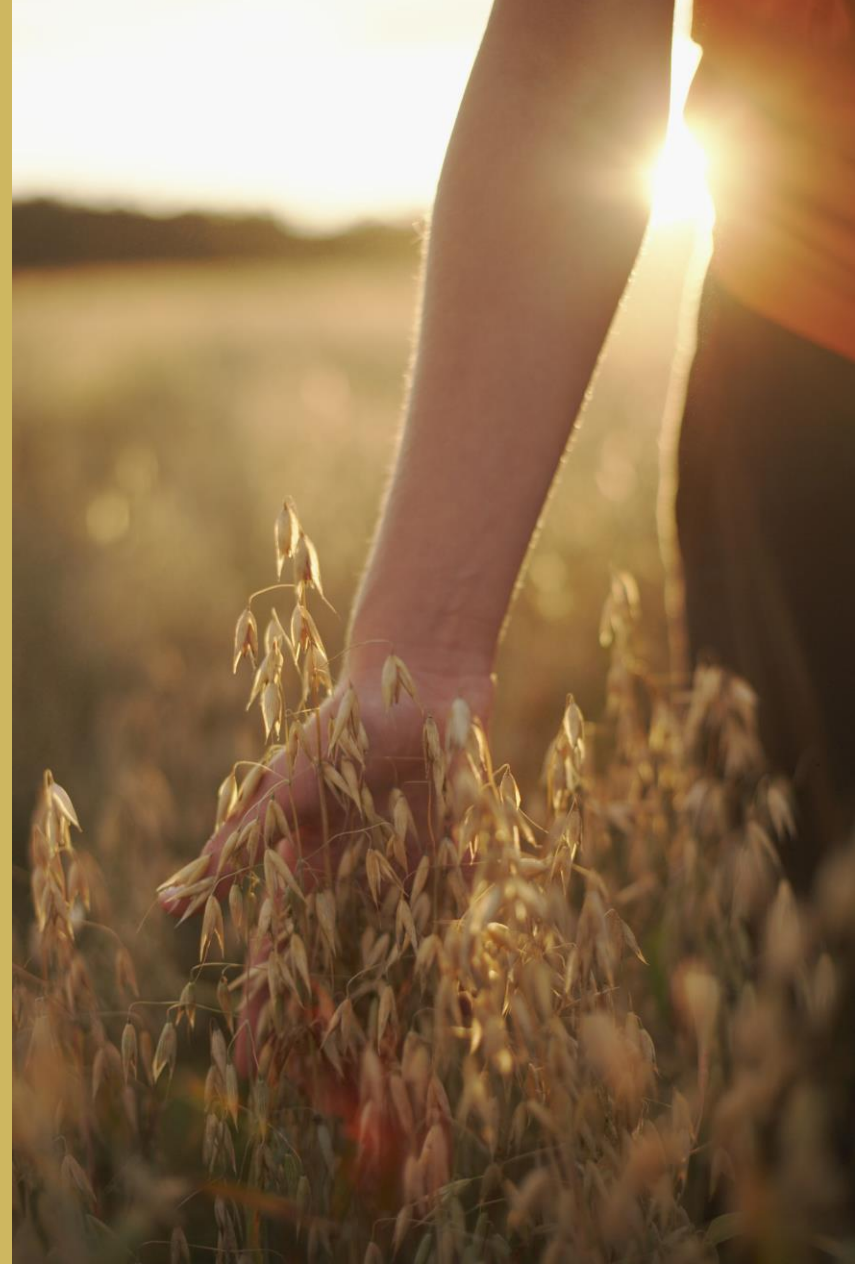


The Group's net sales increased by 22 per cent in January-September, profitability was weakened by a strong increase in costs

Fodelia Oyj Business Review January-September 2022

2.11.2022

CEO Mikko Tahkola and CFO Kati Kokkonen



We grow Finnish food industry companies into success stories. Our goal is to be the most wanted and most successful innovator of food industry



