

Financial Statements Bulletin of Raisio plc, 8 February 2023 at 8:30 a.m. Finnish time

GROWTH IN NET SALES IN ALL MARKET AREAS, STRONG RECOVERY IN PROFITABILITY

FINANCIAL DEVELOPMENT IN BRIEF

January–December 2022, continuing operations

- The Group's net sales totalled EUR 220.8 (200.0) million, which signified a growth of 10.4%.
- Comparable EBIT was EUR 18.4* (21.3) million, accounting for 8.3 (10.6)% of net sales. Comparable EBIT decreased by 13.7% in relation to the comparison period.
- EBIT was EUR 17.9** (20.2***) million, which accounted for 8.1 (10.1)% of net sales.
- The Healthy Food Segment's net sales totalled EUR 143.0 (134.3) million. Comparable EBIT was EUR 18.0 (18.4) million, accounting for 12.6 (13.7)% of net sales. EBIT was EUR 18.0 (18.1) million, which accounted for 12.6 (13.5)% of net sales.
- The Healthy Ingredients Segment's net sales totalled EUR 115.7 (96.6) million. Comparable EBIT was EUR 3.4 (6.3) million, accounting for 2.9 (6.6)% of net sales. EBIT was EUR 3.4 (5.6) million, which accounted for 2.9 (5.8)% of net sales.
- The Group's cash flow from continuing operations after financial items and taxes totalled EUR 11.2 (28.4) million.
- The comparable return on investments (ROIC) was 5.6 (8.4)% and the return on investments (ROIC) was 5.5 (8.0)%.
- The overall effect of currency conversions was EUR 1.2 (1.4) million on net sales, EUR 0.2 (0.4) million on the comparable EBIT and EUR 0.2 (0.4) million on EBIT.
- The Board of Directors' dividend proposal for the Annual General Meeting is EUR 0.14 per share, of which EUR 0.08 is the basic dividend in accordance with the company's dividend policy and EUR 0.06 the supplementary dividend. The company aims to maintain a steady total annual dividend throughout the strategy period, until 2025. However, the annual dividend payments depend on the financial performance of the company and the decisions of the Annual General Meetings for each financial year. The payment of supplementary dividends is in line with our intention, communicated at the beginning of the strategy period, to release additional capital to shareholders.

* The comparable EBIT for the financial year includes a return of EUR 1.1 million in pension fund surplus from previous years.

** EBIT includes a total of EUR 0.5 million in costs related to business expansion.

*** The EBIT of the comparison period includes EUR 0.6 million in expenses related to the corporate acquisition and altogether EUR 0.5 million in expenses from the corporate reorganisation resulting from negotiations held in accordance with the Act on Co-operation within Undertakings (334/2007).

October–December 2022, continuing operations

- The Group's net sales totalled EUR 55.6 (53.8) million, which signified a growth of 3.4%.
- Comparable EBIT was EUR 6.0 (4.9) million, accounting for 10.9 (9.2)% of net sales. Comparable EBIT increased by 22.2% in relation to the comparison period.
- EBIT was EUR 5.9* (4.6**) million, which accounted for 10.5 (8.6)% of net sales.
- The Healthy Food Segment's net sales totalled EUR 35.6 (35.2) million. Comparable EBIT was EUR 4.5 (4.6) million, accounting for 12.7 (13.1)% of net sales. EBIT was EUR 4.5 (4.5) million, which accounted for 12.7 (12.8)% of net sales.

- The Healthy Ingredients Segment's net sales totalled EUR 29.1 (26.7) million. Comparable EBIT was EUR 1.8 (1.6) million, accounting for 6.1 (6.1)% of net sales. EBIT was EUR 1.8 (1.5) million, which accounted for 6.1 (5.5)% of net sales.
- The Group's cash flow from continuing operations after financial items and taxes totalled EUR 10.8 (9.2) million.
- The overall effect of currency conversions was EUR 0.0 (0.9) million on net sales, EUR 0.0 (0.2) million on the comparable EBIT and EUR 0.0 (0.2) million on EBIT.

* EBIT includes a total of EUR 0.2 million in costs related to business expansion.

** The EBIT of the comparison period includes a total of EUR 0.3 million in expenses from the corporate reorganisation resulting from negotiations held in accordance with the Act on Co-operation within Undertakings (334/2007).

OUTLOOK 2023

Raisio is expecting comparable net sales and profit to increase from the previous year.

KEY FIGURES OF THE GROUP, continuing operations

		10-12/2022	10-12/2021	1-12/2022	1-12/2021
Net sales	M€	55.6	53.8	220.8	200.0
Change in net sales	%	3.4	11.7	10.4	7.7
Comparable EBITDA	M€	8.5	7.3	28.3	28.8
EBITDA	M€	8.3	7.0	27.8	27.8
Comparable EBIT	M€	6.0	4.9	18.4	21.3
Comparable EBIT of net sales	%	10.9	9.2	8.3	10.6
EBIT	M€	5.9	4.6	17.9	20.2
EBIT of net sales	%	10.5	8.6	8.1	10.1
Comparable earnings per share	€	0.03	0.03	0.08	0.12
Earnings per share	€	0.03	0.03	0.08	0.11

CURRENCY CONVERSION IMPACTS ON NET SALES AND EBIT

		10-12/2022	10-12/2021	1-12/2022	1-12/2021
Net sales	M€	0.0	0.9	1.2	1.4
Comparable EBIT	M€	0.0	0.2	0.2	0.4
EBIT	M€	0.0	0.2	0.2	0.4

CEO PEKKA KUUSNIEMI:

2022 was a very challenging year for Raisio, but we managed it well considering the circumstances. Russia's war of aggression in Ukraine, which began in February, instantly changed our plans for the year, which had started so well. We decided very quickly to terminate all our business linked to Russia, which accounted for about 20% of the company's net sales. This inevitable change, together with the unprecedented surge in grain raw material prices, had a major impact on our profitability in the first half of the year.

The divestment of the Russian sales company in April and the transfer of Raisioaqua to discontinued business operations in May made it necessary to look at the company's operations from a new perspective. To accelerate the implementation of the strategy, we launched a comprehensive change programme in early August. As a result of this planning, in December Raisio updated its long-term financial goals until 2025.

The continuing operations' net sales for the financial year increased to EUR 220.9 (200.0) million, which signified a growth of 10.4%. The sharp rise in costs led to a need for significant price increases. We implemented the increases in the shortest time frame possible, and profitability started to recover already in early summer. The comparable EBIT was EUR 18.4 (21.3) million, but what is noteworthy is the rapid rebound to good profitability, as evidenced by the final quarter's profit of EUR 6.0 (4.9) million and 10.9% (9.2) of net sales. The more than doubled grain prices tied up working capital and thus weakened Raisio's cash flow, which was EUR 11.2 (28.4) million, but in the final quarter it was EUR 10.8 (9.2) million. The strong positive change in cash flow is another indicator of the rapid improvement in the situation.

