



RAISIO PLC

INTERIM REPORT

JANUARY–SEPTEMBER 2023

Result continued to strengthen, operating environment remains challenging

FINANCIAL DEVELOPMENT IN BRIEF

JULY–SEPTEMBER 2023, CONTINUING OPERATIONS

- The Group's net sales totalled EUR 56.1 (56.5) million, which signified a decrease of 0.7%.
- Comparable EBITDA was EUR 9.9 (8.9) million, which accounted for 17.6 (15.8) per cent of net sales.
- EBITDA was EUR 9.6* (8.7*) million, which accounted for 17.0 (15.3) per cent of net sales.
- Comparable EBIT was EUR 7.4 (6.5) million, accounting for 13.1 (11.4) per cent of net sales.
- EBIT was EUR 7.0* (6.2*) million, which accounted for 12.5 (10.9) per cent of net sales.
- The Group's cash flow from continuing operations after financial items and taxes totalled EUR 15.0 (1.8) million.
- Comparable earnings per share were EUR 0.04 (0.03) per share.
- Earnings per share were EUR 0.04 (0.03) per share.

**EBITDA and EBIT include EUR 0.2 million in costs related to business expansion and EUR 0.1 million in costs related to reorganisation. EBITDA and EBIT for the comparison period include EUR 0.3 million in costs related to business expansion.*

JANUARY–SEPTEMBER 2023, CONTINUING OPERATIONS

- The Group's net sales totalled EUR 165.3 (165.2) million, which signified a growth of 0.0%.
- Comparable EBITDA was EUR 24.8 (19.8**) million, which accounted for 15.0 (12.0) per cent of net sales.
- EBITDA was EUR 23.5* (19.5*) million, which accounted for 14.2 (11.8) per cent of net sales.
- Comparable EBIT was EUR 17.3 (12.3**) million, accounting for 10.4 (7.5) per cent of net sales.
- EBIT was EUR 16.0* (12.0*) million, which accounted for 9.7 (7.3) per cent of net sales.
- The Group's cash flow from continuing operations after financial items and taxes totalled EUR 28.0 (0.4) million.
- Comparable return on invested capital (ROIC) was 8.7 (4.4) per cent and the return on invested capital (ROIC) was 8.1 (4.3) per cent.
- Comparable earnings per share were EUR 0.09 (0.05) per share.
- Earnings per share were EUR 0.09 (0.05) per share.

**EBITDA and EBIT include EUR 0.7 million in costs related to business expansion and EUR 0.5 million in costs related to reorganisation. EBITDA and EBIT for the comparison period include EUR 0.3 million in costs related to business expansion.*

***The comparable EBITDA and EBIT for the comparison period include a return of EUR 1.1 million in pension fund surplus from previous years.*

OUTLOOK 2023

Raisio announced on 10 July 2023 that it had updated its financial outlook for 2023. Previously, the company had estimated that its outlook for 2023 would show an increase in comparable net sales and profit compared to the previous year.

New guidance for 2023: Raisio expects comparable net sales to be at or slightly below the previous year's level. Comparable profit is expected to increase from the previous year, to between EUR 21 and 23 million (EUR 18.4 million in 2022).

KEY FIGURES OF THE GROUP, CONTINUING OPERATIONS

		7-9/2023	7-9/2022	Change	1-9/2023	1-9/2022	Change	1-12/2022
Net sales	M€	56.1	56.5	-0.7%	165.3	165.2	0.0%	220.8
Comparable EBITDA	M€	9.9	8.9	10.2%	24.8	19.8	25.1%	28.3
Comparable EBITDA as a percentage of net sales	%	17.6	15.8		15.0	12.0		12.8
EBITDA	M€	9.6	8.7	10.4%	23.5	19.5	20.7%	27.8
EBITDA as a percentage of net sales	%	17.0	15.3		14.2	11.8		12.6
Comparable EBIT	M€	7.4	6.5	13.9%	17.3	12.3	40.1%	18.4
Comparable EBIT as a percentage of net sales	%	13.1	11.4		10.4	7.5		8.3
EBIT	M€	7.0	6.2	14.3%	16.0	12.0	33.3%	17.9
EBIT as a percentage of net sales	%	12.5	10.9		9.7	7.3		8.1
Comparable earnings per share	€	0.04	0.03	31.5%	0.09	0.05	83.6%	0.08
Earnings per share	€	0.04	0.03	29.4%	0.09	0.05	89.9%	0.08
Average personnel	FTE	348	342	1.8%	348	343	1.5%	342
Investments, continuing operations	M€	2.4	1.0	151.0%	7.4	3.6	106.1%	5.2
Cash flow from business operations after financial items and taxes, continuing operations	M€	15.0	1.8		28.0	0.4		11.2
Equity ratio	%				79.5	79.2		79.2
Net gearing	%				-18.5	-10.7		-15.7
Net interest-bearing debt	M€				-47.5	-27.8		-41.2
Equity per share	€				1.62	1.63		1.66
Comparable return on invested capital (ROIC), continuing operations	%				8.7	4.4		5.6
Return on invested capital (ROIC), continuing operations	%				8.1	4.3		5.5

