



Atria Plc

Financial statement release 2022

1 January - 31 December 2022

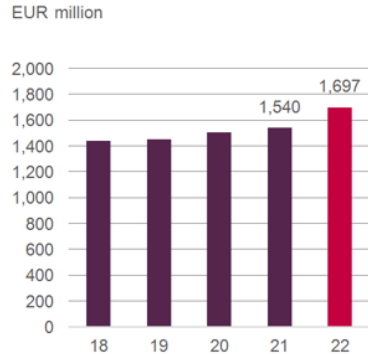
ATRIA

Good food – better mood.

Strong growth and stable results for Atria

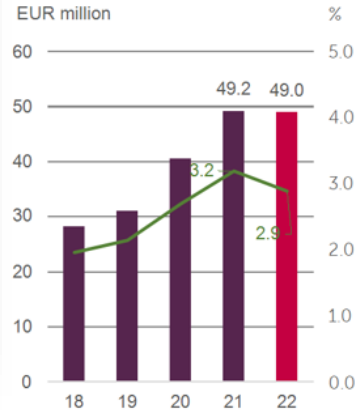
Net sales EUR 1696.7 million

The group's net sales were EUR 1696.7 million, which was EUR 156.5 million more than in 2021.



Adjusted EBIT EUR 49.0 million

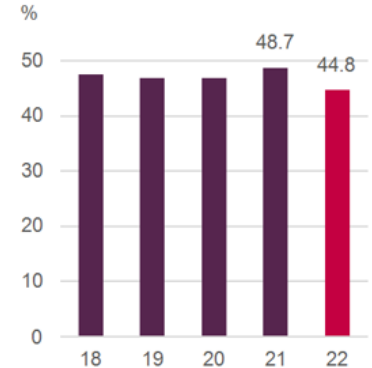
The group's adjusted EBIT was EUR 49.0 million, which was EUR 0.2 million less than in 2021.



Adjusted EPS



Equity ratio



Atria Group 1 January – 31 December 2022

	Q4	Q4	Q1 - Q4	Q1 - Q4
EUR million	2022	2021	2022	2021
Net sales	451.2	403.6	1,696.7	1,540.2
Adjusted EBIT	16.7	10.3	49.0	49.2
Adjusted EBIT, %	3.7 %	2.5 %	2.9 %	3.2 %
Items affecting comparability of EBIT:				
Impairment of goodwill and brands	-51.1	0.0	-51.1	0.0
Refund of employment pension contribution	0.0	2.3	1.3	2.3
Sale of real estate in Malmö	-0.1	0.0	9.7	0.0
Effect of the sale of subsidiaries	0.0	0.0	-8.8	-45.1
EBIT	-34.5	12.6	0.1	6.4
EBIT, %	-7.6 %	3.1 %	0.0 %	0.4 %

October-December 2022

- Group net sales increased due to stable retail and Foodservice sales volumes and sales price increases. Net sales grew in all sales channels.
- The increase in EBIT is resulted from improved net sales, which strengthened the EBIT especially in Finland.
- The costs of raw materials, supplies, energy and external services were significantly higher than in the comparison period.

January-December 2022

- Net sales increased as a result of sales price increases and stable retail, Foodservice and feed sales volumes. Net sales strengthened in all sales channels except exports, which were affected by a reduction in export volumes to China.
- Higher costs weighed on the Group's EBIT.
- The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.70 (EUR 0.63) be paid for each share for the 2022 financial period.

Items affecting the comparability of EBIT

EUR million	Q4		Q4	
	2022	2021	2022	2021
Effect on cash flow:				
Refund of employment pension contribution	0.0	2.3	1.3	2.3
Sale of real estate in Malmö	-0.1		9.7	
Sale of Sibylla RUS	0.0		1.9	
Total	-0.1	2.3	12.9	2.3
No effect on cash flow:				
Impairment of intangible assets				
Impairment of goodwill	-35.0		-35.0	
Impairment of trademarks	-16.1		-16.1	
Accumulated translation differences related to sold subsidiaries				
Sibylla RUS	0.0		-10.7	
Pit-Product				-45.1
Total	-51.1	0.0	-61.8	-45.1
Items affecting comparability total	-51.2	2.3	-48.9	-42.8

Sustainability Q4/2022

- The Science Based Targets Initiative (SBTi) has officially approved Atria's emission reduction targets.
- The Atria feed plant in Koskenkorva, Ilmajoki, is investing in new technology for drying barley feed. The investment will bring energy savings of more than 85% compared to the previous equipment.
- Atria was one of the first companies to join the food industry's material efficiency commitment in 2019 and is continuing its commitment in the new operating period 2022–2026.



Atria Finland 1 January – 31 December 2022

	Q4	Q4	Q1 - Q4	Q1 - Q4
EUR million	2022	2021	2022	2021
Net sales	344.4	293.2	1,265.3	1,105.7
EBIT	20.3	10.6	49.4	48.1
EBIT, %	5.9 %	3.6 %	3.9 %	4.4 %

- **In October-December 2022**, sales price increases strengthened net sales.
- Net sales increased in all sales channels except in export.
- Cost inflation has affected consumer behaviour.
- The increase in EBIT was driven by higher net sales, an improved sales structure and improved efficiency
- The costs of raw materials, supplies, energy and external services were significantly higher than in the comparison period.
- **In January-December**, the increase in net sales was driven by stable sales volumes and sales price increases.
- The growth of Foodservice sales was boosted by the lifting of the COVID-19 restrictions on restaurants from the beginning of March.
- Producer prices for meat were markedly higher year-on-year.
- Atria's organisation has been cost-effective and operations undisrupted.
- Exports decreased slightly in value compared to the previous year.
- In January 2022, Atria Finland received a licence to export poultry products to South Korea.
- In December, Atria received a licence to export beef to Japan. Exports are expected to start in summer 2023.