In the Healthy Food Segment, profitability was maintained at the previous period's level at EUR 18.0 (18.4) million, despite the difficult conditions. Marketing investments were increased by more than three million euros compared to the comparison period to support Raisio's numerous new product launches. The impact of inflation on consumer demand became most visible in the final quarter. The decline in volume has been moderate and I do not see it continuing. Our strong brands, with a steady stream of interesting new launches, keep consumer demand up. Particularly pleasing is the staggering growth of almost 30% for the iconic Finnish oat brand Elovena® during the review period. Benecol® lost volume due to significant price increases in the second half of the year but maintained a good level of profitability. Preparations for the renewal of the Härkis® plant protein brand were made during the review period, the results of which will be enjoyed in the current year.

The difficult raw material situation particularly impacted the performance of the Healthy Ingredients Segment and profitability decreased to EUR 3.4 (6.3) million. The sharp rise in grain prices, combined with the previous year's poor harvest in terms of quantity and quality, reduced both yields in production and profitability in BtoB sales, despite the price increases. However, profitability improved once processing of the new harvest started towards the end of the third quarter. Sales efforts for both domestic and international markets increased significantly during the period, with a focus on gluten-free oats and plant protein products.

The financial year as a whole was definitely one of the most challenging in Raisio's 84-year history. With good cooperation, we achieved an upward trend, as the financial development within the year clearly demonstrates. As the challenges in the operating environment continue, it is excellent that the company has a clear strategic direction and a very strong balance sheet and financial position. At the beginning of our strategy period, we also communicated our goal to release additional capital to our shareholders, which we are now proposing to the Annual General Meeting, as we did after the previous financial year. A big thank you to our employees and partners for the past financial year. Full steam ahead!

STRATEGY PERIOD 2022–2025

Raisio’s business environment changed significantly during 2022 following Russia’s invasion of Ukraine. Concurrently with the changes in the business environment, Raisio launched a comprehensive and long-term change programme in summer 2022 to develop the company’s business, accelerate growth and improve profitability. On 14 December 2022, Raisio updated its long-term financial targets for the strategy period 2022–2025.

Raisio’s most important goal for the new strategy period is to grow profitably, boosted by the new capabilities and new product categories made possible by investments realised in recent years. Raisio’s three strategic areas of focus are Benecol and plant stanol ester solutions, value-added oat products and ingredients, and plant proteins. The compound annual growth rate (CAGR) of the combined net sales from the three aforementioned focus areas is 11% during the strategy period, and the CAGR for the entire Raisio Group is 9%. The three focus areas together account for more than three fourths of the Raisio Group’s continuing operations total net sales. Their combined net sales for the financial year amounted to EUR 171.8 (159.9) million, while the Group’s net sales totalled EUR 220.8 (200.0) million.

Net sales for strategic areas of focus, continuing operations

		1–12/2022	1–12/2021
Net sales	M€	171.8	159.9
Benecol® and plant stanol ester solutions	M€	113.8	114.3
Value added oat products and ingredients	M€	51.4	39.6
Plant proteins	M€	6.6	6.1

Raisio aims to achieve a comparable EBIT of over 13 per cent of the Group’s net sales in 2025. With the goals set for the strategy period, net sales will exceed EUR 280 million in 2025 and the comparable EBIT will exceed EUR 36 million. The commercialisation stage of the new production facility and growth investments in Verso Food, acquired in spring 2021, put pressure on Raisio’s EBIT during the first years of the strategy period. On the other hand, Raisio expects its increasing production volumes and diversifying product categories to improve the profitability of production. The profitability of the new factories is expected to turn positive in 2024, as previously estimated.

FINANCIAL REPORTING

Raisio Group’s reportable operating segments are Healthy Food, Healthy Ingredients and Other Operations. The reported figures are comparable. The comparison figures in brackets refer to the corresponding period a year earlier unless otherwise stated. The Healthy Food Segment focuses on the consumer brands with Europe as its main market area. The Healthy Food Segment signifies a reporting segment which consists of Northern Europe, Eastern and Central Europe and Western Europe. The Healthy Ingredients Segment includes the sale of the Benecol product ingredient, the sale of grain-based foods and ingredients and the sale of plant proteins to industrial and catering companies. In addition, Operations, which includes production, procurement and the supply chain, are reported as part of the Healthy Ingredients Segment.

The operations of Raisioaqua Ltd, which handled the fish feed operations within the Healthy Ingredients Segment, was classified in the reporting for the second quarter of 2022 as assets being held for sale and

reported as discontinued operations. The comparable figures of earlier review periods have been changed accordingly.

OPERATING ENVIRONMENT

The underlying change affecting the economy and markets became clearly visible in 2022. The change that is taking place is not just a cyclical change, but rather a trend change. Economically, the most important change has been the return of inflation, accelerated by Russia's invasion of Ukraine in February 2022. Inflation is spreading to every corner of the market and will undoubtedly affect consumer spending habits. The trend of eating at home will increase and consumers will pay ever more attention to prices while still putting their trust in strong and well-known brands.

The change in consumers' purchase and shopping behaviours towards digital channels has, at the same time, remained strong. The role of traditional trade is being forced to adapt as the volumes of new sales channels continue their strong growth. Global megatrends support Raisio's growth strategy and its focus on responsibly produced healthy food. According to our estimates, value choices and consumption habits related to health will become even more prevalent.

Online sales and hybrid models (such as collection and pick-up services) have become permanent forms of consumer trade. Our strategic choices to focus on fewer but stronger brands support our success at a time when purchase behaviours are changing. Raisio is strongly involved in this development with retail chains.

UKRAINE WAR

During 2022, the war in Ukraine affected Raisio directly and indirectly in many different ways. Russia's invasion of Ukraine on 24 February 2022 prompted Raisio to announce, on 3 March 2022, that it would be suspending all export activities to Russia and, on 29 April 2022, that it had decided to sell its consumer business in Russia. The sale of the Russian consumer business was completed on 12 May 2022.

Raisio did not have any industrial activities of its own in the Russian or Ukrainian markets. Despite this, the Ukraine War gave rise to significant uncertainty concerning the development of Raisio's net sales and profitability in 2022. As a result of the geopolitical instability, the prices of grain raw materials that are essential for Raisio saw strong fluctuation during the financial year. In addition to unprecedented cost impacts, this also had an effect on the availability of grain raw materials. In practice, Raisio acquires all the grain raw materials it needs from within Finland, but the geopolitical instability had impacts on the price development of raw materials due to the ongoing availability issues.

