

# **Apetit Plc's Half-Year Report 1 January-30 June 2024: Operating result of the first half of the year exceeded the comparison period - profit guidance unchanged**

## **April-June 2024, continuing operations\*)**

- In continuing operations net sales were EUR 37.0 (45.0) million. Operating result was EUR -0.1 (0.7) million. EBITDA was EUR 1.5 (2.0) million.
- The net sales of Food Solutions were EUR 16.5 (16.7) million and operating result EUR -0.1 (-0.1) million.
- The net sales of Oilseed Products were EUR 20.7 (28.5) million and operating result EUR 0.7 (1.4) million.
- The change in market prices for oilseed plants was the main reason for the decrease in the Group's net sales. The decrease in sales volumes in both businesses was in line with the usual seasonal fluctuation.
- Operating result decreased mainly due to Oilseed Products. The result of Oilseed Products was weakened by the fluctuation in sales volumes between comparison periods. The result for the comparison period for Oilseed Products was strong. The result of Food Solutions was at the same level as last year.

## **January-June 2024, continuing operations\*)**

- In continuing operations net sales were EUR 79.2 (93.2) million. Operating result was EUR 3.3 (2.7) million. EBITDA was EUR 6.5 (5.5) million.
- The net sales of Food Solutions were EUR 37.0 (36.3) million and operating result EUR 1.8 (1.5) million.
- The net sales of Oilseed Products were EUR 42.5 (57.2) million and operating result EUR 2.9 (2.7) million.

## **April-June 2024, Group, incl. discontinued operations\*\*)**

- Net sales were EUR 37.0 (45.0) million. Operating result was EUR -0.1 (0.6) million. EBITDA was EUR 1.5 (2.0) million.
- The net sales of Grain Trade were EUR 0.0 (0.0) million and operating result EUR 0.0 (-0.1) million.

## **January-June 2024, Group, incl. discontinued operations\*\*)**

- Net sales were EUR 79.2 (93.2) million. Operating result was EUR 3.3 (2.6) million. EBITDA was EUR 6.5 (5.4) million.
- The net sales of Grain Trade were EUR 0.0 (0.0) million and operating result EUR 0.0 (-0.1) million.
- The equity ratio was 82.5 (85.8) per cent and gearing was -6.2 (-15.2) per cent. The Group's cash flow from operating activities was EUR 6.8 (7.7) million.

\*) Apetit's continuing operations are Food Solutions and Oilseed Products. In addition, Apetit reports Group Functions, consisting of the expenses related to Group management and strategic projects, that are not allocated to the business segments.

\*\*\*) Grain Trade is reported as a discontinued operation starting from the Q1/2022 Business Review. The divestment of the Grain Trade business was completed in stages during the first half of 2022.

The information in this report is unaudited. The figures in brackets refer to the corresponding period in 2023, and the comparison period means the corresponding period in the previous year, unless otherwise stated.

**PROFIT GUIDANCE FOR 2024 UNCHANGED**  
(Published on 15 February 2024)

Group's operating profit is estimated to stay at the level of the comparison year (EUR 7.5 million in 2023). The operating profit from Food Solutions is estimated to further improve. In Oilseed Products, the operating profit is expected to decline due to outlook of market prices.

**KEY FIGURES**

EUR million	4-6/2024	4-6/2023	Change	1-6/2024	1-6/2023	Change	2023
<b>Continuing operations</b>							
Net sales	37.0	45.0	-18 %	79.2	93.2	-15 %	175.5
EBITDA	1.5	2.0	-27 %	6.5	5.5	18 %	13.2
Operating result	-0.1	0.7		3.3	2.7	22 %	7.5
Share of profit of associated company Sucros	0.3	0.5		-0.3	0.9		4.0
Profit for the period	0.1	0.8		2.0	2.8		9.8
Earnings per share, EUR	0.01	0.14		0.32	0.45		1.56
Investments				4.0	2.5		7.5
<b>Group</b>							
Net sales	37.0	45.0	-18 %	79.2	93.2	-15 %	175.5
EBITDA	1.5	2.0	-25 %	6.5	5.4	20 %	13.1
Operating result	-0.1	0.6		3.3	2.6	25 %	7.5
Profit for the period	0.1	0.8		2.0	2.8		9.7
Earnings per share, EUR	0.01	0.14		0.32	0.45		1.56
Equity per share, EUR				16.19	15.48		16.60
ROCE-%				7.6	7.7		7.3
Working capital, end of period				21.6	17.5		23.0
Net cash flow from operating activities				6.8	7.7		9.7
Equity ratio, %				82.5	85.8		78.9
Net gearing, %				-6.2	-15.2		-5.7

## Esa Mäki, CEO:

"The operating result for the first half of the year was better than that of the comparison period. Both businesses have improved their operating result. We continue to maintain our profit guidance, according to which the Group's operating profit is estimated to be at the same level as in the comparison period. The outlook for the harvest season is currently fairly good, but the possible realisation of risks related to harvesting will only be seen during the autumn. Net sales in the first half of the year declined, mainly due to lower market prices for oilseed products than in the comparison period.

Apetit's operating result for the second quarter of the year declined from the comparison period. In Oilseed Products, operating result clearly decreased in the second quarter of the year from the strong profits in the comparison period. The result was weakened by the fluctuation in sales volumes between comparison periods. In Food Solutions, operating result was at the same level as last year.