Atria Finland

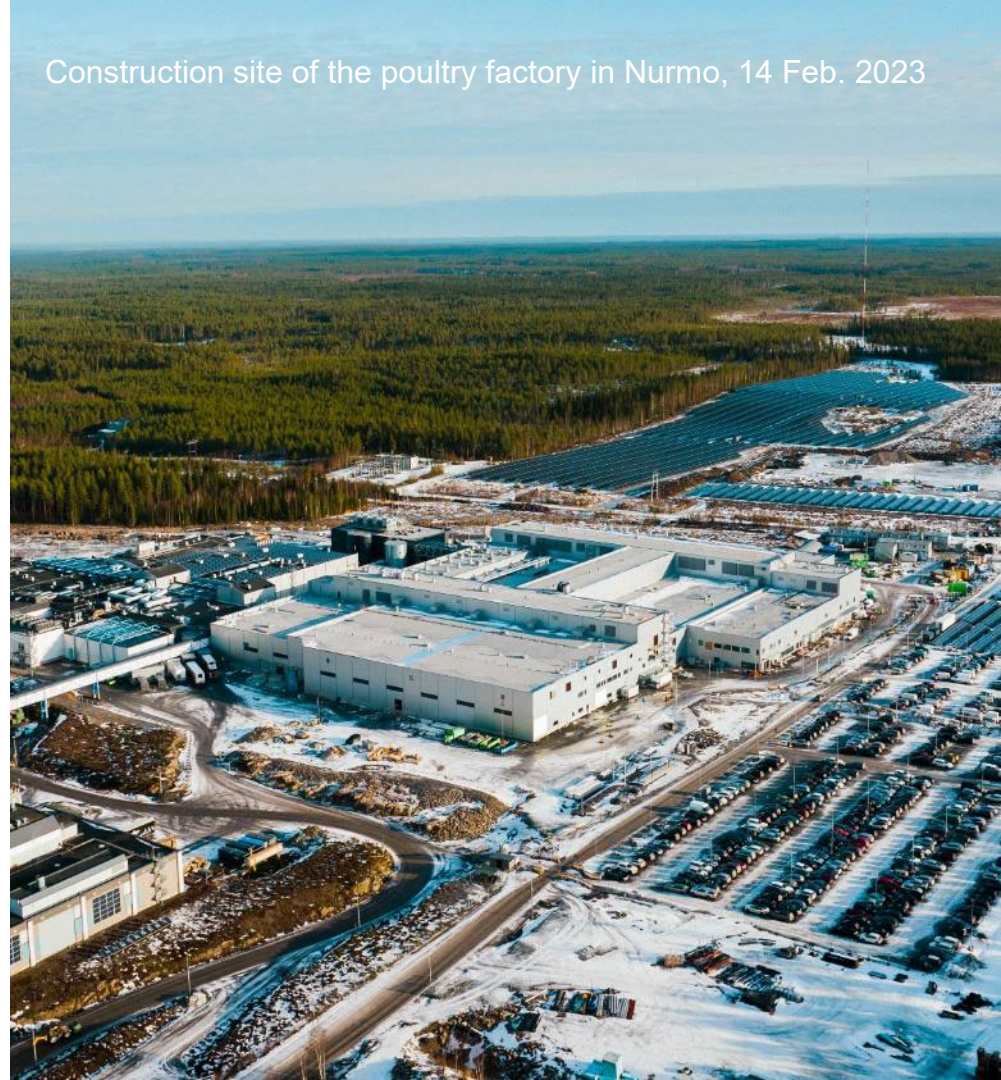
- In Q4/2022 consumer prices increased in the product groups represented by Atria.
- Value increased and volume contracted: The retail market in the product groups where Atria operates grew by 11.7 % in value, while the Foodservice market grew by 16.0 %. In terms of volume, the retail market contracted by 1.5 %.
- The growth in the consumption of convenience food did not stop, 2.5 % in volume and 12.6 % in value.
- In Q4/2022 Atria's supplier share of the retail market was 27.6 %.
- Atria's supplier share of the Foodservice market in October-December was 21.6 %, the market grew in all product groups.
- In January–December, the retail market for Atria's product groups grew by a total of 6.7 % in value. Atria's share of the retail market for the product groups it represents was 25.1 % and 21 % in the Foodservice market.

(Source: Atria's market outlook, retail market 10-12/2022, Foodservice market 9–11/2022)



Atria Finland

- Atria centralises its poultry production at the Nurmo plant and the Sahalahti plant will be closed during 2024.
- The aim is to improve the profitability of poultry business, increase the efficiency of industrial operations and achieve total annual savings of around EUR 5 million.
- The construction of the new poultry plant is progressing according to plan.