The suspension of export activities to Russia resulted in a loss of approximately 20 per cent of Raisio's net sales. Raisio exported food and Raisioaqua fish feeds to Russia. The majority of the net sales accrued from Russia came from the export of fish feeds. Approximately 65 per cent of the fish feeds produced by Raisioaqua were exported to Northwest Russia. The production also plays a vital role in Finland's fish farming and security of supply. As for the other markets, Raisioaqua's business is proceeding normally and active measures to replace the net sales and achieve cost savings have been initiated. The fish feed business is not part of Raisio's core activities, which focus on healthy food and ingredients, nor is it one of the company's strategic areas of focus.

On 31 May 2022, Raisio Group began preparations to sell Raisioaqua Ltd. We will continue Raisioaqua's operations as normal for the time being, until the business is sold. Raisio reported that the fish feed business of Raisioaqua Ltd was being held for sale as discontinued operations from the second quarter of 2022 onwards

and recognised an impairment loss of EUR 4.1 million in the tangible fixed assets of the fish feed business in the first quarter of the financial year.

Raisio signed an agreement to sell its Russian consumer business on 29 April 2022. According to the agreement, the subsidiary OOO Raisio Nutrition, which has handled the Group's consumer business in Russia, was sold to the Russian company Copacker Agro Ltd. Russian authorities registered the deal on 12 May 2022, when the activities of Raisio's subsidiary, OOO Raisio Nutrition, transferred officially to Copacker Agro Ltd. At the same time, the rights to the Nordic brand name used by Raisio's Russian subsidiary within, among others, the Russian and Belarusian markets were sold to the Estonian company Nordgate Trading Oü.

The total purchase price was EUR 1.5 million. The sale of the Russian consumer business generated a capital loss of EUR 3.5 million for Raisio. As a result, Raisio recognised an estimated impairment loss of EUR 2.9 million in its EBIT for the first quarter of 2022 and classified the activities included in the deal as assets available for sale and reported them as discontinued operations.

The combined loss from the divestment of the consumer business in Russia and the impairment loss in tangible fixed assets from the fish feed business totalled EUR 7.7 million during the financial year.

FINANCIAL DEVELOPMENT

January–December, continuing operations

Raisio Group's net sales totalled EUR 220.8 (200.0) million. The Group's net sales increased significantly from the comparison period in accordance with our expectations. The Healthy Food Segment's net sales totalled EUR 143.0 (134.3) million and the Healthy Ingredients Segment's net sales were EUR 115.7 (96.6) million. Net sales significantly exceeded those of the comparison period, even though the volumes of certain brands decreased in comparison to the level of the strong comparison period. During the review period, the domestic and foreign sales of grain products to bakeries and industrial and catering customers grew significantly in relation to the comparison period. The development of the sales of oat products and gluten-free oat products also continued to be strong. The top brands at the core of Raisio's strategy performed well in different markets, with the total sales of the Elovena brand in particular growing significantly, reaching a level almost 30% higher than in the comparison period. Good sales were especially boosted by oat products that bring added value, such as snack bars, drinks and spoonable products from the new production facility. Continuing cost pressures throughout the review period led to unavoidable price increases, which were implemented in stages during the financial year.

During the financial year, high inflation was reflected in lower retail sales figures across Europe and changes in consumption habits. Cost inflation and subsequent price increases put pressure on sales volumes towards the end of the year and, although there are differences between product groups, we did not see a significant decline in volumes for Raisio's consumer products throughout the financial year.

Raisio Group's comparable EBIT was EUR 18.4 (21.3) million, which accounted for 8.3 (10.6) per cent of net sales. EBIT was EUR 17.9 (20.2) million, which accounted for 8.1 (10.1)% of net sales. The economy drives the market, but geopolitics drive the economy. The war of aggression launched by Russia in February 2022 plunged Europe into an energy crisis and fuelled the already high inflation following the pandemic. In addition to the geopolitical instability, the exceptionally poor harvest in the Finnish grain market in the 2021 growing season resulted in strong fluctuations in the prices of grain raw materials essential for Raisio during the financial year. In addition to cost impacts, this also had an effect on the availability and quality of grain raw materials, as well as on related production factors, such as packaging, logistics and energy. In terms of the production factors, the above cost pressures are still ongoing. The good harvest in Finland in 2022 and continued price increases

throughout the reporting period improved profitability and ensured business continuity. To address price and availability issues, Raisio worked actively and interactively throughout the year with its internal and external stakeholders throughout the value chain. The carbon-neutral steam production launched during the summer of 2021 at Nokia's mills has, in a short time span, also proven its usefulness as a means of ensuring the availability of cost-effective energy, and the heating plant makes use of the oat hulls generated as a side stream from production at the mill. During the financial year, comparable EBIT was also burdened by dynamic marketing investments made as planned.

The currency conversion impact on the Healthy Food Segment's net sales was EUR 1.2 (1.4) million. The British pound accounted for EUR 1.0 (1.8) million and other currencies for EUR 0.2 (-0.4) million. The conversion impact on the Healthy Food Segment's comparable EBIT and EBIT was EUR 0.2 (0.4) million. The British pound accounted for EUR 0.2 (0.4) million, while other foreign currencies had no conversion impact on the comparable EBIT or EBIT. The Healthy Ingredients Segment had no conversion impact during the financial year. The conversion impact refers to the impact arising when the subsidiaries' net sales are converted into euros as part of the consolidated financial statements.

The depreciations and impairments totalled EUR 10.0 (7.6) million. The Group's net financial items were EUR -2.8 (0.9) million. During the financial year, the net financial items included a fair value change of EUR -2.3 (-0.9) million for financial assets recognised at fair value through profit or loss, mostly as a result of the decline in the securities market. The financial items for the comparison period also included a realised gain of EUR 1.4 million on the sale of securities. The Group's pre-tax result was EUR 15.0 (21.1) million. The Group's post-tax result was EUR 12.5 (18.0) million. The Group's earnings per share were EUR 0.08 (0.11) and the comparable figure was EUR 0.08 (0.12).

October–December, continuing operations

Raisio Group's net sales totalled EUR 55.6 (53.8) million. The Group's net sales increased slightly from the comparison period. A particular contributor to this growth was the Healthy Ingredients Segment, where net sales were boosted by both domestic and international sales of grain products to bakeries and industrial and catering customers. In the Healthy Food Segment, sales remained at the high level of the comparison period. Sales in the key markets for our consumer brands, particularly in Finland, increased especially well in relation to the comparison period. During the review period, the new products of the Elovena brand and the previously launched oat-based snack bars and drinks continued to deliver significant growth in net sales. In Western Europe, net sales decreased slightly, while those for business in Eastern and Central Europe decreased significantly due to the challenging situation in Ukraine. The net sales of plant stanol ester deliveries remained at the level of the comparison period. The significance of responsibility and domesticity in terms of consumers' choices has continued to increase. Despite the pervasive cost pressures seen during the reporting period, Raisio's strong brands have demonstrated their ability to remain a permanent and central part of consumers' daily lives in the different prevailing circumstances.