CURRENCY CONVERSION IMPACTS ON NET SALES AND EBIT

		7-9/2023	7-9/2022	1-9/2023	1-9/2022	1-12/2022
Net sales	M€	-0.1	-0.2	-1.4	0.8	1.2
Comparable EBIT	M€	0.0	0.0	-0.2	0.1	0.2
EBIT	M€	0.0	0.0	-0.2	0.1	0.2

CEO PEKKA KUUSNIEMI:

The third quarter continued largely along the same lines as the previous one, with consumers' purchasing behaviour remaining very cautious as a result of inflation and the uncertain economic situation. However, during the summer and early autumn, the demand situation in the Finnish consumer market improved somewhat for Raisio, while in our other main market, the UK, the cost of living crisis continued to challenge the sales volume of Benecol® products. The challenging market situation of B2B customers is also still reflected in the development of Raisio's net sales.

The 2023 grain harvest in Finland was the third worst of the millennium. However, prices have not yet shown any significant changes, and I do not believe that we will be seeing the massive price increases that we witnessed two years ago. In any case, procurement prices are facing upward pressure because both the quantity and quality of the harvest are woefully low.

During the review period, the company's net sales remained similar to the comparison period at EUR 56.1 (56.5) million. In the previous year, most of the price increases had already been made during the second quarter, so comparability is already quite good. Performance improved significantly, with comparable EBIT rising to EUR 7.4 (6.5) million, accounting for 13.1 (11.4) per cent of net sales. Cash flow after financial items and taxes was remarkably strong at EUR 15.0 (1.8) million. With the change programme launched in August last year, our operations are evolving in different areas and will gradually be reflected in our performance indicators.

Over the past two years, we have significantly upgraded our production capabilities, with a brand new plant for drinkable and spoonable plant-based products launched in autumn 2021 at our carbon-neutral industrial area in Raisio and a completely renewed pasta production line completed this summer. The commissioning of both of these new investments, worth over EUR 50 million in total, has gone well and the payback of the investments has started well. With regard to the new plant, it should be noted that Raisio had no market share in these categories before, and today we are a powerful player in the Finnish market, strongly challenging the market leader. The Elovena® brand has thus proven its strength also in new product areas and brought significant growth to our sales in Finland.

During the summer and early autumn, the availability of pasta in Finland has come up in the public debate, somewhat unexpectedly. The installation and commissioning of the Raisio pasta line coincided with supply problems in the industry, resulting in gaps on shop shelves. At the moment, demand has exceeded expectations and the factory employees are doing their best to ensure that Finnish consumers have enough good Finnish pasta. In our strategy, we have placed the Torino® pasta brand in the 'local hero' category, and its role is to contribute to a steady cash flow for the company and help ensure Finnish security of supply.

We have paved the way for international sales of oat products by carefully researching the European markets and working with customers in the most attractive geographical areas. We aim to establish a permanent position in markets much larger than Finland, and achieving this position will require a great deal of work and money. Achieving market positions in competitive consumer markets is expensive and even risky, but we believe that the strong Elovena® brand, which will soon be a century old, will also flourish on a global scale.

I wish to extend my sincere thanks to Raisio's employees for their great work in the ever-changing market situation.

STRATEGY PERIOD OBJECTIVES 2022–2025

Raisio's operating environment changed significantly in 2022 after 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%.