Atria Finland

- Atria acquired 51 % of the shares in Ab Korv-Görans Kebab Oy in December.
- Korv-Görans Kebab is Atria's longstanding partner as a contract manufacturer of kebab slices, cooked chicken products and other meat products made from Finnish raw materials.
- Atria's aim is to strengthen its position in the convenience food and Foodservice market.



Atria Sweden 1 January – 31 December 2022

	Q4	Q4	Q1 - Q4	Q1 - Q4
EUR million	2022	2021	2022	2021
Net sales	86.3	92.7	356.2	351.7
Adjusted EBIT	-0.9	0.6	2.3	2.7
Adjusted EBIT, %	-1.0 %	0.7 %	0.7 %	0.8 %

- **In October-December 2022**, the growth of net sales in local currencies, excluding the Russian fast-food business, was 12.5%.
- The high raw-material, transport and energy costs brought down EBIT.
- **In January-December**, the growth of net sales in local currencies, excluding the Russian fast-food business, was 15.4%.
- Sales price increases increased net sales.
- The sales of Foodservice products have increased in step with the lifting of the COVID-19 restrictions.
- EBIT was weighed down by higher costs
- As a result of inflation, consumers' purchasing power has weakened.

Atria Sweden 1 January – 31 December 2022

	Q4	Q4	Q1 - Q4	Q1 - Q4
EUR million	2022	2021	2022	2021
Net sales	86.3	92.7	356.2	351.7
Adjusted EBIT	-0.9	0.6	2.3	2.7
Adjusted EBIT, %	-1.0 %	0.7 %	0.7 %	0.8 %
Items affecting comparability of EBIT				
Impairment of goodwill and brands	-51.1	0.0	-51.1	0.0
Refund of employment pension contribution	0.0	2.3	1.3	2.3
Sale of real estate in Malmö	-0.1	0.0	9.7	0.0
EBIT	-52.1	2.9	-37.8	5.0
EBIT, %	-60.4 %	3.2 %	-10.6 %	1.4 %

- EBIT includes a total impairment of EUR -51.1 million (no cash flow impact):
 - Goodwill write-down of EUR -35.0 million
 - Brand write-down of EUR -16.1 million.
 - High inflation affecting consumer behaviour, the discontinuation of fast food operations in Russia and higher market interest rates have reduced the present value of Atria Sweden's cash flow projections. Atria Sweden's cash flow projections have previously included Sibylla Rus LLC, which operated in Russia. The market interest rates included in the discount rate used to calculate the present value of the projected cash flows have increased by approximately 2 percentage points.
 - Atria Sweden is discontinuing 4 brands (Charkdelikatesser, Pastejköket, Onsala, Lagerbergs) and transferring most of the products from these brands to the growing Lönneberga and Lithells brands.
- EBIT includes:
 - EUR +9.7 million sales gain on the sale of the industrial property in Malmö
 - EUR +1,3 million refund of employment pension contribution

Atria Sweden

- In January–December, the sales value of Atria's product groups in the Swedish retail sector increased:
 - The sausage market +4.1 %
 - The cold cuts market +3.6 %
 - The poultry products market +6.3 %
- Atria's year-on-year market shares in retail strengthened in all the product groups represented by the company.
- Atria's supplier share was 20.3 % in sausages, 13.3 % in cold cuts and 19.1 % in fresh chicken products. (Source: AC Nielsen).
- The construction project for new production facilities at the Sköllersta factory in Örebro is progressing on schedule. Part of the production of cold cuts at the Malmö plant was transferred to the Horsens plant in Denmark in October. The remainder of the Malmö plant's production will be transferred to Sköllersta by autumn 2023.



Atria Denmark & Estonia 1 January – 31 December 2022

	Q4	Q4	Q1 - Q4	Q1 - Q4
EUR million	2022	2021	2022	2021
Net sales	29.4	26.4	112.9	104.9
EBIT	-0.9	0.0	1.2	5.1
EBIT, %	-3.2 %	0.0 %	1.1 %	4.9 %

- **In October-December 2022**, Atria's net sales in Estonia grew by approximately 24% year-on-year as a result of increases in sales prices and sales volumes.
- In Denmark, net sales strengthened slightly, driven by sales price increases.
- EBIT was weighed down by a sharp increase in energy and raw material costs.
- Consumers are now clearly favouring products in lower price categories.
- The transfer of cold cuts production from Malmö to the Horsens plant in Denmark in October resulted in additional costs.
- **In January-December**, the increase in net sales resulted from higher sales prices in both Estonia and Denmark.
- EBIT was weighed down by record-high raw material, commodity costs and additional cost caused by the transfer of the production lines.

Atria Denmark & Estonia

- In 2022, Atria's total market share in the Estonian retail market in its product groups was 18.7 % in terms of value. This represents an increase of about one percentage point compared to the total market share in the previous year.
- Atria's sales to Foodservice customers have returned to the pre-pandemic level of 2019.
- High inflation has weakened consumer purchasing power.
- In Denmark, Atria's share of the retail market in cold cuts fell to 16 % in terms of value in 2022.



