FINANCE REPORT

MELITTA GROUP 2022

CONTENT

report.melitta-group.com/annual-report-2022/

KEY FIGURES

OVERVIEW 2022

KEY FIGURES OF
THE MELITTA GROUP

	2022	2021
Sales *in € thous.*	2,284,054	1,882,123
Capital expenditures* *in € thous.*	37,533	39,217
Employees *full-time employees, annual average*	5,957	5,904
Tangible assets *in € thous.*	283,749	273,075
Financial assets *in € thous.*	8,163	51,102
Equity *in € thous.*	323,702	307,096
Total assets *in € thous.*	1,363,924	1,325,125
Equity ratio *in %*	26	26

** without additions to the consolidated group and only investments in property, plant and equipment*

KEY FIGURES OF
THE OPERATING DIVISIONS AND THE SERVICE UNIT

Sales *in € thous.*	2022	2021
Melitta Europe – Coffee Preparation Division*	192,482	215,336
Cofresco*	307,310	290,132
Wolf PVG*	45,765	57,461
Melitta Europe – Coffee Division	528,611	387,569
Melitta North America	179,021	110,297
Melitta South America	409,794	302,372
Melitta Asia Pacific	1,870	1,708
Melitta Single Portions	972	558
Melitta Professional Coffee Solutions	230,581	198,763
Coffee at Work	14,710	13,508
Cuki Cofresco	256,650	244,635
Neu Kaliss Spezialpapier	33,242	34,547
ACW-Film	8,880	7,990
Caffè Corsini**	14,729	––
Roastmarket**	40,785	––
Services and others*	18,652	17,247
TOTAL	**2,284,054**	**1,882,123**

** thereof Melitta Europe – Sales Europe Division total 2022: 480,389 | 2021: 507,952*
*** first-time consolidation in the fiscal year 2022*

Employees *full-time employees, annual average*	2022	2021
Melitta Europe – Coffee Preparation Division	584	590
Cofresco	1,041	1,035
Wolf PVG	236	258
Melitta Europe – Sales Europe Division	437	441
Melitta Europe – Coffee Division	243	243
Melitta North America	181	162
Melitta South America	884	920
Melitta Asia Pacific	29	25
Melitta Single Portions	47	36
Melitta Professional Coffee Solutions	983	993
Coffee at Work	86	94
Cuki Cofresco	503	556
Neu Kaliss Spezialpapier	135	188
ACW-Film	48	46
Caffè Corsini**	44	––
Roastmarket**	109	––
Services and others	367	317
TOTAL	**5,957**	**5,904**

LETTER FROM THE **CHIEF CORPORATE MANAGEMENT**

Ladies and gentlemen,

2022 was an extremely challenging year for the Melitta Group. It was dominated by commodity bottlenecks, significant price increases for energy, materials, and transport, and numerous uncertainties which dampened consumer sentiment in almost all relevant markets of the Melitta Group.

In view of this adverse macroeconomic environment, the Melitta Group performed well and closed the fiscal year 2022 with a satisfactory result. We successfully adapted to the changing conditions in good time and secured our ability to deliver throughout the year. The companies belonging to our Group were thus largely able to maintain their market positions and achieve many of the targets they set at the beginning of the year.

This success is first and foremost a testament to the efforts of our employees. In the past year, they once again displayed tremendous passion and foresight in developing new solutions. However, our continued market success is also the result of our long-standing cooperation with customers, suppliers, and other business associates – a cooperation based on mutual trust and respect.

The Melitta Group generated total sales of € 2,284 million in its fiscal year 2022. Compared to the previous year (€ 1,882 million), this represents revenue growth of 21.4 percent. This significant increase is primarily attributable to the Coffee business field, whose revenues increased from € 707 million in the previous year to € 1,058 million. Revenues of the Coffee Preparation and Household Products business fields rose by 5.9 and 3.4 percent, respectively. These significantly higher sales revenues were mainly due to price increases necessitated by the massive hike in energy, material, and transport costs. By contrast, sales volumes were down in most of our operating divisions. The first-time consolidation of Roast Market GmbH and Corsino Corsini S.r.L., in which we acquired majority stakes in 2021, also had a positive impact on the revenues generated by the Melitta Group.

However, price increases introduced by almost all our operating divisions and our strict cost management were unable to fully offset significantly higher material, energy, and transport costs. This resulted in a noticeable burden on the Melitta Group's earnings in 2022.

Our strategic alignment remains unchanged. Over the past few years, it has significantly enhanced our resilience and flexibility. It has opened up new perspectives and markets for us and strengthened our innovative capability and strength.

In the coming years, we will therefore continue to internationalize our activities and drive forward our transformation with regard to digitalization and sustainability. We currently see numerous opportunities for growth in our existing markets, but also in new ones. Key prerequisites for this growth are the further digitalization of our processes, products, and services, and the embedding of sustainability in all our business strategies. Given the increasing level of market uncertainty, we will continue to improve our agility, flexibility, and efficiency in the coming years and focus on products and services that meet and shape the current and future zeitgeist.

We therefore launched a wide array of new products and services again in 2022 and continued to refine our product ranges. In the Coffee business field, these included in particular new coffee blends, the expansion of our whole bean product range, the expansion of our craft coffee product range launched in 2021 (Melitta Manufaktur), as well as new offerings for the B2B market. In the Coffee Preparation business field, various filter coffeemakers and fully automatic coffee machines were upgraded and relaunched, and in the Household Products business field, several food wraps, containers, and bin liners were revised and improved, especially with regard to their sustainability performance. In addition, we rolled out a number of innovative products in our range for industrial clients.

We have made considerable progress with the sustainable alignment of our business activities: numerous initiatives and projects have been launched in all four of our value creation areas – Coffee and Coffee Preparation, Paper and Pulp, Plastics and Plastic Products, and Electrical Appliances – in order to achieve the future concepts we have adopted throughout the Group. Many of our structures and processes are therefore currently undergoing change – from the development of our products and procurement of raw materials, to our manufacturing and marketing processes.

Cooperation between the Group's operating divisions has also intensified, not least as a result of the further integration of sustainability into our business strategies. We regard this increasingly close cooperation, the pooling of our strengths, and our strong cohesion based on a shared value culture as important success factors for the further development of our Group and intend to strengthen these aspects in the coming years.

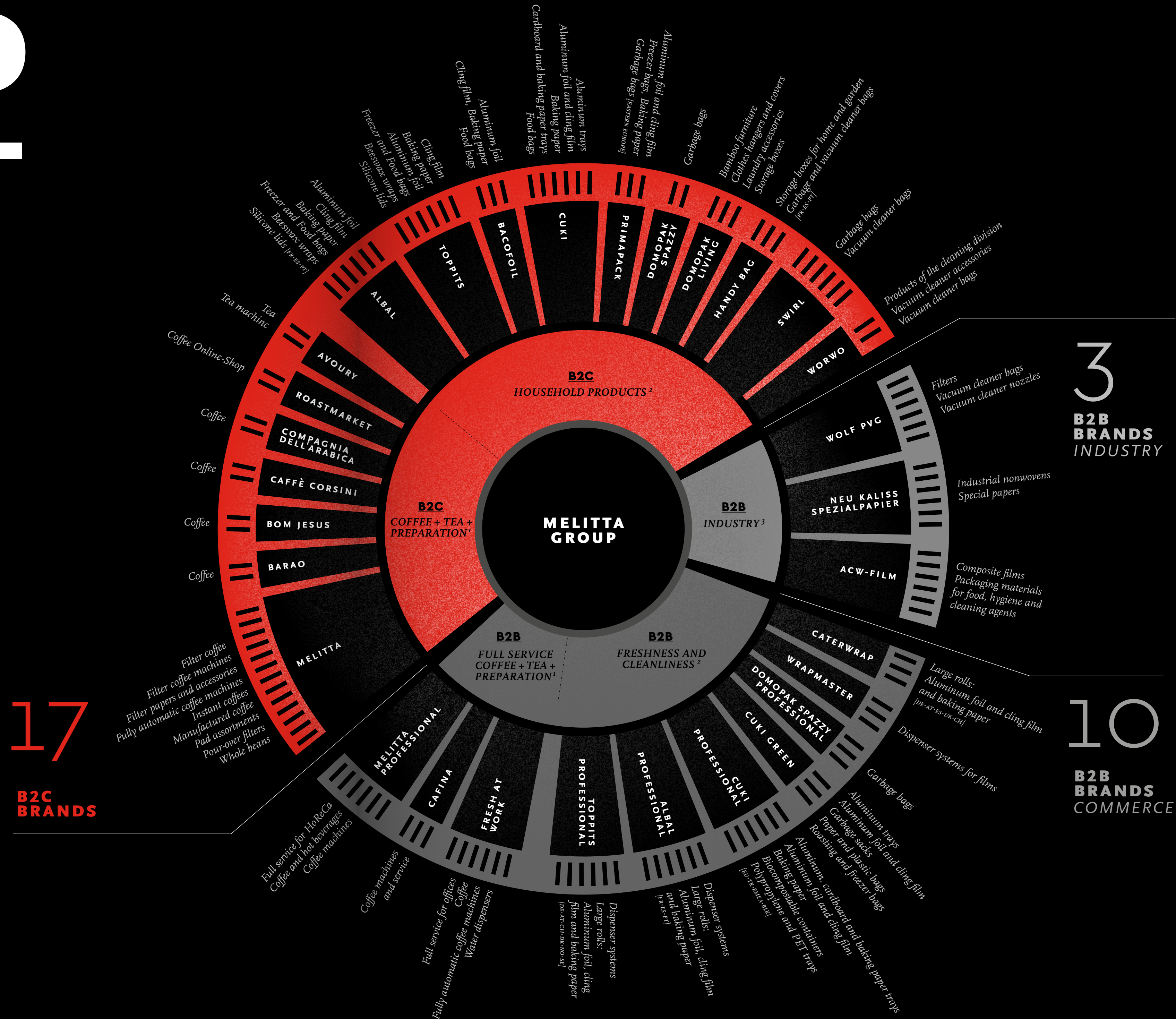
We would like to express our sincere gratitude to all employees for their commitment, loyalty, and dedication to serving the current and future needs of our customers, day after day. We also thank our business partners for their loyalty, their reliability, and their trust in us.

