



MEDIA RELEASE

Ricola: A strong second half of 2021 after a challenging start into the year

Laufen, 5 May 2022 – In the first quarter of 2021 the demand for drops and cough drops declined worldwide as a result of the Corona pandemic. This market trend also affected Ricola. Starting in May, however, sales of the herb products picked up again and reached in the fourth quarter levels similar to those before the Corona crisis. Ricola took specific measures to make its business more dynamic and entrepreneurial. As a result, the company is optimally prepared to continue the upswing of the second half of 2021 at full speed in 2022.

In 2021, the Corona pandemic continued to generate strong turbulences in all markets. The requirement to wear protective masks and reduced mobility affected the impulse business; the absence of flu outbreaks was reflected in the sales of cough drops. This negative trend did not spare Ricola. Although the company was able to maintain its high market shares in key markets, sales nevertheless fell short of the record-breaking comparable months of the previous year. In order to emerge stronger from the crisis in the second half of 2021, Ricola introduced a range of measures. Based on consumer and market data, a variety of marketing and sales initiatives were developed to further strengthen Ricola's brand and market position.

Full capacity in the last four months of 2021

Sales increased again from May 2021 onwards. The presence of the Ricola brand on social media and e-commerce platforms in Europe, North America and Asia developed positively. In China in particular, business picked up rapidly as early as in spring 2021 thanks to this commitment. In the fourth quarter of 2021, sales in the vast majority of countries clearly exceeded the previous year, so that the production facilities were running at full capacity again from September.

Attracting more consumer groups

Ricola's reputation with consumers continues to be high. According to a study conducted by the RepTrak Company in Switzerland in 2021, the company topped the ranking of the most trusted companies for the second time after 2019.

In October, Ricola launched a new global packaging design reflecting its unique core competence, the production of enjoyable products with natural Swiss Alpine herbs. This core competence is also the focus of the new advertising campaign 'Just take Ricola', which has been successfully running across Europe since November 2021.

The launch of new products – Ricola Ginger Orangemint and Ricola Pine Resin in core European markets and Ricola Berry Medley in the USA – generated a strong momentum. In particular, business in North America developed very dynamically in the second half of 2021. By the end of 2021, Ricola also completed the transition of all sugar-free formulations of its hard drops for the European markets to a formulation with sweeteners from the stevia plant.

Refinement of the sustainability strategy

In November, the Board of Directors approved the Ricola Group's refined sustainability



MEDIA RELEASE

strategy. With this, the company aims to continuously strengthen its leadership in sustainable herb cultivation and to progress further in other areas of sustainability management in the near future.

Volatility to remain high in 2022

After measures against COVID-19 were reduced or even lifted in many countries, the war in the Ukraine and rising inflation in numerous markets continue to cause great uncertainty. Nevertheless, in 2022 Ricola intends to continue the awakening started in the second half of 2021 and encourage more consumer groups to enjoy its products more frequently. In doing so, Ricola is building on its excellent reputation and the high level of trust that consumers place in the company and its products worldwide. The company will also work hard to implement its refined sustainability strategy and anchor it in its day-to-day business.



MEDIA RELEASE

About Ricola

Ricola is one of the world's most modern and innovative manufacturers of herb drops. Ricola herb specialities are exported to more than 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 around 60 different herb drops and tea specialities. 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 almost 100 farmers in Swiss mountain regions. Ricola is committed to sustainable corporate management, economically, socially and ecologically and is a responsible employer. 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.

Media contact

Ricola Group Ltd.
Corporate Communications
Baselstrasse 31
4242 Laufen
Ph. +41 (0)61 765 41 21
media@ricola.com