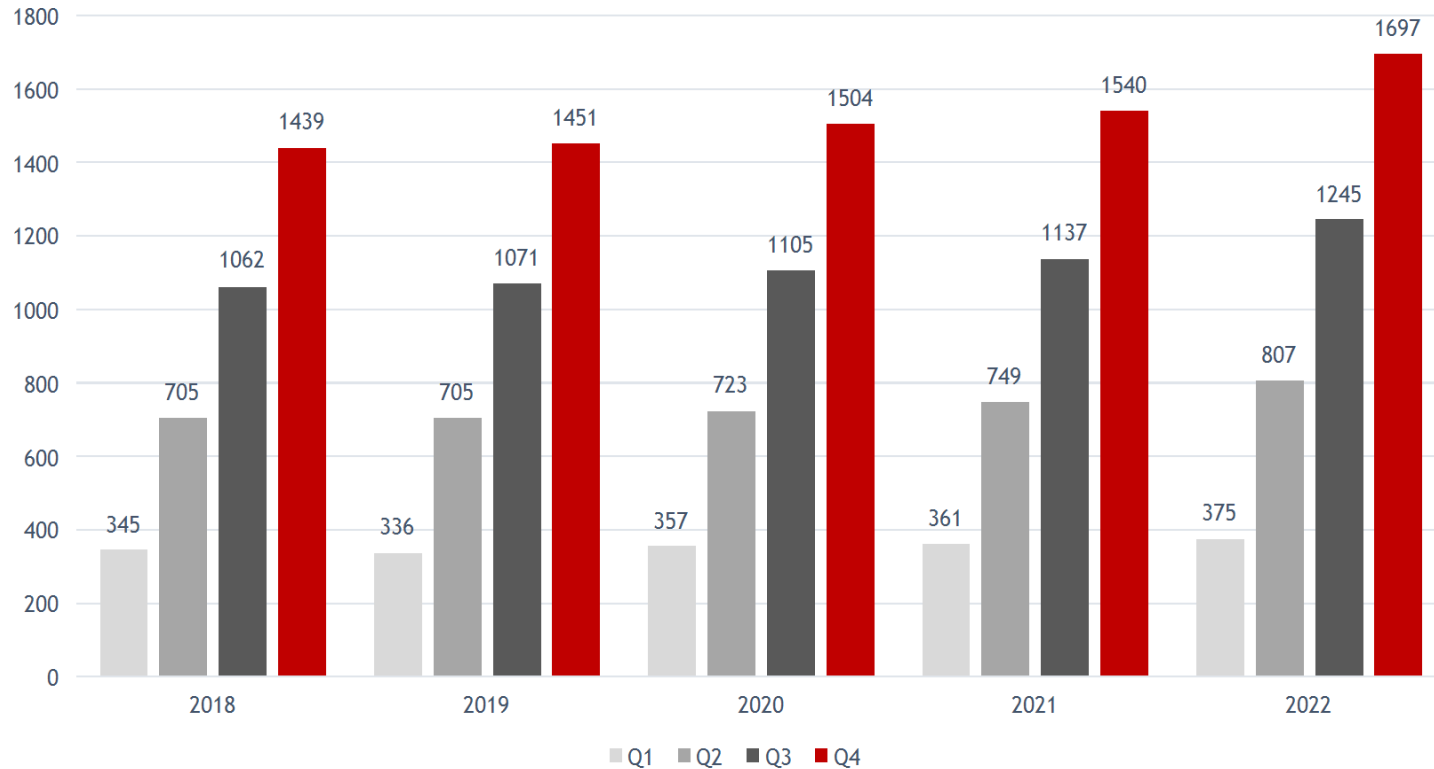


Financial development

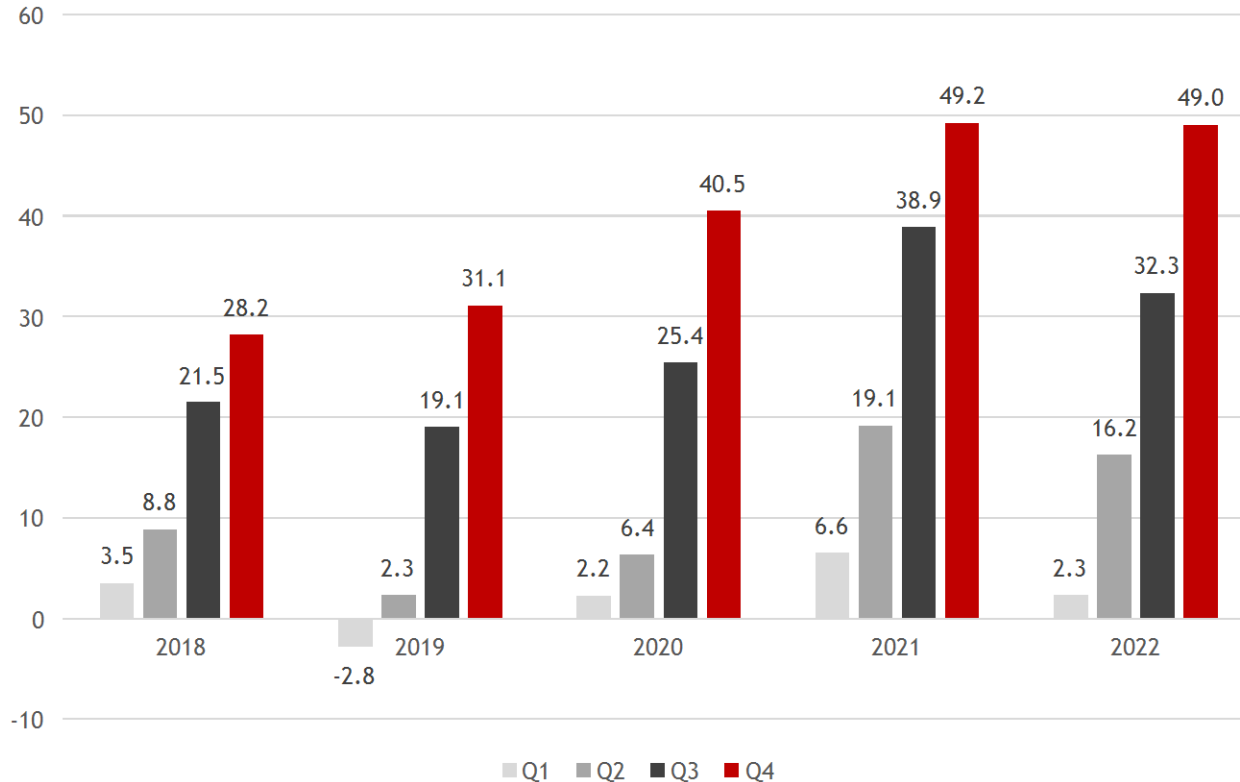
"Atria and its customers reacted to the change in the market situation immediately after Russia invaded Ukraine. If our customers had not agreed to the renegotiations and price increases, the situation would have become very difficult, especially for primary production."

