



MEDIA RELEASE

Ricola generates record sales in 2022

Laufen, 3 May 2023 – Despite a continuing volatile environment, Ricola Group achieved excellent results in 2022 and significantly higher sales than in 2019, i.e. before the corona pandemic. All regions contributed to this result, with particularly strong sales growth in the US market. Sales also grew above average in Canada and in several markets in Europe and Asia. By refining and expanding its successful strategy, Ricola laid the foundation for further healthy corporate development.

Although the measures against COVID-19 have been lifted or at least significantly reduced in most countries, the war in Ukraine that broke out in February 2022 and inflation in many important markets are causing globally great uncertainty. Nevertheless, the Ricola Group managed to generate sales in 2022 that exceeded those of 2019, its most successful year to date.

North America: Significantly expanded brand presence

Following the lifting of the corona-related lockdowns, several strong flu and cold waves followed in North America, accompanied by mild Covid-19 illnesses, the majority of which affected the upper respiratory tract. Market sales for cough drops in the US and Canada grew at a double-digit percentage rate in 2022 compared to 2019, with Ricola herbal drops benefiting directly from the strong increase in demand for cold remedies. In the US, Ricola gained significant market share, with sales growing considerably faster than the market average. Ricola was able to gain shelf space and expand its brand presence in both the US and Canada, not least because of new products such as the 'Ricola Max' line and 'Ricola Berry Medley'.

Europe: Encouraging development in the main markets

In Germany, Ricola's largest European market, the distribution joint venture CFP Brands achieved a significant increase in sales in a highly competitive environment. Ricola succeeded in winning over more consumers for its products. With 'Ricola Eucalyptus Cherry', the company successfully launched a new drop variety in Germany and Austria in September 2022.

Ricola achieved a record market share in the French confectionery market in 2022. In November, the first Ricola Boutique opened its doors for six months in the trendy Le Marais district of Paris. The products 'Douceur de Miel' and 'Echinacée Miel Citron', which were previously only available in pouches, are now also available on the French market in the practical Z-click box thanks to a new type of coating on the drops.

In Switzerland, Ricola had an exceptionally strong year. The entry into Migros in October 2022 marked a highlight in the home market. With a road show in early summer Ricola herb gardens were brought to selected Swiss cities. In fall, an interested public received an introduction to drop making in large Coop outlets. With Niels Hintermann, Ricola engaged for the first time a professional Swiss ski racer as a brand ambassador.

Business in Spain, Belgium and various Eastern European countries was positive. The Travel Retail business managed by Ricola Switzerland performed very well thanks to the recovery in international travel.



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Asia: Recovery after lifting of lockdowns

In many Asian markets, Ricola's business recovered after the Corona-related lull. Ricola achieved its strongest performance in South Korea, where the popular actor Park Seo Joon was engaged as brand ambassador. His high profile led to many trial purchases, which was reflected in considerable growth. In China, sales were still below expectations as corona-related lockdowns were maintained until the end of the year.

Sustainability: Six focus areas

In 2022, Ricola's Board of Directors approved the company's refined sustainability strategy with the focus areas of Agricultural Principles, Climate Protection, Packaging, Waste, Water and Supply Chain.

Already today, 100 percent of the herbs used by Ricola meet the standards of natural cultivation. In the medium term, the company aims to have other raw materials grown and processed in accordance with Ricola's agricultural principles. To this end, Ricola experts are in close contact with the producers.

Ricola uses paper and cardboard for packaging that is either FSC certified or recycled. In collaboration with a supplier, 2022 drop tins were developed that produce 50 per cent less carbon dioxide while manufactured.

Since 2012, Ricola was able to reduce waste from production from ten to six percent, and water consumption in drops production has also been lowered.

In the meantime, 98.8 percent of all raw material suppliers have signed the Ricola Code of Conduct.

Ricola is aiming for certification as a Benefit Corporation (B Corp) by the end of 2023. This certification proves that the company verifiably meets the highest standards in the areas of social and environmental sustainability, corporate responsibility and transparency.

Outlook: Good start

Ricola has made a good start to 2023 despite an international environment that remains challenging with inflation, currency fluctuations and supply chain difficulties. The company is confident that it will achieve its goals again this year.



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About Ricola

Ricola is one of the world's most modern and innovative manufacturers of herb drops. Ricola herb specialties are exported to 45 countries and are famous for their fine Swiss quality. Founded in 1930, with headquarters in Laufen near Basel and subsidiaries in Europe, Asia and the USA, Ricola now produces about 50 different herb drops and tea specialties.

In Switzerland, this family-owned company is a pioneer in herb cultivation and places great value on using carefully selected locations and controlled, environmentally friendly cultivation methods. Ricola has concluded fixed long-term purchase agreements with about 85 farmers in Swiss mountain regions. Ricola is committed to sustainable corporate management, economically, socially and ecologically and is a responsible employer for around 500 employees worldwide. The traditional values of a family-run enterprise coupled with Swiss quality and a passion for innovation are crucial factors in the success of the Ricola global brand.

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