

An aerial photograph showing a vast, dense forest of tall, thin trees, likely pines or spruces, stretching towards a large body of water in the distance. In the foreground, there are agricultural fields with distinct rows of crops, and a road runs through the landscape. The sky is clear and blue, suggesting a bright day.

# Fodelia's Business Review 2023

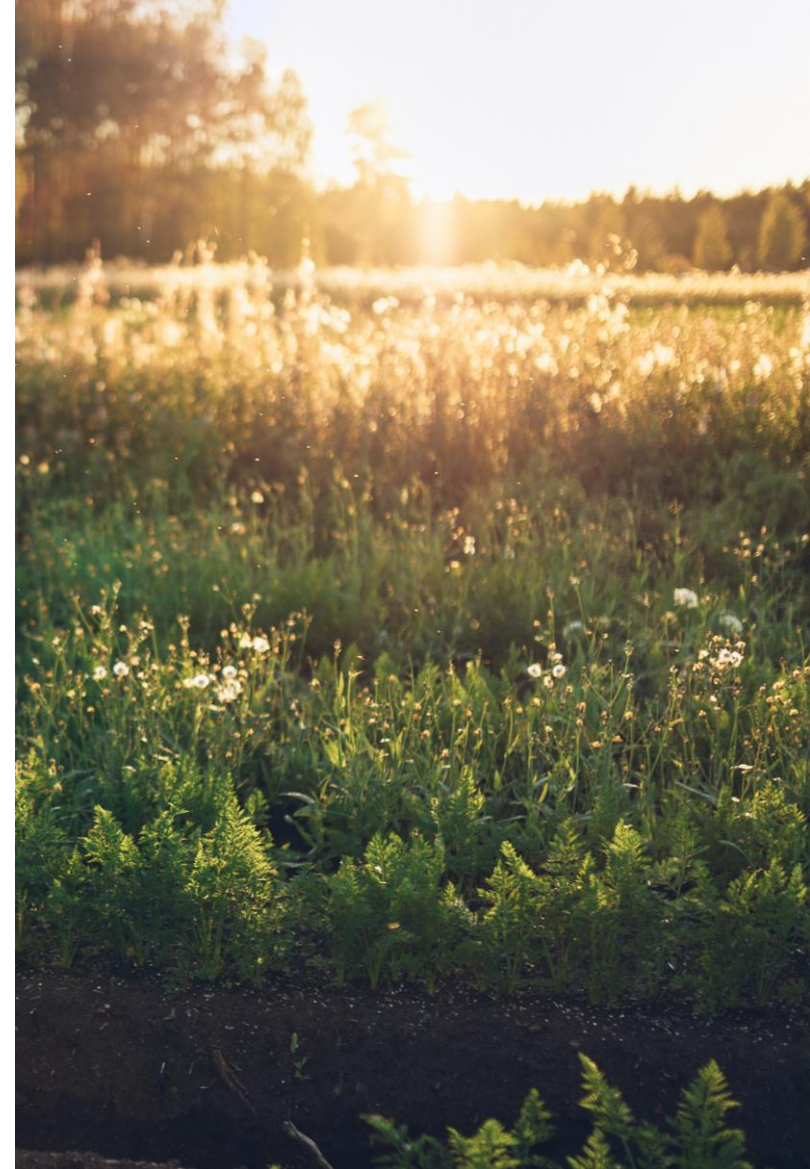
CEO Mikko Tahkola and CFO Kati Kokkonen

## The Group's business developed very well in Q3

- Net sales increased by **12%** in July–September, while earnings before interest and taxes increased by more than six times compared to the corresponding period in 2022
- Growth of Feelia and Marjvasu continued at a strong pace
- Fodelia Retail focused on improving profitability

# Highlights of the interim report

- The Group's business developed very well in Q3
- The Group's net sales grew by 12% in July–September and were the second highest in the Group's history
- In particular, the Group's profitability development gave reason for satisfaction
- The Group's EBIT increased more than six times compared to the corresponding period last year and exceeded the Group's long-term target level of 8%
- Due to the holiday season, the cost level in Q3 was lower than in other quarters, but the largest impact on the Group's very positive result was the strong performance of Feelia and Marjvasu
- Measures taken over a longer period of time to increase the Group's profitability have yielded positive results