Juha Gröhn, CEO

Atria Group Net Sales cumulative, EUR million



Atria Group adjusted EBIT cumulative, EUR Million



Atria Group Financial indicators

1 January – 31 December 2022

EUR million	31.12.2022	31.12.2021
Shareholders' equity per share EUR	15.90	16.08
Interest-bearing liabilities	265.7	209.9
Equity ratio, %	44.8 %	48.7 %
Net gearing, %	50.5 %	32.6 %
Gross investments	131.4	55.5
% of net sales	7.7 %	3.6 %
Average FTE	3,698	3,711

- Consolidated interest-bearing net liabilities on 31 December 2022 amounted to EUR 234.7 million (31/12/2021: EUR 152.6 million).
- Equity ratio at the end of the review period was 44.8% (31/12/2021: 48.7%).
- Equity increased due to a change in the fair value of interest rate and electricity derivatives employed as hedging, which amounted to EUR +19.0 million during the period (EUR +5.7 million).
- The Group's liquidity during the review period remained good.
- On 31 December 2022, the Group had undrawn committed credit facilities worth EUR 85.0 million (31/12/2021: EUR 85.0 million).
- The average maturity of loans and committed credit facilities at the end of the period under review was 4 years 1 month (31/12/2021: 4 years 11 months).
- At the end of the financial year, the share of the group's fixed interest rate debt of the entire loan portfolio was 25.7 percent (December 31, 2021: 17.0%).

