

Apetit

Financial Statements Release 2023

Esa Mäki, CEO, Apetit Plc

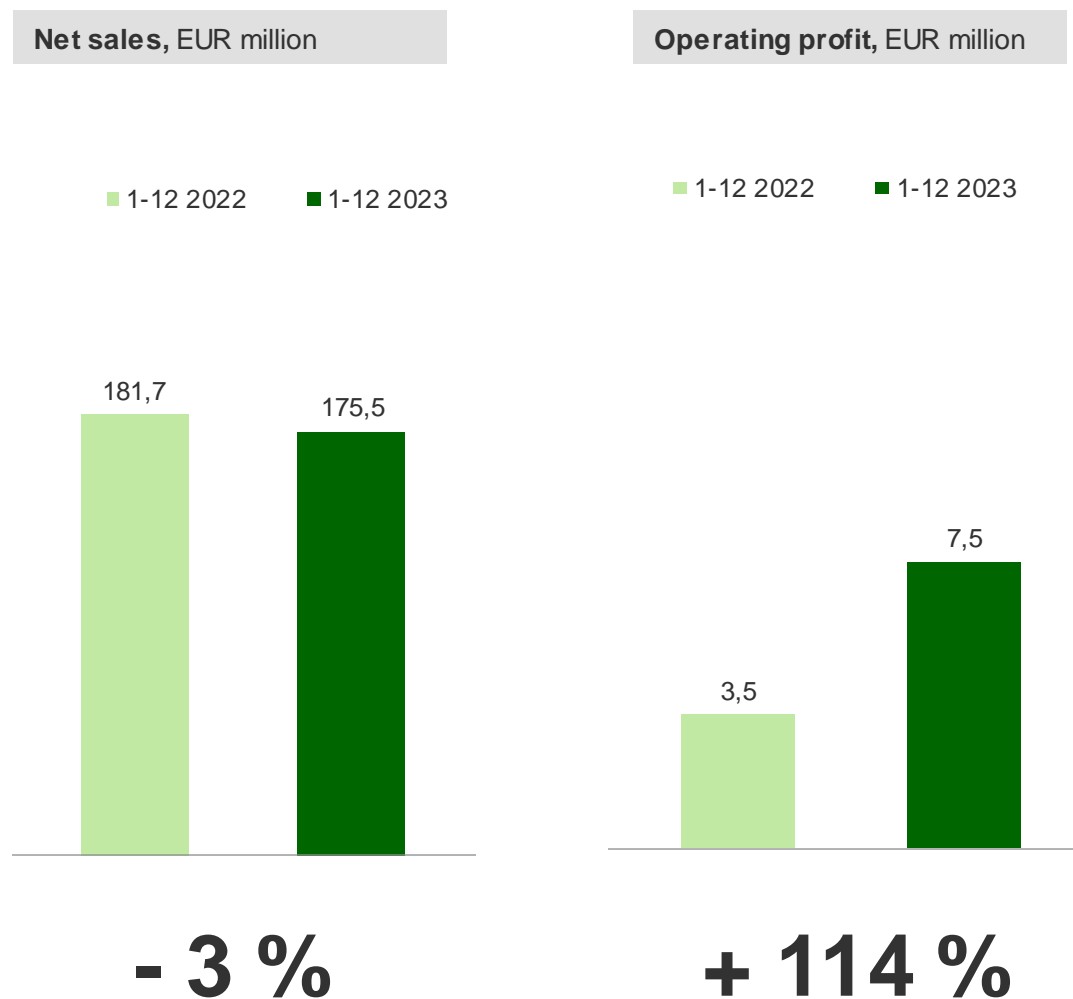


Financial Review



January-December 2023: net sales and operating profit

- Net sales were EUR 175.5 (181.7) million.
 - EBITDA was EUR 13.2 (9.2) million.
 - Operating profit was EUR 7.5 (3.5) million
-
- Result clearly improved from comparison year – operating profit more than doubled
 - Both businesses improved their results – significant result improvement in Oilseed Products
 - Decrease in net sales was influenced by stabilisation of market prices in oilseed products
 - Market prices were at exceptionally high level in comparison year

