



**GROUP NET SALES FOR JANUARY–JUNE INCREASED BY
25% AND EARNINGS BEFORE INTEREST AND TAXES (EBIT)
DOUBLED**

Half year report January-June 2023

9.8.2023

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”

1

**Financial development and highlights in
January-June 2023**

2

Business development

3

Strategy and megatrends

4

Q&A

1/4

**Financial development
and highlights in January-
June 2023**

Fodelia's businesses



- Offers ready-to-eat meals meal services
- Feelia operates in growing Foodservice market
- Feelia has 2 factories (Pyhäntä and Kokkola)

Fodelia Retail

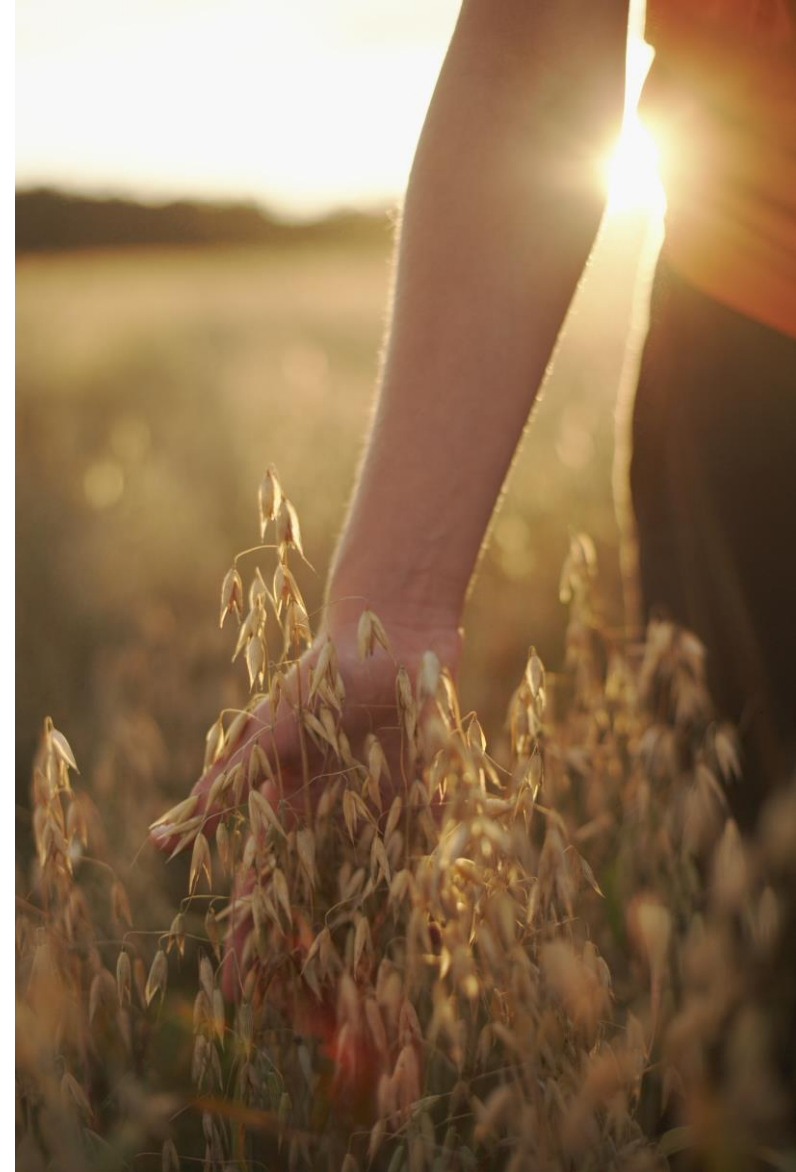
- Concentrates on retail customers and consumer business
- Factories in Pyhäntä, Salo and Jokioinen
 - In addition Fodelia Retail has a E-Commerce store selling food products



- Marjavasu (Delimax) produces juices and purees
 - Juice factory in Kuopio
- Fodbar offers meal service outsourcing solutions