Highlights in January-September 2022

- **The Group's net sales increased by 22 per cent**
 - Profitability was weakened by a strong increase in costs
 - The Group's profitability was also affected by the sizeable investment in Feelia Ruokakauppa earlier this year
- **Feelia's foodservice net sales continued strong growth during the review period**
 - The profitability of Feelia's business has been temporarily depressed by sharp increases in the cost of raw materials, materials, transport and energy
- **During the review period, we acquired the share capital of Marjavasu Oy through a share exchange on 31 August 2022**
- **On 3 October 2022, our joint venture Fodbar was chosen as the food service supplier for the municipality of Siuntio and partly also as the supplier of food services transferred from Siuntio to the wellbeing services county**
- The outlook is that the company's operations will turn profitable in the first half of 2023
- **On 26 October 2022, we announced the signing of a letter of intent on the sale-leaseback arrangement of Feelia's factory in Pyhäntä**
 - When completed, the transaction will improve the Group's solvency and free up equity for growth in line with our strategy

The Group's net sales increased by 22 per cent in January-September

Summary for January-September 2022

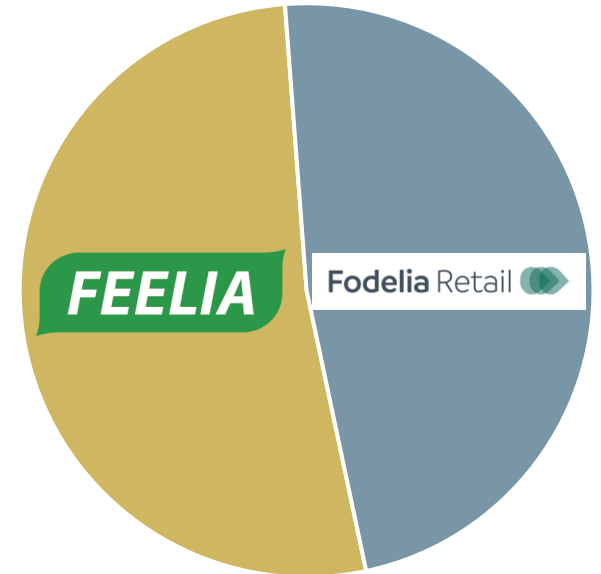
- Net sales for the period under review increased by **21.8%** and amounted to EUR **30,355** thousand (1–9/2021: EUR **24,915** thousand)
- EBITDA for the period was EUR **1,869** thousand (**1,834** thousand), representing **6.2%** of net sales (**7.4%**)
- EBITA for the period was EUR **855** thousand (**1,214**) representing **2.8%** of net sales (**4.6%**)
- EBIT for the period was EUR **605** thousand (**974** thousand), representing **2.0%** of net sales (**3.9%**)

Summary for July-September 2022

- Net sales for the period grew by **24.3%**, amounting to EUR **10,923** thousand (**8,791** thousand).
- EBITDA for the period was EUR **593** thousand (**976** thousand), representing **5.4%** of net sales (**11.1%**)
- EBITA for the period was EUR **240** thousand (**897**), representing **2.2%** of net sales (**10.2%**)
- EBIT for the period was EUR **150** thousand (**817** thousand), representing **1.4%** of net sales (**9.3%**)

Fodelia's business structure from 1 July 2022

- As of 1 July 2022, Fodelia Oyj's business segments are Feelia and Fodelia Retail
- The Feelia business segment focuses on clients in the foodservice market
- Fodelia Retail focuses on retail clients and an online shop aimed at consumers
- Real Snacks Oy, Perniön Liha Oy, Pita Factory Oy and FodNet Oy have been consolidated with the Fodelia Retail business segment
- Marjvasu Oy joined Fodelia Group through a share exchange on 31 August 2022
- In the Business Review Marjvasu is presented under "other units"



The segmentation of net sales in 1-9/2022

January-September 2022 in business areas





Net sales of Feelia in strong growth

- Feelia's net sales grew by 42.8% in January–September, and 35,9 % in July-September
- Growth came especially from the private care sector and school meal services
- Feelia's profitability decreased from the previous year, caused in large part by rising costs
- There is strong demand for the company's products and service concept
 - The business outlook is good

