



RAISIO

Strong growth
amid market and
global turmoil

Raisio plc's Interim Report Q1/2022
CFO Mika Saarinen
Raisio plc, 4 May 2022

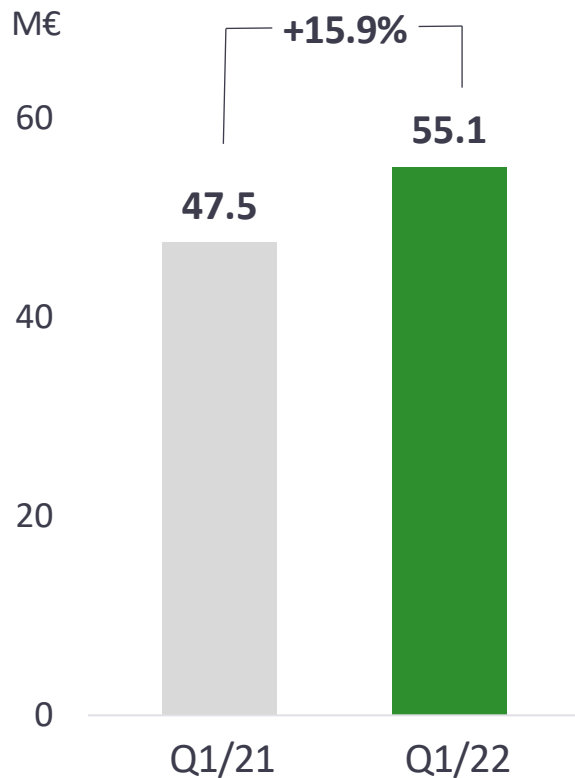


Raisio plc's net sales and EBIT Q1/2022

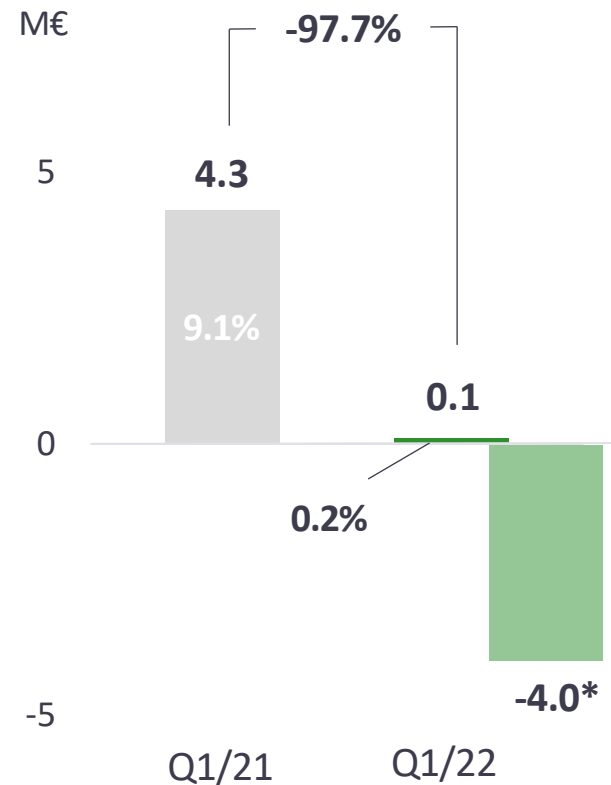
Continuing operations, without consumer business in Russia



NET SALES



COMPARABLE EBIT AND EBIT



NET SALES GROWTH: 15.9% IN JANUARY-MARCH

- Sales for our consumer brands especially in Finland and B2B business increased well in relation to the comparison period.
- Exceptionally strong price pressures, particularly on raw material costs, weighed heavily on profitability.
- Investments in sales and marketing were significant in relation to the comparison period.

*EBIT includes a EUR 4.1 million impairment loss from tangible fixed assets.

