



# BUSINESS REVIEW

January-March 2025

*Apetit*

# **Apetit Plc's Business Review 1 January - 31 March 2025: Operating result declined year-on-year – profit improved in Food Solutions**

## FINANCIAL PERFORMANCE IN BRIEF

### January–March 2025

- Net sales were EUR 43.8 (42.2) million.
- Operating result was EUR 2.3 (3.4) million.
- EBITDA was EUR 4.1 (5.0) million.

The net sales of Food Solutions were EUR 20.4 (20.5) million and operating result EUR 2.4 (1.9) million.

The net sales of Oilseed Products were EUR 23.6 (21.8) million and operating result EUR 0.4 (2.1) million.

Net sales grew slightly from the comparison period. In Food Solutions, both net sales and sales volumes were on a par with the comparison period.

Food Solutions improved its operating result from the comparison period. The result was boosted by harvest season production that continued until 2025 and was record-long. In Oilseed Products, the result decreased clearly from the strong comparison period. The result was negatively affected by expensive raw material items timed during the reporting period.

The Group's liquidity was good, and its financial position was strong. The equity ratio was 81.9 (80.6) per cent and gearing was 5.9 (-4.2) per cent. The Group's cash flow from operating activities after interest and taxes was EUR -1.5 (0.4) million.

Apetit's reporting segments are Food Solutions and Oilseed Products. In addition to the reporting segments, Apetit reports Group Functions, consisting of the expenses related to Group management and strategic projects, that are not allocated to the business segments.

The information in this report is unaudited. The figures in brackets refer to the corresponding period in 2024, and the comparison period means the corresponding period in the previous year, unless otherwise stated.

## PROFIT GUIDANCE FOR 2025 UNCHANGED

(published on 13 February 2025)

Group's operating result is estimated to slightly decrease from the comparison year (EUR 9.3 million in 2024).



## KEY FIGURES

EUR million	1-3/2025	1-3/2024	Change	2024
Net sales	43.8	42.2	4%	162.6
EBITDA	4.1	5.0	-18%	16.0
Operating result	2.3	3.4	-33%	9.3
Share of profit of associated company Sucros	-1.5	-0.6		1.6
Profit for the period	0.4	1.9		8.5
Earnings per share, EUR	0.06	0.31		1.37
Investments	1.5	1.4		9.6
Equity per share, EUR	17.45	16.94		17.33
ROCE-%	7.3	8.4		8.3
Working capital, end of period	40.3	27.1		34.5
Net cash flow from operating activities	-1.5	0.4		3.2
Equity ratio, %	81.9	80.6		79.8
Net gearing, %	5.9	-4.2		3.1

## CEO'S REVIEW:

"Apetit Group's operating result for the first quarter declined from the comparison period. The result of Food Solutions improved, but the operating result of Oilseed Products decreased from the strong result of the comparison period. In Food Solutions, both net sales and sales volumes were on a par with the comparison period. Retail sales increased slightly year-on-year. The result of Food Solutions was boosted by the harvest season production that continued until 2025 and was record-long.

The weak performance of Oilseed Products was particularly attributable to anticipated expensive raw material items timed during the reporting period.

The prolonged collective bargaining negotiations between the Finnish Food and Drink Industries' Federation and the Finnish Food Workers' Union had a negative impact on Apetit's operations during the first quarter. The ban on overtime and shift changes weakened Apetit's delivery reliability in both businesses.

The volatile global political and economic situation causes uncertainty for Apetit's operations and reduces predictability. The effects may be reflected in the market prices of oilseed plants in particular. No short-term impact is expected due to frontloaded raw material purchases.

Work on strategically important projects has continued as planned. The ERP system upgrade is progressing according to schedule. The new ERP system for Oilseed Products is scheduled to be deployed towards the end of the year. Work with rapeseed powder BlackGrain From Yellow Fields and Finnish pea protein also continues. In the autumn, we will launch a product based on textured plant protein (TVP) processed from BlackGrain in the Food service channel. The patty with BlackGrain TVP and pea protein has an excellent taste and texture – and it is a great example of the synergies between Apetit's two businesses.

The sowing season for field vegetables is expected to begin earlier than usual as fields are quickly becoming ready for sowing. During the coming harvest season, we will further increase the area used for contract farming of frozen peas. Harvesting and the from field to freezer chain ran smoothly in last year's record-large area. As a new crop, we will contract grow Finnish onions for the first time. There has been commendable willingness to grow onions. Onion is an important crop in our products: both Finnish onion cubes and the potato-onion mix are important products in the frozen vegetable and frozen potato product categories.

The domestic spring rapeseed cultivation area is expected to increase by 37 per cent in the Finnish Cereal Committee VYR's\* planting intention survey. The milder and less snowy winter than usual was favourable for autumn oilseed crops in large parts of the country. There may be regional differences in the success of the wintering of autumn rapeseed, but little winter damage has been reported and autumn rapeseed in particular looks good.

