively contributed to sales growth in the last months of the year.



Sales in the Americas region were impacted by Wilton's challenging baking decorations business. Business development in Region 3A (Africa/Asia/Australia) was encouragingly higher than the previous year in local currency, but not in the reporting currency, the euro, as all countries in the region experienced negative exchange rate developments, primarily due to the devaluation of the Egyptian pound and the South African rand against the euro. Organic growth was primarily achieved in India due to the pleasing development in the Professional business, as well as in Tunisia and Egypt.

Conditorei Coppenrath & Wiese achieved a sales increase of 5.8 percent in 2023. This growth was partly the result of price increases, which, again, could not be completely avoided as a reaction to cost increases despite significant internal efficiency gains. The brand business in Germany performed particularly well in the strategic segments of sheet cakes and rolls. Additionally, the private label business in Germany continued to grow. Sales also developed positively in the important export market of Great Britain, despite the still unfavorable exchange rate of the British pound to the euro.

Investments in the Food Division in 2023 amounted to EUR 171 million, EUR 46 million above the previous year's level (EUR 125 million). With the high level of investment, the companies not only create the basis for growth in the coming years but also invest massively in sustainability projects according to their Sustainability Charter and in the future-oriented, data-driven digitization of all company processes. A significant part of the invest-



ments at Dr. Oetker was also allocated to expanding capacities in international pizza plants. In the past financial year, Conditorei Coppenrath & Wiese invested in projects for sustainable energy solutions, after having invested heavily in the expansion of production and storage capacities in previous years in order to lay the foundations for medium and long-term growth.

The number of full-time equivalent employees in the Food Division was 16,510.

The Beer and Nonalcoholic beverages division (Radeberger Group) achieved an increase in sales in line with expectations.

The **Radeberger Group's** sales amounted to over EUR 2 billion in the 2023 financial year and increased by 8.3 percent compared to the previous year, in line with expectations. In view of the challenging economic conditions, this development is all the more pleasing, although the business performance within the individual divisions varied in 2023.

The beer industry continued to be burdened by high levels of prices for energy, raw materials, auxiliary and operating materials, as well as personnel services. Additionally, higher wage agreements and the increase in the minimum wage led to further cost burdens for the Radeberger Group. To counteract the challenges, price increases as well as efficiency and cost measures were implemented across the company. This also includes the previously decided closure of the Frankfurt am Main brewery location at the



end of the third quarter of 2023; the production and filling volumes of Binding brewery were transferred to other brewery locations within the Radeberger Group. Since the last Corona-related sales from retail flowed back into the catering industry in 2023, the out-of-home channel was still able to record noticeable growth in the first half of the year. However, in the second half of the year, both poor weather conditions during the summer months, which are crucial for the industry, and increasingly noticeable consumer restraint due to inflation impacted business development in retail and the out-of-home sector.

In the brewery business, developments in the second half of 2023 and a conscious streamlining of the product range in particular led to a slight decline in sales compared to the previous year. To compensate for the significantly increased procurement and transportation costs, the price increase effective from December 2022 was successfully implemented in 2023.

After record years due to the Corona pandemic, the specialist beverage retail chain Getränke Hoffmann had to return some of its sales back to the out-of-home channel as expected. In 2023, higher purchase prices and increased personnel costs led to a noticeable strain on results. For the Drink-Port companies specializing in supplying the catering industry, the overall positive sales development in out-of-home consumption and the measures implemented in previous years to improve the cost structure had a significantly positive effect on the division's earnings development.



The route logistics, which the Radeberger Group operates together with the brewery C. & A. Veltins through the joint venture Deutsche Getränke Logistik (DGL), was able to optimize its cost structures and implement necessary price increases. This resulted in an increase in earnings in 2023.

H. Leiter GmbH, a full-service provider for empties logistics, was once again a crucial support in ensuring the Radeberger Group's delivery capability in 2023.

The Radeberger Group's brand portfolio developed better overall than the general market trend in the past reporting year. However, the Radeberger Group was not able to completely escape the declining sales trend in the overall market. National brands overall experienced a moderate decline in sales compared to the previous year. The nonalcoholic variants Radeberger Alkoholfrei and Jever Fun developed positively.

Among national specialties, the brand Allgäuer Büble Bier continued its successful growth trend. The young brand Oberdorfer Helles also showed pleasing growth compared to 2022. The segment of regional premium brands was marked by the positive development of the segment's strongest brand, Ur-Krostitzer, and the brand Freiberger. Both brands achieved significant sales increases in the past financial year. The nonalcoholic beverages performed well in the core business. However, thanks to a deliberate



streamlining of the product range, the segment recorded a moderate overall decline in sales.