Skyrocketing raw material prices affect on figures



	Q1/22	Q1/21
Cash flow, M€	-5.6	3.5
Investments, M€	1.7	6.5
Equity ratio, %	78.4	84.9
Equity per share, €	1.73	1.78
Net interest-bearing debt, M€	-51.6	-80.6
Net gearing, %	-18.8	-28.8
Comparable earnings per share, EPS	-0.01	0.02
Comparable ROIC, %	-1.9	6.8

INVESTMENTS ARE NOW IN THE PRODUCTION PHASE

- As planned, investments were 3.1 (13.8)% of net sales – at a moderate level compared to previous year.
- Global component shortage in electronics postpones our plan to renew the pasta line into year 2023.
- Skyrocketing raw material prices affect the cash flow negatively.



Raisio's outlook for 2022

On March 3, 2022 the Board of Directors of Raisio plc has decided to withdraw the Company's financial guidance for 2022.

Due to the uncertainties, Raisio is not in a position to give a new guidance at this moment.

Raisio's previous guidelines, published on 9 February 2022:

In 2022, Raisio estimates that net sales will increase by approximately 5% (net sales in 2021: EUR 246.4 million).

Our strategy-based growth investments place pressure on our relative profitability in comparison to the previous financial year.




Healthy Food

We have sold our consumer business in Russia



- **Agreements to sell the Russian consumer business were signed on April 29, 2022.**
- We have sold OOO Raisio Nutrition, the subsidiary responsible for Raisio's consumer business in Russia and rights for the Nordic trademark which the subsidiary has used in the Russian and Belarusian markets, among others.
- As a result of the sale, Raisio will recognise an estimated impairment loss of EUR 2.9 million in its first quarter EBIT.
- The sale is expected to be completed by the end of May. The final completion of the transaction depends on the duration of the official proceedings.

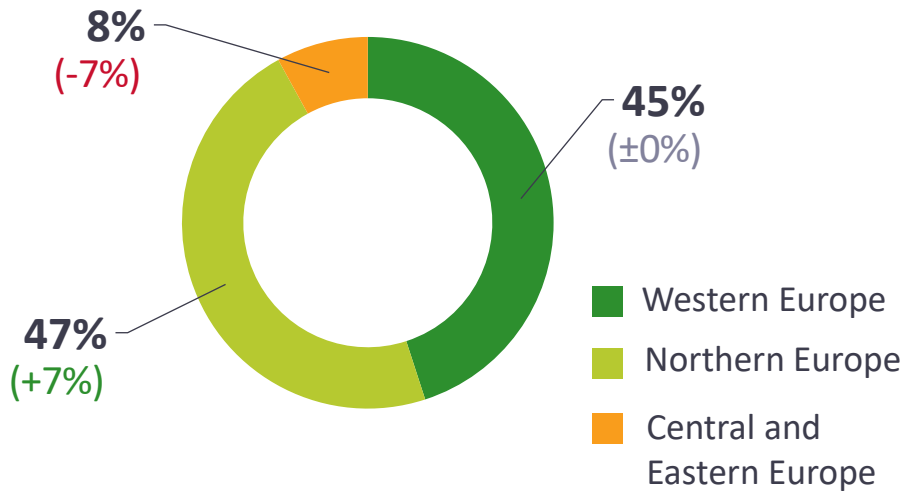
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**The total sale price
is approximately
EUR 1.5 million**

Healthy Food Segment Q1/2022

- Key market areas: Finland, the UK, Ireland, Ukraine, Poland
- Russian business which was sold is reported as discontinued operations

GEOGRAPHIC DISTRIBUTION OF NET SALES Q1/2022 vs Q1/2021:



Healthy brand products for consumers



A unique product family containing plant stanols – available already more than 25 years