Jero Bentz

Volker Stühmeier

BRAND STRUC-TURE

OUR PRODUCT BRANDS AND EXPERTISE IN THE 360° CUSTOMER EXPERIENCE.



ORGANIZA-TIONAL STRUCTURE

MELITTA GROUP MANAGEMENT

CHIEF CORPORATE MANAGEMENT

CORPORATE DIVISIONS

- **CORPORATE DEVELOPMENT** *incl. 10X INNOVATION*
- **COMMUNICATION AND SUSTAINABILITY**
- **HUMAN RESOURCES**
- **FINANCE**
- **LEGAL AFFAIRS**

OPERATING DIVISIONS

- MELITTA EUROPE – COFFEE DIVISION
- MELITTA EUROPE – COFFEE PREPARATION DIVISION
- MELITTA EUROPE – SALES EUROPE DIVISION
- MELITTA PROFESSIONAL COFFEE SOLUTIONS
- COFFEE AT WORK
- MELITTA SINGLE PORTIONS
- MELITTA NORTH AMERICA
- MELITTA SOUTH AMERICA
- MELITTA ASIA PACIFIC
- COFRESCO
- CUKI COFRESCO
- WOLF PVG
- ACW-FILM
- NEU KALISS SPEZIALPAPIER
- MELITTA BUSINESS SERVICE CENTER
- ROASTMARKET
- CAFFÈ CORSINI

General Partner of Melitta Unternehmensgruppe Bentz KG: Jero Bentz
Limited Partners: Dr. Thomas Bentz, Thomas Dominik Bentz, Claudia Tauß, Johannes Tauß, Maximilian Tauß, Jara Bentz, Dr. Stephan Bentz, Eva Maria Bentz, Alexandra Taufmann, Tilman Bentz, Nora Sophie Bentz
Advisory Council: Joachim Rabe (Vorsitz), Dr. Stephan Bentz, Jara Bentz, Claudia Tauß, Alastair Bruce, Javier González, Andreas Ronken

CORPORATE DIVISIONS

CORPORATE DEVELOPMENT *incl. 10X Innovation*

Managing Director — Günther Klatt

The corporate division Corporate Development deals with the strategic alignment of the Melitta Group and its various operating divisions. It provides support for Chief Corporate Management with the further development of Group strategy and assists the operating divisions with their strategy projects and operational management, as well as the implementation of major projects. This involves monitoring market trends and developments, evaluating strategic options, driving the digital transformation, and developing strategy programs. The division is sub-divided into the departments: Corporate Strategy, Investment Management, Planning and Reporting, Corporate Innovation/ Melitta 10X Incubator, and the Digital Acceleration Team.

CORPORATE HUMAN RESOURCES

Managing Director — Roberto Rojas

The corporate division Human Resources shapes the strategic and infrastructural framework for the support, recruitment, and development of personnel. A key task is to strengthen the attractiveness of the Melitta Group as an employer, both internally and externally, in order to retain current and new employees over the long term. Corporate HR supports the operational HR departments with the corresponding measures and instruments, e.g. with regard to digitalization, internationalization, and standardization. In addition, Corporate Human Resources acts as a driver for the continuous further development of the Group's corporate culture as a family business. This includes development programs for managers and high-potential employees, as well as the promotion of cross-divisional communication, and an appreciative feedback culture.

CORPORATE FINANCE

Managing Director — Jochen Emde

The corporate division Finance is responsible for the Group's financial and foreign exchange strategy, as well as its accounting and taxation policies. As the Finance Business Partner, it is also responsible for the Melitta Group's value-based management system and global financial organization, as well as for insurance management and the Group's customs and tax issues. Its main tasks include financial and liquidity management, the planning and managing of cash flows within the Group, the coordination of Group data management, and financial reporting on the basis of uniform standards, processes, and systems. In addition, the corporate division is responsible for the risk-oriented implementation of internal audit tasks, as well as advice on the further development of governance structures and control systems for the Group's operating divisions. It draws up guidelines on compliance with legal and regulatory requirements and provides various services, such as financial support and training for the corporate and operating divisions. Finally, it is responsible for the operational coordination and management of M&A projects and alliances.

CORPORATE COMMUNICATION AND SUSTAINABILITY

Managing Director — Katharina Roehrig

The corporate division Communication and Sustainability supports Chief Corporate Management with all issues relating to communication and sustainability. It is responsible for internal and external communications across the Group, as well as for corporate brand management, the strategic alignment and coordination of the Group's sustainability activities, and the integration of sustainability into the global business strategy. Its tasks include the development of the Melitta Group's communication strategy and its implementation in the field of corporate communications, public relations, sponsoring, and events. Its responsibilities also comprise the Group-wide strategic alignment and development of sports partnerships, as well as in-house real estate management in cooperation with the relevant departments.

CORPORATE LEGAL AFFAIRS

Managing Director — Hans-Rudolf Lenhartz

The corporate division Legal Affairs has the strategic task of enabling the Melitta Group's business activities with regard to their compliance with applicable laws and regulations. To this end, it advises, assists, and supports Chief Corporate Management, the other corporate divisions, and the Group's operating divisions with all legal matters. In doing so, it identifies the legal obligations and risks and plays an advisory and supportive role in ensuring operational compliance and mitigating the risk of legal challenges. Its main areas of expertise are competition law, commercial and contract law, corporate law, intellectual property law, and data privacy law.

OPERATING DIVISIONS

ANNUAL REPORTS OF
THE OPERATING DIVISIONS

MELITTA EUROPE — COFFEE DIVISION

MELITTA®
Managing Director — Dr. Frank Strege
Headquarters — Bremen, Germany

The operating division Melitta Coffee is responsible for Melitta's coffee business in Europe, the Middle East, and Africa (EMEA). Our range offers perfect coffee enjoyment for every taste: filter coffee, whole beans for fully automatic coffee machines and fresh grinds, specialty coffees from Melitta Manufaktur, pad ranges for single-cup preparation, and instant coffees.

Sales in € thous.

2022	528,611
2021	387,569

Employees, full-time employees, annual average

2022	243
2021	243

MELITTA EUROPE — COFFEE PREPARATION DIVISION

MELITTA®
Managing Director — Katja Möller
Headquarters — Minden, Germany

With its claim "We enable coffee enjoyment", the operating division Melitta Europe Coffee Preparation develops, produces, and markets top-quality products for coffee preparation in private households under the Melitta® brand. The range comprises products for preparing filter coffee, such as Melitta® filter papers, pour-over cones, filter coffeemakers, coffee grinders, and electric kettles, as well as fully automatic coffee machines for the preparation of coffee specialties at home.

Sales in € thous.

2022	192,482
2021	215,336

Employees, full-time employees, annual average

2022	584
2021	590

MELITTA EUROPE — SALES EUROPE DIVISION

MELITTA®, TOPPITS®, ALBAL®, BACOFOIL®, HANDY BAG®, SWIRL®
Managing Director — Stefan Knappe (interim)
Headquarters — Minden, Germany

Melitta Europe Sales Europe is responsible for marketing the Melitta Group's main consumer products in the region Europe, Middle East, and Africa (EMEA). The best-known brands marketed by this division include Melitta®, Toppits®, Albal®, BacoFoil®, handy bag®, and Swirl®.

Sales in € thous.

2022	480,398
2021	507,952

Employees, full-time employees, annual average

2022	437
2021	441

MELITTA PROFESSIONAL COFFEE SOLUTIONS

MELITTA®, CAFINA®
Managing Director — Marco Gottschalk
Headquarters — Minden, Germany

Melitta Professional Coffee Solutions is the global partner for professional hot beverage preparation in the out-of-home market. The operating division's extensive range of products and services includes coffee machines, coffees, technical services, digital solutions, and customized finance.

Sales in € thous.	
2022	230,581
2021	198,763

Employees, full-time employees, annual average	
2022	983
2021	993

COFFEE AT WORK

FRESH AT WORK®
Managing Director — Martin Sesjak
Headquarters — Witten, Germany

Coffee at Work GmbH & Co. KG offers an all-inclusive service for coffee and water provision in the workplace under the fresh at work® brand. The service comprises the provision of coffee machines and table water dispensers, including regular maintenance, but also includes the supply of coffee beans, milk powder, chocolate powder, and all other consumables.

Sales in € thous.	
2022	14,710
2021	13,508

Employees, full-time employees, annual average	
2022	86
2021	94

MELITTA SINGLE PORTIONS

MELITTA®, AVOURY®
Managing Director — Holger Feldmann
Headquarters — Minden, Germany

Within the Melitta Group, Melitta Single Portions is responsible for all products connected with the preparation of hot beverages in the form of single servings. With its innovative solutions and products, the operating division aims to become one of the leading, globally operating suppliers for single-serve hot beverages. As of November 2019, Melitta Single Portions has been producing and marketing a premium range of individually portioned teas under its first-ever own brand Avoury®. With the Avoury® One tea machine and over 30 organic tea varieties, Avoury® stands for a new and sustainable form of top-quality tea enjoyment.

Sales in € thous.	
2022	972
2021	558

Employees, full-time employees, annual average	
2022	47
2021	36

MELITTA NORTH AMERICA

MELITTA®
Managing Director — Martin T. Miller
Headquarters — Clearwater, Florida, USA

Melitta North America produces filter papers and roasted coffee, both for consumers under the Melitta® brand and for the B2B market. Its core markets are the USA and Canada but its products are also marketed in Mexico, Central America, and the Caribbean.