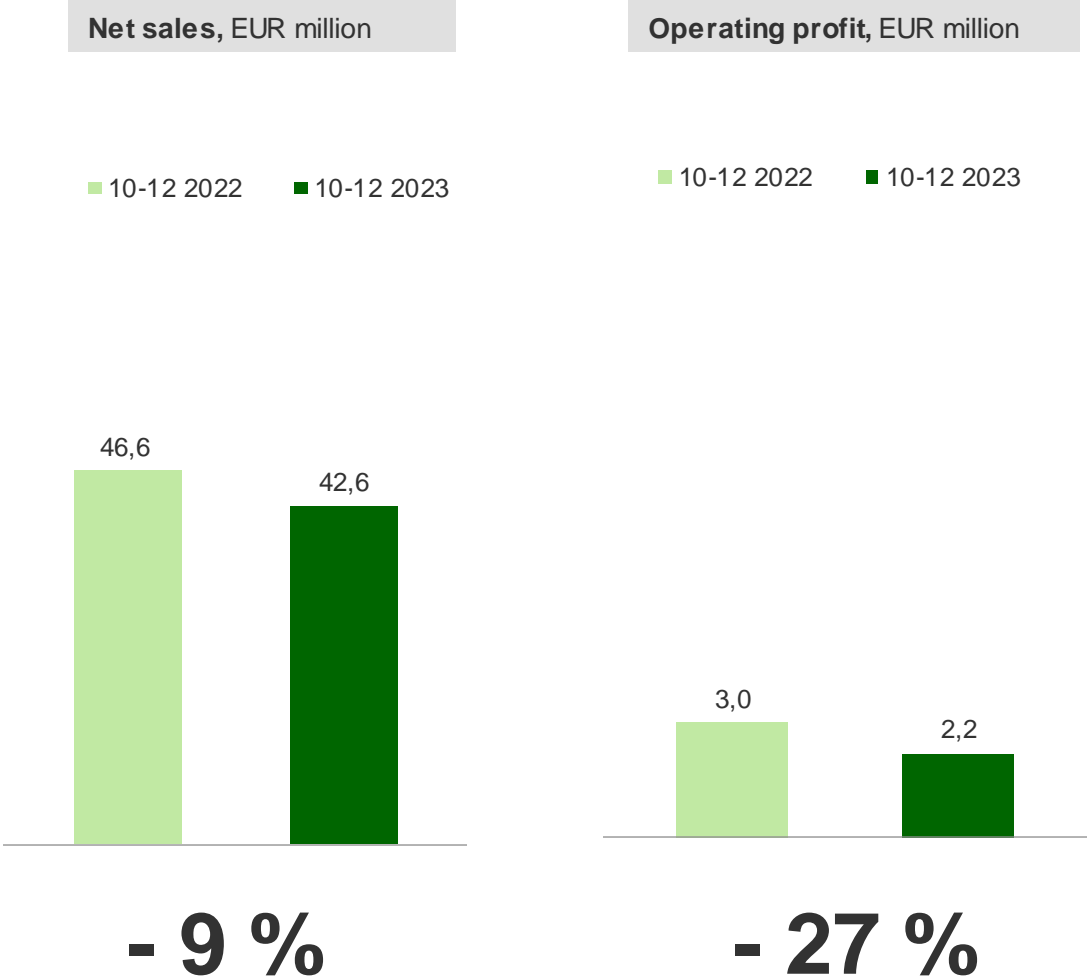


October-December 2023: net sales and operating profit

- Net sales amounted to EUR 42.6 (46.6) million
- EBITDA was EUR 3.7 (4.5) million
- Operating profit was EUR 2.2 (3.0) million

- Net sales decreased due to the stabilization of market prices in oilseed products

- In Food Solutions, both net sales and sales volumes increased from comparison period