# Group's net sales grew by 20.3% during January-September

## Summary for January-September 2023

- Net sales for the period grew by **20.3%** and amounted to EUR **36,507** thousand (30,355 thousand).
- EBITDA for the period was EUR **3,448** thousand (1 869 thousand) or **9.4%** of net sales (6.2%).
- EBITA for the period was EUR **2,315** thousand (855) or **6.3%** of net sales (2.8%)
- EBIT for the period was EUR **1,982** thousand (605 thousand) or **5.4%** of net sales (2.0%).

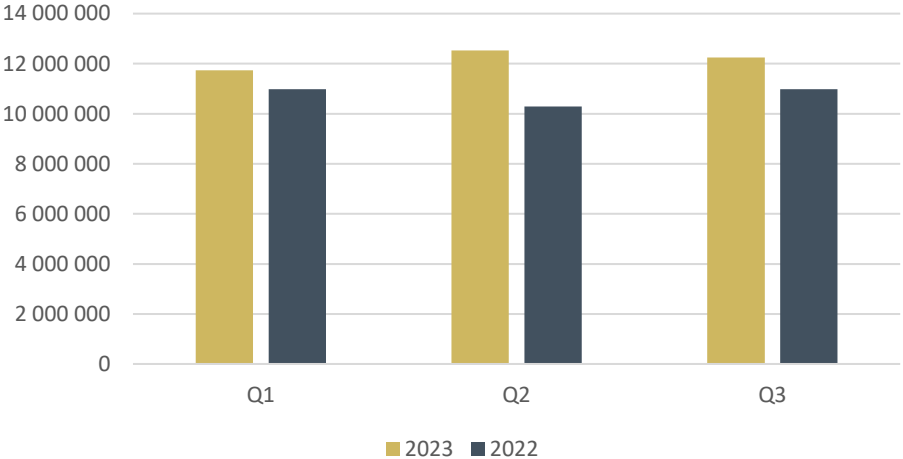
## Summary for July-September 2023

- Net sales for the period grew by **12.1%** and amounted to EUR **12,249** thousand (10,923 thousand).
- EBITDA for the period was EUR **1,500** thousand (593 thousand) or **12.2%** of net sales (5.4%).
- EBITA for the period was EUR **1,101** thousand (240) or **9.0%** of net sales (2.2%)
- EBIT for the period was EUR **990** thousand (150 thousand) or **8.1%** of net sales (1.4%).