Plant stanol ester has been shown to lower cholesterol

The market leader in plant proteins in Finland



According to Finnish consumers the most responsible brand* in Finland

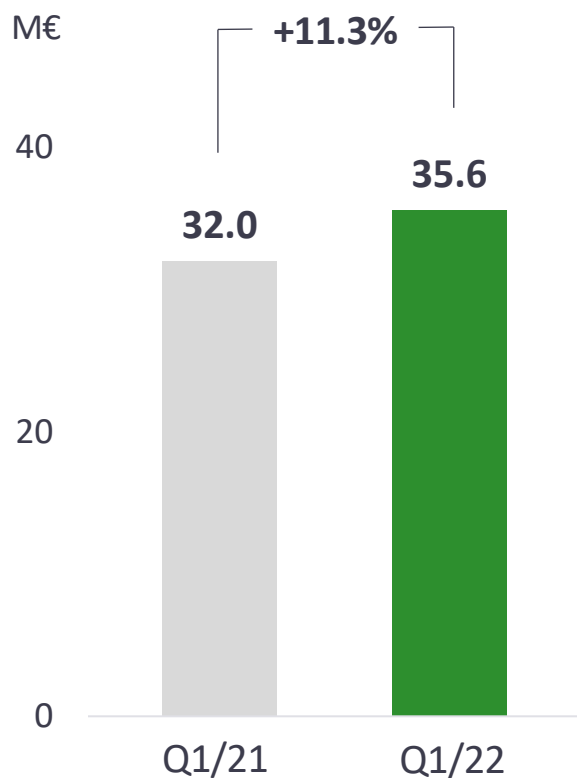
*Sustainable Brand Index 2022

Healthy Food Segment's net sales and EBIT Q1/2022

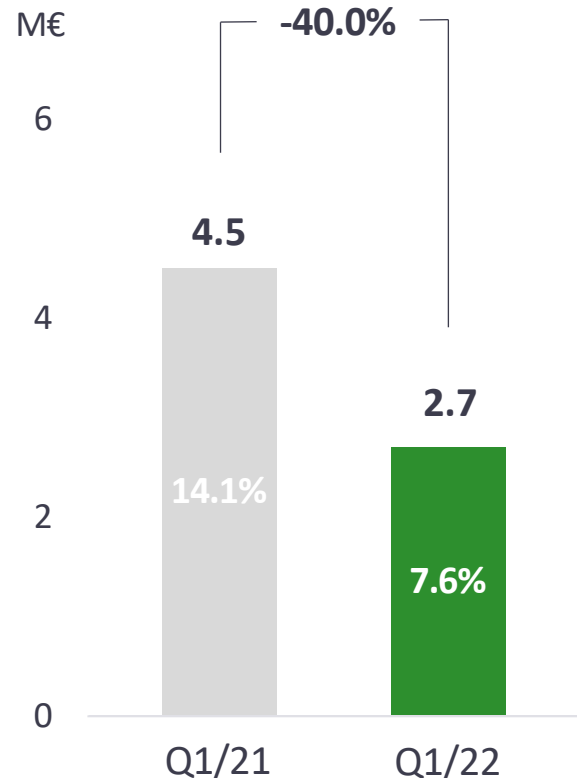
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NET SALES



COMPARABLE EBIT AND EBIT



OUR CONSUMER BRANDS ARE AT THE HEART OF THE STRATEGY AND DRIVE ACCELERATING GROWTH

- Very strong growth in relation to the comparison period especially in the Finnish market.
- Sales growth of Elovena[®] products was historically high: more than 23% over the comparison period.
- Profitability burdened by larger investments in sales and marketing and especially by the unprecedented surge in the price of grain-based raw materials; also the pace of the surge has been exceptional.