Key figures / Feelia

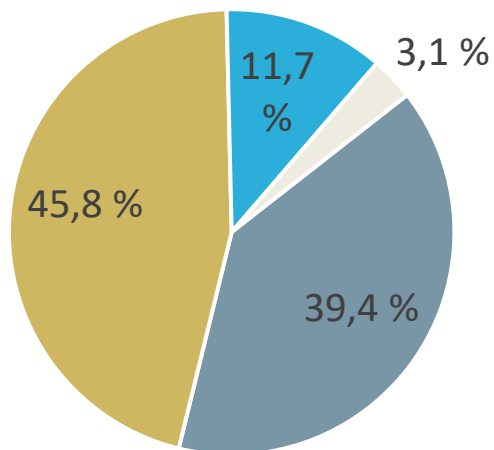
TEUR	7-9/2022	7-9/2021	Change-%	1-9/2022	1-9/2021	Change-%	1-12/2021
Net sales	6,102	4,490	35.9	16,861	11,803	42.8	16,895
EBIT	178	911	-80.3	1,080	1,315	-9.9	1,650
% Of net sales	2.9	20.3		6.4	10.2		9.8

Feelia's profitability is temporarily weakened due to strongly risen manufacturing costs

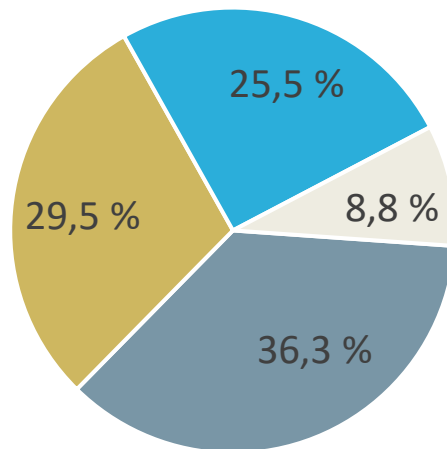
- The prices of key raw materials used by Feelia have increased by about 20–40% in one year, depending on the product group
- In addition, the prices of packaging supplies have risen by about 20%, energy by about 25% and transportation by about 15%
- The increase in costs can be transferred to sales prices with a delay

Feelia's sales to care sector and school meals grew significantly

September 2021



September 2022



■ Wholesale ■ Other ■ Care sector ■ Schools

- Feelia gains approximately 2 new care sector customers in one week
- The sales to care sector has increased by 156 per cent
- The sales to school meals has increased by 229 per cent

Feelia's solutions for care sector

- The care sector in Finland will grow strongly in the upcoming years
- In Finland there are over 600 000 people aged 75 or more
- There are about 2,500 care homes in Finland
 - 1,000 of them are public and 1,500 private
- Feelia's food is ideal for care homes, and there are also structurally modified products and products for special diets

Net sales of Fodelia Retail increased by 5.6% in January-September

- Real Snacks Oy, Perniön Liha Oy, Pita Factory Oy and FodNet Oy are consolidated with the Fodelia Retail business
 - Since 1 July 2022 the companies have been managed as one business segment
 - The companies belonging to the business segment will be merged into one company



Key figures / Fodelia Retail

TEUR	7-9/2022	7-9/2021	Change-%	1-9/2022	1-9/2021	Change-%	1-12/2021
Net sales	5,333	5,125	4.1	15,484	14,662	5.6	19,461
EBIT	143	89	61.7	150	366	-68.8	688
% of net sales	2.7	4.1		1.0	3.3		3.5

The segment's retail business has seen positive development

- 73% of the business segment's net sales were generated from retail sales of snacks and processed meat products
- Net sales increased modestly, and profitability saw clear improvement especially during third quarter
- For these product groups, the increase in material costs has mainly been transferred to sales prices successfully
- The project of bringing the Feelia consumer packages to retail shops is proceeding
 - The launching is intended to do during H1 2023



Feelia Ruokakauppa, an online grocery store aimed at consumers, grew by 16.6% in January–September

- Of the business segment's net sales 27% were generated from the online store for consumers (Feelia Ruokakauppa)
- The Feelia Ruokakauppa's E-commerce page and operating model have been developed
 - We have published a possibility for continuous subscription of food boxes



Fodelia's new subsidiary Marjvasu Oy produces juice concentrates and additive-free fruit and berry purées