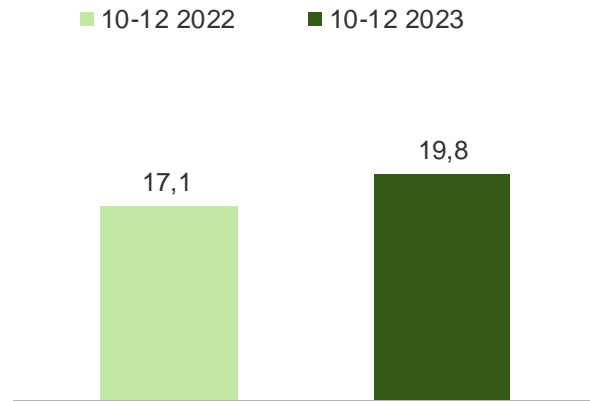


Food Solutions October-December 2023

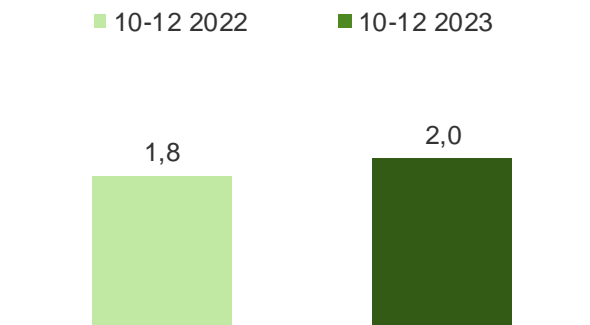
Net sales and sales volumes increased – result improved from comparison period

- Net sales were EUR 19.8 (17.1) million and operating profit EUR 2.0 (1.8) million
- Both net sales and sales volumes increased from comparison period
- Sales developed favourably
- The result was influenced by price increases made after the comparison period

Net sales, EUR million **+ 16 %**



Operating profit, EUR million **+ 11 %**



Oilseed Products October-December 2023

Net sales decreased as the market prices stabilised

- Net sales were EUR 22.9 (29.7) million and operating profit EUR 0.9 (1.7) million
- Decrease in net sales was influenced by decreased market prices in oilseed products
- Operating profit decreased from the comparison periods exceptionally strong result.

Net sales, EUR million

- 23 %

10-12 2022 12-12 2023



Operating profit, EUR million

- 47 %

10-12 2022 10-12 2023





Continuing operations

Janury-December 2023



Cost inflation is reflected in purchasing behavior

- The value of sales of groceries increased by 7.5 percent in 2023, but the volume decreased by 1.9 percent on average*
- Consumers prefer more affordable products
- The increase of popularity of traditional foods can be seen in demand of Apetit's different product types
- The positions of Apetit's products in retail is still strong
- Approximately every third** Finnish person tells, that they buy frozen vegetables with nearly every visit to the grocery store

*PTY, **Apetit survey 2/2023

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Food Solutions 1-12/2023

- The harvest season was mostly in line with the goals
- The Säkylä frozen foods plant's new energy system was deployed
- Increased use of recyclable packaging materials and introduction of PEFC-certified paperboard
- Launching a project to produce Finnish pea protein
- Increase in domestic frozen pea cultivation area
- Novelty frozen pizzas got a good reception
 - Successful launches of novelty products
- Investments for the period totalled EUR 4.3 (4.3) million and were mainly associated with production efficiency improvements in Säkylä, energy efficiency improvements and a new pea harvester

Sweden as a focus area

- Apetit established sales organisation in Sweden to strengthen exports to Sweden
- Foothold in Sweden has been strengthened with access to new retail groups
- The share of exports in food net sales increased in 2023
- The net sales of exports to Sweden slightly increased from comparison year





Food Solutions January-December 2023

Net sales and sales volumes increased – result improved from comparison year

- Net sales were EUR 73.7 (64.2) million and operating profit EUR 5.8 (4.2) million
- Net sales increased in all sales channels
- The impact of inflation, which has weakened profit development, was successfully moderated
- Sales volumes increased from comparison year
- The share of exports were approximately 12 percent and were mainly targeted to Sweden and Italy





Oilseed Products 1-12/2023

- International crush margins were at an elevated level during the entire calendar year.
- Market prices of oilseeds clearly decreased from high figures of comparison year
- The domestic oilseed plant harvest decreased in 2023 by quarter from the previous year, amounting to 42 million kilos (2022: 56 million kilos).
- Kantvik oil milling plant was in operation through the year with full capacity

New bottling line in Kantvik oil milling plant

- Approximately EUR 4.5 million investment
- Supply chain of vegetable oils more firmly into own hands
- Opportunities for the development of products with a higher degree of processing
- Work with the new line in schedule, it is estimated that the new line will become operational during the second half of 2024