Healthy Ingredients

Healthy Ingredients Segment Q1/2022

INGREDIENTS

- Quality food ingredients made with Finnish grains for B2B customers
- Benecol® licencing
- Global markets for ingredients, key markets in Europe

FISH FEEDS

- Raisioaqua is an innovative forerunner in fish feeds
- Finland is now the key market and we will secure fish feed supply for the growing season despite of furloughs



Baltic Blend® feeds have reduced the Baltic Sea nutrients*

2284 tonnes of nitrogen
(12/2020: 1755)

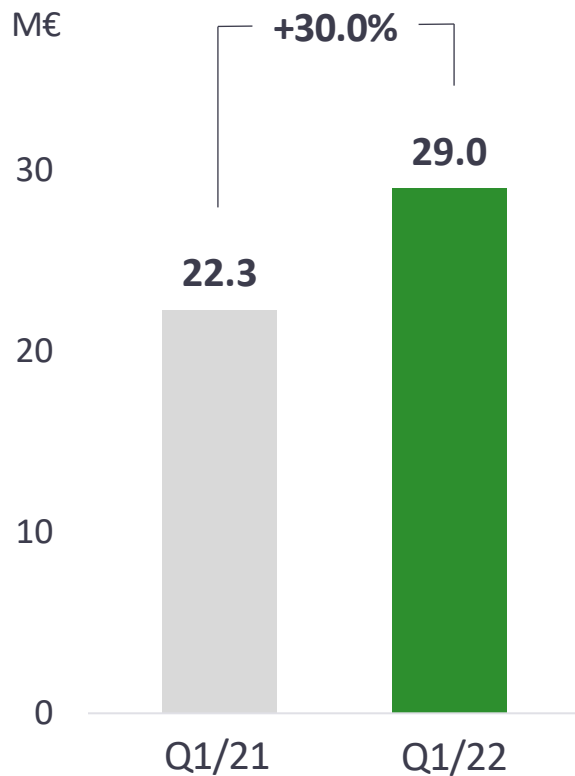
456 tonnes of nitrogen
(12/2020: 350)

*Removed nutrients with the raw materials of Baltic Blend® feeds since 2016.

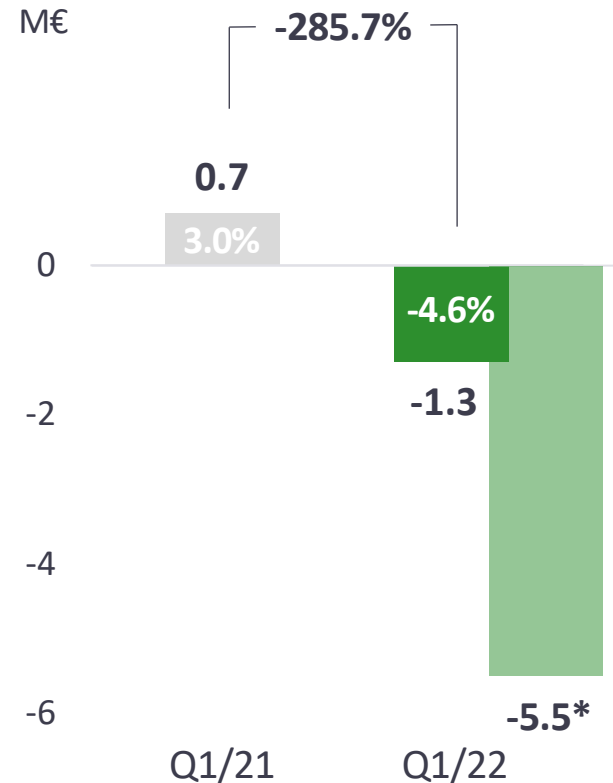
Healthy Ingredients Segment's net sales and EBIT Q1/2022



