

Press release

La Lorraine Bakery Group strengthens anchoring in Belgium with investments in bakery site in Erpe-Mere

Prime Minister Alexander De Croo officially inaugurates new production hall

Erpe-Mere, 16 October 2023 – **La Lorraine Bakery Group will invest some 200 million euros in the state-of-the-art bakery site in Erpe-Mere in the coming years. The new production hall was officially inaugurated today in the presence of Prime Minister Alexander De Croo. The bakery site will be rebuilt completely with a focus on innovation, top quality, efficiency, and sustainability. This more than doubles the production capacity and means that La Lorraine Bakery Group can provide additional local employment opportunities. “With an increase of about 350 jobs, the number of employees at the Erpe-Mere site will also almost double. As an international bakery leader and family company with Belgian roots, we are enormously proud to continue and strengthen our local anchoring in Belgium,” Guido Vanherpe, CEO of La Lorraine Bakery Group.**

Official inauguration of new production hall

La Lorraine Bakery Group officially inaugurated the new production hall at the Erpe-Mere bakery site today in the presence of Prime Minister Alexander De Croo. The production hall consists of four state-of-the-art lines of approximately 150 metres each, where bakery products of artisan quality such as baguettes, artisan small breads, and doughnuts are produced on a large scale.

“The opening of the new production hall marks an important milestone within the extension and renovation of the bakery site in Erpe-Mere,” states **Guido Vanherpe**. “La Lorraine Bakery Group wants to continue and strengthen its local anchoring with the transformation of our site here in Erpe-Mere.”

Alexander De Croo, Prime Minister: "La Lorraine is a name in our country and far beyond. I am extremely proud that the parent company has chosen its site in Belgium to invest heavily and create additional jobs. That shows there is confidence. For me, this choice of Erpe-Mere is not accidental either. The natural wealth of our country are our people: the talent and creativity that make us world players in many fields. With the federal government, we work every day to create a favourable business climate for our companies. The fact that La Lorraine is further entrenched shows that East Flanders is on the right track as an economic growth region."

Belgian cradle becomes Europe's most modern 'bake-off' bakery site

La Lorraine Bakery Group, which expanded from its flour mill to a bakery in the 1970s, quickly grew into a large-scale fresh bakery. In the 1980s, La Lorraine Bakery Group pioneered the development of 'bake-off' technology in which pre-baked bakery products are frozen and then baked as fresh as possible on site at the customer's premises.

La Lorraine Bakery Group therefore built the first frozen products bakery in Erpe-Mere in 1989. This allowed production to expand further and also enabled exports within Europe. La Lorraine Bakery Group soon expanded further with bakeries in Eastern Europe, followed by Turkey, the Middle East, and southern Europe. After several decades of investment in international expansion, La Lorraine Bakery Group is reinvesting in the Erpe-Mere site, the Belgian cradle of La Lorraine Bakery Group's bake-off technology.

"Both the size and technological capacity of the existing facilities proved insufficient to remain competitive and achieve further growth. To continue offering bakery products with artisanal quality in both Belgium and neighbouring countries, we need to bring in the most innovative technology. The site, which is now more than 30 years old, is being greatly expanded and completely rebuilt to become the most modern bakery site in the group, and even in the whole of Europe," emphasises **Guido Vanherpe**.

Investment of more than 200 million euros in both innovation and sustainability

"La Lorraine Bakery Group experienced an average annual growth rate of around 10% in recent years and the increasing demand from our customers predicts the same growth rate until 2030. We need additional production volume and a wider product range to serve our local customers locally: more innovative, more sustainable, and with even better quality," says **CEO Guido Vanherpe**.

In total, the investment is around 200 million euros, spread over seven years. By 2030, production capacity in Erpe-Mere will more than double, offering a wider and even higher quality range of bakery products. This will give the production site the right scale to remain competitive in a European context.

Carina Van Cauter, Governor Province of East Flanders: "Investing in sustainability and innovation is in the DNA of our province of East Flanders. In the interest of everyone, our companies think several generations ahead. In addition, with an 80% employment rate, we are the leader in our country. Jobs in our own region are crucial to this. Therefore, I am proud and grateful for this investment by La Lorraine Bakery Group in Erpe-Mere."

The site will be sustainably developed according to the latest standards and technologies, with a focus on energy efficiency and the transition to renewable energy to reduce CO₂ emissions. The entire site will have switched to green electricity by 2026.

The logistics flow at the site will also be optimised, particularly in terms of sustainability and local mobility. The logistics zone with a waiting area for trucks will be fully electrified and La Lorraine Bakery Group is also fully committed to a mobility shift among staff, launching an ambitious mobility plan in the coming years. There is also a lot of focus on landscaping, to integrate the site into the landscape in the best possible way.

350 additional jobs

La Lorraine Bakery Group already employs 450 people in Erpe-Mere. Many of them have been working there for over 30 years and these investments will allow them to further develop their unique competences in the future.

There will be about 350 more employees, both blue-collar and white-collar, by 2030, thanks to investment in additional capacity. In total, the Erpe-Mere site will thus employ over 800 workers. This will make La Lorraine Bakery Group one of the largest employers in the region. The site will also feature new office buildings and new facilities for production staff, including modern social areas and canteen.

“La Lorraine Bakery Group will invest some 200 million euros in the state-of-the-art bakery site in Erpe-Mere in the coming years,” **Guido Vanherpe** clarifies. “The site will be rebuilt completely with a focus on innovation, top quality, efficiency, and sustainability. This will more than double the production capacity and means that we can provide additional local employment opportunities. With an increase of about 350 jobs, the number of employees at the Erpe-Mere site will almost double. As an international bakery leader and family company with East Flemish roots, we are enormously proud to continue and strengthen our local anchoring in Belgium.”

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About La Lorraine Bakery Group

La Lorraine Bakery Group (LLBG) is a 100% family-owned Belgian milling and bakery company offering a wide range of authentic, fresh bakery products. Every day, more than 4,800 dedicated employees produce and sell high-quality bakery products to consumers, supermarkets and the foodservice sector around the world.

We are building a leading international company operating in more than 35 countries and producing bakery products in 9 countries. We are passionate about growth and have the ambition to transform the bakery market with our long-standing expertise, new technologies and motivated and talented employees. The company operates in four business areas: Frozen Bakery, Fresh Bakery, Store Concepts and Milling.

Our main financial objectives are long-term value creation and qualitative growth through innovation and entrepreneurship. The Group reported revenue of 1.17 billion EUR in 2022.

We aim to remain sustainable and entrepreneurial for many generations to come, with a passion for quality and innovation and truly embodying the spirit of a company that does well for all its stakeholders – so that we become not only a bigger, but above all a better company.

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