The Group's net sales decreased from the comparison period in the second quarter. The decrease was mainly due to the fall in the market prices of oilseed plants compared to the comparison period, sales volumes also decreased. There were normal fluctuations between comparison periods in the decline in the sales volumes, and no significant change can be seen in this year's production and sales amounts. In Food Solutions, the net sales were almost on a par with the comparison period. Sales volumes decreased from the comparison period. The decline in volumes was impacted by export sales of frozen peas that occurred at different times during the comparison period.

The work on the new bottling line for the Kantvik vegetable oil milling plant is progressing. The construction work related to the property is in the final phase and the installation of equipment has started. The investment of approximately EUR 4.5 million is expected to be completed according to the original schedule in the second half of the year.

The harvest season of Finnish field vegetables has progressed largely as planned. The hot and dry spring posed challenges for the growth of spinach and the first-sown peas, but the harvest outlook is mostly within expectations. The harvest outlook for root vegetables is also good before the harvest season. For the current harvest season, we increased the frozen pea cultivation area to 1,800 hectares. Domestic frozen peas play a central role in our strategy. By increasing pea cultivation, we want to meet the growing demand for exports.

The cultivation areas for Finnish turnip rape and rapeseed increased from last year. The beginning of the harvest season was strained by drought, which caused uneven seedling emergence and pest pressure. After Midsummer, the weather has been more favourable for oilseed plants, and we believe that the harvest outlook in Finland is average. Our goal is to further increase the use of Finnish turnip rape and rapeseed at our vegetable oil milling plant. Domestic origin is a significant differentiating factor in vegetable oils.

Work on Finnish cultivation development has continued at both the Räpi experimental farm and the RypsiRapsi forum's cultivation tests. The focus of the RypsiRapsi forum's trial activities during the current harvest season is on variety tests carried out as strip and square tests. In April, a multi-year project co-funded by the European Union was launched with the aim of increasing the cultivation reliability and volume of turnip rape and rapeseed in Finland. The project is a concrete demonstration of the desire to increase the cultivation of Finnish oilseed plants.

The Räpi experimental farm has focused particularly on further research into pea varieties. The aim of the experiments is to find varieties that can withstand Finland's changing cultivation conditions. In recent years, we have seen even greater variations in conditions, from heavy rain to heat and drought. Increasing pressures from diseases and pests are also taken into account in the variety tests. At Räpi, variety tests are carried out on carrots and swedes, for example, with the aim of finding new varieties for use by contract growers.

We will continue to work on the focus areas in line with the strategy. For the BlackGrain rapeseed powder, the work has focused on developing the production process on a commercial scale. The pea protein project has continued small-scale testing to produce pea protein from Finnish raw ingredients. With both projects, we are increasing the opportunities for raising the added value of Finnish raw ingredients.

The important ERP project has progressed according to schedule. The first phase of production implementation is scheduled to take place in the second half of the year. Some of Apetit's operations have already implemented the new ERP system at the end of last year.

Food inflation has slowed and turned negative in June. There are still major differences between product categories, and no significant change in consumer behaviour has been observed. Affordability is still an important criterion in purchase decisions. Apetit's product range is well suited to the current situation.

In the summer, we brought new vegetable oils to the shops. The Salad Oil and Pizza and Pasta Oil from Apetit's Neito product family are high-quality new products that are suitable for a wide range of cooking and seasoning. The launches of new products will continue this year."

## NET SALES AND PROFIT OF CONTINUING OPERATIONS

### April-June

Net sales in the second quarter were EUR 37.0 (45.0) million. Operating result was EUR -0.1 (0.7) million. The operating result includes the effect of the IAS 2 activation of fixed costs arising from harvest-time production and change in stocks in the amount of EUR -1.0 (-1.0) million.

The share of the profit of the associated company Sucros was EUR 0.3 (0.5) million in April-June.

The profit before taxes was EUR 0.0 (1.0) million, and taxes on the profit for the period came to EUR 0.0 (-0.2) million. Profit for the period came to EUR 0.1 (0.8) million, and earnings per share amounted to EUR 0.01 (0.14).

### January-June

Net sales in January-June amounted to EUR 79.2 (93.2) million. Operating result was EUR 3.3 (2.7) million. The operating result includes the effect of the IAS 2 activation of fixed costs arising from harvest-time production and change in stocks in the amount of EUR -1.8 (-1.5) million.

The share of the profit of the associated company Sucros was EUR -0.3 (0.9) million in January-June.

Financial income and expenses totalled EUR -0.4 (-0.2) million.

The profit before taxes was EUR 2.6 (3.4) million, and taxes on the profit for the period came to EUR -0.6 (-0.6) million. Profit for the period came to EUR 2.0 (2.8) million, and earnings per share amounted to EUR 0.32 (-0.45).

## CASH FLOWS, FINANCING AND BALANCE SHEET

Apetit Group's balance sheet position remained strong in terms of the equity ratio as well as liquidity.

The consolidated cash flow from operating activities amounted to EUR 6.8 (7.7) million in January-June. The impact of the change in working capital was EUR 1.2 (2.4) million. The effect of seasonality on the change in working capital is presented under the heading *Seasonality of operations*.

The net cash flow from investing activities was EUR -1.4 (-2.6) million. The cash flow from financing activities came to EUR -5.6 (-3.5) million, which includes EUR 0.0 (0.0) million in net loan repayments and EUR -4.7 (-3.1) million in dividend payments.

At the end of the period, the Group's interest-bearing liabilities amounted to EUR 7.5 (1.7) million and they were only related to IFRS 16 lease debts. Liquid assets amounted to EUR 13.7 (16.4) million. Net interest-bearing liabilities totalled EUR -6.3 (-14.7) million.