Sales in € thous.	
2022	179,021
2021	110,297

Employees, full-time employees, annual average	
2022	181
2021	162

MELITTA SOUTH AMERICA

MELITTA®, BARÃO®, BRIGITTA®, BOM JESUS®
Managing Director — Marcelo Barbieri
Headquarters — São Paulo, Brazil

Melitta South America offers a wide range of products for coffee enjoyment at home. These include various coffee blends, capsules, and instant coffees, as well as coffee preparation products such as filter papers. The operating division has three production facilities in Brazil: two coffee roasting plants and one paper mill. Melitta South America is one of the leading suppliers of coffee products in Brazil and the market leader for filter papers in South America under the Melitta® and Brigitta® brands.

Sales in € thous.	
2022	409,794
2021	302,372

Employees, full-time employees, annual average	
2022	884
2021	920

MELITTA ASIA PACIFIC

MELITTA®
Managing Director — Oliver Heppener
Headquarters — Shanghai, China

Melitta Asia Pacific is responsible for Melitta's B2C and B2B activities in the Chinese market. In its B2C business, the operating division offers both locally produced and imported coffee as well as coffee preparation products. B2B activities focus on meeting the professional demand for machines, coffee products, services, and concepts for the out-of-home segment.

Sales in € thous.	
2022	1,870
2021	1,708

Employees, full-time employees, annual average	
2022	29
2021	25

CAFFÈ CORSINI

CAFFÈ CORSINI, COMPAGNIA DELL'ARABICA

Managing Director — Patrick Hoffer
Headquarters — Arezzo, Italy
Melitta Group shareholding: 70%

Caffè Corsini has been producing coffee in Tuscany since 1950 using green beans from all coffee-growing countries. Under the Caffè Corsini and Compagnia dell'Arabica brands, the operating division markets whole beans, ground coffee and single portions in Italy as well as 60 other countries around the world. In addition, Caffè Corsini sells coffee products for the food service industry, in particular for bars and hotels in Tuscany and the neighboring regions.

Sales in € thous.	
2022	14,729
2021	n.a.*

Employees, full-time employees, annual average	
2022	44
2021	n.a.*

COFRESCO

TOPPITS®, ALBAL®, BACOFOIL®, HANDY BAG®, SWIRL®, WRAPMASTER®, CATERWRAP®

Managing Director — Oliver Strelecki
Headquarters — Minden, Germany

Cofresco is Europe's leading supplier of branded products in the field of household film and foil for home and professional use. The operating division's brands are at home in almost all European countries. Cofresco's portfolio comprises product solutions for the wrapping, preparing, and freezing of food, for the safe storage of household and garden items, and for the disposal of waste.

Sales in € thous.	
2022	307,310
2021	290,132

Employees, full-time employees, annual average	
2022	1,041
2021	1,035

*first-time consolidation in the fiscal year 2022

ROASTMARKET

ROASTMARKET

Managing Directors — Stefan Scholle, Isis Abou-Aly
Headquarters — Frankfurt am Main, Germany
Melitta Group shareholding: 72%

Roast Market GmbH ("roastmarket") is a market-leading online coffee retailer in the DACH region (Germany, Austria, Switzerland). The company's own sales and distribution activities range from coffee to coffee machines, accessories and food.

Sales in € thous.	
2022	40,785
2021	n.a.*

Employees, full-time employees, annual average	
2022	109
2021	n.a.*

CUKI COFRESCO

CUKI®, CUKI PROFESSIONAL®, DOMOPAK®, DOMOPAK LIVING®, DOMOPAK SPAZZY®

Managing Director — Corrado Ariaudo
Headquarters — Volpiano, Italy

Cuki Cofresco specializes in the production and sale of food packaging, disposable containers, films for food preservation, and garbage bags – over 4,000 products aimed at consumers, as well as commercial clients and the food industry. The operating division's products set high standards in quality, innovation, and sustainability.

Sales in € thous.	
2022	256,650
2021	244,635

Employees, full-time employees, annual average	
2022	503
2021	556

ACW-FILM

Managing Director — Markus Wielens
Headquarters — Rhede (Ems), Germany

ACW-Film develops and produces flexible packaging for the consumer goods industry in Germany and the rest of Europe. The operating division supplies – also just-in-time – films, film laminates, fully recyclable composites or monostructures, papers, and paper composites for the special packaging machinery of its clients. The main focus is on the delivery of sustainable, high-quality, innovative, and customized packaging films for the fresh meat, food, cleaning, and confectionery industries.

Sales in € thous.

2022	8,880
2021	7,990

Employees, full-time employees, annual average

2022	48
2021	46

WOLF PVG

SWIRL®, WORWO®
Managing Director — Peter Aufdemkamp
Headquarters — Minden, Germany

Wolf PVG is a highly specialized systems supplier for all aspects of vacuum cleaning, industrial filter technology, and medical protective equipment. Its products include vacuum cleaner bags, vacuum cleaner nozzles, filters, and attachment flanges for vacuum cleaner bags. These products are developed and produced for both industrial clients and the operating division's own end-user business. Under its core brands Swirl® and Worwo®, Wolf PVG markets vacuum cleaner bags, vacuum cleaner accessories, and cleaning products for private households in Europe. In addition, the company produces high-quality meltblown and composite materials, for example for medical face masks and respirators.

Sales in € thous.

2022	45,765
2021	57,461

Employees, full-time employees, annual average

2022	236
2021	258

NEU KALISS SPEZIALPAPIER

Managing Director — John Paul Fender
Headquarters — Neu Kalifß, Germany

Neu Kaliss Spezialpapier develops and manufactures specialist papers and nonwoven materials as the basis for various industrial applications. Its range of materials includes nonwoven wallpapers, conductive nonwoven fabrics, and nonwoven veneers. In its paper business, the operating division produces and processes coffee filter papers, beer glass and coffee cup drip catchers, crepe papers for large bakeries, under papers, and extractor hood filters.

Sales in € thous.

2022	33,242
2021	34,547

Employees, full-time employees, annual average

2022	135
2021	188

MELITTA BUSINESS SERVICE CENTER

Managing Directors — Stefanie Bohnhorst, Michael Felix
Headquarters — Minden, Germany

The Melitta Business Service Center pools tasks and services at Group level. In addition to shaping the operational HR and accounting processes, these tasks include strategic purchasing, business process management, and IT. The aim is to simplify, standardize, and align the Group's processes and systems in order to enhance flexibility and efficiency while also establishing the prerequisites for Group-wide digitalization with high security standards.

GROUP MANAGE-MENT REPORT

FOR THE FISCAL YEAR 2022
MELITTA UNTERNEHMENSGRUPPE BENTZ KG

BASIS OF THE GROUP

The company

The companies of the Melitta Group offer leading branded products for the consumer segment (B2C) and attractive commercial customer segment (B2B) in the business fields of Coffee, Coffee Preparation, and Household Products.

The structure of the Group enables management to closely align operations with market needs via its operating divisions, national subsidiaries or portfolio units. With the aid of central corporate divisions, Chief Corporate Management steers the Group according to strategic objectives and on the basis of a mission, shared culture and values, as well as fundamental corporate principles.

With the core brands Melitta®, Café Bom Jesus®, Café Barão® and Caffè Corsini®, the business field Coffee offers a wide range of filter coffee, instant cappuccino, whole bean, and single-serve products in its regional and international markets. The Coffee business field also includes roastmarket.de, Germany's largest online marketplace for coffee.

The products of the Coffee Preparation business field marketed under the core brand Melitta® comprise coffee filters, filter coffeemakers, fully automatic coffee machines, electric kettles, and milk frothers. This business field also includes Melitta Professional Coffee Solutions, a specialist for professional hot beverage preparation in the system and non-system catering segments, as well as the Office Coffee Solutions (OCS) of fresh at work®.

The Household Products business field comprises consumer and catering products for the freshkeeping and storing of food, as well as waste disposal products, dust filter bags, and dust filter accessories, which are marketed under the core brands Toppits®, Cuki®, Swirl®, Albal®, handy bag®, BacoFoil®, and Wrapmaster®.

Other products offered by the Melitta Group are mainly focused on industrial clients. These include specialist papers and non-wovens, as well as flexible packaging solutions for the consumer goods industry.

Innovation and development activities within the Melitta Group are designed to detect or shape new consumer trends, sustainability requirements, and technologies in order to turn them into new and clearly differentiated products which will secure the company's sustainable development. This also applies with regard to food service and industrial clients.

The Melitta Group systematically integrates sustainability into its business strategies and processes. To this end, it has developed future concepts for its value chains – Coffee and Coffee Cultivation, Paper and Pulp, Plastics and Plastic Products, as well as Electrical Appliances – and derived numerous initiatives to implement these concepts. Moreover, it has set itself binding targets for the areas of Environmental Responsibility at its own sites, Social Responsibility, and Responsibility for Employees. The progress made in this regard and the further course of action is reported in the Sustainability Report and Declaration of Conformity with the German Sustainability Code ("Deutscher Nachhaltigkeitskodex" – DNK) and the German CSR Directive Implementation Act ("CSR Richtlinienumsetzungsgesetz").

ECONOMIC REPORT

Business environment

In the past year, the economic environment in those markets of relevance for the Group was significantly impacted by ongoing supply chain issues and exceptionally high inflation rates, partly as a result of the Russia-Ukraine war. In order to counter this rising inflation, central banks around the world raised interest rates.

Due to its geographical proximity and dependence on gas supplies, the impact on the EU region was particularly strong. In Germany, inflation averaged 7.9% in 2022 (3.1% in 2021) and reached its highest level since reunification during the year.