Raisio Group's comparable EBIT was EUR 6.0 (4.9) million, which accounted for 10.9 (9.2) per cent of net sales. EBIT was EUR 5.9 (4.6) million, which accounted for 10.5 (8.6)% of net sales. During the review period, the strong cost pressures of prices in both the Healthy Food Segment and Healthy Ingredients Segment carried through the entire supply chain. Although the prices of grain raw materials important to Raisio fell somewhat during the period, inflationary price pressures continue to exist for both Raisio and farmers. During the last quarter of the year, marketing investments remained at the level of the comparison period.

The currency conversion impact on the Healthy Food Segment's net sales was EUR 0.0 (0.9) million. The British pound accounted for EUR 0.0 (0.8) million and other currencies for EUR 0.0 (0.1) million. The conversion impact on the Healthy Food Segment's comparable EBIT and EBIT was EUR 0.0 (0.2) million. The British pound

accounted for EUR 0.0 (0.2) million, while other foreign currencies had no conversion impact on the comparable EBIT or EBIT. The Healthy Ingredients Segment had no conversion impact during the quarter. The conversion impact refers to the impact arising when the subsidiaries' net sales are converted into euros as part of the consolidated financial statements.

The depreciations and impairments totalled EUR 2.5 (2.4) million. The Group's net financial items were EUR 0.3 (0.1) million. During the review period, the net financial items included a fair value change of EUR 0.3 (-0.1) million for financial assets recognised at fair value through profit or loss as a result of the realised decline in the securities market. The Group's pre-tax result was EUR 6.2 (4.7) million. The Group's post-tax result was EUR 5.0 (4.9) million. The Group's earnings per share were EUR 0.03 (0.03) and the comparable figure was EUR 0.03 (0.03).

BALANCE SHEET, CASH FLOW AND FINANCING

At the end of December, the Raisio Group's balance sheet totalled EUR 331.9 (31 December 2021: 354.4) million. Shareholders' equity was EUR 262.9 (31 December 2021: 280.7) million. Equity per share totalled EUR 1.66 (31 December 2021: 1.77) million. Changes in equity are described in detail in the Table section below.

The Group's cash flow from continuing business operations after financial items and taxes totalled EUR 11.3 (28.4) million. During the review period, cash flow was weakened by reduced profits from business, as well as growth in working capital, which came, for the most part, from an increase in the value of inventories. The cash flow of the review period includes a return of EUR 1.1 million in pension fund surplus from previous years.

At the end of December, working capital from continuing operations amounted to EUR 44.0 (31 December 2021: 29.9) million.

The Group's interest-bearing debt was EUR 27.0 (31 December 2021: 29.1) million. Net interest-bearing debt was EUR -41.2 (31 December 2021: -60.0) million.

At the end of December, Raisio's financial assets recognised at fair value through profit or loss, as well as cash and cash equivalents, totalled EUR 68.1 (31 December 2021: 89.0) million. Cash reserves are primarily invested in low-risk, liquid investment objects.

At the end of December, the Group's equity ratio totalled EUR 79.2 (31 December 2021: 79.3) per cent and net gearing was -15.7 (31 December 2021: -21.4) per cent. The return on investments (ROIC) was 5.5 (31 December 2021: 8.0) per cent and the comparable return on investments (ROIC) was 5.6 (31 December 2021: 8.4) per cent. Raisio plc paid EUR 22.2 (20.6) million in dividends for 2021.

Key figures for the balance sheet and financing

		31 December 2022	31 December 2021
Cash flow from business operations after financial items and taxes, continuing operations	M€	11.2	28.4
Equity ratio	%	79.2	79.3
Net gearing	%	-15.7	-21.4
Net interest-bearing debt	M€	-41.2	-60.0
Equity per share	€	1.66	1.77
Investments	M€	5.2	23.0
Comparable return on investment (ROIC)	%	5.6	8.4
Return on investment (ROIC)	%	5.5	8.0

INVESTMENTS

The January–December investments totalled EUR 5.2 (23.0) million, or 2.3 (11.5) per cent of net sales.

In keeping with our strategy, we will continue with investments to ensure our continued growth in value-added oat products and plant proteins. During the second quarter of 2021, the decision was made to renew the pasta line located in Raisio’s industrial area. This requires a replacement investment of approximately EUR 3.5 million. As a result of the global shortage of electronic components, this investment will be completed in summer 2023, contrary to the previously announced schedule. The investment facilitates a better collective use of different ingredients and new commercial product applications. At the end of the financial year, the Kauhava plant added new processes for more extensive processing of plant proteins. The products and solutions resulting from this investment will be visible in the market from January 2023 onwards.

The bioenergy solutions implemented in Raisio’s factories in recent years have proven their worth in the face of energy challenges. One of the key objectives of our responsibility programme is to make our own production carbon-neutral. Launched during the summer of 2021, the carbon-neutral steam production using oat hulls generated as a side stream of production at the Nokia mill has, in a short time span, proven its usefulness as a means of ensuring not only responsibility but also the availability of cost-effective energy. Additionally, a new investment decision was made for the Nokia mill to increase the production capacity of value-added oat products. The investment totalled approximately EUR 0.5 million and was completed at the end of 2022.

The last missing piece in our efforts to make our own production carbon-neutral is the Kauhava factory. At the end of 2022, we already reported that the Kauhava factory had switched to biofuel for steam production during the autumn, but this was not the case. After the turn of the year, it was revealed that the Kauhava factory was still running on fossil fuel in the autumn, and biofuel was not expected to be used for steam production until January 2023. Therefore, it is still our goal to make the Kauhava factory carbon-neutral by the end of 2023.

The annual investments under Raisio’s strategy are estimated to exceed EUR 10 million in 2023–2025. Investments will focus on measures to improve efficiency, energy efficiency and yield. No need for significant capacity investments is foreseen during the strategy period.

RESEARCH AND DEVELOPMENT

Raisio's research and development expenses in January–December totalled EUR 2.9 (3.1) million, or 1.3 (1.6) per cent of net sales. During the comparison period, the research and development expenses included an acquisition expense of EUR 0.2 million for the new production facility built in Raisio's industrial area.

At the start of the year, Elovena was ranked number one on the Sustainable Brand Index list, which reflects Finnish views on brand responsibility. The results published in March 2022 showed that Raisio has been engaged in successful and systematic responsibility work for years already. During the first quarter, Elovena Oat Drink Barista and Elovena Soft Oat Bar were launched, both of which performed very well in their respective product categories throughout the reporting period.

During the financial year, the Elovena range of spoonable oat snacks also grew with a new product: Elovena AB Oat Snacks. The fully plant-based products of the Elovena AB Oat Snack line contain healthy acidophilus and bifidus bacteria as well as abundant fibre – qualities that have been much sought after by consumers. We also launched a wellness line of Elovena instant oatmeal products.

The commissioning of Raisio's new production facility in autumn 2021 has proceeded as anticipated and the new products from the facility have been excellently received by consumers.