The Group's business developed in a good direction during the first half of the year

- Net sales increased by 25% and profitability improved
- Earnings before interest and taxes more than doubled from the corresponding period last year
- Of the Group's businesses, Feelia has again seen profitable growth after the challenges in late 2022
- The company's order portfolio has grown to a record level



Summary for January–June 2023

- Net sales in the period under review increased by 24.8% and amounted to EUR 24,259 thousand (EUR 19,432 thousand).
- EBITDA for the period was EUR 1,948 thousand (1,276 thousand) or 8.0% of net sales (6.6%).
- EBITA for the period was EUR 1,214 thousand (615 thousand) or 5.0% of net sales (3.2%)
- EBIT for the period was EUR 993 thousand (455 thousand) or 4.1% of net sales (2.3%).

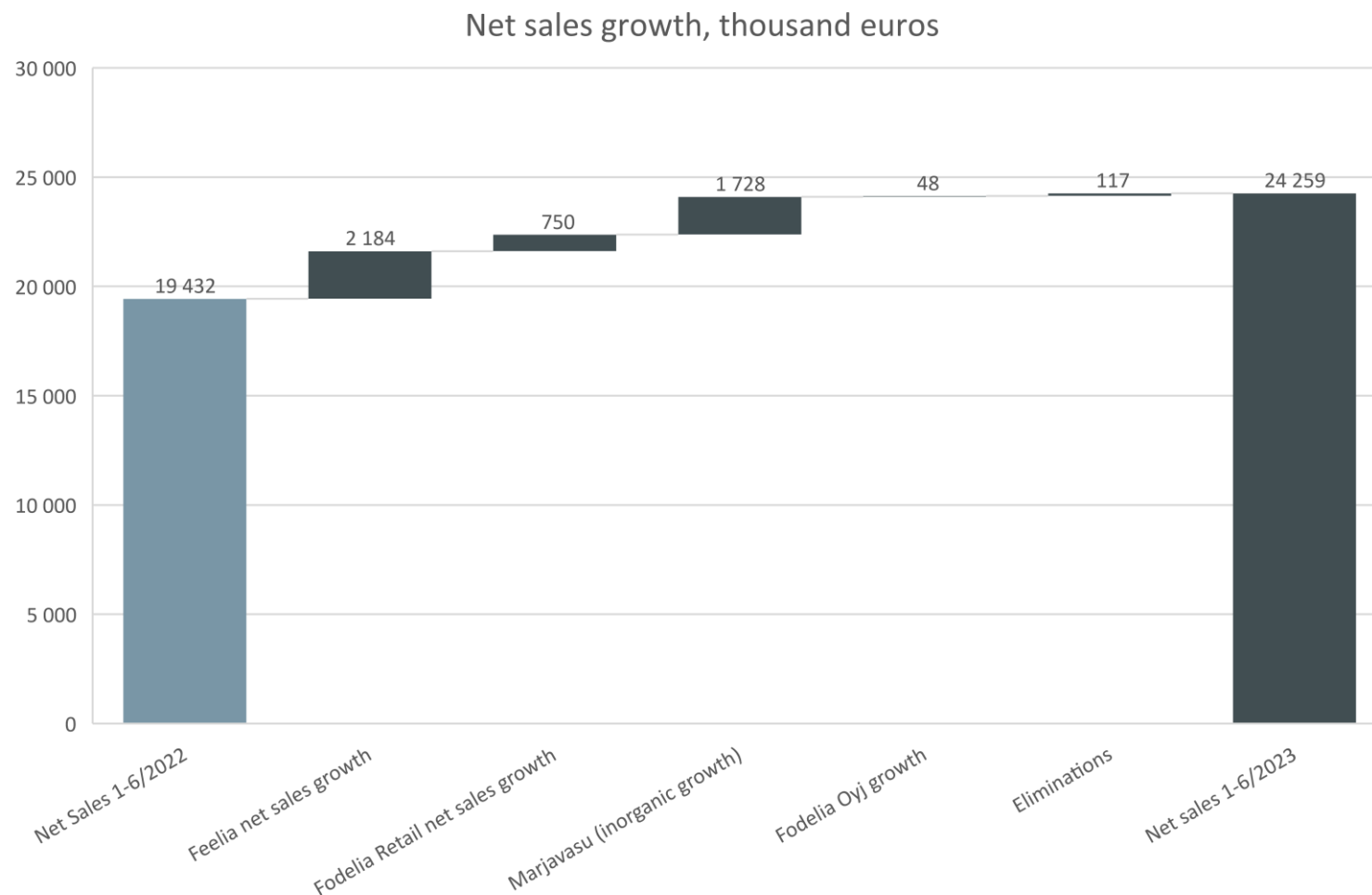
Summary for April–June 2023

- Net sales for the period grew by 21.4%, amounting to EUR 12,526 thousand (10,319 thousand).
- EBITDA for the period was EUR 1,026 thousand (765 thousand) or 8.2% of net sales (7.4%).
- EBITA for the period was EUR 641 thousand (430 thousand) or 5.1% of net sales (4.2%)
- EBIT for the period was EUR 530 thousand (350 thousand) or 4.2% of net sales (3.4%).