We will continue to invest in promoting Finnish agricultural research in both of our businesses. Diverse experimental activities of the RypsiRapsi forum and the VARPS project aimed at increasing the cultivation reliability and volume of rapeseed continued. Variety tests of autumn and spring oilseed plants will be further established in different parts of Finland, and cultivation method experiments will be continued, for example, with plant protection alternatives and new establishment methods. Among other things, the Rapi experimental farm is participating in a project to investigate the use of side streams from the food industry as soil improvement products or recycled fertilisers.

Early this year, we launched new products that fit perfectly with the food trends. A new flavour was made available for the Crispy Chick patty, which has become a favourite in Apetit's Kasvisjauhis vegan mince product range. The sales of Apetit's plant-based patties and balls as well as the Kasvisjauhis Crispy Chick patty have developed steadily. Crispy Chick in particular has established a solid position in shop freezers: the sales of the Crispy Chick patty have been increasing for five years and more than doubled over that time. Other new products early in the year included a new flavour in the Uuni- ja grillikasvikset frozen vegetable mix and Finnish potato slices to complement Apetit's product range of frozen potatoes.

Apetit celebrated its 75th anniversary in March. Operations began as Länsi-Suomen Sokeritehdas in 1950. Today, Apetit is at the heart of food trends and nutrition recommendations: its range of plant-based frozen vegetables and foods and vegetable oils is aligned with prevailing food trends, responsible eating and nutrition recommendations."

Esa Mäki,  
CEO

## KEY FIGURES BY SEGMENT

### Food Solutions

EUR million	1-3/2025	1-3/2024	Change	2024
Net sales	20.4	20.5	-1%	75.8
EBITDA	3.5	2.9	19%	12.4
Operating result	2.4	1.9	29%	8.1

### Oilseed products

EUR million	1-3/2025	1-3/2024	Change	2024
Net sales	23.6	21.8	8%	87.4
EBITDA	1.0	2.6	-61%	6.1
Operating result	0.4	2.1	-79%	4.2

### Group Functions

EUR million	1-3/2025	1-3/2024	2024
Net sales	0.5	0.3	1.3
EBITDA	-0.4	-0.5	-2.5
Operating result	-0.6	-0.6	-3.0

In addition to the reporting segments, Apetit reports Group Functions, consisting of the expenses related to Group management and strategic projects, that are not allocated to the business segments.

## FINANCIAL PERFORMANCE IN JANUARY-MARCH

Net sales amounted to EUR 43.8 (42.2) million. Net sales grew slightly from the comparison period. In Food Solutions, both net sales and sales volumes were on a par with the comparison period. Net sales and sales volumes increased slightly in retail. In Oilseed Products, net sales grew year-on-year.

Operating result was EUR 2.3 (3.4) million. The result of Food Solutions was boosted by the harvest season production that continued until 2025 and was record-long. In Oilseed Products, the result decreased from the strong comparison period. The performance was affected by expensive raw material items timed during the reporting period.

The share of the profit of the associated company Sucros was EUR -1.5 (-0.6) million. Sucros' first quarter was weak due to the negative development of market prices.

## FINANCIAL PERFORMANCE IN JANUARY-MARCH, GROUP

The Group's liquidity was good, and its financial position was strong. The equity ratio was 81.9 (80.6) per cent and gearing was 5.9 (-4.2) per cent. The Group's cash flow from operating activities after interest and taxes was EUR -1.5 (0.4) million.

## EVENTS AFTER THE END OF THE PERIOD

The Group had no material events after the end of the review period.

## SEASONALITY OF OPERATIONS

In accordance with the IAS 2 standard, the historical cost of inventories includes a systematically allocated portion of the fixed production overheads. With production focusing on harvest time, raw materials are mainly processed into finished products during the second half of the year when more fixed production overheads are

recognized on the balance sheet than the other quarters of the year. Due to this accounting practice, most of the Group's annual profit is accrued during the second half of the year. The timing of end of the harvest season can affect the comparability between financial years. The seasonal nature of profit accumulation is most marked in the Food Solutions segment and in the associated company Sucros, where production reflects the crop harvesting season.

Harvesting seasons also cause seasonal variation in the amount of working capital tied up in operations. Working capital tied up in Oilseed Products is at its highest towards the end of the year and decreases to its lowest in the summer before the next harvest season. As production in the Food Solutions segment is seasonal and follows the harvest period, the working capital tied up in operations is at its highest around the turn of the year in that segment.

## SHORT-TERM RISKS AND UNCERTAINTIES

The most significant short-term risks for Apetit Group are related to the management of raw material price changes, the availability of raw materials, the harvest quality and quantity of oilseed plants and field vegetables, the functioning of the financing markets, the solvency of customers, the delivery performance of suppliers and service providers, and changes in the Group's business areas and customer relationships.

Apetit Plc