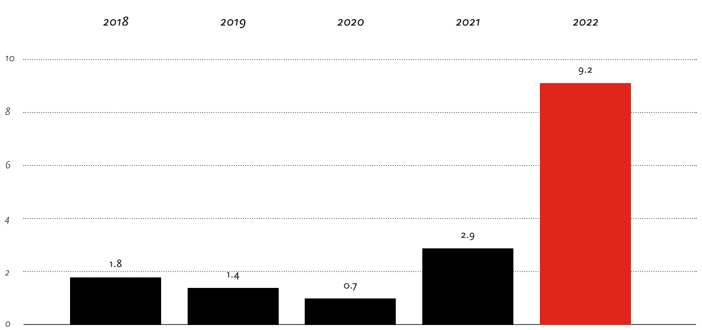
Although GDP also grew by 1.9% in 2022, raw material and energy price hikes coupled with higher interest rates led to a noticeable deterioration in business and consumer confidence over the course of the year. The trend was similar in Italy with inflation of 8.7% and GDP growth of 3.9%, and in France with inflation of 5.9% and GDP growth of 2.6% in 2022. In the UK, growth reached 4.0%, while consumer prices rose by 7.9%. In the USA, inflation averaged 6.5% in 2022, while the economy grew by 2.1% – due in part to a favorable labor market trend.

Growth in Brazil amounted to 2.9%, although consumer purchasing power was weakened by inflation and higher interest rates. Economic growth of 3.0% in China was well below the prior year (8.4%) in 2022, mainly due to the slump in the real estate sector, ongoing coronavirus restrictions and a decline in exports.

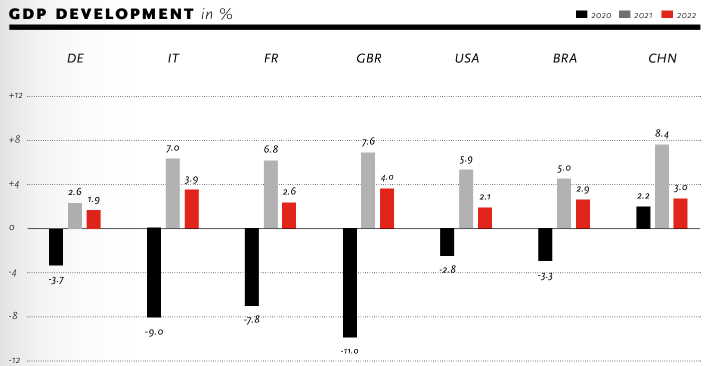
Development of business

Despite this challenging environment, the Melitta Group performed well on the whole and achieved further revenue growth in 2022. However, this growth was largely attributable to price increases necessitated by developments in the commodity, logistics, and energy markets. Sales were also boosted by the first-time inclusion of the companies Caffé Corsini and Roast Market in the consolidated financial statements.

DEVELOPMENT OF INFLATION IN THE EURO AREA *in %*

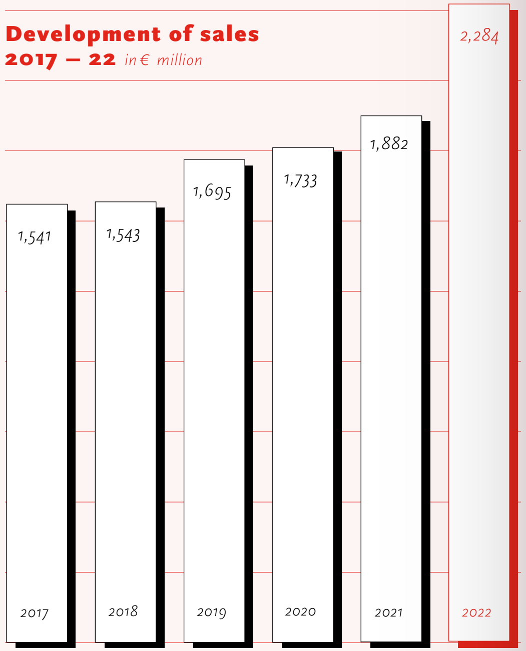


GDP DEVELOPMENT *in %*

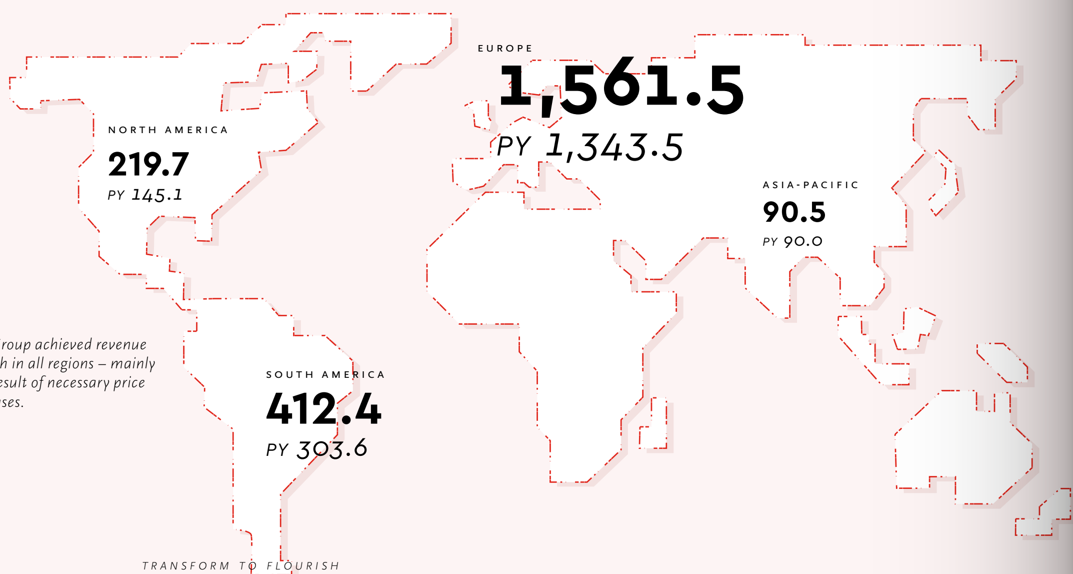


⌀ Annual sales growth
2017 – 22

Development of sales
2017 – 22 *in € million*



Sales by region *in € million*



The Group achieved revenue growth in all regions – mainly as a result of necessary price increases.

A) COFFEE AND TEA

Sales volumes in the Melitta Group's Coffee business field amounted to 167 thousand metric tons in 2022 and were thus 12% down on the prior-year figure (190 thousand metric tons). The Group's share of the German coffee market was almost unchanged at 11% (previous year: 11.3%). In view of the adverse procurement market environment and the possibility of gas shortages, inventories of green beans and finished goods had to be increased to above-average levels during the course of 2022 in order to ensure continued supply capability. The main volume shortfalls in the North and South America regions, where weakened purchasing power led consumers to focus more on low-priced competitive products, were primarily the result of pricing measures taken by the respective companies to protect relative gross profit margins.

The distribution of products under the premium tea brand Avoury® was further boosted by the expansion of its dealer network and the implementation of innovative marketing channels in 2022. The same applies to Roast Market, which enjoyed continued volume growth.

B) COFFEE PREPARATION

Compared to the previous year, there was a noticeable increase in the level of services rendered in the professional coffee machine segment in 2022 – due in part to the revival of customer demand following the coronavirus pandemic.

As a result of price measures taken to protect relative gross profit margins, there was a moderate 6% decline in sales volumes of filter papers.

Since demand for filter coffeemakers and fully automatic coffee machines returned to normal levels following the exceptionally positive trend of the previous years – partly as a result of the coronavirus pandemic – sales volumes declined by 36% and 20%, respectively. The situation was exacerbated by the deterioration of consumer sentiment and price measures initiated to safeguard gross profit margins.

C) HOUSEHOLD PRODUCTS

In view of the extraordinarily positive effects of the coronavirus pandemic in the preceding years, overall customer demand and thus total volumes in the relevant markets fell short of the prior-year levels. This also applies to the Melitta Group's respective product groups in this business field.

Earnings in all segments were impacted by significant price increases for plastics and aluminum on the commodities markets. This price development was reflected, for example, by the Plastixx price index for plastics. Countermeasures such as price negotiations and cost reductions could only partially offset the negative impact on contribution margins.

Despite the challenging conditions, the path already taken toward the complete circularity of household products and packaging will continue to be pursued. The aim is still to use only recycled, recyclable or renewable raw materials for products and packaging by 2025. At the end of 2022, half of Cofresco's products were already made from waste or residual materials. The largest contribution was made by food films and bags with 70% recycled resources and bin liners made from 80% recycled plastic.

The Cuki Group, in which the Melitta Group acquired a majority stake in 2018, continued to make good progress in 2022. In its core business of aluminum, the Cuki Group was able to further expand its market shares despite an overall market decline.

In the dust filter bag segment, sales volumes were down year on year, due in part to ongoing contract negotiations with business customers.

D) OTHER BUSINESS

Sales volumes of flexible packaging for the consumer goods industry were up on the previous year. The energy-intensive wallpaper industry continued to be affected by the overall economic situation in 2022.

Earnings position

In its fiscal year 2022, the Melitta Group generated total sales of € 2,284 million. Compared to the previous year (€ 1,882 million), this represents nominal growth of 21%. Adjusted for currency differences, revenues rose by around 18%. In view of the ongoing uncertainty surrounding the impact of the coronavirus pandemic at the beginning of 2022, as well as the downbeat consumer and business sentiment with high inflation rates caused in part by the Russia-Ukraine war, expectations with regard to sales revenue were fulfilled.

The performance of the individual operating divisions shows that revenues of the business fields were raised in part by market share gains, but above all by necessary price increases. At the same time, strong hikes in material, energy, and transport costs placed a noticeable burden on earnings. Against this backdrop, the overall development of the Melitta Group in the reporting period can be described as satisfactory. Significant investments were made in particular in property, plant and equipment, as well as in future-oriented projects.

The following table shows a breakdown of consolidated net sales:

Due in particular to price increases, sales of the business field Coffee were 49.7% up on the previous year.

Sales revenues in the Household Products business field were around 3.4% above their prior-year level. This growth is primarily attributable to the food service division and the Cuki Group.