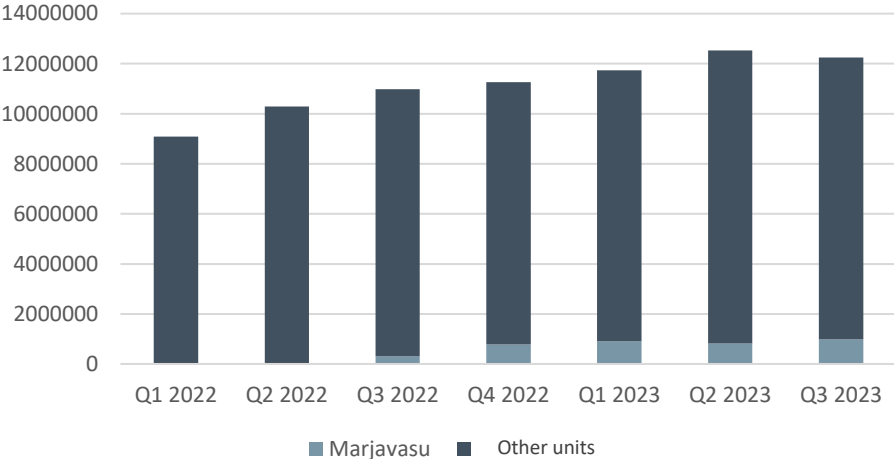
# Group's net sales development

- Net sales during Q3 were the second highest in group's history

Group net sales development quarterly



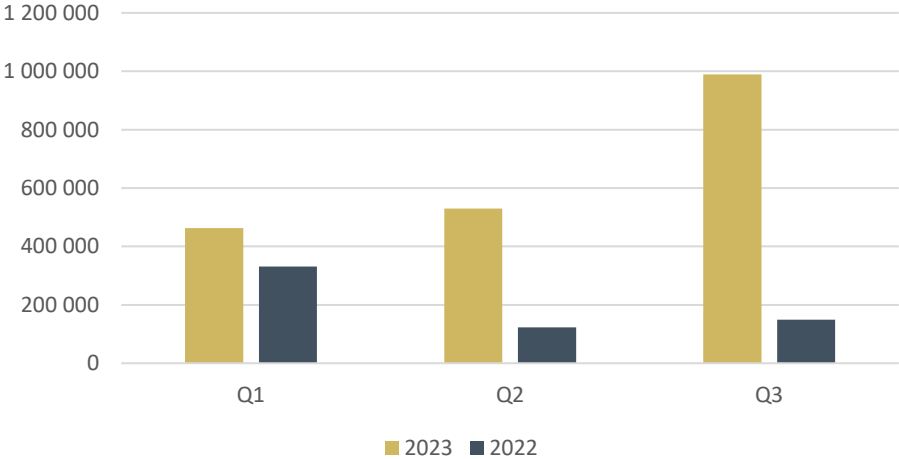
Net sales development quarterly



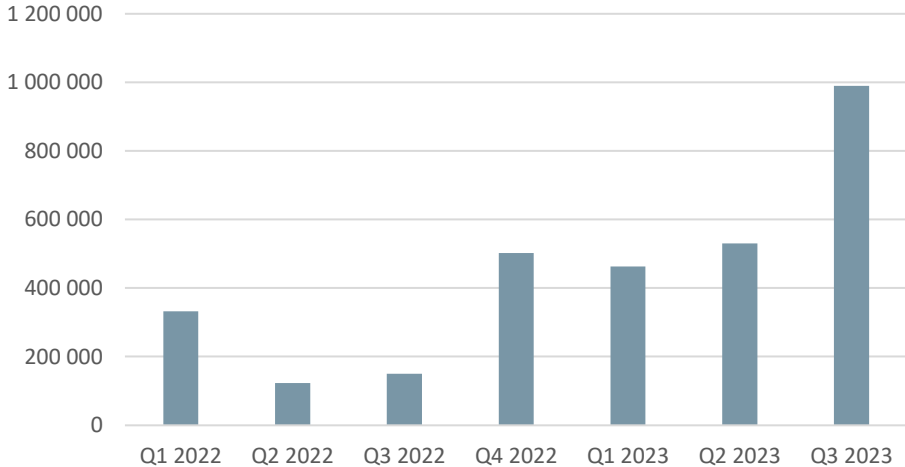
# Group's EBIT development

- Group's EBIT during Q3 increased by more than six times compared to the corresponding period in 2022

Group's EBIT development quarterly



Group's EBIT quarterly 2022-2023



## Key figures

Group	7–9/23	7–9/22	Change %	1–9/23	1–9/22	Change %	1–12/22
Net sales in thousands of euros	12,249	10,923	12.1	36,507	30,355	20.3	41,621
EBITDA in thousands of euros	1,500	593	152.9	3,448	1,869	84.5	2,870
% of net sales	12.2	5.4		9.4	6.2		6.9
EBITA in thousands of euros	1,101	240	358.5	2,315	855	170.8	1,468
% of net sales	9.0	2.2		6.3	2.8		3.5
EBIT in thousands of euros	990	150	560.6	1,982	605	227.8	1,107
% of net sales	8.1	1.4		5.4	2.0		2.7
Profit for the period in thousands of euros	699	-36		1,263	-5		8
% of net sales	5.7	-0.3		3.5	0.0		0.0
Earnings per share, EUR	0.09	0.00		0.16	0.00		0.00
Equity ratio, %	50.7	42.0		50.7	42.0		46.8
Net gearing, %	46.4	86.3		46.4	86.3		45.5
Return on equity, %	20.2	-1.1		12.2	-0.1		0.1
Return on investment, %	18.9	2.5		12.6	2.2		3.3
Balance sheet total in thousands of euros	27,274	30,631	-11.0	27,274	30,631	-11.0	27,548
Average number of employees	135	128	5.5	131	128	2.3	127