NET SALES



COMPARABLE EBIT AND EBIT

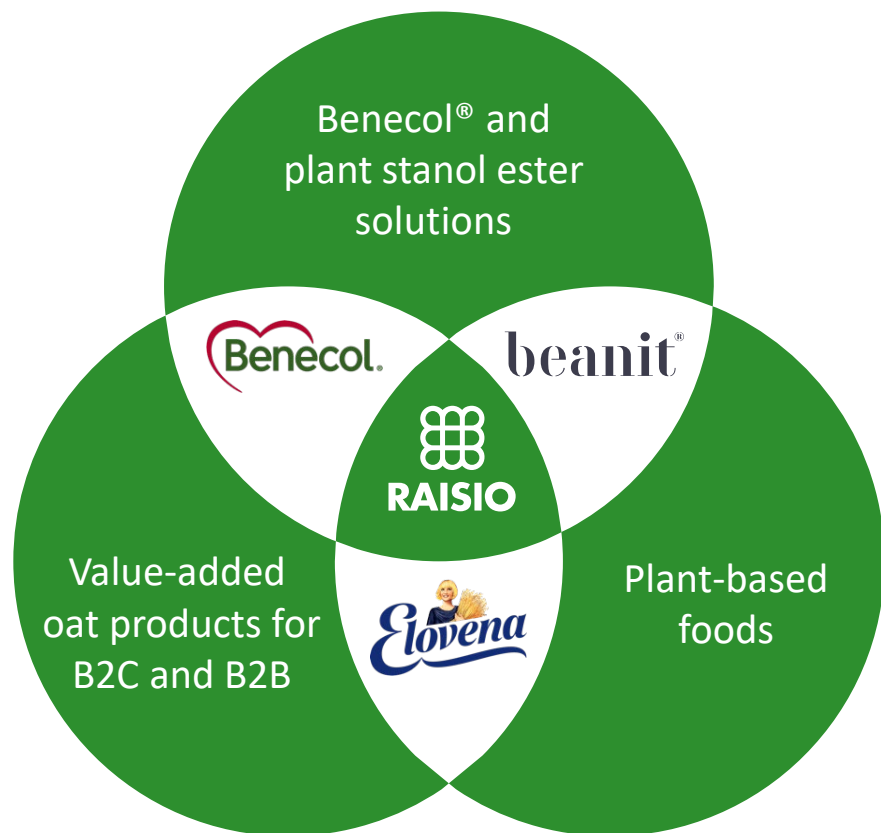


JANUARY-MARCH NET SALES INCREASED BY 30%

- Oat products and gluten-free oat products continued to drive growth according to our strategy.
- The sales mix continued to shift towards value added products.
- Unprecedented rise with exceptional pace in the price of grain-based raw materials burdened profitability.

*EBIT includes a EUR 4.1 million impairment loss from tangible fixed assets.

Raisio's Healthy Growth Strategy 2022–2025



Tailwind behind our back



Plant-based eating

Catering to mainstream

Plant-based eating has become a popular choice and is widening to new categories.



Healthy living

Holistic wellbeing

Health is understood as holistic wellbeing. Awareness of the importance of mental health has increased during the pandemic.



Sustainability

Expectations ever wider

Companies are expected to minimise the environmental impact throughout the whole product lifecycle.

The suspension of export activities to Russia, which Raisio announced on 3 March 2022, **does not change the planned advancement of our strategy or chosen areas of focus, now or in the future.**

Financial targets for strategy period 2022–2025



Growth


Target is to grow the combined net sales of the three focus areas by an average of **7%** annually (CAGR) and the sales of the entire Group by **5%** during the strategy period.

EBIT

We are targeting a comparable EBIT of over **10%** of the Group's net sales in 2025.

OUTCOME Q1/2022

In Q1 the growth of the combined net sales of the three focus areas was **14.2%**.

		Q1/2021	Q1/2022	2021
Net sales	M€	37.3	 42.6	159.9
Benecol®- and plant stanol ester solutions	M€	27.2	 28.4	114.3
Value-added oat products for B2C and B2B	M€	9.9	 12.4	39.6
Plant-based products	M€	0.1	 1.8	6.1

Delicious new products launched in Q1

JANUARY 2022

Elovena® Oat Drink Barista gives a soft and full-bodied flavour to coffee. This novelty is manufactured from gluten-free Finnish oats at our carbon-neutral factory in Raisio, Finland.

MARCH 2022

Elovena® Soft Oat Bars: a delicious high-fibre novelty baked from 100% Finnish oats; combines a soft texture and tasty ingredients.



Food for Health, Heart and Earth.



raisio.com