Revenues of the Coffee Preparation business field were up 5.9% year on year. As expected, the recovery in sales of professional hot beverage preparation products in the system and non-system catering segments following the easing of coronavirus restrictions had a positive impact. In addition, volume losses were partially offset by price increases for filter papers, filter coffeemakers, and fully automatic coffee machines.

in € thous.	12-31-2022	12-31-2021
Coffee	1,057,753	706,697
Household Products	634,507	613,814
Coffee Preparation	548,667	518,162
Others	43,117	43,450
GROUP	**2,284,054**	**1,882,123**

Assets and finance

A) ASSET AND CAPITAL STRUCTURE

As of December 31, 2022, the Melitta Group's equity capital stood at € 324 million. The year-on-year increase of € 17 million resulted from the net balance of the consolidated net profit, foreign currency changes without effect on income, shareholder contributions and withdrawals, as well as changes in the consolidated group.

The equity ratio amounts to 26%. Bank balances, long- and short-term securities and cash equivalents contained in other assets were deducted from the balance sheet total when calculating the equity ratio.

Net bank borrowing of the Melitta Group as of December 31, 2022 amounted to € 243 million (prior year: € 236 million) and comprises bank liabilities and liquid funds. Including other interest-bearing net financial liabilities, net financial debt totaled € 255 million (prior year: € 243 million).

In order to manage liquidity and optimize working capital, a portion of trade receivables was sold under an ABCP (asset backed commercial paper) program.

Bank liabilities decreased by € 18 million from € 379 million to € 361 million.

Pension accruals and similar obligations declined from € 178 million to € 176 million. Other accruals, including tax accruals, decreased by € 11 million to € 149 million. As a result of lower earnings, tax and personnel accruals in particular were down on the previous year.

Due in part to price increases, the Melitta Group's trade payables rose year on year by € 27 million as of December 31, 2022. Compared to the previous year, other liabilities were € 24 million higher. This was primarily attributable to increased tax liabilities, as well as liabilities in connection with the ABCP program.

The Group's total assets increased by € 39 million from € 1,325 million to € 1,364 million.

Non-current assets were on a par with the previous year. The total net decrease in financial assets of € 43 million was mainly due to the first-time consolidation of Roast Market GmbH and Corsino Corsini S.r.L. The Melitta Group's investment of € 50 million in intangible and tangible assets focused mainly on machinery and software. There was an opposing effect from depreciation and amortization of around € 54 million, as well as from other changes.

Current assets increased by € 39 million, from € 878 million to € 917 million. This rise was mainly due to inventories, which increased as a result of general commodity price hikes and higher levels of goods to avoid supply bottlenecks.

B) LIQUIDITY

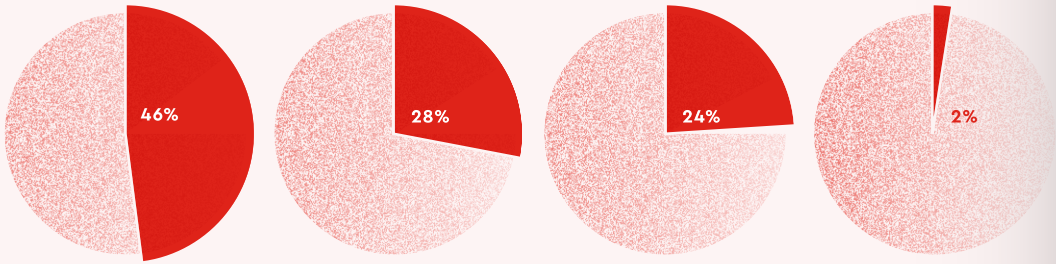
The liquidity of the Melitta Group is analyzed via the cash flow statement. The Group generated positive cash flow from operating activities in 2022. There was a cash outflow from investing activities. Financing activities mainly comprise the reduction of financial liabilities, withdrawals made by the owners, and interest payments.

In fiscal year 2022, the Melitta Group continued to have sufficient credit lines to finance its working capital.

Sales by business field *in € million*

All three major business fields recorded a positive trend with significant sales growth in some cases.

COFFEE	HOUSEHOLD PRODUCTS	COFFEE PREPARATION	OTHER
1,058	**635**	**549**	**43**
PY 707	PY 614	PY 518	PY 43



Capital structure

Equity in € million

There was a year-on-year increase in equity.

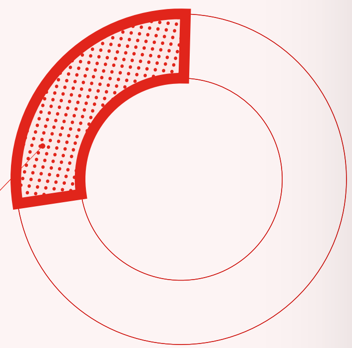
324

PY 307

Equity ratio in percent

The equity ratio is on a par with the previous year and provides financial stability in a challenging market environment.

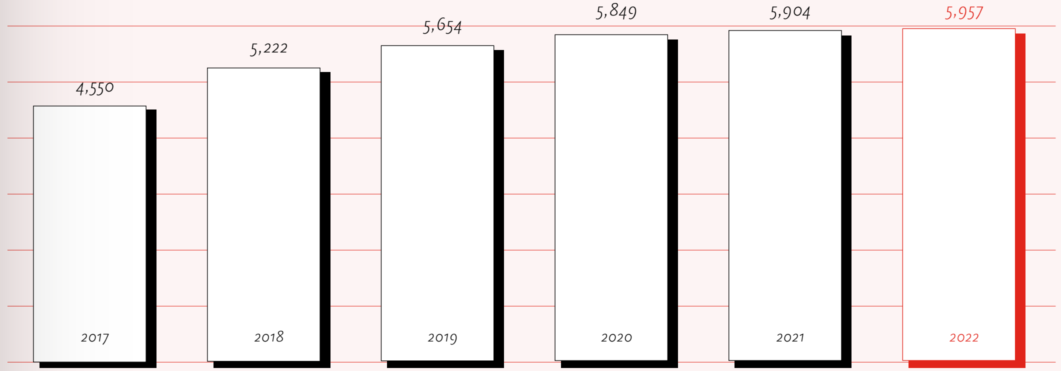
26



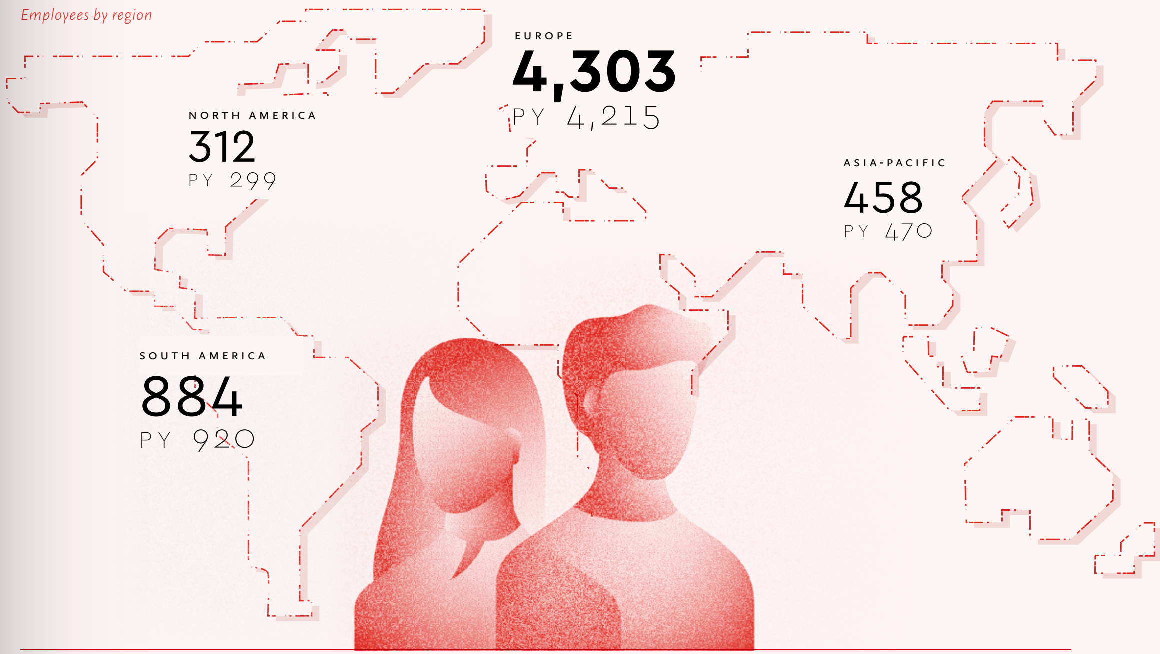
PY 26

Development of headcount *from 2017 – 2022*

The number of employees was increased to approx. 6,000 in the fiscal year 2022.



Employees by region



OVERALL ASSESSMENT

Given the persistently adverse economic conditions, we are satisfied with the development of the past year. With a range of targeted measures, such as product innovations and investments to secure our market position, we were able to successfully counter the challenges facing the Melitta Group's business fields. The integration of the Group's affiliates was driven forward and the digitalization process was accelerated by means of various initiatives and projects. In view of the market environment, certain investment projects and product launches had to be postponed for the time being. The main priority was to secure energy supplies in all areas of production and thus maintain our ability to supply customers. Despite weaker demand, we achieved year-on-year revenue growth and pre-tax earnings were thus still satisfactory. Compared to the previous year, there was a decrease in the return on net capital employed. Capital expenditures were on a par with the previous year. Net financial debt was slightly lower than the amount forecast last year.

Considerable progress was made with regard to the integration of sustainability into our core business and related processes. Examples include the expansion of our range of sustainable products, the launch of several Group-wide sustainability projects, and the further development of our key performance indicators. We provide more detailed information on this topic in our Sustainability Report and in our Declaration of Conformity with the German Sustainability Code.

Financial and non-financial performance indicators

Melitta Group's corporate management system is geared toward long-term, value-oriented, and profitable growth. To this end, we have defined specific controlling processes. Our key performance indicators are sales revenue, EBIT, return on net capital employed (EBIT as a ratio of average net capital employed), and free cash flow.

