



Classic - Diversified - Healthy – Functional

30 years of bakery in Romania

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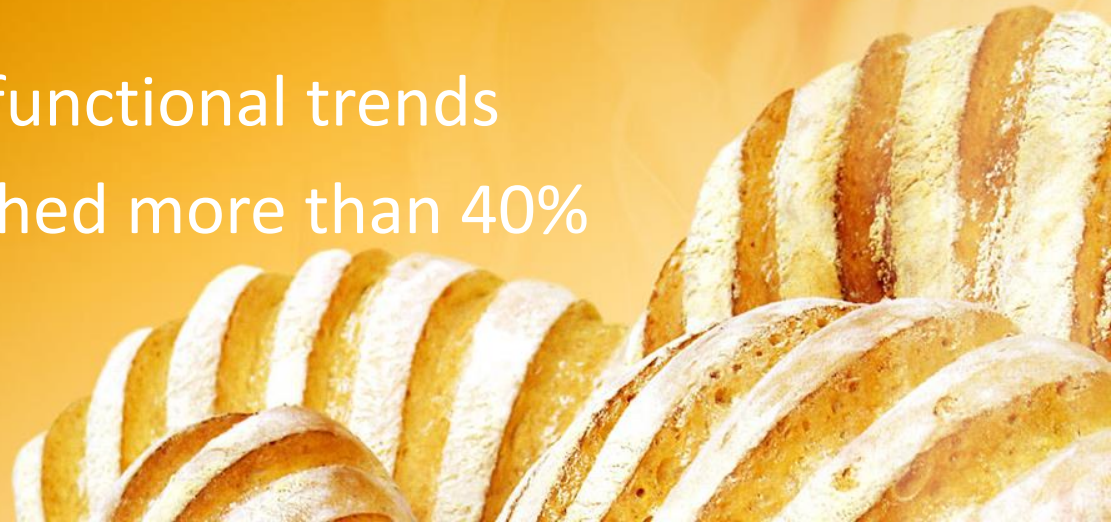
The Beginning - 1990

- 23 million people
- 98% white simple bread (Franzela)
- 100% fresh bread
- 90% very big factory (min 20 to/day)
- Very basic marketing
- Zero healthy and functional trends
- No black market



The Transition – 1990 - 2000

- 21 million people
- Some new type of bread
- Less than 3% packed bread
- Many large factories were closed
- A lot of small and medium bakery
- Basic marketing
- Zero healthy and functional trends
- Black market reached more than 40%



The Beginning of Changes – 2000 - 2010

- 20 million people
- New type of bread, fresh and packed
- More than 20% packed bread
- A lot of retail chain
- Investment in large factories
- Small and medium-size bakery decrease
- First TV commercial
- Healthy and functional trends
- Black market decrease
- Economic crisis – no major effect



The Change – 2010 - 2020

- 18 million people
- A lot of new type of bread; frozen products
- 30% packed bread
- Craft bakery
- Low bankruptcy rate
- Strong marketing
- Strong healthy and functional trends
- Black market decrease to less than 20%
- Large investment - EU companies