In keeping with Raisio's strategic goals, our research and product development investments are focused on achieving even better capabilities and properties in select consumer brands, particularly as concerns gluten-free oats as raw material, plant proteins and the ongoing product and application developments of Benecol. These rising costs are to be covered mainly by measures to increase efficiency in production, procurement and support functions.

SEGMENT INFORMATION

HEALTHY FOOD SEGMENT

The Healthy Food Segment includes Raisio's consumer product businesses in the Western, Eastern, Central and Northern European markets.

Financial development, January–December, continuing operations

The Healthy Food Segment's net sales totalled EUR 143.0 (134.3) million. Net sales clearly exceeded those of the comparison period, even though the volumes of many brands decreased in comparison to the level of the strong comparison period. The top brands in the focus of Raisio's strategy succeeded brilliantly in the different markets, with particularly significant growth in the sales of the Elovena brand. Good sales were especially boosted by oat products that bring added value, such as snack bars, drinks and spoonable products from the new production facility. To compensate for continued cost pressures during the financial year, necessary price increases were implemented on consumer products. During the reporting period, inflation eroded consumers' purchasing power, which is reflected in lower retail sales figures in Europe and changes in spending habits. We have not, however, seen any significant drop in the volume of Raisio's consumer products.

The Healthy Food Segment's comparable EBIT amounted to EUR 18.0 (18.4) million, which accounted for 12.6 (13.7) per cent of net sales. EBIT was EUR 18.0 (18.1) million, which accounted for 12.6 (13.5) per cent of net

sales. During the financial year, the prices of grain raw materials that are essential for Raisio saw exceptionally strong fluctuations. In the early part of the year, these fluctuations were mainly driven by the exceptionally poor harvest in the 2021 growing season, Russia's war of aggression and the subsequent energy crisis in Europe and rising costs. In addition to cost impacts, this also had an effect on the availability and quality of grain raw materials, as well as on related production factors, such as packaging, logistics and energy. In terms of the production factors, the above cost pressures are still ongoing. The good harvest in Finland in 2022 and continued price increases throughout the reporting period improved profitability and ensured business continuity. To address price and availability issues in particular, Raisio worked actively and interactively throughout the year with the entire supply chain. Comparable EBIT was also burdened by dynamic marketing investments made as planned.

The significance of responsibility and domesticity in terms of consumers' choices has continued to increase. The Healthy Food Segment has, indeed, an outstanding foundation from which to advance the growth targets presented in our updated strategy for the coming quarters and years.

Financial development, October–December, continuing operations

The Healthy Food Segment's net sales totalled EUR 35.6 (35.2) million. Net sales in Northern Europe increased clearly, while those for business in Western, Eastern and Central Europe decreased slightly from the comparison period. Significant growth in net sales was achieved in the Northern European consumer markets, particularly from the sale of Elovena products. In Western Europe, sales volumes of Benecol spreads remained at the level of the comparison period. The growth in net sales already witnessed in the Polish market continued. Despite the pervasive cost pressures seen during the reporting period, Raisio's strong brands have demonstrated their ability to remain a permanent and central part of consumers' daily lives in the different prevailing circumstances.

Altogether, approximately 48 per cent of the Healthy Food Segment's net sales were generated in Northern Europe, where Raisio's well-known brands are Elovena, Benecol, Beanit®, Härkis, Sunnuntai®, Nalle® and Torino®. Around 45 per cent of net sales were generated from the sale of Benecol products in the Western European markets. Approximately 7 per cent of the net sales were generated in Eastern and Central Europe.

The Healthy Food Segment's comparable EBIT amounted to EUR 4.5 (4.6) million, which accounted for 12.7 (13.1) per cent of net sales. EBIT was EUR 4.5 (4.5) million, which accounted for 12.7 (12.8) per cent of net sales. During the review period, the strong cost pressures of prices in the Healthy Food Segment carried through the entire supply chain. Although the prices of grain raw materials important to Raisio fell somewhat during the period, inflationary price pressures continue to exist for both Raisio and farmers. During the last quarter of the year, marketing investments remained at the level of the comparison period.

Key figures for the Healthy Food Segment

		10-12/2022	10-12/2021	1-12/2022	1-12/2021
Net sales	M€	35.6	35.2	143.0	134.3
Western Europe	M€	16.0	16.6	64.1	63.1
Northern Europe	M€	16.9	15.5	67.9	59.8
Eastern and Central Europe	M€	2.7	3.1	11.0	11.4
Comparable EBIT	M€	4.5	4.6	18.0	18.4
Comparable EBIT	%	12.7	13.1	12.6	13.7
EBIT	M€	4.5	4.5	18.0	18.1
EBIT	%	12.7	12.8	12.6	13.5
Net assets	M€	83.9	89.5	83.9	89.5

Business operations, January–December, continuing operations
Western Europe

Net sales for the Western European operations amounted to EUR 64.1 (63.1) million. EBIT remained on relatively the same level as that of the comparison period.

Net sales for the Benecol business in the UK remained at the level of the comparison period, and EBIT also remained on relatively the same level as that of the comparison period. Growth was seen in Benecol spreads, which continued to expand their market share throughout the financial year. In Benecol yogurt drinks, net sales decreased slightly in the review period. The long-term work carried out in the UK market to increase Benecol's brand recognition resulted in a growing number of households purchasing Benecol products and improved sales volumes among existing customers during the financial year. Exceptionally high inflation in the UK had a negative impact on consumer purchasing power and retail sales figures during the review period, but despite Raisio's increased sales prices, both net sales and profitability remained at a high level compared to the comparison period. A slight decrease in total sales volume was seen during the review period.

Consumers in the UK have shifted their shopping towards online sources over the past two years. In the UK, already approximately one quarter of Benecol products were being purchased online. In terms of online business, the older age groups are faster than the younger age groups at increasing their share of online purchasing.

In Ireland, net sales increased significantly compared to the comparison period, with a significant improvement in EBIT. Marketing investments made in the development of the distribution network over the past two years have been successful and Benecol products have acquired new consumers within these markets. Successful market investments also helped sales volumes remain at a good level in Ireland throughout the review period. Net sales and EBIT in Belgium increased in relation to the comparison period. The marketing investments in the distribution network in Belgium also generated increased sales during the review period. During the financial year, the higher production costs were successfully passed on to sales prices in Ireland and Belgium as well.

Northern Europe

Net sales for the Northern European operations amounted to EUR 67.9 (59.8) million. EBIT remained on relatively the same level as that of the comparison period. Despite the high comparison figures, among Raisio's strong brands Elovena in particular performed historically well in the market throughout the financial year. Sales of Elovena products grew by almost 30% compared to the comparison period. During the reporting period, good sales of the Elovena brand were especially boosted by oat products that bring added value, such as snack bars, drinks and spoonable products from the new production facility. During the review period, rapidly rising manufacturing costs were passed on to sales prices as planned to ensure profitability and thus business continuity. As inflation eroded consumers' purchasing power, Raisio's flakes and flour products saw a decline in sales volumes during the review period. In Benecol spreads, both sales volume and profitability decreased from the comparison period.