The consolidated balance sheet total stood at EUR 121.9 (112.8) million. At the end of the review period, equity totalled EUR 100.5 (96.8) million. The equity ratio was 82.5 (85.8) per cent, and gearing was -6.2 (-15.2) per cent. The Group's liquidity is managed by committed credit facilities, fixed loans and a commercial paper programme. At the end of the period, the available credit facilities amounted to EUR 29 (29) million. The total of commercial papers issued stood at EUR 0.0 (0.0) million.

## INVESTMENT

Investment by continuing operations in non-current assets came to EUR 4.0 (2.5) million in January-June. Investment was divided as follows: Food Solutions EUR 1.0 (1.6) million, Oilseed Products EUR 1.4 (0.6) million and Group Functions EUR 1.5 (0.4) million.

## PERSONNEL

In January–June 2024, the continuing operations had 298 (291) employees in full-time equivalents. Apetit Group had 351 employees at the end of June. The number of employees at Apetit's Säkylä plant varies during the year based on the harvest seasons.

## STRATEGY

### Strategy period 2023–2025

Achieving growth from diverse plant-based food solutions and added-value products is at the heart of Apetit's strategy. As the cornerstone of our business, we continue to invest in cooperation with growers and in Finnish primary production.

Apetit's four strategic focus areas for 2023–2025 are:

#### *Stronger together*

As the cornerstone of our business, we invest in cooperation with growers and in Finnish primary production. We strengthen business synergies and shared processes. We foster a culture of continuous improvement. We look after our competitive advantages: our motivated and skilled employees, strong brand and differentiating factors.

#### *Diverse plant-based food products*

We develop added-value food products and increase the refining rate in vegetable oil products. We increase food exports and strengthen our position in Sweden. We increase the volume and cultivation area of strategically significant plants. We make strategic investments to speed up organic growth. We are open for business acquisitions to allow inorganic growth.

#### *More domestic plant proteins*

We continue the commercialisation of the BlackGrain rapeseed ingredient towards an industrial scale. We promote the cultivation of domestic pulses. We explore opportunities to produce Finnish pea protein. We use domestic plant proteins in our own production in diverse ways.

#### *Sustainable value chain*

We promote sustainable primary production and food choices. We reduce the impact of our operations on the climate and the environment. We make sure that our sourcing processes are transparent and sustainable. We ensure that social responsibility is realised throughout the value chain.

#### *Financial objectives*

EBIT > EUR 9.0 million (2023: EUR 7.5 million)

ROCE > 8.0 % (2023: 7.3 %)

The realisation of set strategic objectives is based on regular harvest development and systematic execution of strategic measures.

## OPERATING ENVIRONMENT

### Factors affecting demand

The value of the retail sales of groceries has continued to grow. Grocery sales increased by 1.9 per cent in January–June. During the same period, grocery prices rose by 0.5 per cent\*. Wholesale food service sales decreased by 2.8 per cent\* in January–June. Demand for vegetable oil products was at the established level.

Consumer consciousness of quality and sustainability as well as valuing domestic products are already established food-related trends. Inflation, that has been decreasing consumer purchasing power and directing consumption to affordable products, has slowed down. According to Statistics Finland (Consumer Price Index, 15 July 2024), food inflation in June 2024 was -0.4 per cent when compared to June last year.

Consumers value products that help make meals quick, easy, diverse and healthy. Interest in comprehensive well-being is also continuing to grow. Apetit's product portfolio is based on plant- and fish-based products that make daily life easier and increase well-being, and the demand for these products is expected to grow

further. The position of Apetit's brand and products remains strong in the retail segment in frozen vegetables, frozen ready meals and vegetable oils.

\*Source: The Finnish Grocery Trade Association

## SUSTAINABLE VALUE CHAIN

Apetit's corporate responsibility is based on sustainable food choices: Through its operations, Apetit wants to contribute to a food supply chain that supports the well-being of people and the environment. Apetit's products are based on domestic ingredients, vegetables and local fish.

In its corporate responsibility programme published in March 2021, Apetit made commitments including a 75 per cent reduction in emissions from its own operations and transitioning to 100 per cent recyclable packaging materials.

Apetit engages in and develops sustainable business in accordance with the objectives specified in the corporate responsibility programme. The key measures taken to support sustainable business are as follows:

### *Energy solutions*

At the Säkylä frozen foods plant, an energy solution based on heat recovery was deployed in late summer 2023. The CO<sub>2</sub> emissions related to the energy use of the frozen foods plant decreased by approximately 10 per cent from 2022 to 2023. In bioenergy production, the use of the side stream which comes with the seed deliveries of turnip rape and rapeseed at the Kantvik vegetable oil milling plant's bioenergy plant has become more efficient. In the first half of 2024, more than 10 per cent of steam production has utilised a side stream.

### *Cultivation development and contract farming*

Through research carried out at Apetit's Räpi experimental farm, Apetit is looking for suitable varieties for changing cultivation conditions, alternatives to chemical plant protection products and seeking ways to improve soil fertility and promote carbon sequestration, for example. Climate change leads to changes in cultivation conditions and increased weather variations. Changing conditions can also increase disease and pest pressures. The improvement of soil fertility aims not only at carbon sequestration but also at the reduction of nutrient runoffs. In plant-related development work, the Räpi farm focuses especially on the cultivation of domestic pulses.