NET SALES FOR STRATEGIC AREAS OF FOCUS

		1–9/2023	1–9/2022	Change	1–12/2022
Net sales	M€	128.5	128.3	0.2%	171.8
Benecol® and plant stanol ester solutions	M€	80.3	85.0	-5.5%	113.8
Value-added oat products and ingredients	M€	44.0	38.2	15.1%	51.4
Plant proteins	M€	4.2	5.1	-17.2%	6.6

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.

The sales of the **Benecol® and plant stanol ester solutions** focus area have declined this year, as inflation has had a significant impact on consumer purchasing power and consumer demand in Europe, particularly in the UK. The UK is the largest market for Benecol products, and the entire category of cholesterol-lowering products has lost significant sales volume there. Despite the challenges, Benecol's market share in the category has remained high in the UK.

The growth of the **value-added oat products and ingredients** focus area is driven by the success of the Elovena® brand in Finland: The total net sales of Elovena products have increased in particular due to new product launches, and the brand has also increased its market share in terms of sales value. The growth in the net sales of Elovena products in the current year is more than 20% compared to the comparison period.

In the **plant proteins** market, challenges are posed in particular by the declining net sales within the overall plant protein product category in Finland and increased competition within the product group. In the

longer term, however, we believe that the growth prospects for plant-based eating both in Finland and internationally remain positive. In line with our strategy, Raisio's plant protein development programme will generate new innovations in the coming years, and we strongly believe that this category will see growth in the long term.

OPERATING ENVIRONMENT

Economically, the most important change in the operating environment has been the return of inflation, accelerated by Russia's invasion of Ukraine in February 2022. The high cost of living is negatively affecting consumer confidence and demand in many regions. Food consumption is changing over the longer term, and the rapid rise in food prices is also affecting households' purchasing behaviour. Consumers are paying ever more attention to prices while still putting their trust in strong and well-known brands.

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 in the longer term.

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.

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.

FINANCIAL DEVELOPMENT

JULY–SEPTEMBER, CONTINUING OPERATIONS

Raisio Group's net sales totalled EUR 56.1 (56.5) million. The Healthy Food Segment's net sales totalled EUR 36.3 (36.7) million and the Healthy Ingredients Segment's net sales were EUR 29.5 (29.6) million. In the main markets of our consumer brands, Finland and the United Kingdom, the development of sales remained very variable. In Finland, the Elovena® brand succeeded in significantly increasing its net sales and market share in terms of sales value, driven by the introduction of new products. Total sales volumes also increased in Finland from the comparison period. In the UK, the weak consumer sentiment caused by high inflation and the resulting fall in demand reduced the net sales of Benecol products, and sales volumes declined significantly.

The net sales of the Healthy Ingredients Segment remained at the level of the comparison period. Raisio's sales to both domestic and foreign bakeries and industrial and catering customers declined significantly. As production volumes fell, the sales value of the side streams of production also decreased significantly. Raisio's plant stanol ester deliveries to licence partners increased from the comparison period, primarily as a result of the timing of the deliveries.

Raisio Group's comparable EBIT was EUR 7.4 (6.5) million, which accounted for 13.1 (11.4) per cent of net sales. EBIT was EUR 7.0 (6.2) million, which accounted for 12.5 (10.9) per cent of net sales. Profitability decreased in the Healthy Food Segment. In the Western European consumer markets, profitability decreased as a result of increased price competition. During the comparison period, the launch of products from the new Raisio production facility in particular supported profitability by increasing the facility's utilisation rate. In the Healthy Ingredients Segment, profitability improved significantly from the difficult comparison period. Raisio continued its efforts to enhance its own production capabilities and cost management. Production and raw material costs, such as the price of grains, energy and packaging materials, remain high. Furthermore, personnel costs resulting from wage settlements were higher during the review period than in the comparison period.