Some data

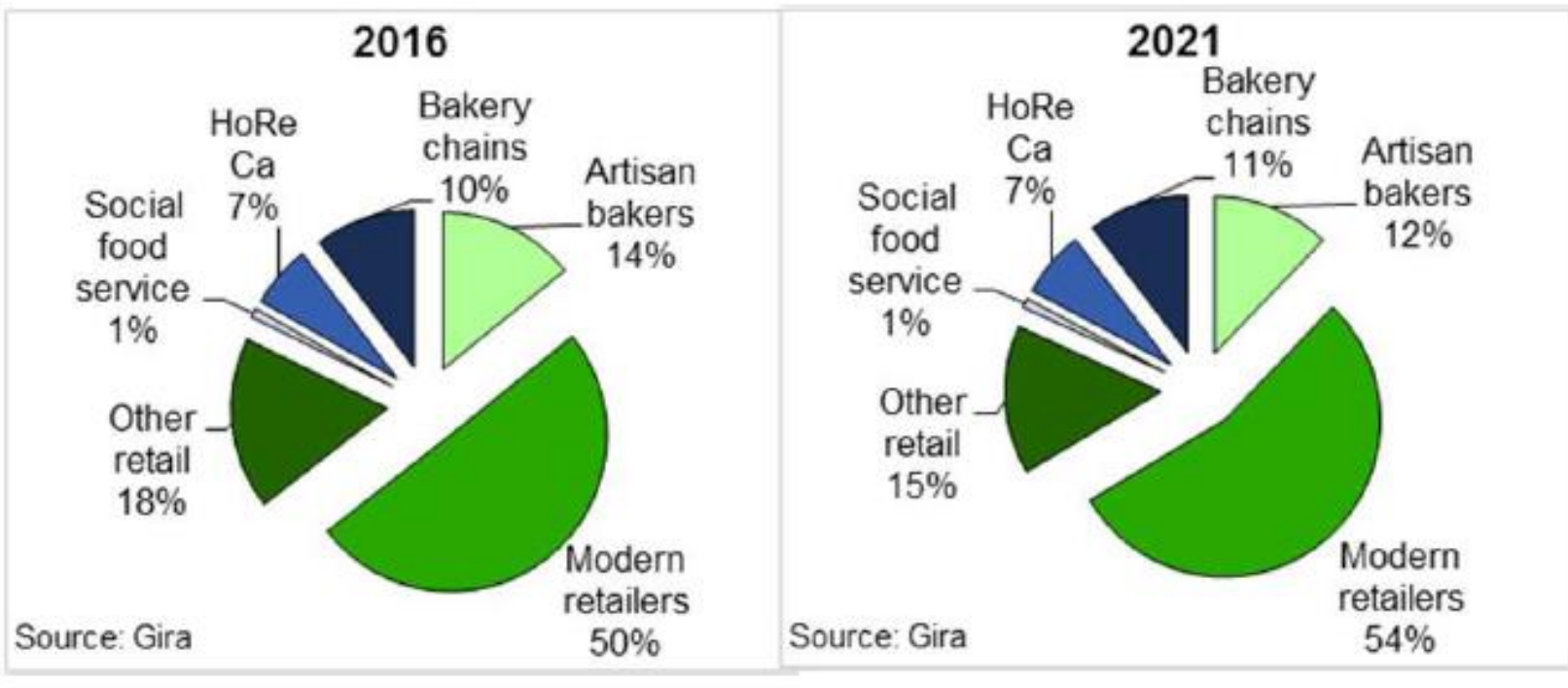
Bakery products consumption - 2006, 2011, 2016, 2021f

('000 t)	2006	2011	2016	2021f	Δ 06/11 (% pa)	Δ 11/16 (% pa)	Δ 16/21 (% pa)
Bread	2,287	2,080	1,951	1,848	-1.9%	-1.3%	-1.1%
Viennoiserie	246	301	320	346	4.1%	1.3%	1.6%
Patisserie	146	188	201	217	5.2%	1.4%	1.6%
Savoury pastry	40	50	57	63	4.7%	2.6%	2.1%
Total	2,719	2,619	2,529	2,475	-0.7%	-0.7%	-0.4%
Fresh	2,168	1,896	1,780	1,682	-2.6%	-1.3%	-1.1%
Packaged long life	521	685	708	750	5.6%	0.7%	1.1%
Packaged to bake	29	37	40	43	5.3%	1.5%	1.2%
Total	2,719	2,619	2,529	2,475	-0.7%	-0.7%	-0.4%

