

PRESS RELEASE

Financial year 2020/21:

**Schloss Wachenheim AG sees increase in sales and earnings**

- **Sales revenue rises by 4.8% to EUR 354.6 million**
- **Operating earnings (EBIT) and consolidated profit significantly up on previous year**
- **Positive outlook for 2021/22**
- **Dividend increase by EUR 0.10 to EUR 0.50 per share planned**

Trier, 23 September 2021. Schloss Wachenheim AG can look back on a successful business year 2020/21 (30.6): The group achieved a sales revenue totalling EUR 354.6 million, corresponding to an increase of 4.8% compared to the previous year (EUR 338.2 million). The number of bottles sold, converted to a 0.75 l bottle average, was up slightly on the previous year (214.0 million) at a total of 220.2 million. With three operational subgroups in Germany, France and East-Central Europe, Schloss Wachenheim AG is one of the leading sparkling and semi-sparkling wine producers in Europe and the world, and also markets a wide assortment of other alcoholic and non-alcoholic wine-based drinks as well as children's party drinks.

Operating earnings (EBIT) for the 2020/21 financial year amount to EUR 24.4 million, an increase of almost 29 % compared to the previous year (EUR 19.0 million). The year's consolidated profit stands at EUR 17.7 million compared to EUR 13.0 million the previous year; earnings per share at EUR 1.32 (EUR 0.96 the year before).

“Despite the continuing challenges posed by the Covid pandemic, our business model has again proven strong in 2020/21 with three subgroups predominantly managed on a decentralised basis in operational terms and firmly established in their respective markets with own brands and products,” says Oliver Gloden, Spokesperson of the Executive Board of Schloss Wachenheim AG, summing up the company's recipe for success.

Increases in the German and East-Central European subgroups played a decisive role in this business development, although this was in part offset by a downward trend in France. In addition to the increase in sales and revenue, adjustments to the product portfolio, changing prices of wine and other raw materials, and strict cost management in all subgroups also contributed to earnings. “Against the backdrop of uncertainties relating to the pandemic that prevailed at the start of the financial year, we decided to significantly reduce our advertising expenditure in 2020/21,” Oliver Gloden elaborates.

### **Germany: Upward trend in sales and revenue**

In the German subgroup, a sales revenue of EUR 132.5 million was achieved; this corresponds to an increase of 7.9 % compared to the previous year (EUR 122.8 million). “Around half of this sales increase was generated by our still young wine trade division there,” reports a pleased Oliver Gloden. “An above-average growth in stationary trade as well as e-commerce was more than able to compensate for continued difficulties in the hotel and restaurant industry.” The business development of Schloss Wachenheim AG was also marked by an upward trend. The German subgroup saw a year-on-year increase in sales of 5.1 %.

### **France: Business development still impacted by Covid**

In the French subgroup, a sales revenue of EUR 81.0 million was 5.7% below that of the previous year (EUR 85.9 million). Sales volumes were down 7.7% to 53.0 million bottles (57.4 million bottles the previous year). The primary reason for this development was the continued negative impact of the Covid pandemic. Oliver Gloden explains, "The continued temporary absence of popular occasions at which our products are used, namely celebrations and events, had a noticeable impact on our business development in France in the first three quarters of 2020/21. We were unable to avoid this general market trend, as well as the corresponding developments in the export markets that are important for us." A strong fourth quarter could only partially compensate for this development.

### **East-Central Europe: Further significant increases in sales and revenue**

The East - Central European subgroup, represented by AMBRA S.A. and its subsidiaries, closed the past financial year with a 9.7 % increase in revenue; the sales volume of 90.2 million bottles was 9.3 % above that of the previous year. Dynamic markets in Poland, Romania, the Czech Republic and Slovakia once again proved to be the driving force behind this growth. "Contrary to our original expectations, the markets that have grown steadily in recent times have continued to develop favourably. As a result, we were also able to make significant gains and further expand our positions in all markets and in almost all product categories and sales areas," concludes Oliver Gloden.

### **Positive outlook for 2021/22**

Under the premise that Covid case numbers remain manageable and that no significant restrictions are imposed to combat the pandemic, Schloss Wachenheim AG expects the upward trend to continue and anticipates slight increases in sales and revenue for 2021/22. In addition, the Group anticipates operating earnings to be stable if not slightly higher than in 2020/21. Oliver Gloden affirms, “We are aware of our strengths and the potential that exists in our various markets and will resolutely make full use of these for continued successful development.”

### **Adjustment of dividend to EUR 0.50 per share planned**

In light of the development in earnings in 2020/21 and the positive outlook for the 2021/22 financial year, the Executive Board and Supervisory Board will propose a dividend of EUR 0.50 per share at the Annual General Meeting. This corresponds to an increase of 25 % compared to the distribution of EUR 0.40 per share the previous year.

### **Note:**

The Group Annual Report 2020/21 will be published on 23 September 2021 at [www.schloss-wachenheim.com](http://www.schloss-wachenheim.com).

### **About Schloss Wachenheim AG:**

*Schloss Wachenheim AG is one of Europe's leading manufacturers and distributors of sparkling wine and semi-sparkling wine and is active in several European countries with its own companies.*

*Its product portfolio covers a wide range of traditional and innovative products. In addition to sparkling wine and semi-sparkling wine, key products include dealcoholised sparkling wines and wines, but also vermouth, cider, spirits, wine-based drinks,*

*children's party drinks and, of course, high-quality sparkling wines and quality wines. The group's products are distributed to approximately 80 countries.*

*Major brands sold include Charles Volner and Muscador in France, Faber, LIGHT live and Robby Bubble in Germany, Cin&Cin, Fresco and Cydr Lubelski in Poland and Zarea Milcov in Romania.*

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