The conversion impact on the Group's net sales was EUR -0.1 (-0.2) million. The British pound accounted for EUR 0.0 (0.0) million and other currencies for EUR -0.1 (-0.2) million. During the reporting period or the comparison period, currencies had no conversion impact on the Group's EBIT or comparable EBIT. 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 (2.5) million. The Group's net financial items were EUR 0.6 (-0.7) million. The net financial items in the review period included a fair value change of EUR 0.4 (-0.2) million for financial assets recognised at fair value through profit or loss. The Group's pre-tax result was EUR 7.6 (5.5) million. The Group's post-tax result was EUR 5.9 (4.5) million. The Group's earnings per share were EUR 0.04 (0.03) and the comparable figure was EUR 0.04 (0.03).

JANUARY–SEPTEMBER, CONTINUING OPERATIONS

Raisio Group's net sales totalled EUR 165.3 (165.2) million. The Healthy Food Segment's net sales totalled EUR 108.3 (107.4) million and the Healthy Ingredients Segment's net sales were EUR 84.1 (86.6) million. The elevated interest rates and cost of living had a negative impact on consumer sentiment and demand in many markets. Net sales remained at the level of the comparison period, even though the volumes of certain brands decreased in comparison to the comparison period. The development process of Raisio's new products has delivered the desired change in the planning, roll-out, launch visibility and commercial success of new products. In the consumer market in Finland, the Elovena® brand in particular saw a significant increase in total net sales driven by new product launches, while also increasing its market share in terms of sales value. The sales of the Elovena® brand were over 20% higher than in the comparison period. The difficulties in macaroni production in Finland increased the demand for domestic Torino pasta. The replacement investment in the pasta line at the Raisio mill, which started in early summer, was completed in August, and the line is now operating at full capacity. Both domestic and international sales of grain products to bakeries and industrial and catering customers remained at the level of the comparison period. The sales value of oat products and gluten-free oat products increased significantly during the review period. In B2B sales, the decrease in consumer purchasing power and increased price competition were reflected in significantly lower sales volumes across the board.

In the UK, consumer confidence improved during the first half of the year but still remains low, and the restoration of confidence has not yet been reflected in the category of cholesterol-lowering products. The net sales of Benecol products declined significantly in the UK. Sales volumes also decreased significantly, but the market share in the category still remained at a high level. In the plant protein market, the challenges during the review period were particularly the result of a decline in net sales within the overall plant protein product category in Finland and increased competition within the product group.

Raisio Group's comparable EBIT was EUR 17.3 (12.3) million, which accounted for 10.4 (7.5) per cent of net sales. EBIT was EUR 16.0 (12.0) million, which accounted for 9.7 (7.3) per cent of net sales. Profitability also improved significantly compared to the difficult comparison period.

The overall grain harvest in summer 2023 was the third lowest in the 21st century, and the exceptionally heavy rains in early September significantly reduced the quality of spring grains. Spring wheat and oats are the most important milling grains both nationally and for Raisio. What is exceptional is that less than half of the spring wheat harvest is suitable for use as food. For oats, the food-grade yield is slightly better. Grain prices, which had fallen during the reporting period in Finland, rebounded towards the end of the period. However, the trend was more moderate than two years ago. Cost increases and decreases in the supply and food chain accumulate slowly, due to factors such as long supply contracts. The fall in grain purchase prices in Finland during the review period will affect Raisio's cost structure with a long delay, and the cost level will remain higher than usual for a fairly long time.

The conversion impact on the Group's net sales was EUR -1.4 (0.8) million. The British pound accounted for EUR -1.0 (0.8) million and other currencies for EUR -0.4 (0.0) million.

The conversion impact on the Group's comparable EBIT and EBIT was EUR -0.2 (0.1) million. The British pound accounted for EUR -0.2 (0.2) million and other currencies for EUR 0.0 (-0.1) million.

Depreciation and impairment totalled EUR 7.5 (7.5) million. The Group's net financial items were EUR 1.7 (-3.2) million. The net financial items in the review period included a fair value change of EUR 1.0 (-2.6) million for financial assets recognised at fair value through profit or loss. The Group's pre-tax result was EUR 17.7 (8.8) million. The Group's post-tax result was EUR 13.7 (7.5) million. The Group's earnings per share were EUR 0.09 (0.05) and the comparable figure was EUR 0.09 (0.05).