# Fodelia's businesses

## FEELIA

- 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



## Delimax



(50 %)

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



## Feelia's sales have developed well

- The focus of Feelia's net sales has shifted increasingly to care sector customers
- Feelia's external net sales grew by 21.3% in January–September and by 14.9% in July–September
- During the review period, Feelia made significant headway in the daycare centre market
- The partnership with Pilke päiväkodit Oy has an initial annual value of approximately EUR 4 million

### Key figures/Feelia

TEUR	7-9/2023	7-9/2022	Change-%	1-9/2023	1-9/2022	Change-%	1-12/2022
Net sales	6,598	6,102	8.1	19,541	16,861	15.9	22,809
EBIT	741	180	312.8	1,849	1,080	71.2	2,005
% of net sales	11.2	2.9		9.5	6.4		8.8

# 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

## Fodelian foodservice-market in Finland in numbers\*

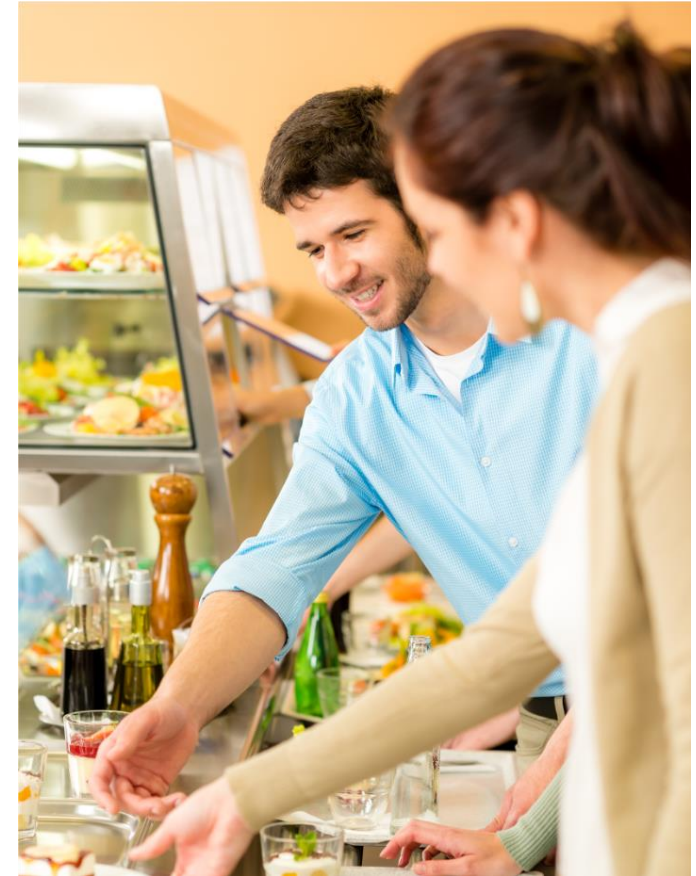
### Day care, school and student meals

- Number of customers: about 1.6 million customers per day
- Number of meal: about 350 million meals per school year (10 months)
- Market size: about billion euros per year