### *Sustainable packaging solutions*

As part of the long-term development of packaging solutions, Apetit is committed to increasing the recyclability of packaging, improving the clarity of recycling indications and instructions on packaging as well as choosing materials manufactured from renewable natural resources where possible. At the end of 2023, the share of recyclable packaging materials was 77 per cent. In the second half of 2024, the Apetit Domestic Peas and Apetit Domestic Spinach and Wok products, for example, will be switched to recyclable packaging. All of Apetit's frozen soups, frozen pizzas and cardboard patty containers will be switched to PEFC-certified cardboard during 2024.

### *Reduction of climate impacts*

All of the electricity used by Apetit Group's production facilities has been generated with wind power. Following the adoption of wind power and the commissioning of the bioenergy plant at the Kantvik vegetable oil milling plant and renewed energy solution of Säkylä plant, Apetit Group's own energy-based CO<sub>2</sub> emissions have decreased by 68 per cent from the comparison year 2019. Apetit has started a survey to set climate emission reduction targets for the entire Apetit value chain.

## Occupational safety

The number of occupational accidents in Apetit Group has increased during the first half of the year. In January-June, there were 9 (1) LTA1 accidents in the Group.

## SEASONALITY OF OPERATIONS

In accordance with the IAS 2 standard, the historical cost of inventories includes a systematically allocated portion of the fixed production overheads. With production focusing on harvest time, raw materials are mainly processed into finished products during the second half of the year when more fixed production overheads are recognized on the balance sheet than the other quarters of the year. Due to this accounting practice, most of the Group's annual profit is accrued during the second half of the year. The timing of end of the harvest season can affect the comparability between financial years. The seasonal nature of profit accumulation is most marked in the Food Solutions segment and in the associated company Sucros, where production reflects the crop harvesting season.

Harvesting seasons also cause seasonal variation in the amount of working capital tied up in operations. Working capital tied up in Oilseed Products is at its highest towards the end of the year and decreases to its lowest in the summer before the next harvest season. As production in the Food Solutions segment is seasonal and follows the harvest period, the working capital tied up in operations is at its highest around the turn of the year in that segment.

## OVERVIEW OF OPERATING SEGMENTS

### Food Solutions

#### Frozen vegetable products and frozen foods

EUR million	4-6/2024	4-6/2023	Change	1-6/2024	1-6/2023	Change	2023
Net sales	16.5	16.7	-1 %	37.0	36.3	2 %	73.7
EBITDA	0.9	0.8	24 %	3.9	3.2	19 %	9.5
Operating result	-0.1	-0.1	-4 %	1.8	1.5	18 %	5.8

#### Financial and operational performance in April-June

Net sales were EUR 16.5 (16.7) million in April-June. In retail trade, net sales were on a par with the comparison period, while in other sales channels, net sales declined slightly. Sales volumes decreased from the comparison period. Volumes declined particularly in exports and industrial sales.

Operating result was EUR -0.1 (-0.1) million. Delivery reliability was at an excellent level during the reporting period.

#### Summary of January-June

The net sales in January-June were EUR 37.0 (36.3) million. Operating result was EUR 1.8 (1.5) million.

Exports accounted for 10 (12) per cent of net sales and were mainly targeted to Sweden and Italy. One of the factors that contributed to the decrease in net sales from exports was frozen pea sales that occurred at different times during the comparison period.

The Food Solutions segment's investments totalled EUR 1.0 (1.6) million and were mainly associated with repairment investments and production efficiency improvements at the Säkylä frozen foods plant.

## Operating environment

The harvest season of Finnish field vegetables has progressed largely as planned. The hot and dry spring posed challenges for the growth of spinach and the first-sown frozen peas, but the harvest outlook is mostly within expectations. The harvest outlook for root vegetables is good before the harvest season. For the current harvest season, the contract cultivation area for frozen peas was increased to 1,800 hectares.

The value of the retail sales of groceries increased by 1.9 per cent in January-June. Wholesale food service sales decreased by 2.8 per cent in January-June. \*

\*Source: Finnish Grocery Trade Association (PTY)

## Oilseed Products

### Vegetable oils and rapeseed expeller

EUR million	4-6/2024	4-6/2023	Change	1-6/2024	1-6/2023	Change	2023
Net sales	20.7	28.5	-27 %	42.5	57.2	-26 %	102.4
EBITDA	1.2	1.8	-34 %	3.8	3.5	7 %	6.2
Operating result	0.7	1.4	-48 %	2.9	2.7	7 %	4.6

### Financial and operational performance in April-June

Net sales in April-June were EUR 20.7 (28.5) million. Net sales declined from the comparison period mainly due to the decrease in the market prices for oilseed plants. Sales volumes declined due to the normal fluctuations between comparison periods.

Operating result was EUR 0.7 (1.4) and decreased from the strong result of the comparison period. Operating result was weakened by lower sales volumes than those of the comparison period.

### Summary of January-June

The net sales in January-June were EUR 42.5 (57.2) million. Operating result was EUR 2.9 (2.7) million.

The sales of the strategically important refined vegetable oil increased by 2 per cent year-on-year.

The main export markets were Norway and Sweden, with exports representing 22 (24) per cent of net sales.

The majority of the small-scale production of the rapeseed ingredient BlackGrain is delivered for production testing by customers as well as Apetit's own product development. The development of BlackGrain in the first half of year has focused on the production process. Measures to start production on the commercial scale are under way.

Investment for the period totalled EUR 1.4 (0.6) million and were mainly associated on the works of the new bottling line being built at the Kantvik oil milling plant.