BALANCE SHEET, CASH FLOW AND FINANCING

At the end of September, Raisio Group's balance sheet totalled 322.6 (31 December 2022: EUR 331.9 million). Shareholders' equity was EUR 256.4 million (31 December 2022: EUR 262.9 million). Equity per share totalled EUR 1.62 (31 December 2022: EUR 1.66) 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 28.0 (0.4) million. Cash flow was improved by a decrease in working capital and an improvement in profitability.

At the end of September, working capital from continuing operations amounted to EUR 37.6 (31 December 2022: 44.0) million.

The Group's interest-bearing debt at the end of September was EUR 25.1 (31 December 2022: 27.0) million. Net interest-bearing debt was EUR -47.5 (31 December 2022: -41.2) million.

At the end of September, Raisio's financial assets recognised at fair value through profit or loss, as well as cash and cash equivalents, totalled EUR 72.6 million (31 December 2022: EUR 68.1 million). Cash reserves are primarily invested in low-risk, liquid investment objects.

At the end of September, the Group's equity ratio totalled 79.5 (31 December 2022: 79.2) per cent and net gearing was -18.5 (31 December 2022: -15.7) per cent. The return on invested capital (ROIC) for continuing operations was 8.1 (31 December 2022: 5.5) per cent and the comparable return on invested capital (ROIC) was 8.7 (31 December 2022: 5.6) per cent.

INVESTMENTS, RESEARCH AND DEVELOPMENT

The January–September investments totalled EUR 7.4 (3.6) million, or 4.5 (2.2) per cent of net sales. During the second quarter of 2021, the decision was made to renew the pasta line located in Raisio's industrial area. This was a replacement investment, which was completed on schedule in August 2023, and the start-up of the line went very well. The investment amounted to approximately EUR 4.1 million and will enable better new commercial product applications of different ingredients in the future.

In keeping with our strategy, we will continue with investments to enable growth in value-added oat products and plant proteins. Investments will focus on measures to improve efficiency, energy efficiency and yield. During the review period, an investment decision was made to increase the process capacity of the plant producing spoonable and drinkable oat products. The investment is expected to be completed in the first half of 2024 and will amount to approximately EUR 2 million.

Raisio's research and development expenses in January–September totalled EUR 2.2 (2.0) million, or 1.3 (1.2) per cent of net sales. 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 products. We have started to develop our long-term innovation process to ensure that research results are integrated more effectively into the development pipeline for new products. These rising costs will be covered mainly by efficiency measures already underway in production, procurement and support functions. During the comparison period, the launch of products from the new Raisio production facility in particular supported profitability by increasing the facility's utilisation rate.

The change programme launched in 2022 has made Raisio's business operations increasingly systematic and goal-oriented, and in particular the goal-orientation and steering of procurement, operations and support functions has been further developed towards greater transparency. Raisio's sales, production planning and product development processes have been updated, and our operations have been reorganised accordingly. Cost management has been promoted and targeted in relation to specific production facilities, for example.

PERSONNEL

Raisio Group's continuing operations employed 342 (336) people at the end of September. The Healthy Food Segment employed 115 (110) people, Healthy Ingredients 181 (180) and Other Operations 46 (46). Of the personnel in continuing operations, 14.0 (15.5) per cent worked in Raisio's operations abroad.

HEALTHY FOOD SEGMENT

KEY FIGURES FOR THE HEALTHY FOOD SEGMENT

		7-9/2023	7-9/2022	Change	1-9/2023	1-9/2022	Change	1-12/2022
Net sales	M€	36.3	36.7	-1.0%	108.3	107.4	0.8%	143.0
Western Europe	M€	14.5	16.1	-9.6%	45.1	48.2	-6.3%	64.1
Northern Europe	M€	19.7	17.8	10.7%	56.0	51.0	9.9%	67.9
Eastern and Central Europe	M€	2.1	2.8	-25.9%	7.1	8.3	-13.9%	11.0
Comparable EBIT	M€	5.7	6.6	-14.4%	13.3	13.4	-1.1%	18.0
Comparable EBIT	%	15.6	18.1		12.3	12.5		12.6
EBIT	M€	5.6	6.6	-15.5%	12.9	13.4	-3.7%	18.0
EBIT	%	15.4	18.1		11.9	12.5		12.6
Net assets	M€	83.7	84.6		83.7	84.6		83.9

FINANCIAL DEVELOPMENT IN JULY–SEPTEMBER, CONTINUING OPERATIONS

The Healthy Food Segment's net sales totalled EUR 36.3 (36.7) million. Net sales in Northern Europe increased significantly, in Western Europe net sales decreased clearly and in Eastern and Central Europe net sales decreased significantly 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 of Benecol products in the UK declined clearly due to high inflation and the resulting changes in consumer demand.