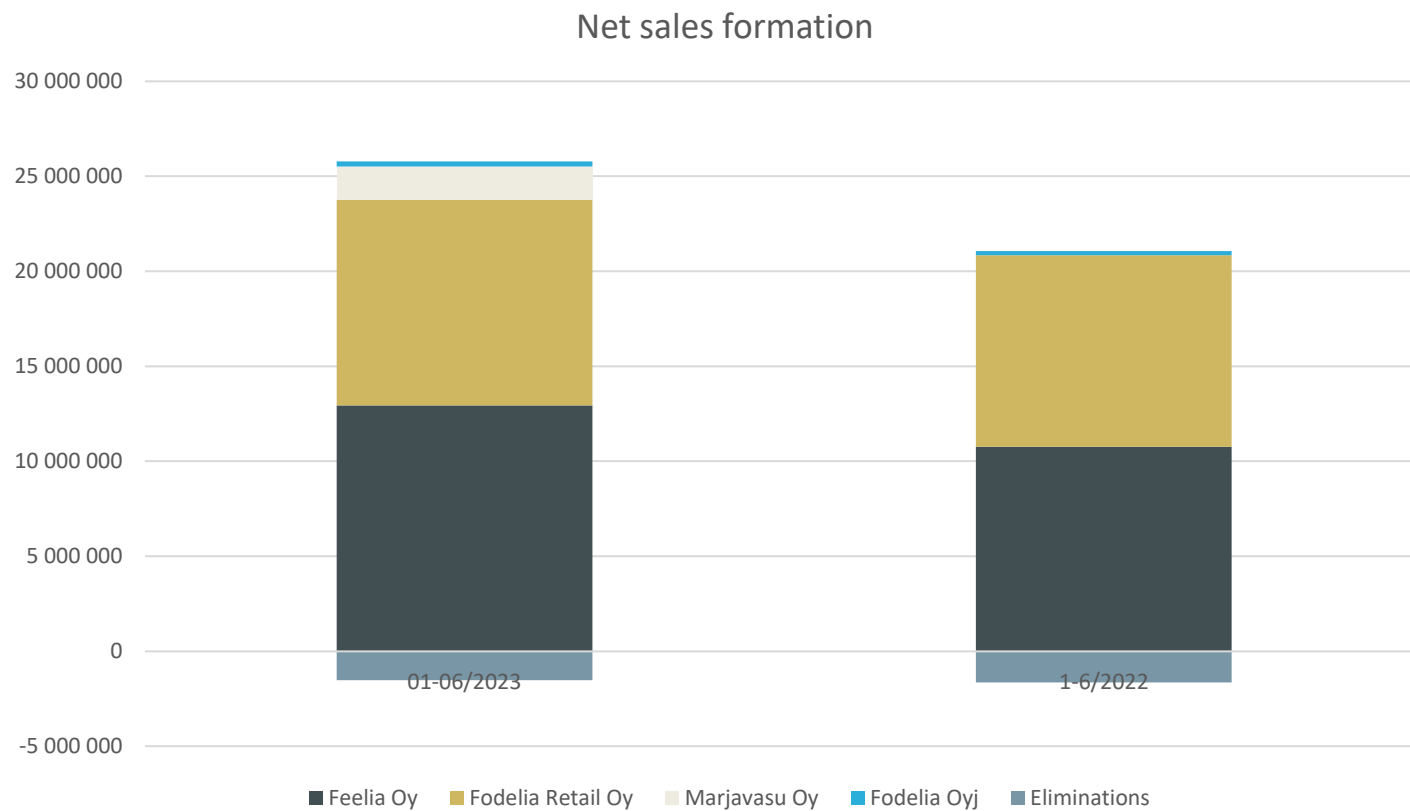
Key figures

Group	4–6/23	4–6/22	Change %	1–6/23	1–6/22	Change %
Net sales in thousands of euros	12,526	10,319	21.4	24,259	19,432	24.8
EBITDA in thousands of euros	1,026	765	34.1	1,948	1,276	52.7
% of net sales	8.2	7.4		8.0	6.6	
EBITA in thousands of euros	641	430	49.1	1,214	615	97.6
% of net sales	5.1	4.2		5.0	3.2	
EBIT in thousands of euros	530	350	51.5	993	455	118.2
% of net sales	4.2	3.4		4.1	2.3	
Profit for the period in thousands of euros	328	154	113.5	565	31	1,726.4
% of net sales	2.6	1.5		2.3	0.2	
Earnings per share, EUR	0.04	0.02		0.07	0.00	
Equity ratio, %	47.7	35.1		47.7	35.1	
Net gearing, %	54.4	125.2		54.4	125.2	
Return on equity, %	10.1	6.4		8.7	0.6	
Return on investment, %	10.1	4.2		9.4	2.3	
Balance sheet total in thousands of euros	27,327	27,384	-0.2	27,327	27,384	-0.2
Average number of employees	137	131	4.6	133	129	3.1