### Operating environment

According to the Natural Resources Institute Finland's preliminary statistics, the total cultivation area of rapeseed in this growing season is 41,300 hectares, with the share of *Brassica rapa* being 34,000 hectares and that of *Brassica napus* 7,300 hectares. As a whole, this is a decrease of approximately 8 per cent when compared to the previous year. The amount of winter rapeseed sown in the autumn, roughly 5,000 hectares, was lower than last year.

The average total rapeseed cultivation area in the past five years (2019-2023) in Finland has been 37,400 hectares. The conditions during the summer growing season were impaired by the hot and dry weather in the early summer. In addition to weakening growth, the weather conditions increased pest pressure. Apetit's other main procurement areas in the Baltic countries have varying harvests. The southern Baltic countries



have good harvests, while harvest amounts further north are lower than in the previous year. The need for imports throughout the EU will likely increase from last year.

## Group Functions

EUR million	4-6/2024	4-6/2023	1-6/2024	1-6/2023	2023
Net sales	-	-	-	-	-
EBITDA	-0.6	-0.5	-1.2	-1.3	-2.5
Operating result	-0.7	-0.6	-1.4	-1.5	-2.9

Group Functions, consisting of the expenses related to Group management and strategic projects, that are not allocated to the business segments.

Investment in the Group Functions totalled EUR 1.5 (0.4) million and were mainly associated to the new ERP system.

## DISCONTINUED OPERATIONS

### Financial and operational performance in April-June

Net sales in April-June were EUR 0.0 (0.0) million. Operating result was EUR 0.0 (-0.1) million.

The divestment of the Grain Trade business was completed in stages during the first half of 2022.

### Summary of January-June

Net sales amounted to EUR 0.0 (0.0) million. Operating result was EUR 0.0 (-0.0) million.

Investment in the Grain Trade business totalled EUR 0.0 (0.0) million.

# CORPORATE GOVERNANCE

## Corporate Governance Statement and Remuneration Statement

Apetit's Corporate Governance Statement and Remuneration Report were published on 8 March 2024 in connection with the publication of the Annual Report. The statement and report are available on Apetit's website.

## Annual General Meeting 2024

Apetit Plc's Annual General Meeting was held in Säkylä on 11 April 2024.

## Decisions of the Annual General Meeting 2024

### Adoption of the Financial Statements and the resolution on the discharge from liability

The Annual General Meeting adopted the financial statements and the consolidated financial statements for the financial year 1 January - 31 December 2023 and discharged the members of the Supervisory Board and the Board of Directors and the CEO from liability.

### Dividend distribution

The Annual General Meeting decided, in accordance with the Board of Director's proposal, that a dividend of EUR 0.75 per share will be paid for the financial year 2023. The dividend will be paid to shareholders who are registered in the company's share-holder register maintained by Euroclear Finland Ltd on the record date of 15 April 2024. The dividend is paid from 23 April 2024 onwards. No dividend will be paid on shares held by the company.

### Handling of the Remuneration Report for governing bodies

The Annual General Meeting decided, in accordance with the Board of Director's proposal, to adopt the Remuneration Report for 2023 for the governing bodies.

### Processing of the Company's Remuneration Policy

The Annual General Meeting decided, in accordance with the Board of Director's proposal, to approve Apetit Plc's Remuneration Policy.

### Resolution of the number of the members of the Supervisory Board

The Annual General Meeting decided that the Supervisory Board will have 16 members elected by the Annual General Meeting.

### Resolution of the remuneration of members of the Supervisory Board

The Annual General Meeting decided, in accordance with the Supervisory Board's Nomination Committee's proposal, that the remuneration remain unchanged. The monthly fee paid to the Supervisory Board's chairman is EUR 1,000, and to the deputy chairman EUR 665. The meeting allowance paid to the members of the Supervisory Board and the members of the Supervisory Board's Nomination Committee is EUR 300. In addition, compensation for travelling expenses are paid in accordance with the general travel rules of Apetit Plc.

### Election of the members of the Supervisory Board

5 persons were appointed as re-elected to replace members of the Supervisory Board completing their term and 2 persons were elected as new members.

The Annual General Meeting decided to re-elect Kirsi Ahlgren, Nicolas Berner, Harri Eela, Jari Nevavuori ja Markku Pärssinen and to elect Jonas Laxåback and Marja-Leena Siiri as a new member to the Supervisory Board. Markku Pärssinen and Jonas Laxåback were exceptionally elected for a term of one year in order to level out the separation turns.

### Election of the members of the Supervisory Board's Nomination Committee

Nicolas Berner was re-elected as the member of the Supervisory Board's Nomination Committee and Jari Laaninen was elected as a new member of the Supervisory Board's Nomination Committee.

## **The election of the auditors and remuneration**

In accordance with the Board of Director's proposal two auditors were elected for the company. Ernst & Young Oy authorized public accountants, with Erika Grönlund, APA as the auditor with principal responsibility and Osmo Valovirta, APA were re-elected as auditors. The auditors were elected until the end of the 2025 Annual General Meeting. The auditors' fees were decided to be paid in accordance with an invoice approved by the company.

## **Authorizing the Board of Directors to decide on the repurchase of Company's own shares**

In accordance with the Board of Director's proposal the Annual General Meeting decided to authorize the Board of Directors to decide on the repurchase of a maximum of 80,000 (eighty thousand) of the company's own shares using the unrestricted equity of the company representing about 1,27 per cent of all the shares in the company. The authorization includes the right to accept company's own shares as a pledge.

The authorization is valid until the closing of the Annual General Meeting 2025, however no longer than until 31 May 2025. The authorization replaces the earlier authorization for repurchasing the Company's shares given on 13 April 2023.