### Domiliary care and care homes

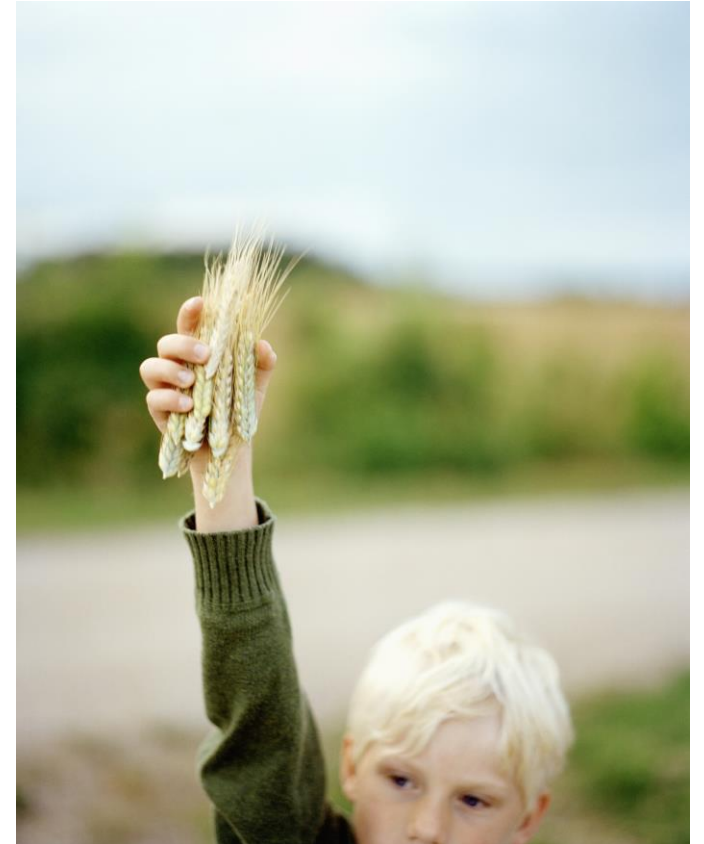
- Number of customers: about 270 thousand customers per day
- Number of meals: about 195 thousand meals per year
- Market size: about 570 million euros per year

\*Based on Fodelia's calculations



# In Finland over 230 600 children participated in children's day care in 2021

- **80%** of those children participated in public day care
- **13%** of those participated in private day care
  - The amount of children who attend the private day care has grown fast in recent years



Source: <https://www.stat.fi/julkaisu/ckwd9j2c8fbpq0c53mhrob1za>



## In Fodelia Retail, the focus has been on measures to improve profitability

- The subsidiary is carrying out a cost adjustment programme
- Demand for potato crisps has remained strong, and the crisp production plant set a new unit net sales record in September
- Real Snacks' plant in Pyhäntä achieved the **BRCGS** certification with an AA rating during the review period, which is the highest possible result from an announced audit

### Key figures / Fodelia Retail

TEUR	7-9/2023	7-9/2022	Change-%	1-9/2023	1-9/2022	Change-%	1-12/2022
Net sales	5,089	5,333	-4.6	15,923	15,416	3.3	20,478
EBIT	248	143	73.0	288	148	94.9	36
% of net sales	4.8	2.7		1.8	1.0		0.2

## Fodelia Retail's net sales in January-September increased by 3.3%



- Net sales of Fodelia Retail's snacks business increased by **25.7%** in January–September and continued strong growth also in Q3
- The net sales of the online store (Feelia Ruokakauppa) decreased by **27.6%** in January–September, reflecting the general trend in online grocery sales
- Net sales of processed meat products and pita sandwiches was almost at the previous year's level

## Other units

### Marjivasu

- The company's business has grown steadily, and profitability has remained at a very positive level
- The company is investing in new production machinery

### Fodbar

- The business of the Fodelia's and Bravedo's joint venture Fodbar has continued to grow, and operations have been developed further
- Due to the rapid growth, profitability is still at a low level



# Riikka Wulff has been nominated as CEO of Fodelia Retail Oy and a member of Fodelia's management team

- Riikka Wulff has started as a CEO of Fodelia Retail Oy from today November 1 2023
- Fodelia Retail's former CEO Sanna Kittelä will continue her career in Fodelia Group as a director of Fodelia Retail's E-commerce business
- Fodelia's management team from November 1 2023 include CEO of Fodelia Oyj Mikko Tahkola, CFO of Fodelia Oyj Kati Kokkonen, CEO of Feelia Oy Jukka Ojala and CEO of Fodelia Retail Oy Riikka Wulff