In addition to these financial performance indicators, Chief Corporate Management also monitors non-financial figures. These performance indicators relate in particular to our product and supply chain responsibility, our environmental footprint, our social responsibility, and our responsibility for employees. The definition of these indicators is based on the relevant national and international standards as well as on their meaningfulness with regard to the achievement of our sustainability targets. We use the German Supply Chain Due Diligence Act ("Lieferkettensorgfaltspflichtengesetz") to continuously develop the sustainable management of our purchasing processes and supply chains and map this with the corresponding key figures.

Employees

The successful implementation of the Melitta Group's growth strategy also requires an increase in human resources in a wide variety of areas. In 2022, the Melitta Group employed an annual average of 5,957 people. This corresponds to a year-on-year increase of 1% and demonstrates the necessary investment in our internal structures and expertise for the Group's continued growth.

OPPORTUNITY AND RISK REPORT

The Melitta Group uses a differentiated risk management system aimed at the structured identification and assessment of those risks to which the company is exposed. It includes all organizational regulations and measures for the early recognition, evaluation and analysis of risks.

The Melitta Group pursues a balanced risk policy. In the course of auditing the annual financial statements 2022, we commissioned the external auditors to conduct a voluntary audit of our early recognition system according to Sec. 91 (2) of the German Stock Corporation Act (AktG). They were able to confirm that our early recognition system was appropriate and complied with statutory requirements, also with regard to the revised auditing standard IDW AuS 340. Irrespective of this, the risk management process was continuously refined in 2022.

The risk management system comprises suitable reporting procedures. These ensure that the managers responsible are constantly and quickly informed about potential risks and opportunities. This enables both the Group and individual companies to take fast and effective corrective measures.

The main risks of the Melitta Group result from general economic developments, sector developments, and risks from general operating activities. In order to identify fluctuations in demand and changes in customer behavior at an early stage, markets are monitored continuously and in detail. This ensures that product strategies can be updated and adapted to changing customer requirements and the reactions of competitors. Price increases for commodities (especially green beans), energy costs (especially gas and electricity), supply *chains that are not always free of disruptions (especially green beans and aluminum), and unfavorable exchange rate developments (especially due to a stronger US dollar) may have a negative impact on the Group's earnings. These risks are currently also dominated by the long-term – and hard to predict – economic effects of the Russia-Ukraine war on our business fields.*

In the field of production, all facilities are regularly maintained to reduce the risks of equipment downtime and the associated risk of business interruptions. In addition, insurance policies cover the effects of production downtime depending on the insurance event. Working time models ensure in principle that the required manpower resources can be adjusted to the respective degree of capacity utilization. To reduce quality risks, quality management systems are in place at production sites to ensure compliance with and fulfillment of the specified standards.

The Melitta Group has a continuous need for specialist and managerial personnel. Risks arise from a shortage of various employee categories on the labor market and a resulting delay in filling vacancies. The Group therefore actively promotes young talent internally and provides systematic training and personnel development. In addition to apprenticeships, the international trainee program ensures that employees are trained within the company. Moreover, measures are offered to promote and maintain health.

The Melitta Group's business processes are based on powerful and modern IT systems. Like all companies, the Melitta Group is exposed to the risk of cyber attacks. This risk has increased significantly in recent years. To prevent disruptions, the Group places particular emphasis on its hardware and software landscape, on the integrity and security of its data resources, and on controlling access authorizations. The reliable technical securing of data is supplemented by systematic awareness-raising and training of the workforce by various means.

The monitoring and controlling of financial risks is entrusted to the Group's treasury division. Foreign exchange and interest hedging instruments (options, swaps, futures, and interest derivatives) are used where necessary to hedge against specific risks from existing or foreseeable underlying transactions. Liquidity risks and risks from cash flow fluctuations are countered constantly by local and group-wide liquidity planning.

However, these general risks are also countered by opportunities. For the Melitta Group, these arise in particular from the tapping of market potential via a further expansion of our international presence and growing awareness of the Group's brands, as well as from the rising propensity to purchase commercial coffee machines.

Financial and profit-related opportunities with positive deviations from the planned trend in revenue and earnings result from additional sales, falling commodity prices, and more favorable exchange rates.

In 2021, we expanded our risk management system to include sustainability risks. We derive integrated strategies and processes for risk avoidance and mitigation from the defined risks. The holistic integration of sustainability in our core business and the resulting measures serve not only to reduce existing or expected risks, such as the effects of climate change, but also to generate further opportunities in our markets, e.g. by offering innovative and sustainable products.

Against the background of the above mentioned explanations, the overall risk and opportunity situation has changed only marginally compared with the previous year. However, risks relating to the availability of materials and input products, as well as the ongoing rise in material and commodity prices, are having an increasingly noticeable impact compared with the previous year. There is no threat to the continued existence of the Melitta Group.

FORECAST REPORT

The economic activities of the Melitta Group mainly focus on countries in the EU, Brazil, the USA/Canada, and Asia. In its February 2023 outlook, the International Monetary Fund forecast lower economic growth of just 0.7% for the eurozone, 1.4% for the USA, and 1.2% for Brazil in 2023. Total volume growth of 1-2% is expected for the global coffee market.

Due in part to the ongoing Russia-Ukraine conflict, we anticipate persistent economic challenges that will continue to impact our business development in 2023. These include in particular the price developments of our procurement markets, depressed consumer sentiment amid high inflation, and supply chains that are still not running smoothly. We are addressing these challenges with careful management of our contribution margins, a heightened awareness of cost efficiency, and a risk-conscious approach to capital expenditures.

At the same time, however, we will continue to pursue our strategy of internationalization, innovation, sustainability, and digitalization in order to make greater use of the many opportunities we see for the further development of our Group.

Based on these assumptions, we expect a slight increase in sales and EBIT, and a slightly higher return on net capital employed for the full year 2023. Net financial debt is expected to be in the range of € 250-275 million with a generally solid balance sheet structure and stable financial position once again. In view of its expected free cash flow in 2023 and available credit lines, the Group's financing of capital expenditures, business activities, and working capital is secured.

Minden, April 20, 2023

CONSOL-IDATED BALANCE SHEET

MELITTA UNTERNEHMENSGRUPPE BENTZ KG
as at 12-31-2022 (abridged version)

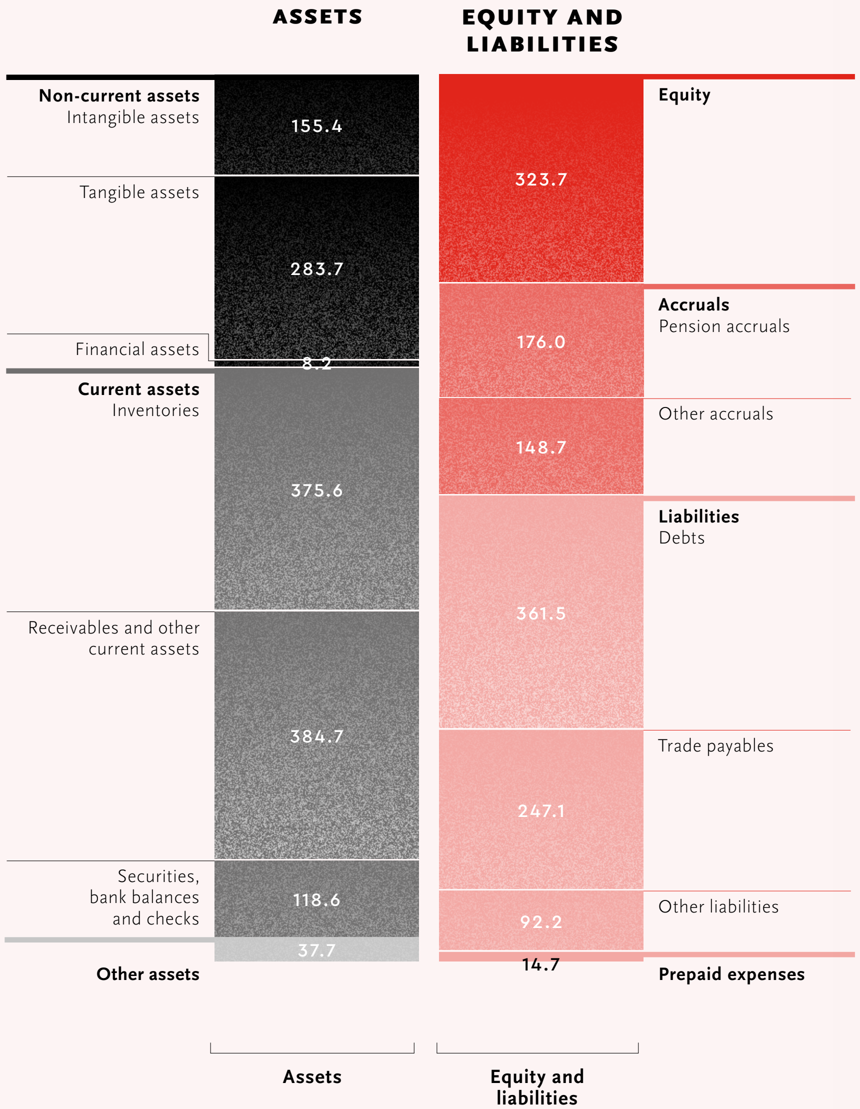
ASSETS *in € thous.*	12-31-22	12-31-21
Intangible assets	155,439	122,617
Tangible assets	283,749	273,075
Financial assets		
– Shares in affiliated companies	1,009	43,516
– Participation interests	4,578	4,578
– Other financial assets	2,576	3,008
Non-current assets	**447,351**	**446,794**
Inventories	375,634	326,524
Receivables and other current assets		
_ Trade receivables	338,128	331,959
_ Other receivables and current assets	46,527	38,059
Securities	0	39
Bank balances, checks	118,617	143,503
Current assets	**878,906**	**840,084**
Other assets	**37,667**	**38,247**
TOTAL ASSETS	**1,363,924**	**1,325,125**