The sales volumes of plant proteins did not meet Raisio's expectations during the reporting period. During the review period, challenges within the plant protein market were particularly the result of the reduction of sales within the overall plant protein product category in Finland, an increase of competition within the product group and the low number of Raisio's own new products. The growth outlooks for the product category within Finland and internationally are positive, however, and Raisio's plant protein development programme will be generating new innovations already in early 2023. In line with our strategy, we strongly believe that this category will see growth in the long term.

Eastern and Central Europe

Net sales for the Eastern and Central European operations totalled EUR 11.0 (11.4) million. Relative to the comparison period, profitability fell slightly.

Net sales and EBIT in Ukraine decreased significantly from the level of the comparison period. However, despite Russia's war of aggression, the financial year in Ukraine was relatively positive and business was kept running throughout the financial year. During the reporting period, the decline in consumers' disposable income and, consequently, purchasing power was reflected as a decrease in sales volumes. The economic situation of Ukraine also deteriorated significantly over the past year. The currency devaluation carried out by the Ukrainian central bank during the financial year had a negative impact on the development of net sales and profitability. The decrease in net sales was also naturally affected by the reduction in the population of the country due to refugees as the war dragged on. Raisio will continue its sales in Ukraine to the extent permitted by the local conditions. Raisio will continue to support Ukraine and prioritise deliveries to Ukraine within production and its order and delivery chain.

Net sales in Poland increased clearly from the level of the comparison period. EBIT remained on relatively the same level as that of the comparison period, albeit still negative. In Poland, Raisio's net sales grew steadily throughout the year. During the financial year, cost pressures were caused by high inflation in Poland, as a result of which we successfully passed on the higher production costs to sales prices. The market share of Benecol spreads increased and Raisio launched a new Benecol yogurt drink during the reporting period. During the financial year, Elovena Gluten Free products also gained a foothold in the Polish market. We see good growth potential for the product category, although sales volumes are still relatively low. The increased distribution coverage to different shops and updated commercial terms and conditions in the reporting period provide good growth outlooks for the future of the business. In Poland, as well as in many of Raisio's other markets, sales through the so-called discounter channel have increased. During the financial year, Raisio gained its first new listing in the form of distribution through the discounter channel, and the aim for the future is to gain a stable position within these markets.

HEALTHY INGREDIENTS SEGMENT

The Healthy Ingredients Segment includes the sale of the Benecol product ingredient, the sale of grain-based foods and ingredients and the sale of plant proteins to industrial and catering companies.

Financial development, January–December, continuing operations

The Healthy Ingredients Segment's net sales totalled EUR 115.7 (96.6) million. Net sales were significantly boosted by both domestic and international sales of grain products to bakeries and industrial and catering customers. The development of the sales of oat products and gluten-free oat products also continued to be strong. In the industrial sales of plant proteins, net sales were still low. However, the growth prospects for the product category are good and Raisio's plant protein development programme is continuously bringing new products to the market. Raisio's plant stanol ester deliveries to license partners increased from the comparison period, primarily as a result of timing of the deliveries. The sales of the entire Healthy Ingredients Segment increased significantly in relation to the comparison period.

The Healthy Ingredients Segment's comparable EBIT amounted to EUR 3.4 (6.3) million, which accounted for 2.9 (6.6) per cent of net sales. EBIT was EUR 3.4 (5.6) million, which accounted for 2.9 (5.8) per cent of net sales. During the financial year, the prices of grain raw materials that are essential for Raisio saw exceptionally strong fluctuations. In the early part of the year, these fluctuations were mainly driven by the exceptionally poor harvest in the 2021 growing season, Russia's war of aggression and the subsequent energy crisis in Europe and rising costs. In addition to cost impacts, this also had an effect on the availability and quality of grain raw materials, as well as on related production factors, such as packaging, logistics and energy. However, due to the good harvest in Finland in 2022, grain quality and yield improved significantly towards the end of the year, also easing cost pressures significantly and returning profitability to a better level in this respect. In terms of the production factors, the above cost pressures are still ongoing.

To address price and availability issues in particular, Raisio worked actively and interactively throughout the year with its internal and external stakeholders throughout the value chain. The rapidly rising production costs in the early part of the year were passed on to sales prices as quickly as possible. In terms of the availability of raw materials and packaging, we succeeded in safeguarding the continuity of our business activities within this challenging market situation. During the financial year, Raisio also enhanced its own production capabilities and updated the commercial terms and conditions of the grain trade, including an advance payment agreement for Raisio's contract farmers. The carbon-neutral steam production launched during the summer of 2021 at Nokia's mills has, in a short time span, proven its usefulness as a means of ensuring the availability of cost-effective energy.

Financial development, October–December, continuing operations

The level of the Healthy Ingredients Segment's net sales clearly exceeded those of the comparison period, at EUR 29.1 (26.7) million. Net sales were particularly increased by the development of B2B sales of grain-based products, which was significantly better than during the comparison period. Raisio's sales to Finnish bakeries and industrial and catering customers increased dramatically. The net sales of plant proteins and plant stanol ester deliveries remained at the level of the comparison period.

The Healthy Ingredients Segment's comparable EBIT amounted to EUR 1.8 (1.6) million, which accounted for 6.1 (6.1) per cent of net sales. The Healthy Ingredients Segment's EBIT was EUR 1.8 (1.5) million, which accounted for 6.1 (5.5) per cent of net sales. In the review period, cost pressures eased due to the good harvest in Finland in 2022, significantly improving profitability compared to the early part of the year.

Key figures for the Healthy Ingredients Segment

		10–12/2022	10–12/2021	1–12/2022	1–12/2021
Net sales	M€	29.1	26.7	115.7	96.6
Comparable EBIT	M€	1.8	1.6	3.4	6.3
Comparable EBIT	%	6.1	6.1	2.9	6.6
EBIT	M€	1.8	1.5	3.4	5.6
EBIT	%	6.1	5.5	2.9	5.8
Net assets	M€	118.4	109.1	118.4	109.1

Business operations, January–December, continuing operations

BtoB sales of grain and plant protein products

Raisio's sales of grain-based products to Finnish bakeries and industrial and catering customers increased dramatically. During the financial year, cost pressures were significant in terms of the cost, availability and quality of grain raw materials as well as production factors, such as packaging, logistics and energy. The poor quality of the 2021 harvest still affected mill product yields in July and August, reducing profitability. However, due to the good harvest in Finland in 2022, grain quality and yield improved significantly towards the end of the year, also easing cost pressures significantly and returning profitability to its usual level in this respect. To address price and availability issues in particular, Raisio worked actively and interactively throughout the year with its internal and external stakeholders throughout the value chain, while ensuring business continuity. During the financial year, Raisio also enhanced its own production capabilities and updated the commercial terms and conditions of the grain trade. In the industrial sales of plant proteins, sales volumes were still modest, but the plant protein development programme is constantly bringing new products to the market.

