

Fodelia Oyj

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FODELIA GROUP FINANCIAL STATEMENT BULLETIN FOR THE ACCOUNTING PERIOD THAT ENDED ON 31 DECEMBER 2019 (unaudited)

THE PRO FORMA NET SALES GREW BY 28 %, AND PROFITABILITY WAS STRONG

JANUARY-DECEMBER 2019 SUMMARY (PRO FORMA)

- The pro forma net sales for the review period grew by 28.3% amounting to EUR 19,661 thousand (2018: EUR 15,329 thousand)
- The comparable pro forma EBITDA* was EUR 2,595 thousand and 13.2% of net sales (2018: EUR 1,878 thousand ja 12.2% of net sales).
- The comparable pro forma EBIT was EUR 2,030 thousand and 10.3% of net sales (2018: EUR 1,607 € and 10.5%).
- Comparable figures present aggregate results from the Group's companies, with the exception of any costs associated with the listing and formation of the business structure.

AUGUST-DECEMBER 2019 SUMMARY (OFFICIAL FIGURES)

- The Group's net sales were EUR 8,591 thousand
- The Group's EBITDA was EUR 807 thousand and 9.4% of net sales
- The Group's EBIT was EUR 655 thousand and 7.6% of net sales

The Board of Directors proposes a capital repayment of €0.07/share.

FORECAST FOR 2020

The company's management estimates that the Group's net sales will increase by more than 35% in the financial year 2020 compared to the pro forma net sales for the period 1–12/2019 and that the operating margin will align with medium-term targets.

KEY FIGURES

Group	Fodelia Oyj 8-12/2019	Pro forma 1-12/2019	Pro forma 1-12/2018
Net sales	8,591	19,661	15,329
Comparable EBITDA *	957	2,595	1,878
% of net sales	11.1	13.2	12.2
EBITDA	807	2,383	1,878
% of net sales	9.4	12.1	12.2
Comparable EBIT*	805	2,030	1,607
% of net sales	9.4	10.3	10.5
EBIT	655	1,811	1,650
% of net sales	7.6	9.2	10.8
Comparable profit for the period *	424	1,332	1,187
% of net sales	4.9	6.8	7.7
Profit for the period	-376	464	1,257
% of net sales	-4.4	2.4	8.2
Earnings per share, €	-0.05	-	-
Equity ratio %	48.0	48.0	-
Net gearing %	8.2	8.2	-
Return on equity %	-13.1	6.8	-
Return on investment %	13.6	15.6	-

Balance sheet total	14,323	14,323	-
Average number of employees	61	63	57

*Comparable figures present aggregate results from the Group's companies, with the exception of any costs associated with the listing and formation of the business structure. EUR 150 thousand in costs associated with the listing and formation of the business structure are included in other expenses and EUR 850 thousand in financial expenses. The formation of comparable EBIT is outlined in more detail under BUSINESS DEVELOPMENT DURING THE REVIEW PERIOD.

CEO MIKKO TAHKOLA:

FODELIA'S vision is to bring vitality to the Finnish food industry. Our mission is to grow Finnish food-industry companies into flourishing, international success stories and to help maintain the vitality of Finnish food production. We are committed to long-term development of our companies and to responsible food production while increasing shareholder value.

Fodelia Group was created through stock exchanges in August 2019, but its subsidiaries have a longer history. The food-industry pioneers that we own, Feelia Oy and Real Snacks Oy as well as Beofood Oy acquired by Fodelia Group on 31 December 2019, invest in innovative products, value-adding customer concepts and advanced manufacturing processes.

Real Snacks is a Finnish producer of potato crisps and corn and oat snacks from high-quality, Finnish ingredients. Around one third of Real Snacks net sales consists of sales of the brand's own products and two thirds from the production of grocery shops' private label brands. In addition to the domestic market, products are exported to more than 15 countries.

Feelia is a pre-cooked food producer that offers a wide selection of products for public and private-sector professional kitchens, food service points at grocery stores and directly to consumers via online shopping. Feelia's clients include municipalities, care companies, central wholesale businesses, wholesalers and households. The products are designed to meet different customer needs, and food is manufactured with a patented autoclave technology, which improves the shelf life of foods at refrigerator temperatures.