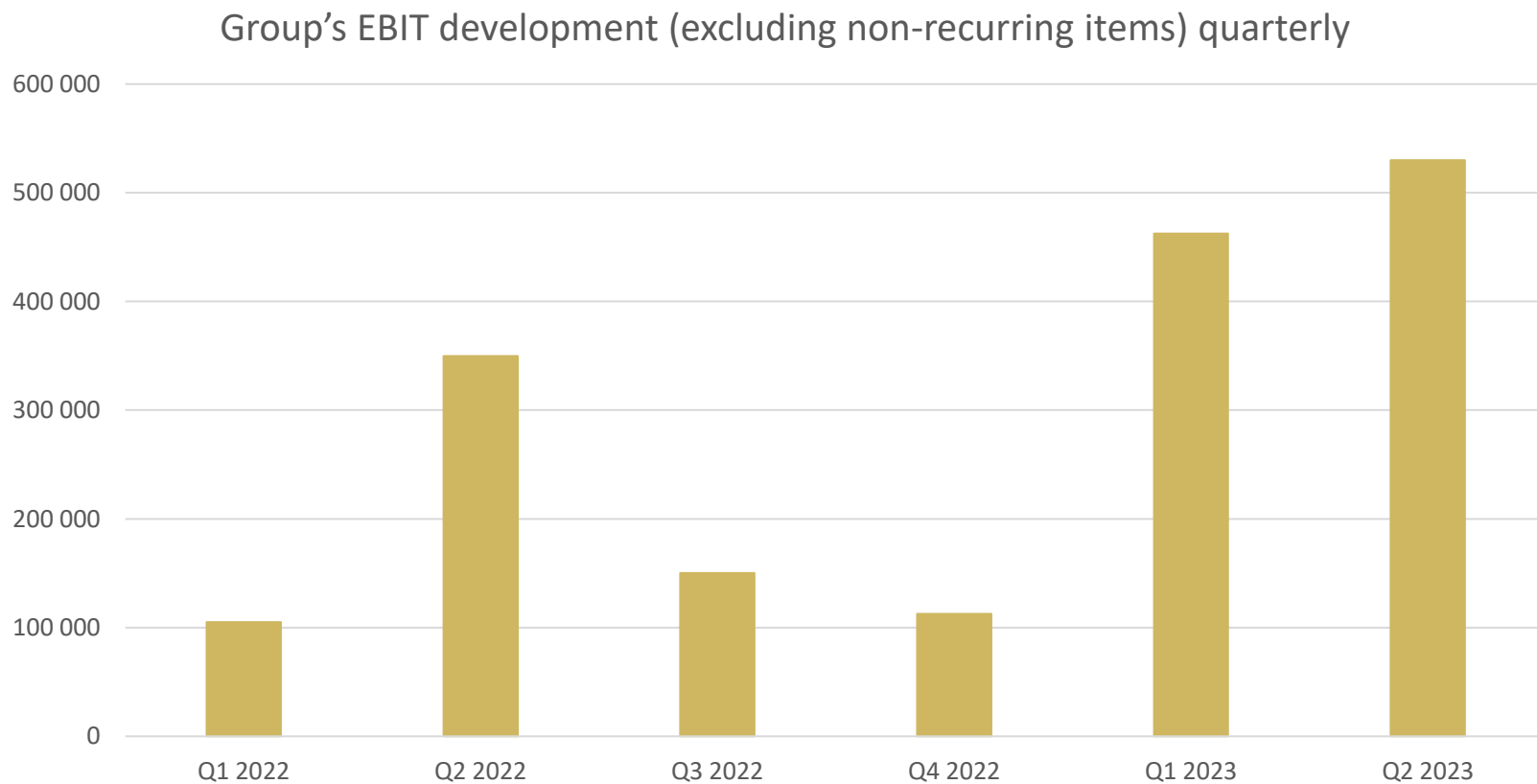
Net sales growth



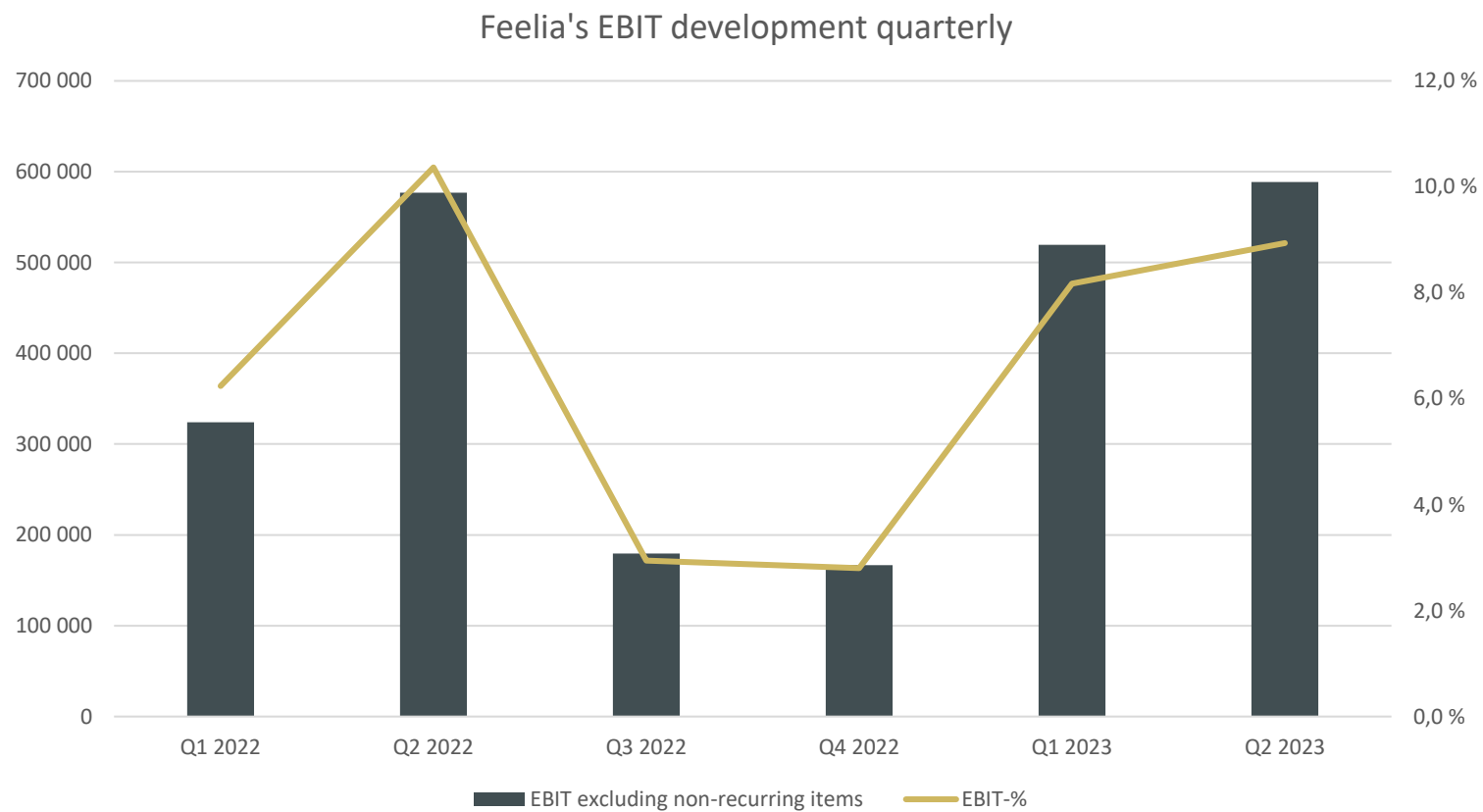
Group's net sales formation



Group's EBIT development quarterly



Feelia's EBIT development quarterly



Fodelia's Annual General Meeting 2023

- Fodelia's annual general meeting was held 5 April 2023 in Helsinki
- The annual general meeting adopted the financial statements and resolved to discharge from liability for CEO and Board of directors
- The annual general meeting decided to pay dividend of 0,03 eur per share from the accounting period 2022. The dividend was paid at 25th of May 2023
- The annual general meeting authorized the Board to decide on maximum 0,03 EUR extra dividend and the record and payment date
- Helene Auramo, Marc Moberg, Markku Lampela, Mikko Paso, Eero Raappana and Emma Tahkola were selected again to the Board of directors