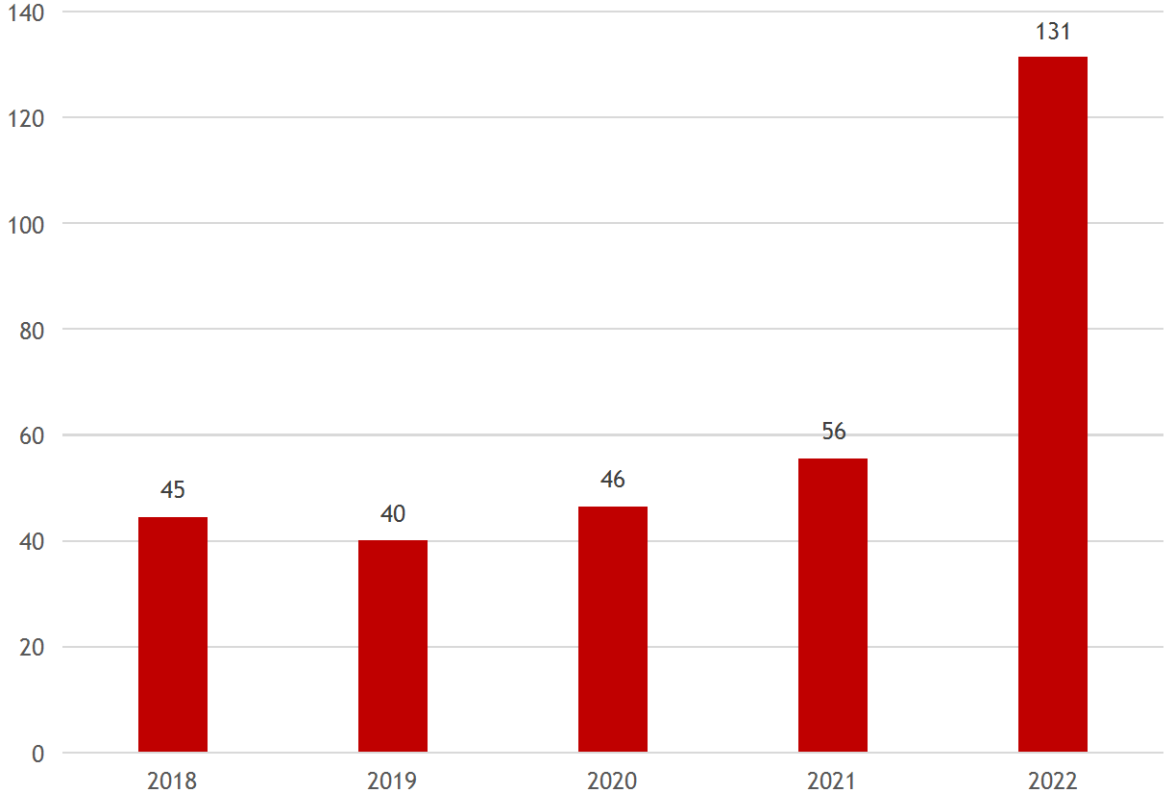
Atria Group Income statement

EUR million	10-12/2022	10-12/2021	1-12/2022	1-12/2021
NET SALES	451.2	403.6	1,696.7	1,540.2
Costs of goods sold	-402.5	-359.5	-1,528.2	-1,363.7
GROSS PROFIT	48.7	44.1	168.5	176.5
<i>% of Net sales</i>	10.8 %	10.9 %	9.9 %	11.5 %
Other income	0.8	3.4	16.4	6.0
Other expenses	-84.1	-34.8	-184.8	-176.2
EBIT	-34.5	12.6	0.1	6.4
<i>% of Net sales</i>	-7.6 %	3.1 %	0.0 %	0.4 %
Finance income and costs	-1.5	-0.9	-3.4	-4.9
Income from joint ventures and associates	-0.8	0.6	4.9	3.4
PROFIT BEFORE TAXES	-36.8	12.3	1.7	4.8
Income taxes	0.2	-2.2	-5.5	-10.2
PROFIT FOR THE PERIOD	-36.6	10.1	-3.9	-5.4

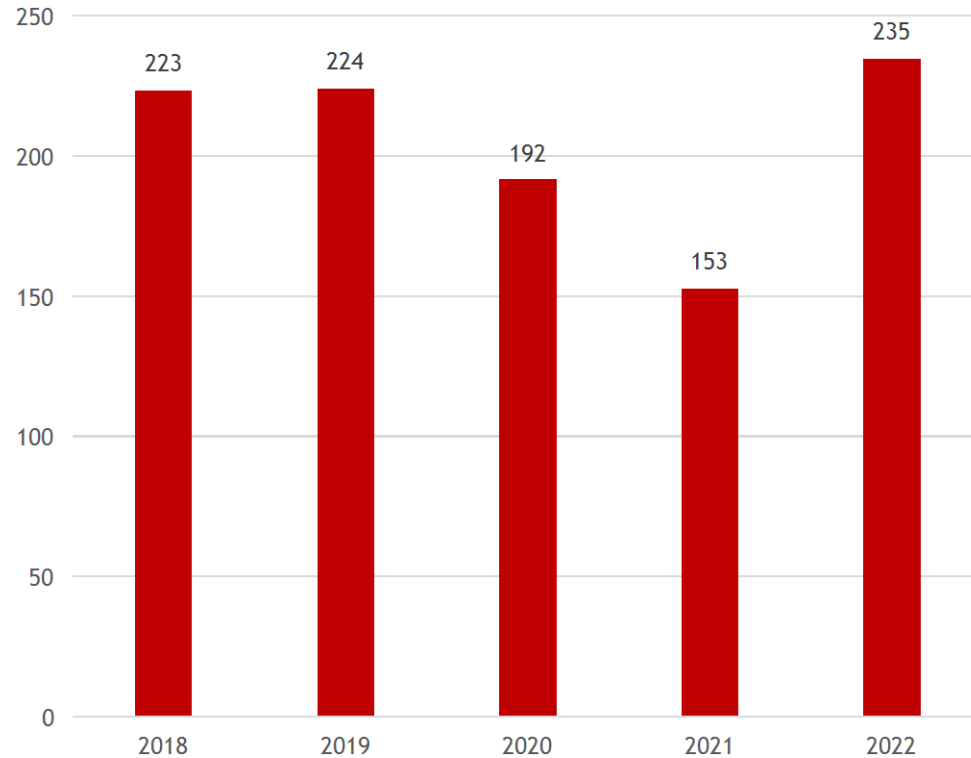
Atria Group Cash flow statement

EUR million	1-12/2022	1-12/2021
Cash flow from operating activities	63.9	105.6
Financial items and taxes	-10.2	-17.4
NET CASH FLOW FROM OPERATING ACTIVITIES	53.8	88.2
Investments in tangible and intangible assets	-126.4	-56.0
Proceeds from the sale of tangible and intangible assets	20.7	0.2
Acquired operations	-4.2	-0.1
Sold operations	7.4	30.3
Changes in long-term receivables	-0.2	-0.4
Change in short-term receivables	-0.8	-0.5
Dividends received	2.1	0.7
NET CASH FLOW FROM INVESTING ACTIVITIES	-101.5	-25.8
FREE CASH FLOW	-47.7	62.4
Changes in interest-bearing liabilities	38.9	-14.5
Transactions with non-controlling interest	0.0	-3.1
Dividends paid	-18.5	-14.6
NET CASH FLOW FROM FINANCING ACTIVITIES	20.3	-32.2
CHANGE IN LIQUID FUNDS	-27.4	30.2