## **Amendment of the Articles of Association**

The Annual General Meeting decided to approve the amendments of the Articles of Association. In accordance with the proposal, Articles 2, 3, 4, 7, 8, 9, 10, 11 and 12 of the Articles of Association were amended and a new Article 8 was added to the Articles of Association.

The essential change in the new Articles of Association is that the Annual General Meeting will elect the Board of Directors, the Chair, and the Deputy Chair of the Board of Directors.

## **SHARES AND SHARE OWNERSHIP**

### **Shares, share capital and trading**

The shares of Apetit Plc are all in one series. All shares carry the same voting and dividend rights. The Articles of Association specify that the number of votes a shareholder is entitled to exercise cannot exceed one tenth of the votes represented at a general meeting. At both the beginning and the end of the review period, the total number of shares issued by the company stood at 6,317,576, and the registered share capital totalled EUR 12,635,152. In accordance with the decision made by the Annual General Meeting on 11 April 2024, the sections concerning the nominal value of the share and the minimum and maximum amount of share capital have been removed from the Articles of Association.

### **Treasury shares**

At the end of the review period, the company held a total of 109,273 treasury shares. These treasury shares represent 1.7 per cent of the company's total number of shares and votes. The company's treasury shares carry no voting or dividend rights.

### **Share price and trading**

The number of Apetit Plc shares traded on the stock exchange during the review period was 196,297 (258,493), representing 3.1 (4.1) per cent of the total number of shares. The highest share price quoted was EUR 15.00 (13.50) and the lowest was EUR 12.50 (10.10). The average price of shares traded was EUR 13.63 (12.12). The share turnover for the period was EUR 2.7 (3.1) million. At the end of the review period, the market capitalisation was EUR 88.4 (76.4) million.

## **MANAGERS' TRANSACTIONS**

Apetit's managers' transactions related to Apetit's securities during the review period have been published as stock exchange releases and can be read on the company's website.

## **SHORT-TERM RISKS AND UNCERTAINTIES**

The most significant short-term risks for Apetit Group are related to the management of raw material price changes, the availability of raw materials, the harvest quality and quantity of oilseed plants and field vegetables, the functioning of the financing markets, the solvency of customers as well as consumer purchasing power, the delivery performance of suppliers and service providers, and changes in the Group's business areas and customer relationships.

## **MATERIAL EVENTS AFTER THE END OF THE REVIEW PERIOD**

The Group had no material events after the end of the review period.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR million	4-6 2024	4-6 2023	1-6 2024	1-6 2023	1-12 2023
<b>Continuing Operations</b>					
<b>NET SALES</b>	<b>37.0</b>	45.0	<b>79.2</b>	93.2	175.5
Other operating income	0.3	0.3	0.7	0.5	1.2
Material and services	-26.0	-34.0	-53.5	-68.8	-121.4
Employee benefits expense	-4.7	-4.5	-9.5	-9.4	-20.9
Depreciation and amortisation	-1.6	-1.4	-3.2	-2.8	-5.7
Impairment	-	-	-	-	-0.0
Other operating expenses	-5.0	-4.7	-10.4	-10.0	-21.1
<b>OPERATING RESULT</b>	<b>-0.1</b>	0.7	<b>3.3</b>	2.7	7.5
Financial income	0.1	0.1	0.2	0.2	0.5
Financial expenses	-0.2	-0.2	-0.5	-0.3	-0.8
Share of profit/loss accounted for using the equity method	0.3	0.5	-0.3	0.9	4.0
<b>PROFIT/LOSS BEFORE TAX</b>	<b>0.0</b>	1.0	<b>2.6</b>	3.4	11.3
Tax on income from operations	0.0	-0.2	-0.6	-0.6	-1.5
<b>Profit/loss from continuing operations</b>	<b>0.1</b>	0.8	<b>2.0</b>	2.8	9.8
<b>Discontinued Operations</b>					
Profit/loss from discontinued operations	-	-0.0	-	-0.0	-0.0
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>0.1</b>	0.8	<b>2.0</b>	2.8	9.7
<b>Basic earnings per share calculated on profit attributable to equity holders of the parent</b>					
Continuing operations	0.01	0.14	0.32	0.45	1.56
Discontinued operations	-	-0.00	-	-0.00	-0.00
<b>To the shareholders of the parent company</b>	<b>0.01</b>	0.14	<b>0.32</b>	0.45	1.56
<b>Diluted earnings per share calculated on profit attributable to equity holders of the parent</b>					
Continuing operations	0.01	0.14	0.32	0.45	1.56
Discontinued operations	-	-0.00	-	-0.00	-0.00
<b>To the shareholders of the parent company</b>	<b>0.01</b>	0.13	<b>0.32</b>	0.45	1.55
<b>Other comprehensive income:</b>					
Exchange differences on translating foreign operations	-	0.0	-	0.0	0.1
Cash flow hedges	-0.1	1.7	-0.0	0.9	0.9
<b>Items that may be reclassified subsequently to profit or loss</b>	<b>-0.1</b>	1.7	<b>-0.0</b>	1.0	1.0
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>-0.0</b>	2.6	<b>2.0</b>	3.8	10.7

Total comprehensive income attributable to:

Owners of the parent company	-0.0	2.6	2.0	3.8	10.7
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**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