- The annual general meeting authorized the Board to decide about acquisition of maximum amount of 500 000 own shares in one or multiple series
- The annual general meeting authorized the Board to decide about a directed share issue of maximum amount of 700 000 own shares in one or multiple series for fee or for free
- Minutes of the annual general meeting can be found from Fodelia's website (in Finnish)

2/4

Business development

Feelia's business continued to develop steadily during the review period

- Demand for Feelia's products in the foodservice market has strengthened further
- Feelia has responded to the growing demand by reinforcing its sales team, developing its order channel and ensuring cost-effective production and logistics

Key figures / Feelia

TEUR	4-6/23	4-6/22	Change-%	1-6/23	1-6/22	Change-%	1-12/22
Net sales	6 586	5 564	18,4	12 942	10 758	20,3	22 809
EBIT	589	577	2,1	1 108	901	23,0	2 005
% of net sales	8,9	10,4		8,6	8,4		8,8



Feelia's business has changed in the past years

- Change from selling single products to offering services is significant
- As single products the patented soup concentrates are among Feelia's most selling products
- Together Feelia's own ordering system and unique product portfolio create a significant competition advantage



Fodelia's solutions for public food services



1

Single products from
Feelia

2

Outsourcing food
preparation to
Feelia

3

Outsourced service
including food and
staff from Fodbar

Municipal savings are expected to create new demand for food services

The market for public sector food services

School meals

- Number of customers: around 1.75 million customers per day
- Number of meals: 368 million meals per school year (10 months)
- Market size: 283 million euros per year