The Radeberger Group's investments totaled EUR 71 million, 9.9 percent higher than the previous year's figure of EUR 65 million. A large part of the investments were related to the Radeberg location. The Freiberg location also invested in additional tanks to expand capacity, increasing its pressure tank volume. Additionally, there were further location-specific changes to optimize production and logistics processes and necessary investments in the empties pool of growth brands. In sales, the group targeted investments in the gastronomy and event business areas, as well as further expanding the Commerce Cloud. Modernizing Getränke Hoffmann's branches was the focus of investments in the vertical business.

In 2023, the number of employees in full-time equivalents was 6,385, above the previous year's level (6,122).

The Other Interests division continues to grow

The Other Interests division includes the online supermarket flaschenpost as well as other companies for procurement and logistics services, the IT service provider OEDIV, the hotels Brenner's Park-Hotel in Baden-Baden and Hôtel du Cap-Eden-Roc in Antibes, France, as well as Oetker Digital.

The companies have developed differently in the various markets. The division achieved a 9.8 percent increase in sales to EUR 754 million in the



2023 financial year. This was primarily due to the development of flaschenpost and OEDIV as well as increased sales at the Hôtel du Cap-Eden-Roc in Antibes. Investments in the Other Interests division totaled EUR 61 million in the reporting year compared to EUR 41 million in the previous year. The increase of 47.3% is largely driven by higher expenditure in the Hotel division.

The number of employees on a full-time equivalent basis fell from 6,353 in 2022 to 6,118, mainly due to more efficient processes and the resulting lower personnel requirements at flaschenpost.

Since 2021, **flaschenpost** has been undergoing a consistent transformation from an instant beverage delivery service to a complete online supermarket. The company now has 32 locations and offers an attractive range of supermarket products. Through this transformation, flaschenpost is taking advantage of the opportunities offered by the dynamic market environment and participating in the growth of the online food trade. However, the significant rise in costs for materials and energy as well as for transportation and personnel due to the war in Ukraine also had a negative impact on the online food and beverage trade. Despite inflation and the slight slump in demand for consumer goods, consumers' willingness to buy food remained positive compared to other categories. As a result, flaschenpost was able to further increase the average order value. Significant investment projects were carried out in 2023 in the area of the vehicle fleet to further electrify the vehicle fleet and in warehouse automation.



The 2023 financial year was characterized by strategic development for the premium IT service provider OEDIV. The focus here was primarily on expanding the business model to include the key areas of cloud technologies and cyber security and, as a result, a significant increase in personnel. OEDIV 2023 achieved corresponding sales growth thanks to the pleasing development in business with third-party customers. License sales also increased compared to the previous year. OEDIV invested in the expansion and upgrading of the data centers in Bielefeld. In addition to technical replacement investments, the IT infrastructure was expanded to include state-of-the-art mainframe computers.

The two hotels in the Oetker Group, Brenner's Park Hotel and the Hôtel du Cap-Eden-Roc, were able to significantly increase their combined sales compared to the previous year and thus close the financial year better than originally expected. This was primarily due to the positive development of the Hôtel du Cap-Eden-Roc, which enjoyed high occupancy rates and was fully booked throughout the summer months. Together with a higher average rate per night, accommodation sales in particular contributed to higher total sales and earnings than in the previous year. At Brenner's Park Hotel, 2023 was dominated by the upcoming infrastructure project. The extensive renovation and modernization work on the rooms in the main building began in the fourth quarter of 2023 and led to significantly higher investment expenditure compared to the previous year. Sales developed largely as



planned but were significantly below the previous year's figure due to the construction restrictions and the reduced number of available rooms.

Financial position of the Oetker Group

The consolidated balance sheet total as of December 31, 2023 fell by EUR 294 million year-on-year to EUR 5,401 million. The decrease on the assets side resulted primarily from the decrease in liquid assets, including as a result of investments, acquisitions and loan repayments, as well as from changes in fixed assets.

As compared to the previous year, intangible assets decreased by EUR 201 million, to EUR 617 million. The main reason for this is depreciation of EUR 288 million; the majority of this was attributable to goodwill and trademark rights from previous acquisitions as planned.

The carrying amount of property, plant and equipment was EUR 1.65 billion as of the balance sheet date, EUR 106 million higher than the previous year. Additions of EUR 311 million, of which EUR 31 million were acquisition-related, were offset by depreciation of EUR 201 million in the 2023 financial year.

Investments in associated companies increased by EUR 16 million to EUR 389 million as of the balance sheet date. The increase in the carrying amount resulted primarily from the equity valuation of S. A. Damm, Barcelona (Spain), and Deutsche Getränke Logistik GmbH & Co. KG (DGL).



Another significant investment accounted for using the equity method is Moers Frischeprodukte GmbH & Co. KG.