EUR million

	30.6.2024	30.6.2023	31.12.2023
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Intangible assets	4.5	1.7	2.9
Goodwill	0.4	0.4	0.4
Property, plant, equipment	38.7	37.3	38.8
Right-of-use assets	7.3	1.7	8.0
Shares in associated companies	19.7	21.0	22.8
Other non-current financial assets	0.9	0.4	0.5
Non-current trade and other receivables	0.0	-0.0	0.0
Deferred tax assets	1.3	2.4	1.5
<b>NON-CURRENT ASSETS</b>	<b>72.8</b>	<b>64.9</b>	<b>74.9</b>
<b>CURRENT ASSETS</b>			
Inventories	29.6	25.9	34.8
Trade receivables and other receivables	5.7	5.7	7.4
Cash and cash equivalents	13.7	16.4	14.0
<b>CURRENT ASSETS</b>	<b>49.1</b>	<b>48.0</b>	<b>56.2</b>
<b>ASSETS</b>	<b>121.9</b>	<b>112.8</b>	<b>131.1</b>
	<b>30.6.2024</b>	<b>30.6.2023</b>	<b>31.12.2023</b>
<b>EQUITY AND LIABILITIES</b>			
Owners of the parent company	100.5	96.8	103.5
<b>EQUITY</b>	<b>100.5</b>	<b>96.8</b>	<b>103.5</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities	-0.0	0.0	0.0
Non-current liabilities, interest-bearing	5.8	0.9	6.5
Liabilities from defined benefit plan	0.2	0.2	0.2
<b>NON-CURRENT LIABILITIES</b>	<b>6.0</b>	<b>1.1</b>	<b>6.7</b>
<b>CURRENT LIABILITIES</b>			
Current interest-bearing liabilities	1.6	0.9	1.6
Trade Payables and Other Liabilities	13.7	14.1	19.3
<b>CURRENT LIABILITIES</b>	<b>15.3</b>	<b>14.9</b>	<b>20.9</b>
<b>LIABILITIES</b>	<b>21.4</b>	<b>16.0</b>	<b>27.6</b>
<b>EQUITY AND LIABILITIES</b>	<b>121.9</b>	<b>112.8</b>	<b>131.1</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

EUR million	1-6/2024	1-6/2023	1-12/2023
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>2.0</b>	2.8	9.7
Adjustments to cash flow from operating activities	4.4	2.6	3.4
Working capital changes	1.2	2.4	-3.1
Interest paid	-0.4	-0.2	-0.6
Interest received	0.1	0.1	0.3
Other financial items from business operations	-0.1	-0.0	-0.1
Income taxes paid	-0.4	-0.0	-0.0
<b>Net cash from operating activities</b>	<b>6.8</b>	<b>7.7</b>	<b>9.7</b>
Purchase of tangible and intangible assets	-4.0	-2.5	-7.5
Proceeds from sale of tangible and intangible assets	0.2	-	0.0
Proceeds from sales of business operations	-	-	0.0
Purchase of investments	-0.4	-0.1	-0.2
Proceeds from disposal of discontinued operations	-	-	0.0
Dividends received	2.8	0.0	1.3
<b>Net cash used in investing activities</b>	<b>-1.4</b>	<b>-2.6</b>	<b>-6.4</b>
Purchase of treasury shares	-0.4	-	-0.2
Proceeds from sale of treasury shares	-	0.1	0.1
Addition / deduction of current borrowings	0.0	-	0.0
Payment of lease liabilities	-0.7	-0.4	-1.0
Dividends paid	-4.7	-3.1	-3.1
Addition / deduction of cash equivalents	0.1	-	0.1
<b>Net cash used in financing activities</b>	<b>-5.6</b>	<b>-3.5</b>	<b>-4.1</b>
<b>Net change in cash and cash equivalents</b>	<b>-0.3</b>	<b>1.6</b>	<b>-0.8</b>
Cash and cash equivalents at the beginning of the period	14.0	14.8	14.8
Cash and cash equivalents at the end of the period	13.7	16.4	14.0

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

A = Share capital  
 B = Share premium  
 C = Invested non-restricted equity capital  
 D = Treasury shares  
 E = Fair value reserve  
 F = Other reserves  
 G = Translation differences  
 H = Retained earnings  
 I = Total equity

### 1-6/2024

EUR million	A	B	C	D	E	F	G	H	I
<b>Equity 1.1.</b>	12.6	23.4	0.2	-1.2	-0.1	7.2	-	61.4	103.5
Profit/loss for the period	-	-	-	-	-	-	-	2.0	2.0
Cash flow hedges	-	-	-	-	-0.0	-	-	-	-0.0
<b>Comprehensive income</b>	-	-	-	-	-0.0	-	-	2.0	2.0
Dividend distribution	-	-	-	-	-	-	-	-4.7	-4.7
Share-based payments	-	-	-	-0.4	-	-	-	0.0	-0.3
<b>Muutokset yhteensä</b>	-	-	-	-0.4	-0.0	-	-	-2.6	-3.0
<b>Equity 30.6.</b>	12.6	23.4	0.2	-1.6	-0.2	7.2	-	58.8	100.5

### 1-6/2023

EUR million	A	B	C	D	E	F	G	H	I
<b>Equity 1.1.</b>	12.6	23.4	0.1	-1.1	-1.1	7.2	-0.0	54.9	96.0
Profit/loss for the period	-	-	-	-	-	-	-	2.8	2.8
Cash flow hedges	-	-	-	-	0.9	-	-	-	0.9
Translation differences	0.0	-	-	-	-	-	0.0	-0.0	0.0
<b>Comprehensive income</b>	0.0	-	-	-	0.9	-	0.0	2.8	3.8
Dividend distribution	-	-	-	-	-	-	-	-3.1	-3.1
Share-based payments	-	-	0.1	0.2	-	-	-	0.0	0.3
Other changes	-0.0	-	-	-	-	-	-	-0.2	-0.2
Changes in equity total	0.0	-	0.1	0.2	0.9	-	0.0	-0.4	0.8
<b>Equity 30.6.</b>	12.6	23.4	0.2	-1.0	-0.1	7.2	0.0	54.4	96.8

## ACCOUNTING PRINCIPLES

The Interim report has been prepared in accordance with the IAS 34-standard (Interim Financial Reporting). The accounting policies adopted are consistent with those described in the annual financial statements for 2023.