BlackGrain

- Commercialisation of rapeseed ingredient BlackGrain is progressing
- Important steps in development of production process to begin commercial scale production have been taken in 2023
- We will tell more about long-term plans for Blackgrain in second half of 2024

Black
Grain

FROM
YELLOW
FIELDS™



RypsiRapsi-foorumi – new Finnish oilseed plant production development group

- The goal is to promote the cultivation of rapeseed and its profitability in Finland
- The forum brings together different stakeholders in the oilseed plant sector, compiles the results of earlier research activities and produces new farming knowledge
- Practical information and efficient methods for the cultivation of oilseed plants for farmers



Rypsi  Rapsi

FOORUMI

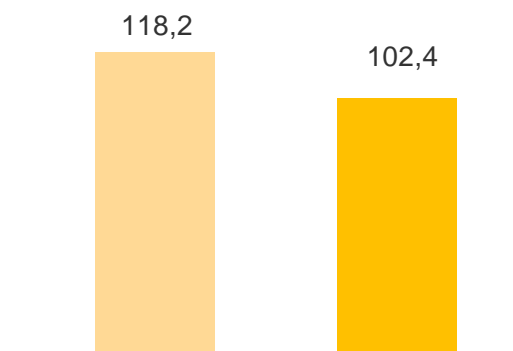
Oilseed Products January-December 2023

Operating profit clearly improved from comparison year

- Net sales were EUR 102.4 (118.2) million and operating profit EUR 4.6 (1.5) million
- Net sales decreased due to stabilisation of market prices, which were at exceptionally high level throughout the comparison year
- Raw material sourcing was successful throughout the year
- The result was influenced by active pricing
- The main export markets for oilseed products were Norway - exports represented approximately 23 per cent of net sales

Net sales, EUR million

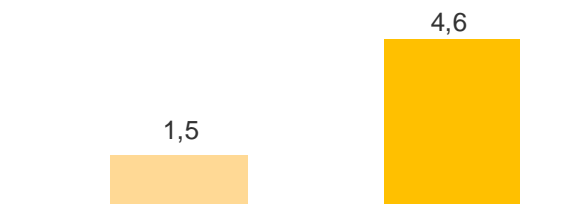
1-12 2022 1-12 2023



- 13 %

Operating profit, EUR million

1-12 2022 1-12 2023



+ 207 %



Strong financial position

EUR million

31.12.2023

31.12.2022

Working capital	23,0	18,7
Group's net cash flow from operating activities	9,7	28,4
Group's total equity	103,5	96,0
Group's net debt	-5,9	-12,7
Group's Equity ratio, %	78,9	81,8
Group's Gearing, %	-5,7	-13,2
Earnings per share, EUR	1,56	0,83
Group's Operational return on capital employed, (ROCE-%)	7,3	5,7

Discontinued operations

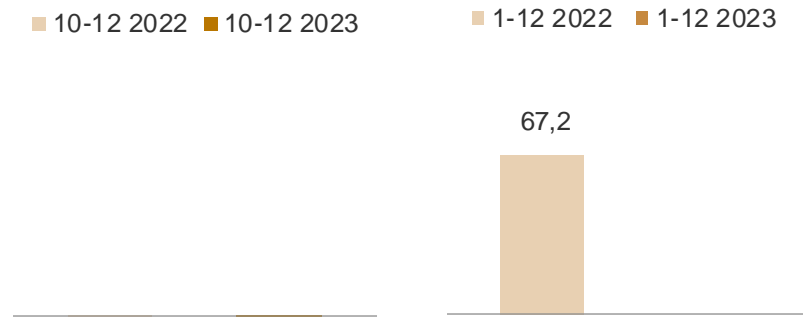
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Discontinued operations 2023