While the fixed capital of Dr. August Oetker KG remained unchanged with a book value of EUR 1,125 million, the Group's reserves amounted to EUR 1,246 million as of the balance sheet date. The equity ratio was 40 percent, as in the previous year.

The increase in provisions by EUR 64 million to EUR 1,395 million at the end of the financial year was primarily due to changes in other provisions. On the balance sheet date, these mainly comprised amounts for sales deductions, particularly in the Food division, and provisions for personnel, for outstanding invoices, for deposits from the brewery sector and for impending losses from pending transactions. Overall, other provisions increased by EUR 62 million to EUR 965 million. Pension provisions amounted to EUR 393 million as of the balance sheet date and have decreased by EUR 8 million compared to the previous year, as consumption was higher than the effects of additions and interest.

Outlook for the financial year 2024

In its forecast for the 2024 financial year, the Oetker Group Management assumes that geopolitical tensions will not escalate and that bottlenecks in the delivery and supply chains will decrease. Building on a stable foundation, the Oetker Group will continue to successfully pursue its growth path



in the future. For 2024, sales planning is based primarily on organic growth, supplemented by the full-year consideration of the acquisitions from the previous year. Overall, sales revenues will again increase moderately. The Group Management expects growth impulses primarily from the digital business models. The consumer goods divisions Food and Beer and Nonalcoholic Beverages also expect decent sales increases, which at Dr. Oetker are based on an assumed recovery in consumer volumes. Developments at Radeberger will be driven primarily by price effects with stable volume development. The price adjustments for the Oetker Group's products and services can only partially offset the high costs on the procurement side, with subsequent effects on wages and salaries. The remaining gap will continue to be compensated for by strict cost management, combined with the continuation of initiatives to reduce costs and improve efficiency within the Group companies.

The investment budget will also increase in 2024 and exceed last year's expenditure. The Group is thus laying the foundations for future growth. The investment budget is part of a large-scale plan over several years to further drive innovation and the expansion of digital expertise and sustainability activities. The majority of the investments will again be made in the Food Division. In addition, higher investment expenditure is planned, especially for hotels; the renovation and modernization work at Brenner's Park Hotel is having an impact here.

DR. AUGUST OETKER KG



Notes:

The percentages included in the group management report and the consolidated financial statements refer to the exact amounts, not the rounded amounts. Due to rounding it is possible that individual numbers (€, %, etc.) do not add up exactly to the specified sum.

*You can access this press release and the current annual report from June 18, 2024 in the press area of the Oetker Group:
www.oetker-gruppe.de*

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The Oetker Group

Key figures

	2021 ²		2022		2023		% ¹
		in %		in %		in %	
NET SALES (IN EUR MILLION)	5834	100.0	6508	100.0	6911	100.0	6.2
Of which by division							
Food	3685	63.2	3963	60.9	4145	60.0	4.6
Beer and Nonalcoholic Beverages	1621	27.8	1858	28.5	2012	29.1	8.3
Other Interests	527	9.0	687	10.6	754	10.9	9.8
Of which by region							
Germany	3176	54.4	3645	56.0	3903	56.5	7.1
Rest of the EU	1249	21.4	1337	20.5	1451	21.0	8.5
Rest of Europe	483	8.3	534	8.2	579	8.4	8.3
Rest of the world	926	15.9	991	15.2	979	14.2	-1.3
INVESTMENTS³ (IN EUR MILLION)	276	100.0	231	100.0	303	100.0	31.0
Food	136	49.1	125	54.2	171	56.5	36.5
Beer and Nonalcoholic Beverages	99	35.9	65	28.0	71	23.5	9.9
Other Interests	42	15.1	41	17.8	61	20.0	47.3
EMPLOYEES (FULL-TIME EQUIVALENTS)	27949	100.0	29399	100.0	29013	100.0	-1.3
Food	16933	60.6	16924	57.6	16510	56.9	-2.4
Beer and Nonalcoholic Beverages	6169	22.1	6122	20.8	6385	22.0	4.3
Other Interests	4846	17.3	6353	21.6	6118	21.1	-3.7

¹ Percentage change 2023/2022.

² For better comparability, the information for the 2021 financial year refers exclusively to the continuing operations or companies of the so-called G5 (excluding so-called G3 companies).

With effect from November 2, 2021, the shareholders Dr. Alfred Oetker, Carl Ferdinand Oetker and Julia Johanna Oetker left Dr. August Oetker KG by way of a non-genuine real division and in return received companies from the Oetker Group in the Food, Sparkling Wine, Wine and Spirits and Other Interests divisions. These G3 companies are included in the consolidated financial statements of Dr. August Oetker KG until October 31, 2021, the date of deconsolidation.

³ Without first-time consolidations.

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