## SEGMENT INFORMATION

A = Food solutions  
 B = Oilseed products  
 C = Group Functions  
 D = Continuing Operations  
 E = Discontinued Operations  
 F = Apetit Group

### 1-6/2024

EUR million	A	B	C	D	E	F
Segment net sales	37.0	42.5	-	79.5	-	79.5
Intra-group net sales	-0.0	-0.3	-	-0.3	-	-0.3
Net sales	36.9	42.3	-	79.2	-	79.2
Operating result	1.8	2.9	-1.4	3.3	-	3.3
Gross investments in non-current assets	1.0	1.4	1.5	4.0	-	4.0
Business acquisitions and other investments	-	-	0.4	0.4	-	0.4
Depreciation and amortisation	2.1	0.9	0.2	3.2	-	3.2
Personnel, FTE	232	52	15	298	-	298

### 1-6/2023

EUR million	A	B	C	D	E	F
Segment net sales	36.3	57.2	-	93.5	-	93.5
Intra-group net sales	-0.0	-0.3	-	-0.3	-	-0.3
Net sales	36.3	56.9	-	93.2	-	93.2
Operating result	1.5	2.7	-1.5	2.7	-0.1	2.6
Gross investments in non-current assets	1.6	0.6	0.4	2.5	-	2.5
Business acquisitions and other investments	0.1	-	-	0.1	-	0.1
Depreciation and amortisation	1.7	0.8	0.2	2.8	-	2.8
Personnel, FTE	228	50	13	291	-	291

## DISCONTINUED OPERATIONS

Discontinued operations includes the Grain Trading business unit, which was classified as a discontinued operation in March 2022. On March 23, 2022, Apetit announced that it had agreed to sell Avena's domestic grain trading business and the grain warehouses and port operations located in Finland to Berner Ltd. The transaction was completed on May 31, 2022. Already on December 28, 2021, Apetit announced that its subsidiary Avena Nordic Grain had agreed to sell the Baltic operations of the Grain Trade business unit to the Scandagra Group, including the business of Avena's Estonian and Lithuanian companies. The transaction with Scandagra Group was completed in March 2022.

### Result from discontinued operations

EUR million	1-6/2024	1-6/2023	1-12/2023
Income	-	-	-
Expenses	-	-0.1	-0.1
Operating result	-	-0.1	-0.1
Financial income and expense	-	-0.0	-0.0
Profit before taxes	-	-0.1	-0.1
Income taxes	-	0.1	0.1
Profit for the period, discontinued operations	-	-0.0	-0.0

### Cash flow

EUR million	1-6/2024	1-6/2023	1-12/2023
Net cash from operating activities	-	-0.0	-0.0
Net cash used in investing activities	-	-	-
Net cash used in financing activities	-	0.0	0.0
Net change in cash and cash equivalents	-	-	-

## GROUP KEY INDICATORS

	1-6/2024	1-6/2023	1-12/2023
Shareholders' equity per share, EUR	16.19	15.48	16.60
Equity ratio, %	82.5	85.8	78.9
Net gearing, %	-6.2	-15.2	-5.7
Gross investments in non-current assets, EUR million	4.0	2.5	7.5
Personnel, FTE	298	291	298
Average adjusted number of shares	6,213,528	6,249,508	6,250,366

The formulas for the key indicators are presented in the 2023 annual financial statements.

## COLLATERAL, CONTINGENT LIABILITIES, CONTINGENT ASSETS AND OTHER COMMITMENTS

EUR million	30.6.2024	30.6.2023	31.12.2023
<b>Pledges given for debts</b>			
Guarantees	2.2	2.2	2.2
<b>Binding agreements not recognised in the balance sheet</b>			
Within one year	0.9	0.5	0.8
After one year but not more than five years	2.5	0.5	2.7
Total	3.3	1.0	3.5
<b>Nominal values of derivative instruments</b>			
Commodity derivatives, cash flow hedge accounting	19.2	19.0	20.2
<b>Investment commitments</b>			
Food Solutions	0.8	2.4	1.1
Oilseed Products	2.8	0.9	2.2
Group Functions	0.8	-	1.7

## CHANGES IN TANGIBLE ASSETS

EUR million	1-6/2024	1-6/2023	1-12/2023
Book value at the beginning of the period	46.9	39.7	39.7
Additions	2.2	1.9	12.6
Disposals	-0.0	-	-0.3
Depreciation, amortisation and impairment	-3.0	-2.6	-5.4
Other changes	-	-	0.2
Book value at the end of the period	46.0	39.0	46.9

Tangible assets include right-of-use items in accordance with IFRS16

## RELATED PARTY TRANSACTIONS

EUR million	1-6/2024	1-6/2023	1-12/2023
Sales to associated companies	0.8	0.2	0.9
Purchases from associated companies	0.5	1.4	2.2
Trade receivables and other receivables from associated companies	0.1	0.0	0.2
Trade payables and other liabilities to associated companies	0.2	0.3	0.2

Helsinki, 14 August 2024

APETIT PLC

Board of Directors