Atria Group Gross investments, EUR Million

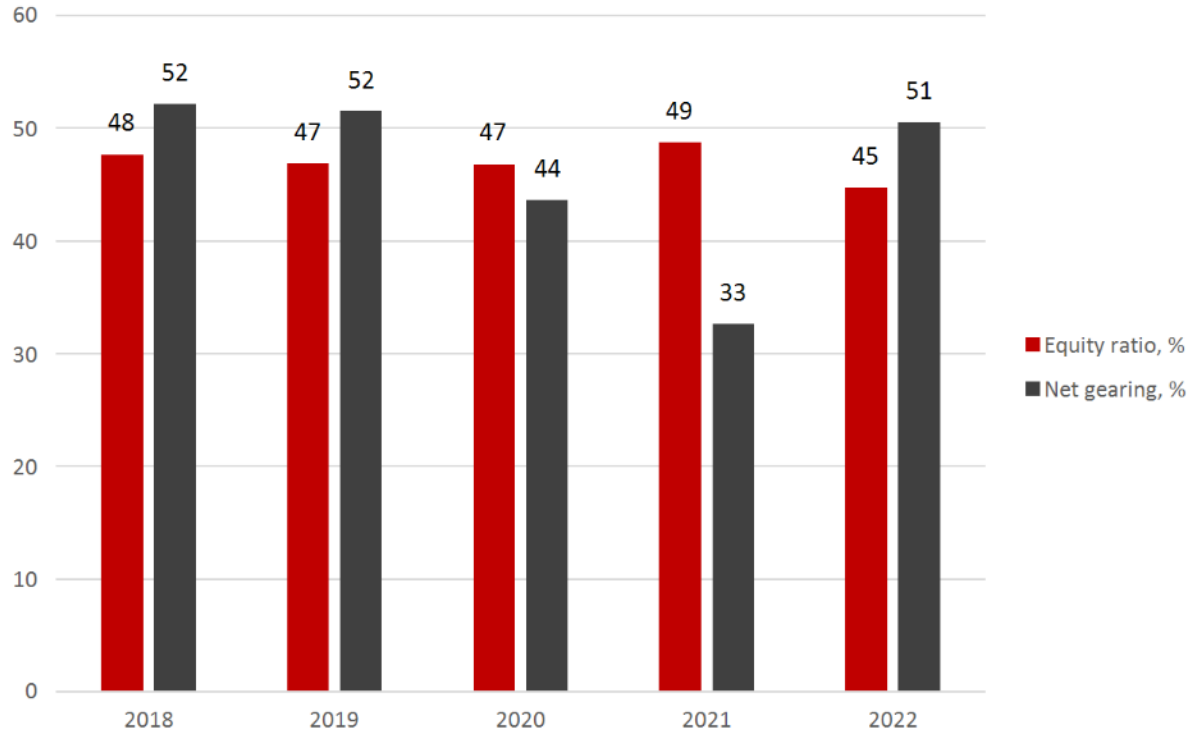


Atria Group Net debts, EUR Million



Year 2018 does not include finance lease liabilities according to IFRS 16.

Atria Group Equity ratio & Net gearing, %



Year 2018 does not include finance lease liabilities according to IFRS 16.

Events after the period under review

- Lars Ohlin, Executive Vice President, Human Resources, and member of Atria Group's Management Team will retire as of 1 March 2023.

Business risks in the review period and short-term risks

- Consumer purchasing power, weighed down by cost inflation and higher market rates
- Increase in business costs concerning raw material, energy and other costs
- Cybersecurity and information interference
- Increase in the incidence and impact of the Covid-19 virus
- Serious animal diseases such as highly pathogenic avian influenza and African swine fever

Outlook for the future

- Atria Group's adjusted EBIT in 2023 is expected to be smaller than in the previous year (EUR 49.0 million).
- During 2023, the company will commission a major expansion at its Sköllersta plant in Sweden, and the phased start-up and testing of the new poultry plant in Nurmo will begin. These measures will result in additional costs in 2023.
- In addition, high costs, weakened consumer purchasing power and global political uncertainty will continue to affect the business environment in 2023. Atria's strong market position and strong brands, good customer relationships and reliable industrial processes will enable stable business also in 2023.

Kai Gyllström as a new CEO of Atria Plc as of 1 June 2023

- Juha Gröhn, Atria's long-time CEO, will retire on 31 May 2023.
- Atria Plc's Board of Directors has appointed Kai Gyllström, MSc (Econ.), MBA, as the new CEO of Atria Group as of 1 June 2023.