- Marjvasu Oy operates in foodservice market
- The company produces juice concentrates and berry purées under it's own Delimax brand
 - The company portfolio also includes different kind of juice machines
- The company is exceptionally profitable and well-managed
- Marjvasu is part of Business Review from 1 September 2022
- Feelia and Marjvasu share customer base, and there can be found synergies



Fodbar is solution for outsourcing municipal food services

- Fodbar combines the expertise of Fodelia's subsidiary Feelia Oy and Barona HoReCa Oy, part of the Bravedo Group.
 - Feelia is responsible for producing nutritionally diverse, vacuum cooked products with consistent quality
 - Barona HoReCa is responsible for staffing services and ensures the availability and competence of personnel as well as cost-effective and functional staffing processes

Current model of municipal food services

- ✓ Central kitchen
- ✓ Food preparation kitchen
- ✓ Distribution kitchen

Fodbar's model

- | | |
|--------------------|-------------------------------------|
| ✓ Feelia's factory | Central kitchen |
| ✓ Service kitchen | Food preparation kitchen |

Fodbar has proceeded several projects during the third quarter

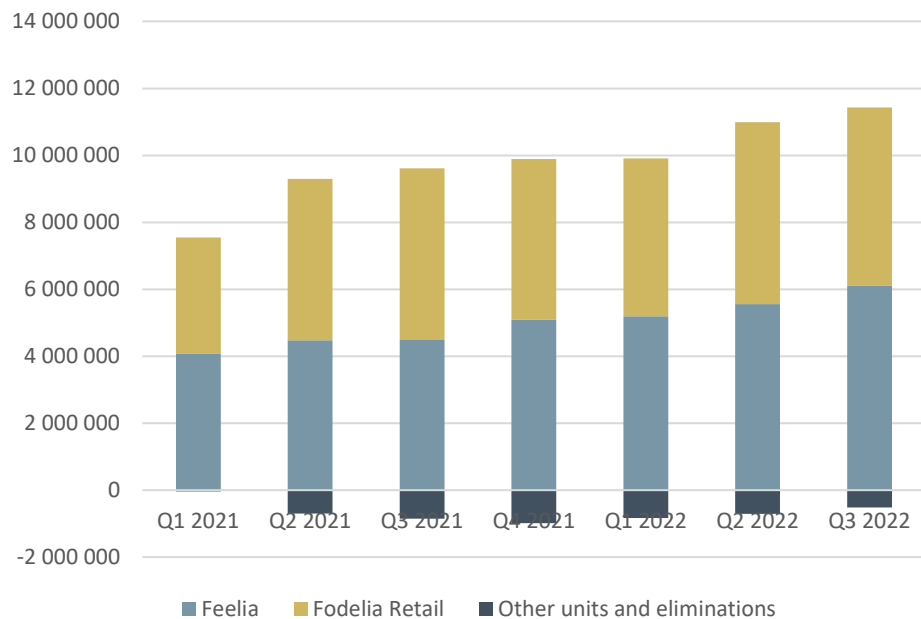
- Fodbar has signed a significant framework agreement with Deaconess Foundation
 - The cooperation consisting meal services for restaurant and care units will start from 5 of November in Hoivamyly, Järvenpää
- Fodbar's cooperation with care company Humana will expand in November to new care units in Ylivieska and Kemi
- In addition the company will start a new significant municipality in Siuntio 1 december 2022
 - Fodbar has continued active involving to public procurement publications
- The outlook is that the company's operations will turn profitable in the first half of 2023.