During 2019, business developed favourably for Fodelia Group companies. The pro forma net sales of Fodelia Group companies grew by around 28% and profitability was strong.

Real Snacks' net sales grew by 13% and profitability improved during 2019. During 2019, Real Snacks has invested heavily in renewing its brand. The company's Oikia brand's crisps and the Oatis brand's oat snacks have been well-received in the market. In addition to positive domestic development, exports grew strongly during 2019.

Feelia continued to grow strongly in 2019 with a 38% increase in net sales. Growth has been made possible by an efficient and advanced manufacturing process as well as concepts designed around customer needs. Beofood Oy, acquired by the Group on 31 December 2019, produces vegetarian and meat products which perfectly complement Feelia's product portfolio. In addition, the production capacity gained through the acquisition combined with Feelia's product development and concept expertise provide a great opportunity to develop new vegetable-based products for the Food Service market. Beofood's operations will be integrated into the Feelia business during 2020.

Fodelia listed on Nasdaq Helsinki's First North Growth Market Finland in November 2019. The IPO offered 1,465,925 company shares both for share issue and share sale. The IPO was successful and was subscribed more than five-fold. The objective of the IPO was to seek funding to implement the company's growth strategy. The aim is to promote subsidiaries, invest in production and increase exports.

Future prospects look good for Fodelia. The Group companies have demonstrated their ability to grow profitably, and strong megatrends, such as changes in consumer behaviour and cost pressures in the food production of

professional kitchens support the development of our subsidiaries. The aggregate net sales of our subsidiaries grew between 2016 and 2019 on average by 28% per year (CAGR). Our goal is to continue strong growth in the future, through the expansion of our subsidiaries' business, as well as through internationalisation and new products.

BUSINESS DEVELOPMENT DURING THE REVIEW PERIOD

Net sales (pro forma) by unit	1-12/2019	1-12/2018	Change %
Real Snacks Oy	6,789	6,018	12.8
Feelia Oy	12,882	9,361	37.6
Fodelia Oyj	48	-	
eliminations	-58	-50	
Fodelia Group total	19,661	15,329	28.3

EBIT (pro forma) per unit	1-12/2019	1-12/2018	Change %
Real Snacks Oy	430	281	53.0
Feelia Oy	1,593	1,326	20.2
Fodelia Oyj	7	-	-
Comparable EBIT	2,030	1,607	26.3
Amortisation of Group goodwill	-69	-69	-
Recognition of Group reserve	-	113	-
Costs associated with listing and formation of the Group structure	-150		
Fodelia Group pro forma EBIT	1,811	1,650	9.7

FINANCIAL TARGETS

Fodelia has set the following medium-term targets:

- Achieving an average annual net sales increase of approximately 25%
- Achieving an average operating margin of over 10%
- The net sales target set for 2024 is over EUR 60 million

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

The proposed objectives are not projections of the company's future development.

FINANCIAL REPORTING

In 2020, the company will publish the following financial information

- Annual report and financial statement: week 14/2020
- Half-year financial report January-June 2020: 19 August 2020

The annual report and financial statement will be available at the company's website at <https://www.fodelia.fi/fodelia-sijoittajille/sijoittajille/> immediately after they have been published.

The Annual General Meeting will be held on 27 April 2020 at Pyhäntä from 2 p.m. The invitation to the Annual General Meeting will be published on week 14.

INVITATION TO THE PRESS AND ANALYST CONFERENCE

The Finnish press and analyst conference will be held on 26 February 2020 at 12.00 at Pohjoisesplanadi 29, 00100 Helsinki, Hotel KÄMP meeting room Paavo Nurmi. The review is presented by CEO Mikko Tahkola.

The presentation can also be followed via livestream at <https://fodelia.videosync.fi/tulokset-2019>

The video of the event and the presentation material will be published later at <http://www.fodelia.fi>

26 February 2020

BOARD OF DIRECTORS

Fodelia Oyj

Further information

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Fodelia in brief

Fodelia grows Finnish food companies into flourishing international success stories so that consumers can enjoy locally and responsibly produced clean food with traceable origins. Our portfolio includes ready meal manufacturer Feelia, meat and vegetarian food manufacturer Beofood, and snack food manufacturer Real Snacks. These food-industry pioneers invest in innovative products, value-adding customer concepts and advanced manufacturing processes.

www.fodelia.fi