# 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



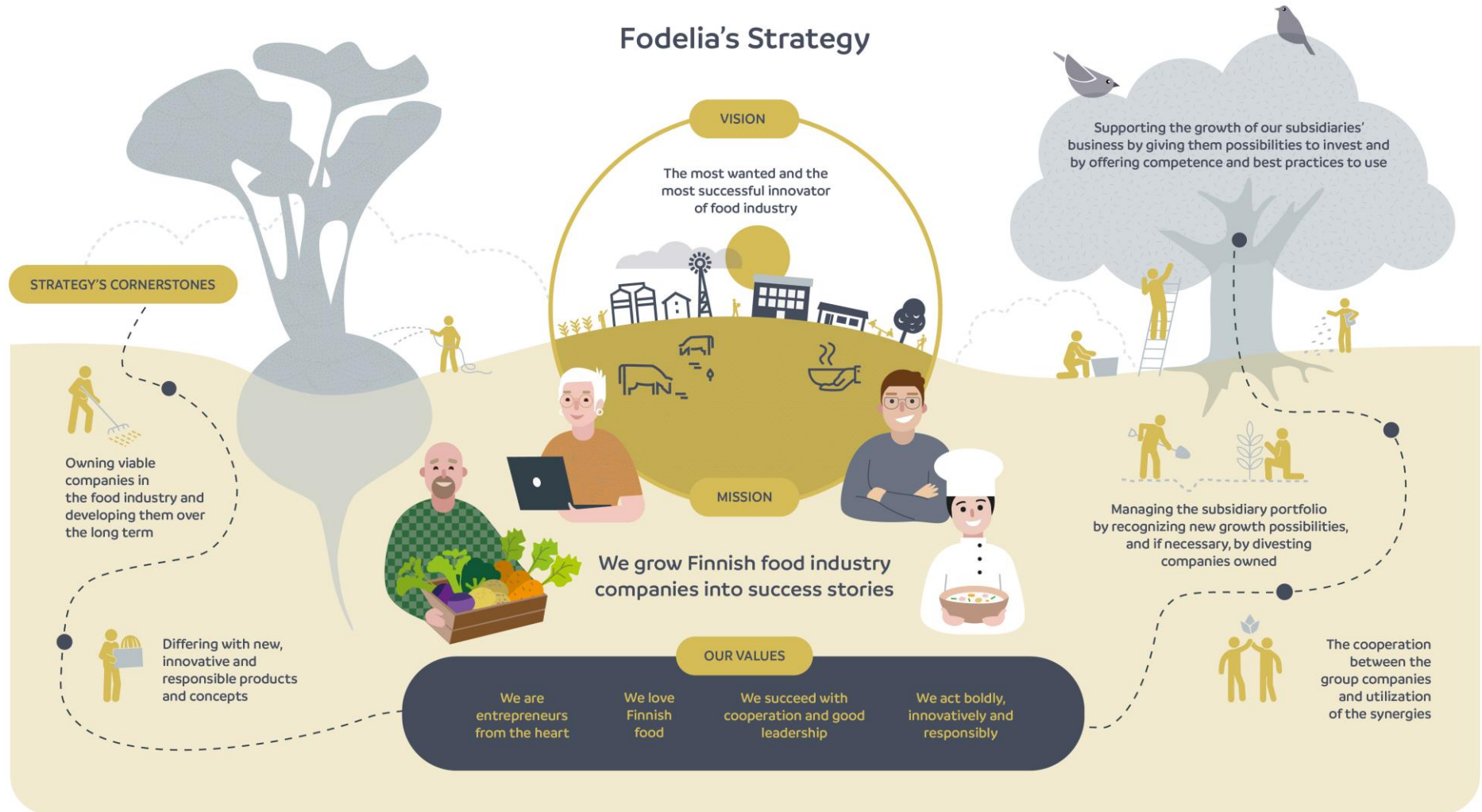
**Improving the profitability  
of Fodelia Retail and  
establishment of the  
organization**

**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



An aerial photograph capturing a serene landscape at dawn. A multi-lane asphalt road, flanked by a row of young trees, stretches from the bottom left towards the center of the frame. To the right of the road, a calm body of water reflects the soft, golden light of the rising sun. The sky is a clear, pale blue, and the overall atmosphere is peaceful and quiet. A large white quote is superimposed over the lower half of the image.

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

Q&A



# Thank you!

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