Source: Gira compilation

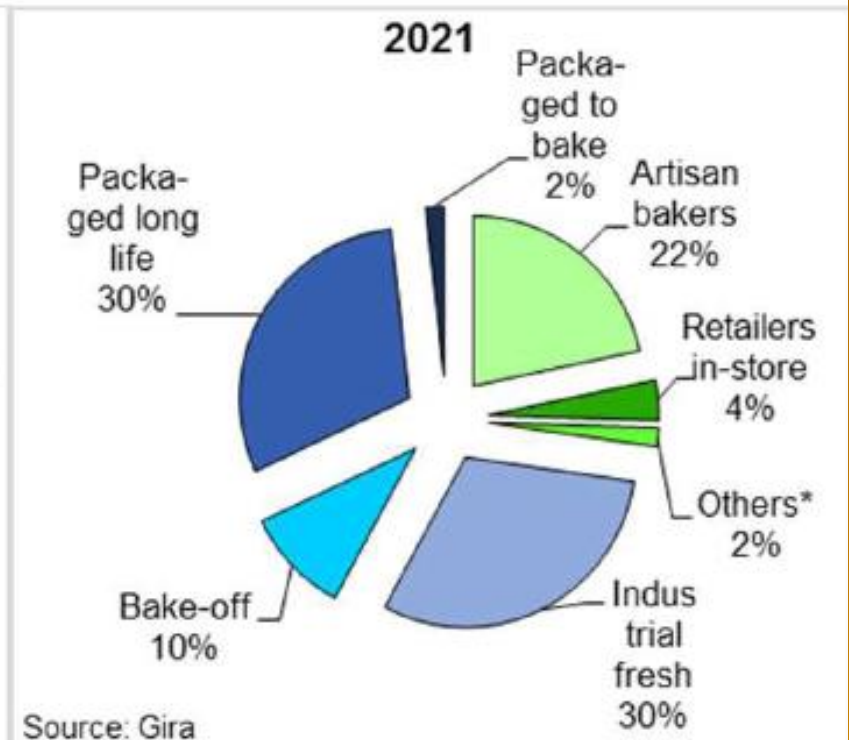
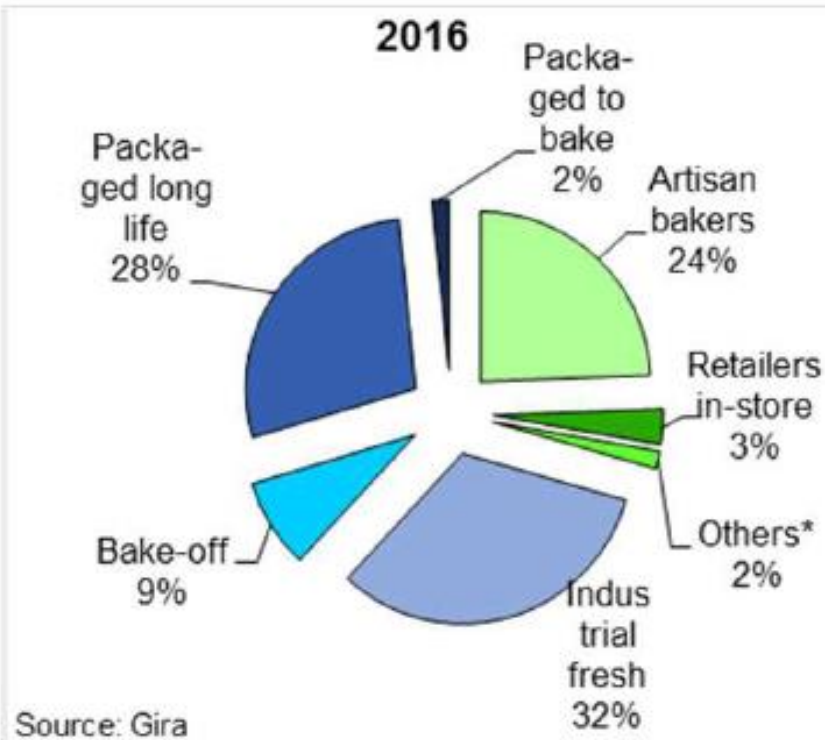
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TOTAL bakery products distribution channels - 2016 & 2021f (% volume)



Some data

TOTAL bakery products supply structure - 2016 & 2021f (% volume)



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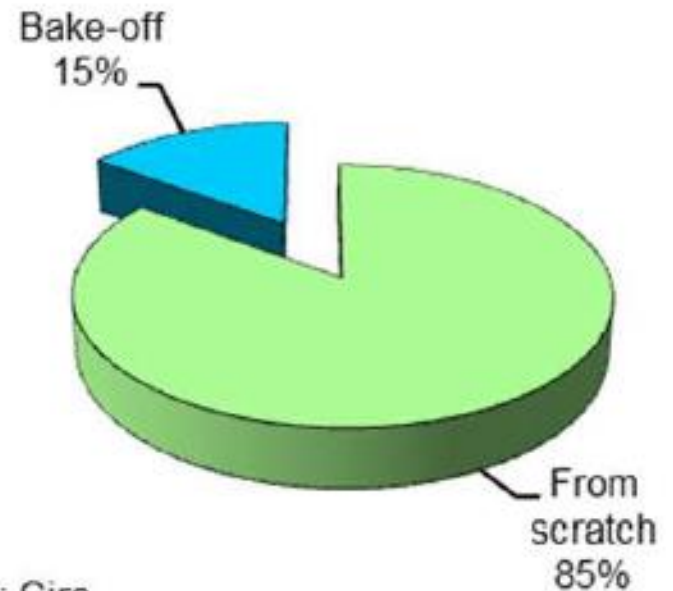
FRESH bakery products supply structure - 2016 & 2021f (% volume)

2016



Source: Gira

2021



Source: Gira

Winning direction

- **TASTY**
- **Healthy (E free, whole grains flours, seeds, wild sourdough, yeast free, fiber, protein)**
- **Functional (gluten free, glycemic index, improve digestion)**
- **New ingredients (new type of flour)**
- **Good looking product**
- **STRONG MARKETING**



THANKS!