The Healthy Food Segment's comparable EBIT amounted to EUR 5.7 (6.6) million, which accounted for 15.6 (18.1) per cent of net sales. EBIT was EUR 5.6 (6.6) million, which accounted for 15.4 (18.1) per cent of net sales. During the third quarter, marketing investments increased clearly from the comparison period. In Western Europe, profitability decreased significantly as a result of increased price competition.

FINANCIAL DEVELOPMENT IN JANUARY–SEPTEMBER, CONTINUING OPERATIONS

The Healthy Food Segment's net sales totalled EUR 108.3 (107.4) million. Net sales increased clearly in Northern Europe, decreased clearly in Western Europe and fell significantly in Eastern and Central Europe. Net sales exceeded those of the comparison period, even though the volumes of certain brands decreased in comparison to the comparison period. Of the brands in the focus of Raisio's strategy, particularly significant growth in net sales was achieved by the Elovena® brand with its new product launches. During the reporting period, high inflation has eroded consumers' real purchasing power, as seen in lower retail sales figures and increased price competition in Europe. In the UK, the weakened position of consumers was most clearly reflected in the negative development of the net sales of Benecol products during the review period.

Altogether, approximately 52 per cent of the Healthy Food Segment's net sales were generated in Northern Europe, where Raisio's well-known brands are Elovena®, Benecol®, Härkis®, Sunnuntai®, Nalle® and Torino®. Around 42 per cent of net sales were generated from the sale of Benecol products in the Western

European markets. Approximately 6 per cent of the net sales were generated in Eastern and Central Europe, where Benecol® and Elovena® are among Raisio's well-known brands.

The Healthy Food Segment's comparable EBIT amounted to EUR 13.3 (13.4) million, which accounted for 12.3 (12.5) per cent of net sales. The Healthy Food Segment's EBIT amounted to EUR 12.9 (13.4) million, which accounted for 11.9 (12.5) per cent of net sales. During the reporting period, marketing investments remained at the level of the comparison period. During the review period, there was a fall in the purchase prices of grains essential for Raisio in Finland, which eased cost pressures and thus improved profitability, but the impact will be reflected in Raisio's cost structure with a long delay.

HEALTHY INGREDIENTS SEGMENT

KEY FIGURES FOR THE HEALTHY INGREDIENTS SEGMENT

		7-9/2023	7-9/2022	Change	1-9/2023	1-9/2022	Change	1-12/2022
Net sales	M€	29.5	29.6	-0.5%	84.1	86.6	-2.9%	115.7
Comparable EBIT	M€	1.8	0.2	730.4%	5.5	1.6	241.1%	3.4
Comparable EBIT	%	6.0	0.7		6.5	1.9		2.9
EBIT	M€	1.8	0.2	730.4%	5.5	1.6	241.1%	3.4
EBIT	%	6.0	0.7		6.5	1.9		2.9
Net assets	M€	116.9	122.6		116.9	122.6		118.4

FINANCIAL DEVELOPMENT IN JULY–SEPTEMBER, CONTINUING OPERATIONS

The net sales of the Healthy Ingredients Segment remained at the level of the comparison period at EUR 29.5 (29.6) million. Raisio's sales to both domestic and foreign bakeries and industrial and catering customers declined significantly. In line with our material efficiency objective, we either use the side streams generated in our production ourselves or sell them to partners. As production volumes fell, the sales value of the side streams of production also decreased significantly. Raisio's plant stanol ester deliveries to licence partners increased from the comparison period, primarily as a result of the timing of the deliveries.

The Healthy Ingredients Segment's comparable EBIT amounted to EUR 1.8 (0.2) million, which accounted for 6.0 (0.7) per cent of net sales. The Healthy Ingredients Segment's EBIT was EUR 1.8 (0.2) million, which accounted for 6.0 (0.7) per cent of net sales. During the review period, profitability in the Healthy Ingredients Segment increased significantly from the comparison period. During the reporting period, Raisio continued its efforts to enhance its own production capabilities.