Key figures

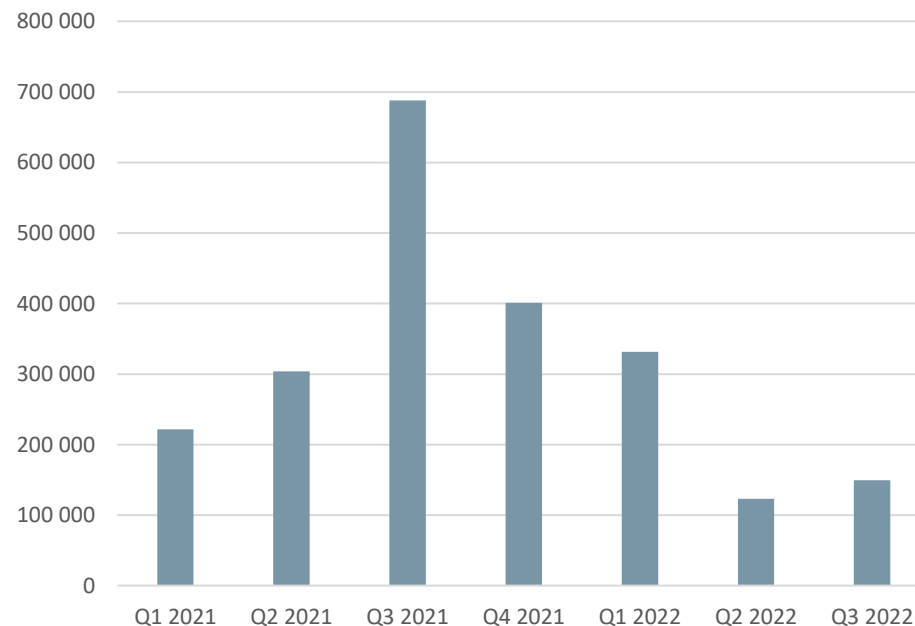
Group	7-9/22	7-9/21	Change %	1-9/22	1-9/21	Change %	1-12/21
Net sales in thousands of euros	10,923	8,791	24.3	30,355	24,915	21.8	33,843
EBITDA in thousands of euros	593	976	-39.2	1,869	1,834	1.9	2,599
% of net sales	5.4	11.1		6.2	7.4		7.7
EBITA in thousand euros	240	897	-73.2	855	1,214	-29.6	1,695
% of net sales	2.2	10.2		2.8	4.6		5.0
EBIT in thousands of euros	150	817	-81.7	605	974	-37.9	1,375
% of net sales	1.4	9.3		2.0	3.9		4.1
Profit for the period in thousands of euros	-36	526	-106.8	-5	478	-101.0	653
% of net sales	-0.3	6.0		0.0	1.9		1.9
Earnings per share, EUR	0.00	0.07		0.00	0.06		0.09
Equity ratio, %	42.0	37.5		42.0	37.5		37.9
Net gearing, %	86.3	104.1		86.3	104.1		113.9
Return on equity, %	-1.1	21.7		-0.1	6.6		6.6
Return on investment, %	2.5	14.8		2.2	5.9		5.9
Balance sheet total in thousands of euros	30,631	26,902	17.6	30,631	25,902	17.6	26,095
Average number of employees	128	128	0.0	128	122	4.9	127

The development of Group's net sales and EBIT quarterly

The development of Group's net sales quarterly



The development of Group's EBIT quarterly



Long-term targets and outlook for 2022

Long-term targets

- The Group's net sales in 2026 are over EUR 100 million
- The Group's operating margin is approximately 8-10%
- The group's return on investment is over 10%
- The interest-bearing debts to ebitda are under 3.

Dividend policy

Fodelia strives to distribute at least 35% of its earnings as dividends to shareholders.

Outlook for 2022 (Updated 31 of October 2022)

The company management estimates the Group's net sales in 2022 are approximately EUR 40–43 million. EBIT margin is expected to be at the same level than previous year or little below that.

Events after period under review

The company announced the signing of a letter of intent on the sale-leaseback arrangement of Feelia's property in Pyhäntä. The value of the property on Fodelia Group's balance sheet is approximately EUR 5.3 million. When completed, the sale of the factory property is not expected to have a significant impact on profits, but the transaction would improve Fodelia Oyj's solvency and free up equity for growth in line with the company's strategy. The transaction is expected to be completed by the end of December 2022, provided that the due diligence process on which the sale is conditional does not reveal any issues that prevent or delay the transaction.

A close-up photograph of a person's hands holding a large, vibrant green leaf. The leaf is held by the top edge with the right hand and the stem with the left hand. The person is wearing a grey sweater. The background is a blurred outdoor setting with a stone wall and foliage. A white text box is overlaid at the bottom of the image.

We help build the strong future of Finnish food sector

Q&A



Thank you!

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