EQUITY AND LIABILITIES *in € thous.*	12-31-22	12-31-21
Equity	**323,702**	**307,096**
Pension accruals	176,045	178,401
Other accruals	148,704	159,528
Accruals	**324,749**	**337,929**
Debts	361,452	379,433
Trade payables	247,110	220,175
Other liabilities	92,174	67,926
Liabilities	**700,736**	**667,534**
Prepaid expenses	**14,737**	12,566
TOTAL EQUITY AND LIABILITIES	**1,363,924**	**1,325,125**

BALANCE SHEET STRUCTURE 2022

in € million

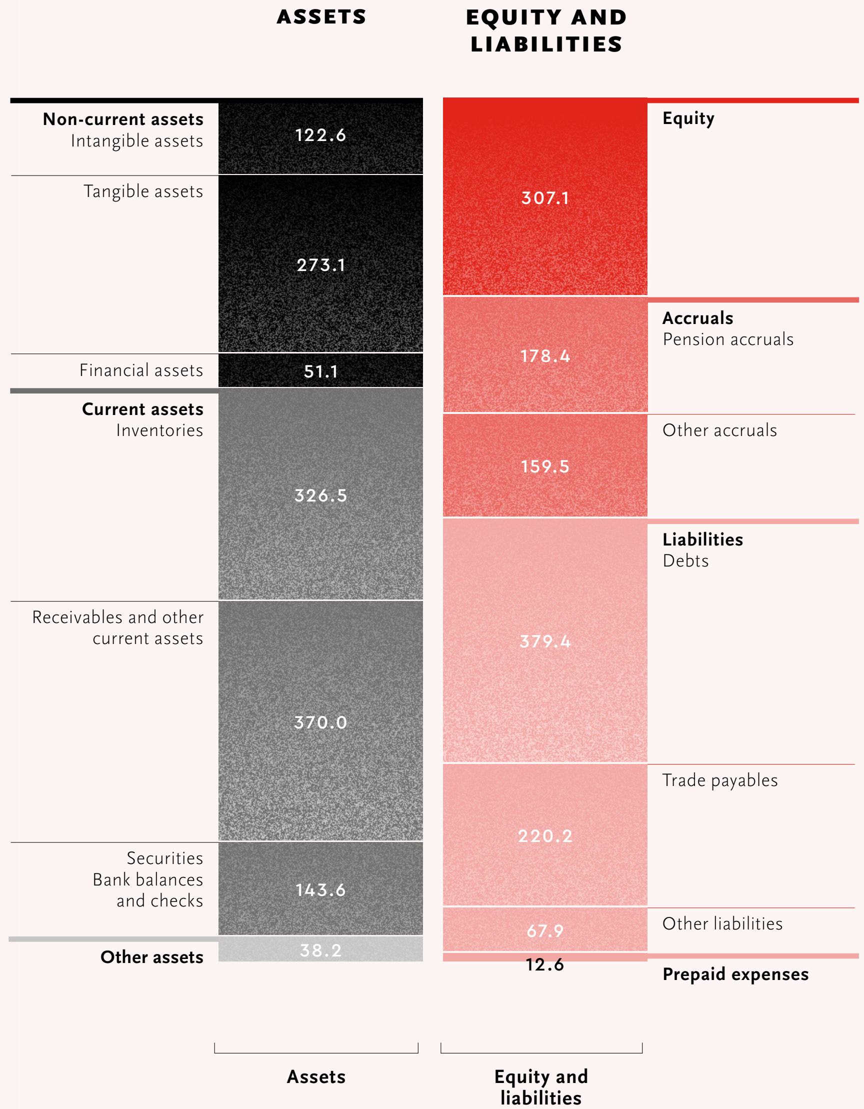
1,363.9



BALANCE SHEET STRUCTURE 2021

in € million

1,325.1



EXPLANATORY NOTES

ON THE CONSOLIDATED BALANCE SHEET

GENERAL INFORMATION ON ACCOUNTING AND VALUATION

Certain items of the consolidated financial statements, drawn up in accordance with Sec. 13 German Company Disclosure Law (PublG) in conjunction with Sec. 294-314 German Commercial Code (HGB), have been combined for the publication of this Annual Report for fiscal 2022. The Melitta Group makes use of the exemption pursuant to Sec. 13 (3) Sentence 2 PublG regarding the publishing of income statements. The consolidated financial statements and Group management report, which were awarded an unqualified audit opinion by the independent auditors, and the disclosures pursuant to Sec. 5 (5) Sentence 3 PublG are published in the Company Register.

Consolidated group

The consolidated financial statements include all domestic and foreign companies in which the parent company directly or indirectly holds the majority of the voting rights (Sec. 290 (2) No. 1 in conjunction with (3) HGB) and which are directly or indirectly under the common control of Melitta Unternehmensgruppe Bentz KG.

The consolidated group comprises 75 (prior year: 72) companies, of which 33 are based in Germany and 42 abroad. The change in the consolidated group in fiscal year 2022 relates to the following companies:

The companies Roast Market GmbH, Frankfurt, Germany, Corsino Corsini S.r.L., Badia al Pino (Arezzo), Italy, and Melitta Professional Coffee Solutions Canada Inc., Toronto, Canada, were included in the consolidated financial statements for the first time as of January 1, 2022.

Due to their minor importance for the financial position and performance of the Group, four companies (prior year: seven) were not included in the consolidated financial statements. The changes relate to the companies already listed above:

Despite a shareholding of over 20%, two other companies (prior year: two) were not included as associated companies since the Melitta Group exerts no significant influence on their business and financial policy.

In accordance with Secs. 311, 312 HGB, major participations are to be valued using the equity method if a significant influence can be exerted on their business and financial policy. This is the case with two companies (prior year two).

Consolidation methods

The consolidated financial statements were prepared as at December 31, 2022. This is the balance sheet date of the companies included in the consolidated accounts.

In the capital consolidation process, the acquisition cost or balance sheet valuation of the shareholding is offset against the proportional share of shareholders' equity on the date of the initial consolidation. Goodwill is formed for any resulting differences – insofar as these cannot be directly attributed to, and depreciated with, individual asset items – and amortized through profit or loss using the straight-line method over the following years with a useful life of 5-15 years. The assessment of the amortization period is based on the future use of the goodwill.

Investments in associated companies are consolidated using the book value method.

Debt was consolidated according to Sec. 303 (1) HGB, while income and expenditure were consolidated pursuant to Sec. 305 (1) HGB and unrealized results eliminated in accordance with Sec. 304 (1) HGB.

Deferred taxes were formed for temporary differences with an effect on income from consolidation transactions using individual tax rates.

Accounting and valuation principles

The consolidated financial statements have been prepared on a going concern basis in accordance with Sec. 252 (1) No. 2 HGB.

Uniform valuation of assets throughout the Group is guaranteed by the application of corporate guidelines, valid for all members of the Melitta Group – with the exception of those companies consolidated using the equity method. These corporate guidelines correspond to commercial law regulations. The accounting and valuation methods are unchanged from the previous year. Intangible assets are valued at cost, while property, plant and equipment are valued at acquisition or production cost; they are written down using the straight-line method. In addition to direct costs, production costs also include a proportionate amount of overhead costs and depreciation. Investment subsidies reduce the cost of acquisition or production.

Financial assets are valued no higher than at acquisition cost, or the lower fair value. In the case of permanent impairment, non-scheduled impairment charges are recognized.

Inventories are valued at acquisition or production cost. Raw materials, supplies and merchandise are valued at the lower of average purchase prices and current values. Unfinished and finished goods are valued at production cost, which also includes a reasonable amount of necessary overhead cost and depreciation. Production costs are lowered accordingly, should this be necessary to avoid valuation losses. Suitable allowances are made to cover the risk from holding inventories.

Advance payments on inventories, accounts receivable, other assets and cash and cash equivalents are carried at their nominal values or the lower rate for foreign currencies and where applicable the lower fair value. Lump-sum allowances have been made to cover general credit risks.

Prepaid expenses and deferred charges are formed in accordance with the provisions of Sec. 250 HGB.

Pursuant to Sec. 306 HGB, deferred tax assets and liabilities are formed for consolidation entries with an effect on income. In addition, deferred tax assets were formed for tax loss carryforwards for which it can be assumed with adequate probability that they will be used in future, as well as for temporary differences between the commercial and tax balance sheet (in the items non-current assets, current assets, accruals and liabilities), after netting with deferred tax liabilities. For the measurement of deferred taxes, the individual tax rates of the affiliated companies included in consolidation were considered (12-34%).

Pursuant to Sec. 246 (2) HGB, assets (plan assets) measured at fair value were netted with accruals for pension obligations. Any resulting positive balance from netting is disclosed in the balance sheet as an asset-side difference from asset allocation.

Limited partnership shares are measured at nominal value.

Accruals for pensions are calculated using the projected unit credit method. Pension accruals are measured with an interest rate of 1.79% as at December 31, 2022 (prior year: 1.87%). In accordance with the simplifying provision of Sec. 253 (2) Sentence 2 HGB, a standard remaining term of 15 years was assumed for the obligations. Future pension increases were taken into account at a rate of 1.5%. Standard consideration throughout the consolidated German companies was also given to the relevant biometric calculation basis (including the RT 2018 G mortality chart) and other calculation principles for the settlement amount to be used. Accruals for pensions of foreign companies were calculated as of December 31, 2022 using the projected unit credit method with an interest rate of 1.79% and individual assumptions as to pay and pension increases, as well as biometric assumptions.

By exercising the option under Art. 67 (1) sentence 1 of the Introductory Act to the German Commercial Code (EGHGB), the addition resulting from the change in the accounting treatment of accruals pursuant to Secs. 249 (1) sentence 1, 253 (1) sentence 2, (2) HGB as a result of the German Accounting Law Modernization Act (BilMoG) is distributed evenly over the maximum period of 15 years.

Other accruals cover all uncertain liabilities and anticipated losses from pending transactions in the amount of the respective settlement amount. Accruals with maturities of over one year were measured in accordance with Sec. 253 (2) HGB.

