



## LAVAZZA GROUP: 2022 REVENUES TOTAL €2.7 BILLION

**Turnover is up 17.6% on 2021 as a result of increased volumes in all geographical areas and careful cost management**

**Turin, April 3, 2023** – Lavazza Group has announced its 2022 financial results and the completion of its acquisition of French coffee company MaxiCoffee, an operation first reported on November 28, 2022.

Turning to **operational performance in 2022**, Lavazza Group reported positive results and profitability in line with the previous year, despite the particularly complex macroeconomic scenario that has brought about a sharp rise in the price not only of green coffee, but also of packaging materials, energy, gas, and logistics and freight services, as well as the appreciation of the US dollar.

The margin was supported by an increase in sales, careful list price management, and close monitoring of operating costs. The Group has chosen to absorb a substantial part of the increase in costs and to pass only a portion of it on to consumers. This decision has been rewarded by an increase in sales in all geographical areas, with volume performance above the market trend and value performance in line with last year.

*“The 2022 results represent another milestone for our Group. Despite the particularly challenging scenario, we have been successful in sustaining turnover growth and keeping the margin in line with previous years. This was made possible by the huge commitment at all levels of the company to pursuing a strategy of international growth, combined with cost containment in an extremely complex situation,”* said **Antonio Baravalle, CEO of Lavazza Group**. *“The Group is now focused on the exceptional cost increases seen during the year, which will also have a significant impact on 2023.”*

**In 2022, the Group reported revenues of €2.7 billion, an increase of +17.6% on 2021.**

**Turnover was up in both the Home and Out-Of-Home channels.** Specifically, in the **Out-Of-Home** channel, the higher turnover growth was the result of the positive effect of increased volume (+26%).

The **Beans** segment continues to grow, and this year too proved to be the most dynamic on the market. Looking at the 15 main geographical areas in which the Group operates, the Beans segment reported a +1.4% increase in market share against 2021, while Lavazza Group gained +1.5 points of share as a result of 12% growth vs 2021.

In the **Single Serve** segment (coffee capsules), which remains the most competitive, the Group continues to implement its launch plan for aluminium capsules.

At **geographical level**, the Group reported value-based sell-out growth in the Retail channel in Germany (+18.1%), the United States (+14.1%) and Poland (+28%); Italy and France also reported growth of 1.5% and 6.1% respectively after the decline in 2021.

**Group EBITDA stands at €309 million**, in line with the 2021 figure of €312 million, with an **EBITDA margin of 11.4%** vs 13.5% in 2020.



**EBIT amounted to €160 million**, in line with the 2021 figure of €164 million, with an **EBIT margin of 5.9%** vs 2021.

**Net profit totalled €95 million**, compared to €105 million last year.

The **net financial position at 2022 year-end was €136 million**, confirming the Group's financial solidity.

The inflationary trend also had an impact on the balance sheet, particularly in terms of the appreciation of inventories, which has taken **operating cash flow** into slightly negative territory (-€8 million).

Lavazza Group remains determined to continue **integrating ESG criteria into its business model**. On the one hand, it has drawn up a structured programme of activities designed to engage with the communities in which it operates and create shared value, generating a positive social, economic and environmental impact. Lavazza Group is also committed to combating climate change, with the aim of delivering on the goal of zero impact from carbon emissions generated across the value chain, through the implementation of the "Roadmap to Zero" strategy to reduce and offset emissions. This strategy is based on three levels of action: impact measurement, reduction plans and offsetting plans. In more detail, the Group continues to implement the "Sustainable Packaging Roadmap", which aims to make the entire packaging portfolio reusable, recyclable or compostable by 2025.

In line with previous years, Lavazza Group will publish its **Sustainability Report** on a voluntary basis in June, drawn up according to the standards set out by the Global Reporting Initiative, the leading international benchmark for reporting on sustainability performance, and audited by an external assurance provider. The Sustainability Report analyses the impacts of the activities carried out by the Group, which has identified four priority sustainability pillars to focus on: Goal 5 - Gender equality, Goal 8 - Decent work and economic growth, Goal 12 - Responsible consumption and production, Goal 13 - Climate action.

So far as Goal 5 is concerned, in 2022 Lavazza Group continued along the path it started out on in 2020 with the launch of the **Gap Free programme**, a journey of cultural transformation in the mid-to-long term that aims to promote equal opportunities and break down all barriers. The final goal is to eliminate all forms of discrimination and create an inclusive organization in which everyone can express their real identity. In early 2023, the Group obtained first-level EDGE certification in Italy (Economic Dividends for Gender Equality).

Turning to other significant events in financial 2022, on December 28, 2022, the Tax Authorities granted Lavazza (Luigi Lavazza S.p.A.) **Collaborative Compliance status**, as provided for by legislative decree no. 128/2015, with effect from 2021. This recognises the company's longstanding focus on tax compliance processes, which are rooted in its Code of Ethics and Tax Strategy, as well as in the positive assessment by the Tax Authorities of the internal tax risk management and monitoring system.

In addition, on **March 31, 2023** – after approval by the French competition, consumer affairs and fraud authority (DGCCRF) – **the acquisition of MaxiCoffee was completed**. The French company, with around 1,500 collaborators, has a turnover of about €300 million and targets both private individuals and businesses through the company's e-commerce platform, a network of 60 sales agencies across France, its École du Café, and its concept stores. The platform offers a



selection of 8,000 products from over 350 different coffee brands (beans, ground and capsules), plus a wide range of espresso machines, coffee makers, coffee grinders and accessories.

*“With this acquisition, we continue our strategy to expand internationally and strengthen the business in key markets. MaxiCoffee will have a totally separate and independent management, maintaining its successful business model intact,”* **said Antonio Baravalle, Lavazza Group CEO.**

**Christophe Brancato, founder of MaxiCoffee Group,** is associated with the operation and will continue to hold a minority stake in the business. Christophe Brancato also remains Chair of the French company to continue the development of the business model he started, strengthening its already consolidated relationships with customers, coffee-loving consumers, and supplier partners.

---

#### **About Lavazza Group**

Lavazza, founded in Turin in 1895, has been owned by the Lavazza family for four generations. Today the Group is one of the leading players on the global coffee scene with a portfolio of top brands that lead their respective markets, such as Lavazza, Carte Noire, Merrild and Kicking Horse. It is active in all business sectors and has operations in 140 markets, with 9 manufacturing plants in 6 countries. The Group’s global presence is the result of over 125 years of growth and the more than 30 billion cups of Lavazza coffee produced every year are a testament to a remarkable success story, with the goal of continuing to offer the best coffee possible, in all forms, by focusing on every aspect of the supply chain, from the selection of the raw material to the product in the cup.

Lavazza Group has revolutionised coffee culture by investing continuously in research and development: from the intuition that marked the company’s earliest success - the coffee blend - to the development of innovative packaging solutions; from the first espresso sipped in Space to the dozens of industrial patents. The ability to be ahead of the times is also reflected in the focus on sustainability - economic, social and environmental - which has always been a benchmark for guiding corporate strategies. *“Awakening a better world every morning”* is the corporate purpose of Lavazza Group, with the aim of creating sustainable value for shareholders, collaborators, consumers and the communities in which it operates, combining competitiveness with social and environmental responsibility.