Raisio continued its determined efforts to raise awareness of its oat products and oat expertise, particularly among international food industry operators. Growth in the demand for oat and its ingredients continued to be strong. In particular, the demand for gluten-free oats within the domestic and export markets has continued to increase to an extremely significant degree. Raisio's export customers are both industrial end-users and distributors.

Benecol product ingredient sales to license partners

Raisio's plant stanol ester deliveries to license partners increased significantly from the comparison period, primarily as a result of timing of the deliveries. For the same reason, profitability was also at a higher level in relation to the comparison period. The traditional licensing model will continue to be a way of offering Benecol products in the markets where Raisio does not operate itself.

Grain procurement

It was a very exceptional year for the grain market, with unprecedented fluctuations in grain prices. The main factors causing this instability were the exceptionally poor harvest in the 2021 growing season, which had a significant impact on availability throughout the spring and summer, the outbreak of the war and the subsequent energy crisis and cost increases.

Market and grain procurement is divided into two very different periods. The early part of the year until the autumn was characterised by scarcity, poor quality and exceptionally high prices for domestic grains. However,

the summer grain harvest was normal and of good quality. Grain supply increased markedly towards the end of the year, and prices fell somewhat during the autumn from the exceptionally high levels of the spring.

The grain used by Raisio is, with the exception of durum wheat used in the production of pasta, of Finnish origin. The grain is sourced from contract farmers, Finnish grain farms, and to some extent also from the grain trade. Thanks to the good harvest in 2022, we returned to buying directly from farms in southwest Finland for the rest of the year.

ADMINISTRATION AND MANAGEMENT

Board of Directors and Supervisory Board

As of the Annual General Meeting on 12 April 2022, the number of members of the Board of Directors was five. Erkki Haavisto, Leena Niemistö, Ann-Christine Sundell, Pekka Tennilä and Arto Tiitinen served as Board members throughout the financial year 2022.

Arto Tiitinen was elected as Chairperson of the Board and Ann-Christine Sundell as Deputy Chairperson, effective from 12 April 2022 onwards.

In 2022, all the Board members were independent of the company and its major shareholders.

Paavo Myllymäki served as Chairperson of the Supervisory Board and Holger Falck as Deputy Chairperson for the financial year 2022.

Group Executive Committee

The Group Executive Committee in 2022 consisted of CEO Pekka Kuusniemi and Chief Operating Officer Virpi Aaltonen; Chief Business Officer (Elovena, Beanit & Communications) Annika Boström-Kumlin; Chief Legal Officer Sari Koivulehto-Mäkitalo; Chief Business Officer (Benecol & New Business) Mikko Lindqvist; Chief Financial Officer Mika Saarinen; Chief Customer Officer Iiro Wester and Chief People Officer Taru Ämmälä.

DIRECTED SHARE ISSUE

In December 2018, Raisio plc's Board of Directors decided on the Group's key employees' share-based incentive scheme for the period that started on 1 January 2019 and ended on 31 December 2021.

Raisio plc's Board of Directors approved on 16 March 2022 the bonuses to be paid under the share reward scheme as well as, in order to convey the part paid in shares to key employees, decided to implement a directed share issue without payment based on the authorisation granted to the Board of Directors by the Annual General Meeting of 13 April 2021.

In the share issue, a total of 239,854 Raisio plc's free shares held by the company were conveyed without consideration to the key employees within the share reward scheme, deviating from the shareholders' pre-emptive subscription right. The 239,854 free shares conveyed in the share issue corresponded to 0.15% of all Raisio plc's shares and 0.03% of all votes.

From the company's point of view and taking into account the best interests of all of its shareholders, there is an especially weighty financial reason for the deviation from the shareholders' pre-emptive right in the directed share issue without payment by conveying company's own shares, since the purpose of the share

reward scheme is to combine the objectives of owners and key employees in order to increase the company's value, as well as to commit the key employees to the company through direct share ownership. Direct share ownership is a way to further commit key employees to the company, as well as to strengthen the alignment of shareholders' and key employees' goals and interests.

The shares were conveyed to the recipients on 4 April 2022. The right to dividend and other shareholder rights begin on the day on which the shares have been registered in the key employee's book-entry account. The Board recommends that the key employees within the share reward scheme hold a substantial part of all shares they have received based on the scheme until the value of their holdings corresponds to their six months' gross salary.

CANCELLATION OF TREASURY SHARES

Under the Limited Liability Companies Act, the Board of Directors may decide to cancel all treasury shares. By decision of the Board of Directors on 9 February 2022, the company has cancelled 5,000,000 of the free shares held by the company and all 212,696 restricted shares held by the company. The cancellation was entered into the Trade Register on 2 March 2022.

REPORT ON NON-FINANCIAL INFORMATION

Business model

Raisio is an international company, and our purpose, "Food for Health, Heart and Earth", guides our operations. The company's key markets are in Europe and its five production plants are located in Finland. Raisio's strategy is based on three focus areas: Benecol® and plant stanol ester solutions, value added oats and ingredients and plant proteins.

Personnel

The Raisio Group's continuing operations employed 344 (322) people at the end of 2022. A total of 14 (15) per cent of employees worked outside Finland. Raisio's wages and fees for continuing operations in 2022 totalled EUR 24.6 (24.6) million including other personnel expenses.

Key goals and results of sustainable development

Raisio's responsibility reporting is built around the themes of the Good Food Plan, and we apply the standards of the Global Reporting Initiative in our reporting. Raisio's corporate responsibility programme – the Good Food Plan – has five themes: Environmentally Friendly Packaging, Healthy Food, Food Professionals, Sustainable Food Chain and Environment & Climate Action. The Good Food Plan covers the same period as Raisio's strategy period, until the end of 2025.

At the Raisio Group, we are committed to supporting the UN's Sustainable Development Goals, such as responsible consumption, health and well-being, sustainable industry and climate action. Within our sphere of influence, we also support and implement the UN's basic values related to human rights, working life principles, the environment and anti-corruption.

The Raisio Code of Conduct and complementary internal guidelines and policies create a basis for profitable and responsible operations. Raisio's Human Rights Policy complements our Code of Conduct and is also applied

in all Group companies worldwide. We also require all our suppliers and subcontractors to monitor the implementation of human rights in their operations.

We will publish more detailed non-financial information and the objectives, policies and progress of the Good Food Plan in the week of 20 March as part of Raisio's Annual Review.

Risk management

Raisio's risk management was renewed, and the new model has been applied from the beginning of 2022 onwards. Efforts have been made to more comprehensively identify the categories of risks affecting our operations, as well as the associated risks and management measures. In this way, we aim to ensure that risks are examined comprehensively from different perspectives and that the most significant risk scenarios are genuinely identified, anticipated and managed.