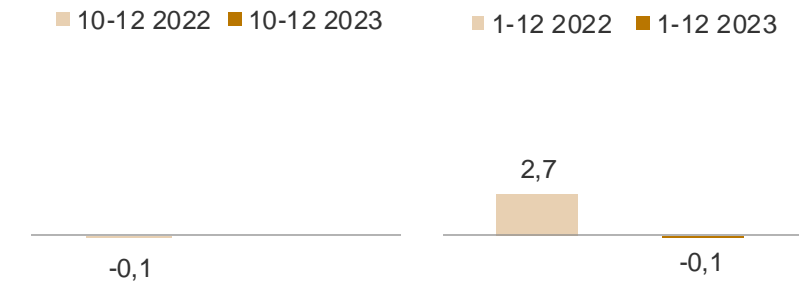
Grain Trade

- Net sales were EUR 0.0 (67.2) million. Operating profit was EUR -0.1 (2.7) million.
- The sale of the grain trade business took place in stages during the first half of 2022

Net sales, EUR million



Operating profit, EUR million



Outlook for 2024



[510 G] PAKASTE /
[3x170 G] DJUPFRYST

KIVIUNISSA PAISTETTU

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KOTIMAINEN

3X PIZZA POHJA

VALMISTA OMA HERKKUPIZZASI!

Todennäköisesti maailman pohjoisimmasta pizzatehtaasta Pudasjärveltä.

LAKTO-
SIIDON

RUOKAA
OMASTA
MAASTA



VALMISTA OMA HERKKUPIZZASI!

3X PIZZA POHJA

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Trends and phenomena

- The effects of inflation can be seen in consumer purchasing choices - in everyday life, people choose ingredients that fit the budget for home cooking
- In everyday life, people want to prepare food quickly and easily from basic ingredients - more and more people are choosing solutions that speed up cooking
- Consumers are looking for new ways to use familiar raw materials and reduce food waste
- Conditions enabling the growth of the frozen food market - both in retail and in the Food service channel
- The demand for vegetable oils is steady - healthy alternatives are interesting for consumers



Profit guidance for 2024

- Group's operating profit is estimated to stay at the level of the comparison year (EUR 7.5 million in 2023).
- The operating profit from Food Solutions is estimated to further improve. In Oilseed Products, the operating profit is expected to decline due to outlook of market prices.





Dividend proposal

Dividend proposal for the financial year 2023

- Dividend proposal for the financial year 2023
 - The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.75 per share be paid for the financial year 2023
- Earnings per share: EUR 1.56 (EPS)
- Dividend policy
 - The Board of Directors of Apetit Plc aims to ensure that the company's shares provide shareholders with a good return on investment and retain their value
 - The company aims to distribute 40-60 per cent of the profit for the financial year in dividends.





Progress in strategy



Operating environment phenomena that guide the strategy

Growth of the frozen foods market

Increasing variation in harvests

Making everyday life easier

Demand for plant-based food products

Stronger emphasis on climate-responsible actions

Transparency of the food value chain

Well-being as a trend

Versatile partnerships

Domestic origin

Development of purchasing power



Key measures supporting strategy

Strategic focus areas 2023-2025	Key measures 2023
Stronger together	<ul style="list-style-type: none">- Research at the Räpi experimental farm continued the promotion of the cultivation of domestic pulses, among other things- Use of shared resources and interfaces in continuing operations, in ERP project for example- Successful launches of novelty products and investments in the development of people's perception of frozen food
Diverse plant-based food products	<ul style="list-style-type: none">- Decision to invest in a new bottling line at the Kantvik vegetable oil milling plant- Establishment of sales organisation in Sweden to boost food exports- Establishment of the RypsiRapsi-foorumi to increase domestic oilseed production



Key measures supporting strategy

Strategic focus areas 2023-2025	Key measures 2023
More domestic plant proteins	<ul style="list-style-type: none">- Progress in the BlackGrain production process- Launch of a project to produce Finnish pea protein- Increase in domestic frozen pea cultivation area and exports of pea
Sustainable value chain	<ul style="list-style-type: none">- Energy transition at Apetit's production facilities: reducing energy-related CO2 emissions by 68 per cent from 2019- Increased use of recyclable packaging materials and introduction of PEFC-certified paperboard



Financial objects for 2025

EBIT > EUR 9.0 million

2023: EUR 7.5 million

ROCE > 8.0 %

2023: 7.3 %

Dividend policy

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**UUNI-GRILLIJA
KASVIKSET**
HUNAJAINEN
UGNS- & GRILLGRÖNSAKER HONUNG