Winning Northern European Food Company

Mission

We create inspiring food for every occasion with strong brands and passion

Good food - better mood

Ways to win



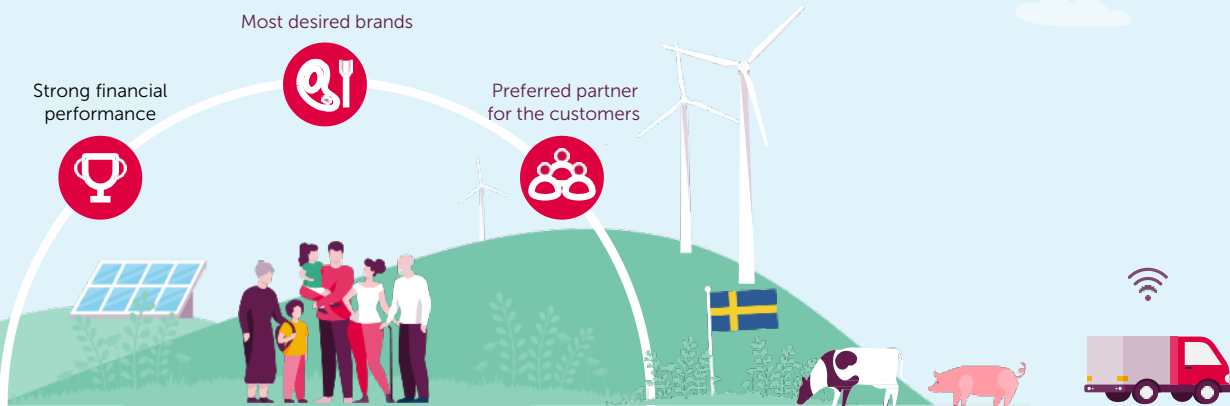
Win big in poultry



Expand in convenience food



Strengthen Food Service, incl. fast food



ATRIA

Vision

Winning Northern European Food Company



Committed people



Best partner for owner-producers



Leader in sustainability

Strategic targets

Enablers



Commercial excellence



Efficiency



Atria way of work



Implementation of the strategy 2022 1/2

Strategic target or priority	Implementation of priority or target
Win big in poultry	<ul style="list-style-type: none"> • The construction of Atria Finland's new poultry plant progresses on schedule – start-up in 2024. • Exports of poultry products to South Korea started. • Significant improvement in the profitability of the poultry business in Sweden • Investments in the development and marketing of poultry products in all business areas.
Expand in convenience food	<ul style="list-style-type: none"> • Atria Finland acquired 51% of Ab Korv-Görans Kebab Oy, a manufacturer of cooked meat products and kebab chips. The product range in the convenience food and Foodservice segments is expanding. • Atria Sweden expanded its convenience food portfolio with the Lönneberga and Lithells brands. • Utilising the best market knowledge and customer insight.
Optimize red meat	<ul style="list-style-type: none"> • Strengthening red meat exports. Value is added by the products being antibiotic-free, hormone-free, salmonella-free, and traceable, and by emphasising animal welfare. • Strengthening the marketing of Finnish meat in Atria Sweden's product ranges.
Strengthen Food Service, incl. fast food	<ul style="list-style-type: none"> • Atria Finland acquired 51% of Ab Korv-Görans Kebab Oy, a manufacturer of cooked meat products and kebab chips. The product range in the convenience food and Foodservice segments is expanding. • International expansion of the Sibylla fast food concept • Development of new concepts and sales channels for the Sibylla business.
Grow Sweden profitably	<ul style="list-style-type: none"> • Investment in a new production plant and logistics centre at the Sköllersta plant in Örebro, Sweden. • The poultry business continues to grow profitably.

Implementation of the strategy 2022 2/2

Strategic target or priority	Implementation of priority or target
Leader in sustainability	<ul style="list-style-type: none"> • Atria Group's targets were approved by the Science Based Targets climate initiative. • Atria Finland expands its solar power plant: the panel capacity of the plant commissioned in 2018 will almost double. • Atria Finland is involved in a 45 MW wind power project. A wind farm is planned near the Nurmo plant. • Atria is improving energy efficiency at the new poultry plant, the new production plant in Örebro and other production sites. • Atria Finland is investing in antibiotic-free pork production. The aim is antibiotic-free production on all pig farms within three years. • Atria Finland has joined the material efficiency commitment of the Finnish Food and Drink Industries' Federation. • Reducing the use of plastic in Atria Estonia's product packaging. • Increasing the use of solar energy at the Valga plant in Estonia. • Introduction of recyclable packaging materials in Denmark. • Optimisation of packaging box sizes to improve transport efficiency in Denmark.
Best partner for owner-producers	<ul style="list-style-type: none"> • Development and expansion of producer services and the activities of Atria's own feed company. • Investment in feed production.
Committed people	<ul style="list-style-type: none"> • Significant improvement of occupational safety in Atria Group: the launch of the "Safely home from Atria" occupational safety programme in 2017. Excellent programme results: two thirds of accidents have been eliminated in five years. • Strengthening the Atria Way of Work principles. • Strengthening the Atria Way of Leading leadership practices.
Strong financial performance	<ul style="list-style-type: none"> • The decision to concentrate Atria Finland's poultry production in a new plant in Nurmo; Sahalahti plant will be closed. • Implementation of price increases in all business areas • Managing energy and raw material sourcing prices. • More efficient use of packaging materials in Atria Estonia.
Drive next level supply chain efficiency	<ul style="list-style-type: none"> • The construction of Atria Finland's new poultry plant progresses on schedule – start-up in 2024. • The decision to concentrate Atria Finland's poultry production in a new plant in Nurmo; Sahalahti plant will be closed. • Modernisation of the production lines at the Sköllersta plant and construction of a new logistics centre.



Thank you!

Q1/2023 will be published on 25 April 2023.