Health care sector

- Number of customers: 70,000 customers per day
- Number of meals: 76 million meals per year
- Market size: 340 million euros per year



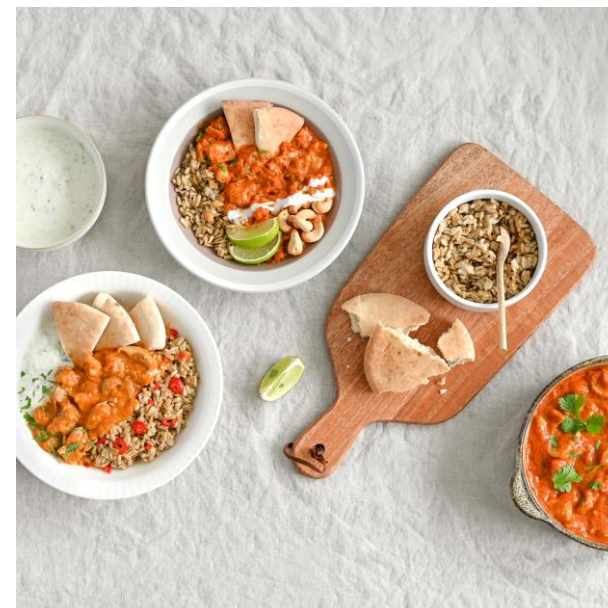
Feelia has a new significant customer - the company has grown to a record level

- Feelia gained a new customer Pilke päiväkodit Oy which is a children's day care company
- The cooperation will begin at approximately 4 million annual euro level
 - The value of the contract can turn out to be significantly larger
- There is still growing demand for Feelia's concept amongst big operators
 - The new contract lightens that
- Feelia's concept can offer competitive advantages for different customers



In Fodelia Retail, sales increased by approximately 7% during the review period

- Net sales growth was particularly attributable to increased sales of snack products
- The net sales of Feelia Ruokakauppa, which is part of the Fodelia Retail unit, decreased compared to the previous year.
- This also had a negative impact on the development of Fodelia Retail's total net sales
- Operational efficiency has been sought both in production operations and by merging administrative structures



Tunnusluvut / Fodelia Retail

TEUR	4-6/23	4-6/22	Change-%	1-6/23	1-6/22	Change-%	1-12/22
Net sales	5 666	5 373	5,5	10 834	10 083	7,4	20 478
EBIT	108	23	375,2	40	5	773,9	32
% of net sales	1,9	0,4		0,4	0,0		0,2

Fodelia Retail's operations were streamlined during the review period



- Sales growth has been positive in the snacks business



- The ERP implementation project launched in 2021 was finalised during the spring also for Perniön Liha and Pita Factory



- The net sales of Feelia Ruokakauppa, which is part of the Fodelia Retail unit, decreased compared to the previous year
- This also had a negative impact on the development of Fodelia Retail's total net sales.

Other units

Marjivasu

- Marjivasu's business has developed positively in the early half of the year, and the company has gained new customers especially in the juice machine business
- The company's profitability has remained very good
- The company has launched investment projects to support future growth and cost-effective operations

Fodbar

- The business of the joint venture Fodbar is also growing, and several significant outsourcing contracts were launched in the early half of the year
- The takeover of the contracts has incurred additional costs and as a result, the profitability of operations was low during the review period
- There is a huge potential in the market for a scalable operator



3/4

**Strategy and
megatrends**

Long-term targets and outlook for 2023

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.

Outlook for 2023 (published 8 February 2023)

The company's management estimates the Group's net sales in 2023 to be at approximately EUR 45–52 million. Operating profit margin is estimated to increase from the previous year.

The effects of the war in Ukraine on the price and availability of materials and prices in general.

