

Eckes-Granini sets the course for future growth and generates solid results in the 2020 business year

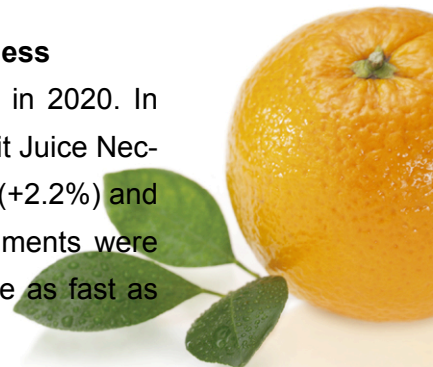
Nieder-Olm, 4. Mai 2021: Eckes-Granini Group GmbH can look back on a challenging business year in 2020, which was strongly influenced by the global COVID-19 pandemic. With an EBIT of 71 million EUR and an EBIT margin of 8.7%, business results fell short of expectations in the past year, but the international corporate group for non-alcoholic fruit beverages nevertheless draws a satisfactory conclusion. Compared to the previous year, the company managed to almost maintain its EBIT margin, which was 8.9% in 2019. Total turnover fell from EUR 921 million in the 2019 financial year to 873 million EUR in 2020 (-5.2%), while sales volumes also declined in 2020, falling by 10 million litres to 843 million litres.

"The past business year was without a question a challenge for all of us. However, together we have managed to respond to this extraordinary situation with great flexibility and willingness to perform. We have maintained our supply chain and production throughout the year and expanded our market leadership in Europe. The COVID-19 pandemic will continue to affect us in 2021. This year, we will set the strategic internal course for sustainable growth "after Corona", " says Tim Berger, CEO of the Eckes-Granini Group.

After an initially promising start to the first quarter of 2020, the spread of the COVID-19 pandemic led to a massive setback in the out-of-home business from March onwards. In almost all European countries, restaurants and hotels were completely closed for months due to the Corona restrictions. Accordingly, Eckes-Granini suffered losses of up to 50% in the out-of-home business in some markets.

Strong food retail partially offsets losses in the out-of-home business

The demand for fruit juices and fruit beverages developed positively in 2020. In contrast to previous years, which saw a declining trend, the FJND (Fruit Juice Nectar Drinks) market developed positively in 2020, both in terms of value (+2.2%) and volume (+1.5%). In particular the chilled-juice and ambient-juice segments were able to grow. With a growth of 3.9%, Eckes-Granini grew almost twice as fast as



the market in terms of value and was thus the growth driver in the FJND category again last year. In the food retail segment, the Eckes-Granini Group increased sales by 3%, driven in particular by higher demand as a result of the ongoing Corona pandemic. Overall, the good results in food retail helped to compensate, at least in part, for the drastic decline in the out-of-home business.

Ongoing health awareness among consumers offers growth potential

The rising demand for fruit juices is also attributable to the continuing strong health trend among consumers. This is reflected in the positive development of the Eckes-Granini *Benefit* Ranges, which have won over consumers with their additional health benefits. In Germany, Hungary, Austria and Lithuania, for example, the *hohes C PLUS* range grew by a total of 10%, thus outpacing the overall growth of Eckes-Granini brands (+5.9%) in these markets. The juices in the *God Morgon Benefit* range also benefited from this trend, with growth of 5 %, as did the shots of the Eckes-Granini brands *Rynkeby*, *Brämhults* and *Marli*.

In solidarity through the pandemic

The difficult situation in the out-of-home market was not the only challenge Eckes-Granini was facing in the pandemic year 2020. Ensuring smooth processes along the supply chain, in production and in operations also demanded a great deal from employees in terms of flexibility and commitment. Nevertheless, in the midst of the global crisis, it was important for the Group not to lose sight of its long-standing business partners and the situation in the communities in which Eckes-Granini operates. In an effort to mitigate the impact of the pandemic, Eckes-Granini supported restaurant owners Germany, Austria and France, among other countries, with donations. Under the umbrella of the Group-wide "Corona Relief Fund", all eleven national subsidiaries of the Eckes-Granini Group also donated some 500,000 litres of fruit juice to people in systemically important professions and to charitable institutions from April to September 2020.

Sustainable management was also a priority in 2020

In the past business year, Eckes-Granini achieved a number of strategic milestones on its way to becoming one of the world's most sustainable fruit juice producers by establishing an in-house sustainability team. The orange juices of *Brazil*,



granini and *God Morgon* have carried the Group's own "Sustainably Grown" label since last year and are produced from 100% sustainably grown oranges. Through its cooperation with ClimatePartner, Eckes-Granini has also come closer to its goal of successively reducing all greenhouse gas emissions caused directly or indirectly by its own business activities and offsetting them through a compensation project in Portel, Brazil. And in the pandemic year, the international charity cycling initiative Team Rynkeby also collected 8.7 million EUR for seriously ill children despite many restrictions with regional country tours. Eckes-Granini has been a main sponsor and partner of the charity cycling race since 2016.

Setting the course for future growth

"We have set ourselves a lot of goals for 2025. At the top are innovations strictly oriented to the wishes, expectations and needs of consumers. The current beverage market offers Eckes-Granini numerous growth opportunities, which we will explore. Our goal is to significantly increase our sales revenues and market share in Europe and beyond by 2025", says Tim Berger, CEO of the Eckes-Granini Group. To this end, the Eckes-Granini Group will continue to develop and expand its strategic brands and existing channels in a targeted manner over the next five years and invest substantially in dynamic growth categories. There will be a clear focus on channels that promise profitable growth, especially e-commerce."

You can find further information and download the business report at:

<https://www.eckes-granini.com/en/company/annualreport/>

About the Eckes-Granini Group:

Eckes-Granini is the leading supplier of fruit juices and fruit beverages in Euro-pa. For the independent family-owned company headquartered in Nieder-Olm, Germany (Rhineland-Palatinate), the focus is on committed and competent employees, strong brands in the areas of juices, fruit beverages and smoothies, and a long-term strategic orientation with sustainable value creation. Today, Eckes-Granini operates mainly in Europe with its own national companies and strategic partners and generates annual sales of 873 million euros with a total of 1708 employees. The company's foundation is formed by the internationally renowned premium brands *granini* and *Pago* together with strong national and regional brands for juices and fruit beverages. Consumers in 80 countries worldwide and especially in Europe know and appreciate our fruit juices and the variety of fruit beverages.

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