FINANCIAL DEVELOPMENT IN JANUARY–SEPTEMBER, CONTINUING OPERATIONS

The Healthy Ingredients Segment's net sales totalled EUR 84.1 (86.6) million. Both domestic and international sales of grain products to bakeries and industrial and catering customers remained at the level of the comparison period. The sales value of oat products and gluten-free oat products increased significantly during the reporting period. In B2B sales, the decrease in consumer purchasing power and

increased price competition were reflected in significantly lower sales volumes across the board. In the industrial sales of plant proteins, net sales were still low. Plant stanol ester deliveries to licence partners increased from the comparison period, primarily as a result of the timing of the deliveries.

The Healthy Ingredients Segment's comparable EBIT amounted to EUR 5.5 (1.6) million, which accounted for 6.5 (1.9) per cent of net sales. The Healthy Ingredients Segment's EBIT was EUR 5.5 (1.6) million, which accounted for 6.5 (1.9) per cent of net sales. Profitability also improved significantly compared to the difficult comparison period. The grain harvest in the summer of 2023 was low, due to a long period of drought at the beginning of the growing season and challenging conditions at harvest time. The overall grain harvest was the third lowest in the 21st century, and the exceptionally heavy rains in early September significantly reduced the quality of spring grains. Spring wheat and oats are the most important milling grains both nationally and for Raisio. What is exceptional is that less than half of the spring wheat harvest is suitable for use as food. For oats, the food-grade yield is slightly better. Grain prices, which had fallen during the reporting period in Finland, rebounded towards the end of the period. However, the trend was more moderate than two years ago.

The fall in grain purchase prices in Finland during the review period will affect Raisio's cost structure with a long delay, and the cost level will remain higher than usual for a fairly long time. For other elements of production, such as packaging and logistics, these cost challenges also levelled off during the review period, although they remain at higher than usual levels.

SHARES AND SHAREHOLDERS

The number of Raisio plc's free shares traded on NASDAQ OMX Helsinki Ltd in January–September totalled 14.7 (27.1) million. The value of share trading was EUR 33.9 (63.5) million, and the average share price was EUR 2.31 (2.34). The closing price on the last trading day of the review period, 29 September 2023, was EUR 2.07.

A total of 0.9 (0.8) million restricted shares were traded in January–September. The value of share trading was EUR 2.2 (2.1) million, and the average share price was EUR 2.30 (2.76). The closing price on 30 September 2023 was EUR 2.06.

The market value of Raisio plc's shares at the end of September was EUR 329.2 (31 December 2022: 402.2) million and EUR 326.7 (31 December 2022: 399.2) million excluding the company's own shares.

During the review period, a total of 800 restricted shares were converted into free shares.

The numbers of free and restricted shares issued by the company at the end of the review period were 129,057,794 and 30,112,542, respectively. The shares represented 731,308,634 votes.

In the review period, a total of 10,068 free shares were assigned to the Chairperson and members of the Board as part of the compensation for managing their duties, in line with the decision taken by the 2023 AGM.

On 1 February 2023, Raisio plc cancelled the shares in the so-called joint account, including a total of 587,728 restricted shares and 178,270 free shares that had been transferred to the company based on the forfeiture resolution of the Annual General Meeting of 12 April 2022. The cancellation had no impact on the company's share capital.

At the end of the review period, the company held 1,213,654 free shares, or 0.94 per cent of all free shares and the votes they represent, and 0.76 per cent of all shares and 0.17 per cent of the votes they represent.

Raisio plc's Research Foundation holds 150,510 restricted shares, which is 0.50 per cent of the restricted shares and the votes they represent and, correspondingly, 0.09 per cent of the entire share capital and 0.41 per cent of the votes it represents.

On 30 September 2023, the company had a total of 38,310 (31 December 2022: 37,597) registered shareholders. Foreign ownership and nominee registrations accounted for 16.0 (31 December 2022: 18.1) per cent of the total share capital.