Dividend policy

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

Priorities in 2023 – check up



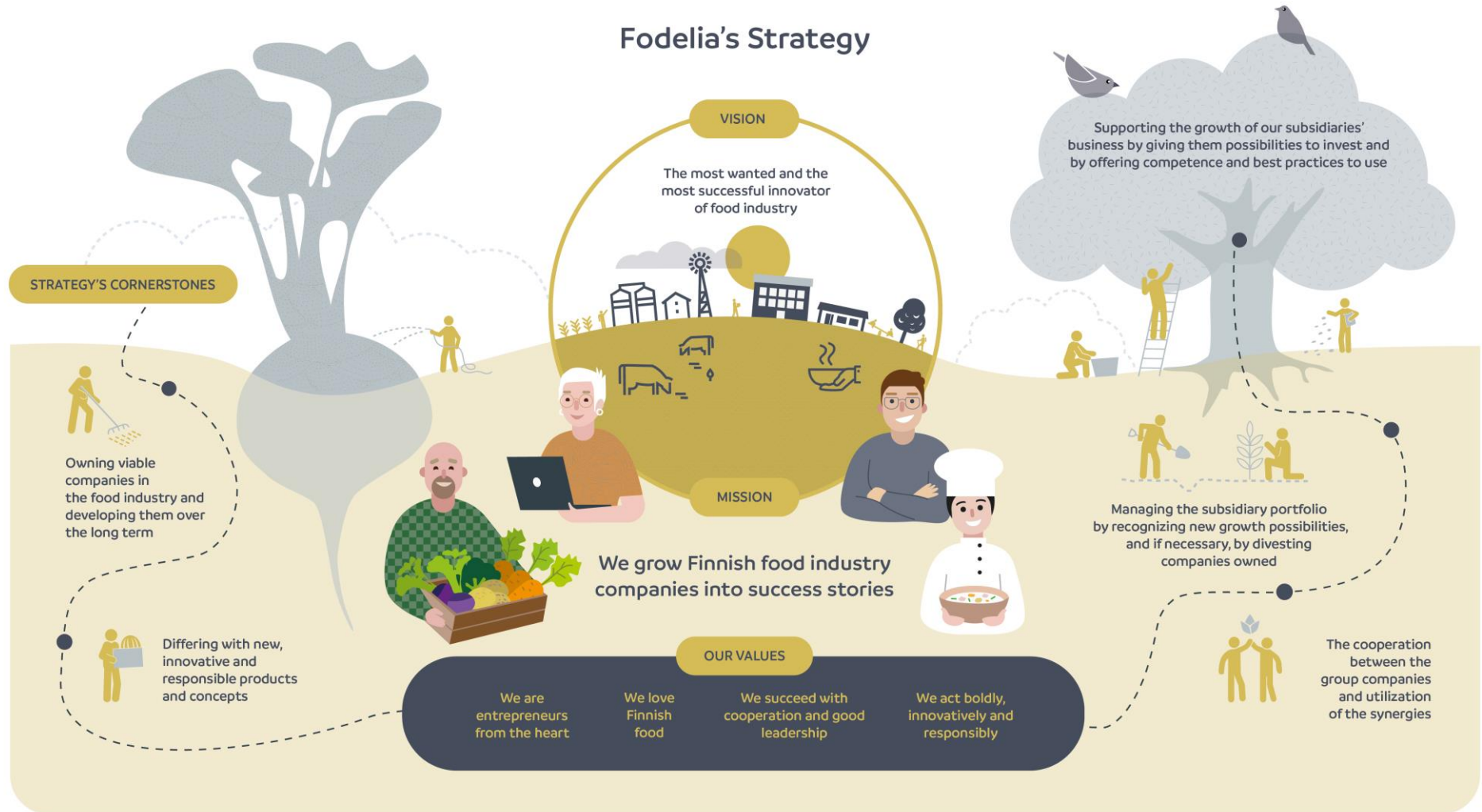
**Improving the profitability
of Fodelia Retail and
establishment of the
organization**

**Increasing the
amount of
knowledge-based
management**

**Ensuring Feelia's growth
and increasing Feelia's
profitability**

**Recognizing and utilizing
new growth possibilities
especially in public food
sector**

Fodelia's Strategy



4/4

Q&A



Thank you!

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