Under the new risk management system, each member of the Executive Committee is responsible for the continuous control and monitoring of the risks within their area of responsibility and for assessing the adequacy of the management measures. The adequacy of management measures is assessed by using a three-tiered set of criteria. For each area of responsibility, the most significant risk scenarios are highlighted annually for further assessment by the Executive Committee and an action plan for improving risk management methods is decided on. The progress of the action plans is regularly monitored by the Executive Committee, and the progress is regularly reported to the Board of Directors' Audit Committee.

CHANGES IN GROUP STRUCTURE

The Russian subsidiary OOO Raisio Nutrition, which was fully owned by Raisio plc's subsidiary, Ravintoraisio Ltd, transferred on 12 May 2022 to the Russian company Copacker Agro Ltd.

SHORT-TERM RISKS AND SOURCES OF UNCERTAINTY

The pandemic situation currently appears to be dragging out but normalising, and we no longer feel that it poses any new risks to our business. The impacts of the war initiated by Russia are discussed in the section of this bulletin entitled "Ukraine War".

Under normal conditions, Raisio's most significant short-term business risks are related to general economic development and consumer demand. In particular, the impact of inflation on the development of consumer demand is significant. Extreme weather phenomena and changes in the availability, quality and price of energy and the key raw materials, such as grains and sterols, are a major challenge for Raisio's operations. Changes in key currencies relevant to Raisio and currency conversions affect Raisio's net sales and EBIT both directly and indirectly. Their overall impact is explained in detail in the financial reports to provide a better and more comprehensive overall picture of the situation and related risks.

EVENTS FOLLOWING THE FINANCIAL YEAR

Raisio had no reported events after the financial year.

BOARD OF DIRECTORS' PROPOSAL FOR THE DISTRIBUTION OF PROFITS

The parent company's distributable assets based on the balance sheet on 31 December 2022 totalled EUR 130,303,422.10.

The Board of Directors proposes that a dividend of EUR 0.14 per share, of which EUR 0.06 as an extra dividend, be paid from the parent company's retained earnings. Hence, the proposed dividend will total EUR 22,391,086.76, and EUR 107,912,335.34 will be left in the profit account. However, no dividends will be paid on the shares held by the company on the record date 24 April 2023. The payment date of the dividend is proposed to be 3 May 2023.

In Raisio, Finland, 7 February 2023
Raisio plc
Board of Directors

Enquiries:

Pekka Kuusniemi, CEO, tel. +358 50 537 3883
Mika Saarinen, CFO, tel. +358 40 072 6808

Raisio's financial releases in 2023

Financial Statements, the Report of the Board of Directors and the Corporate Responsibility Report 2022 will be published on 22 March 2023.

Raisio's Interim Report for January–March will be published on 3 May 2023.

Raisio's Half-Year Financial Report for January–June will be published on 9 August 2023.

Raisio's Interim Report for January–September will be published on 1 November 2023.

The Financial Statements Bulletin has not been audited.

FORMULAS FOR KEY FIGURES

Earnings per share	Result for the year of parent company shareholders
	Average number of shares for the year, adjusted for share issue
Earnings per share shows the company's earnings per one share	

Formulas for alternative key figure calculation

EBIT	Earnings before income taxes, financial income and expenses presented in the IFRS consolidated income statement.
EBIT illustrates the economic profitability of operations and its development.	

Comparable EBIT	EBIT +/- items affecting comparability
Comparable EBIT shows economic profitability of the business operations and its development without items affecting comparability.	

EBIT, %	$\frac{\text{EBIT}}{\text{Net sales}} \times 100$
	The figure shows the relation between EBIT and net sales.

Comparable EBIT, %	$\frac{\text{Comparable EBIT}}{\text{Comparable net sales}} \times 100$
	The figure shows the relationship between EBIT and net sales without items affecting comparability.

EBITDA	EBIT + depreciations and impairment
EBITDA describes the earnings from business operations before depreciation, financial items and income taxes. It is an important indicator as it shows how much the margin is from net sales after deduction of operating expenses.	

Comparable EBITDA	EBIT +/- items affecting comparability + depreciations and impairment
Comparable EBITDA represents the earnings from business operations before depreciations, financial items, and income taxes without items affecting comparability.	

Earnings before taxes	Earnings before income taxes presented in the IFRS consolidated statements.
-----------------------	---

Return on equity (ROE), %	$\frac{\text{Result before taxes} - \text{income taxes}}{\text{Shareholders' equity (average over the period)}} \times 100$
	Return on equity measures the earnings for the financial period in proportion to equity. The figure shows the Group's ability to generate profits from the shareholders investments.

Return on investment (ROIC), %	$\frac{\text{Result after taxes}}{\text{Operating cash* + net working capital} + \text{non-current assets}} \times 100$ (*Operating cash 4% of net sales)
	Return on investment (ROIC) is a profitability or performance ratio that measures how much investors earn on the capital invested.

Equity ratio, %	$\frac{\text{Shareholders' equity}}{\text{Balance sheet total} - \text{advances received}} \times 100$
The equity ratio is a key figure in the financial structure, which shows the share of equity of the capital tied up in the operations. The figure represents the Group's financial structure.	
Net working capital	$\text{Sales receivables and other receivables} + \text{inventories} - \text{accounts payable} - \text{other liabilities}$
Net working capital measures the amount of the financing tied up in the company's current activities and thus, also the efficiency of the use of capital.	
Net interest-bearing financial liabilities	$\text{Interest-bearing financial liabilities} - \text{liquid funds and liquid financial assets at fair value through profit or loss}$
Net interest-bearing financial liabilities measures the Group's net financial debt.	
Net gearing, %	$\frac{\text{Net interest-bearing financial liabilities}}{\text{Shareholders' equity}} \times 100$
Net gearing % shows what is the ratio of equity invested by owners to the interest-bearing liabilities of the financiers. High net gearing % is a risk factor that may restrict the company's growth opportunities and lower its financial leverage.	
Comparable earnings per share	$\frac{\text{Profit for the period attributable to the parent company shareholders} +/- \text{items affecting comparability}}{\text{Average number of shares during the period adjusted for issues}}$
Earnings per share represents the company's earnings per one share without items affecting comparability.	
Cash flow from business operations per share	$\frac{\text{Cash flow from business operations}}{\text{Average number of shares for the year, adjusted for share issue}}$
The figure represents the cash flow from business operations per one share.	
Shareholders' equity per share	$\frac{\text{Equity of parent company shareholders}}{\text{Number of shares at end of period adjusted for share issue}}$
Equity per share represents the company's equity per one share.	
Investments	Acquisition of non-current tangible and intangible assets on a gross basis.
Investments represents the total amount of investments.	
Market capitalisation	$\text{Closing price, adjusted for issue} \times \text{number of shares without company shares at the end of the period}$
The figure represents the value of the Group's share capital on the stock market.	