Subject to the fulfillment of the corresponding prerequisites, transactions expected with a high level of probability (hedged items) are placed together with derivative financial instruments in hedging relationships in order to balance contrasting value changes or cash flows from the acceptance of comparable risks. Such hedging relationships are presented in the financial statements using the net hedge presentation method. Any offsetting positive and negative changes in value are recognized without affecting the income statement.

Financial instruments are measured using generally accepted valuation models and mathematical procedures based on current market data.

Liabilities are carried at their respective settlement amounts.

Grants are recognized in profit or loss in accordance with the allocation of the expense that the grant is intended to cover.

Currency translation

The annual financial statements of consolidated subsidiaries prepared in foreign currencies are translated using the modified closing-date method. This means that balance sheet items in foreign currencies are converted at the ECB's euro reference rate as at the reporting date and income statement items at average rates of 2022. Shares in affiliated companies, subscribed capital and reserves are translated at historic rates and any resulting differences in values are netted in equity. Assets and liabilities denominated in foreign currencies are translated at the ECB's euro reference rate as at the reporting date, providing there are no hedging transactions.

The average rates are determined by simple averaging on the basis of the daily ECB fixing rates.

In the course of 2022, Turkey was classified as a hyperinflationary economy. For our subsidiary Ilmak Makina Sanayi Ticaret AS, Istanbul, Turkey, the inflation adjustment was made by indexing the financial statements, prepared in the local currency on the basis of the historical cost principle, for the first time for fiscal year 2022. In accordance with German Accounting Standard (GAS) 25, the inflation-related impact on the statement of assets and income was adjusted in Commercial Balance Sheet II prior to inclusion in the consolidated financial statements. Currency translation at Group level was based on the closing rate for items in the balance sheet and income statement.

The average rates are determined by simple averaging on the basis of the daily ECB fixing rates. Currency translation differences from debt consolidation are recognized in the income statement under other operating expenses or other operating income. Currency translation differences from the elimination of intercompany profits are recognized in the income statement under changes in inventories.

DEVELOPMENT OF
NON-CURRENT ASSETS *in € millon*

Non-current assets rose by €30 million, due mainly to the majority stakes acquired in Roast Market GmbH and Corsino Corsini S.r.L.

NON-CURRENT ASSETS *in € thous.*

	Book values as of 12-31-2022*	Book values as of 12-31-2021*	Additions	Depreciation current year	Other changes
Intangible assets	**155,439**	**122,617**	**12,636**	**20,802**	**40,988**
Tangible assets					
– Land	**110,399**	110,824	2,065	5,805	3,315
– Machines and equipment	**119,424**	121,651	9,757	20,757	8,773
– Other assets	**53,926**	40,600	25,711	6,616	–5,769
	283,749	**273,075**	**37,533**	**33,178**	**6,319**
Financial assets					
– Shares in aff. companies	**1,009**	43,516	72	0	– 42,579
– Participation interests	**4,578**	4,578	0	0	0
– Other financial assets	**2,576**	3,008	181	30	– 583
	8,163	**51,102**	**253**	**30**	**– 43,162**
	447,351	**446,794**	**50,422**	**54,010**	**4,145**

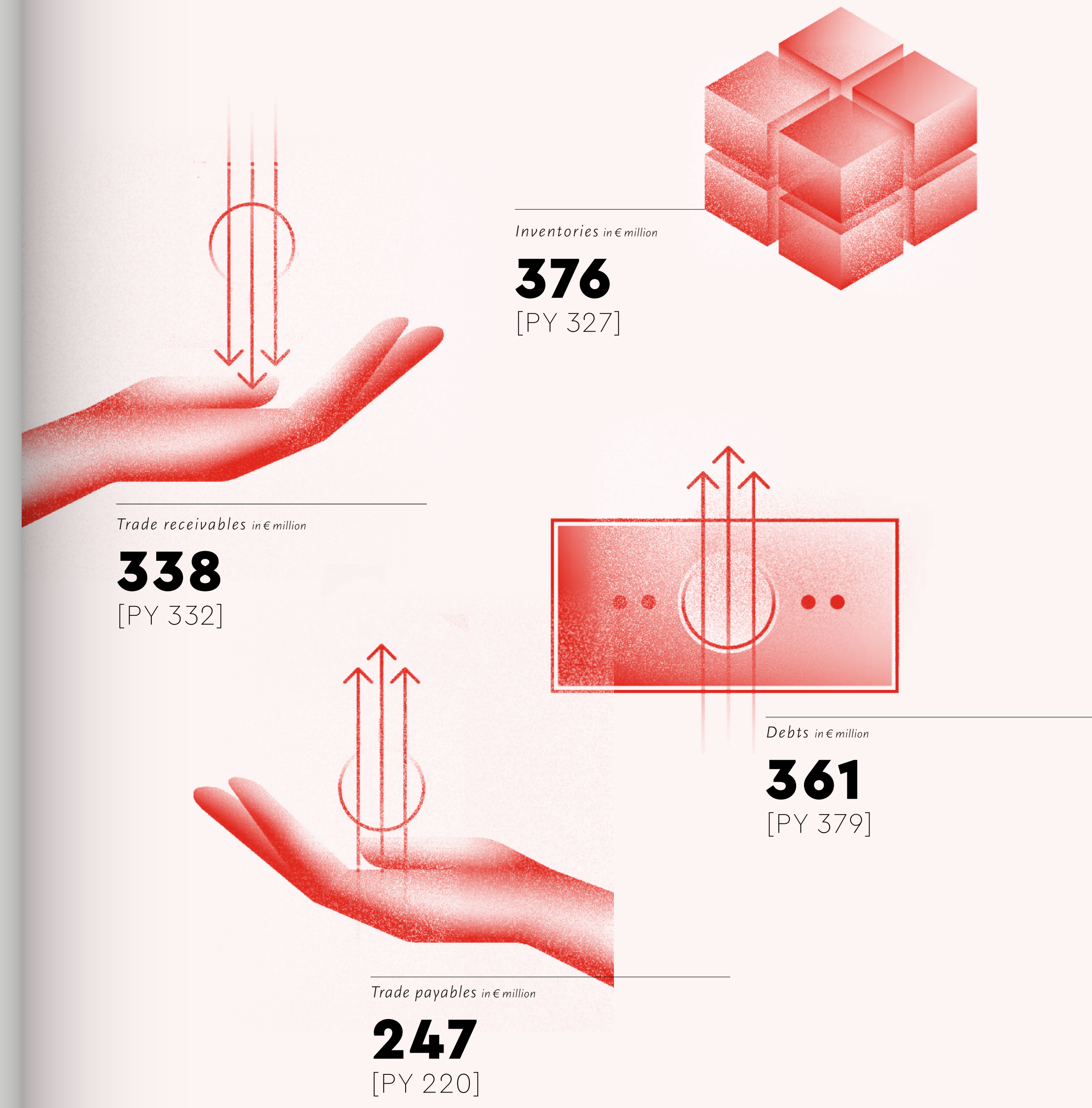
** differences arising from the currency translation of fixed and other assets at current rate values are offset against shareholders' equity or the corresponding liability items without affecting earnings.*

SELECTED
BALANCE SHEET ITEMS *in € million*

The increase in the Group's bank liabilities was caused by mostly price-related changes in net working capital.

	North America	South America	Europe	Asia-Pacific
Inventories	**30.5**	**25.6**	**293.5**	**26.0**
Prior year	27.1	26.1	250.7	22.6
Trade receivables	**42.0**	**35.2**	**245.7**	**15.2**
Prior year	18.8	35.4	259.6	18.1
Debts	**0.1**	**0**	**361.3**	**0.1**
Prior year	0.4	0	379.0	0
Trade payables	**36.1**	**22.0**	**185.6**	**3.4**
Prior year	7.4	25.9	181.6	5.2

Minden, March 2023
The general partners of
Melitta Unternehmensgruppe Bentz KG



The conscious use of resources and carefully considered processes applies to everything we do – including the production of our annual report. Our goal was to achieve a healthy balance between environmental impact, product benefit, and effectiveness. We therefore gave absolute priority to producing our report in a way that made the most ecological sense. We have reorganized, redistributed, and adapted content so that the printed and online versions of the report complement each other and perfectly dovetail to allow a variety of experiences for our stakeholders. This is what sustainable and effective communication means to us.

Careful selection and thoughtful handling of the resources used are crucial for a qualitative result. As a renewable raw material, paper remains a key factor for the production of sustainable print products. The inner pages of this report are made from 100% hemp paper, a sustainable alternative to paper made from wood fibers. Hemp not only grows much faster than trees (up to four meters per year), but can also be harvested three times a year, whereas trees can only be harvested every seven years. The paper was developed and produced in the Tegernsee region of Germany according to the highest environmental standards regarding water, material and electricity consumption, as well as waste management. We chose 100% recycled paper for the covers and packaging (Blue Angel certificate). Anything left over after the production of the print reports – including scrap – is returned to the recycling process.

This year's annual report was once again produced in close collaboration with an environmental printing company. Based on a quality management system certified according to ISO 9001:2015, the print shop practices sustainability in word and deed – from production to logistics. For example, processless plates are used and the entire manufacturing process is fed into the power grid using electricity from the plant's own renewable energy sources and 100% green electricity is purchased for production.

Only ecological inks with excellent deinkability are used. With the exception of the color pigments, the input materials and binders of this generation of inks are based on renewable raw materials. They have exceptionally attractive color brilliance and a low odor level.

Unavoidable CO_2 emissions are fully offset together with Zukunftswerk eG (CLIMATELINE) as part of the "Maísa REDD+" reforestation project. The project contributes to the preservation of the forest in the Brazilian Amazon – and thus also to the protection of plants and animals threatened with extinction. In addition to environmental sustainability, the company is guided by the values of the Economy for the Common Good (ECG). Further information is available at www.climateline.org.

We hope that our print report serves as an inspirational blueprint for sustainable production and thus also expresses our values and our commitment to responsible business practices. This brief description at the end of each Melitta Group Annual Report is intended to share our experiences, raise awareness, and inspire others. Appreciation for a product increases with the knowledge that it has been carefully crafted.

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