The Board of Directors has an authority to decide on the repurchase and/or the acceptance as collateral of a maximum of 5,000,000 free shares and 1,250,000 restricted shares. Similarly, the Board is authorised to decide on the share issues by disposing of up to 6,200,000 free shares and up to 1,250,000 restricted shares held by the company, and by issuing a maximum of 10,000,000 new free shares. The authorisations will be valid until the end of the following Annual General Meeting and until 30 April 2024 at the latest. Details of the authorisations are set out in the stock exchange release issued on 20 April 2023.

ANNUAL GENERAL MEETING'S DECISIONS

The Annual General Meeting of Raisio plc held on 20 April 2023 adopted the financial statements for the financial year 1 January–31 December 2022 and granted discharge to the members of the Board of Directors and Supervisory Board and the CEO. The AGM decided to pay a dividend of EUR 0.14 per share.

A Stock Exchange Release on the decisions of the AGM was published on 20 April 2023, and the minutes of the AGM are available on the company's website at www.raisio.com. In addition to this, the decisions were described in the Interim Report for January–March.

CHANGES IN GROUP STRUCTURE

Raisioaqua Ltd, a fish feed subsidiary wholly owned by Raisio plc, was sold to a subsidiary of Finnforel Oy on 27 February 2023. The comparable figures of the 1 January–30 September 2022 period have been changed accordingly.

SHORT-TERM RISKS AND SOURCES OF UNCERTAINTY

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 REVIEW PERIOD

Raisio has not had any events to report following the review period.

In Raisio, Finland, 1 November 2023
Raisio plc
Board of Directors

Enquiries:

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

The information in the Interim Report is unaudited.

The Finnish-language webcast concerning the Q3 result will take place at 12 noon on 1 November 2023. Raisio's interim report will be presented by CEO Pekka Kuusniemi. The webcast is available via a link on the Raisio website. This is the direct link to the webcast: <https://raisio.videosync.fi/q3-2023>.

Raisio will publish the 2023 Financial Statements Bulletin on 13 February 2024.

TABLE SECTION

CONSOLIDATED INCOME STATEMENT (M€)

	7-9/2023	7-9/2022	1-9/2023	1-9/2022	1-12/2022
Net sales	56.1	56.5	165.3	165.2	220.8
Cost of sales	-41.0	-43.2	-119.9	-126.5	-167.0
Gross profit	15.2	13.3	45.4	38.8	53.8
Operating income and expenses	-8.1	-7.1	-29.4	-26.7	-35.9
EBIT	7.0	6.2	16.0	12.0	17.9
Financial income	0.9	0.1	2.8	0.7	1.0
Financial expenses	-0.3	-0.8	-1.1	-3.9	-3.8
Result before taxes	7.6	5.5	17.7	8.8	15.0
Income taxes	-1.7	-1.0	-4.0	-1.3	-2.5
Result for the period, continuing operations	5.9	4.5	13.7	7.5	12.5
Result for the period, discontinued operations	0.0	0.6	-0.3	-7.6	-7.7
Result for the period	5.9	5.2	13.4	-0.1	4.8
Attributable to					
Equity holders of the parent company	5.9	5.2	13.4	-0.1	4.8
Earnings per share from the profit attributable to equity holders of the parent company (€)					
Undiluted earnings per share	0.04	0.03	0.08	0.00	0.03
Diluted earnings per share	0.04	0.03	0.08	0.00	0.03
Undiluted earnings per share, continuing operations	0.04	0.03	0.09	0.05	0.08
Undiluted earnings per share, discontinued operations	0.00	0.00	0.00	-0.05	-0.05

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT (M€)

	7-9/2023	7-9/2022	1-9/2023	1-9/2022	1-12/2022
Result for the period	5.9	5.2	13.4	-0.1	4.8
Other comprehensive income items					
Items that will not be reclassified to profit or loss					
Change in fair value of equity investments	0.6	0.0	0.6	0.7	0.6
Change in tax impact	-0.1	0.0	-0.1	-0.1	-0.1
Items that will not be reclassified to profit or loss, total	0.5	0.0	0.4	0.5	0.5
Items that may be subsequently transferred to profit or loss					
Change in value of cash flow hedging	0.1	0.3	-0.5	1.1	1.5
Change in value of fair value hedging	0.0	-	-0.1	-	-
Change in translation differences related to foreign companies	-0.4	-2.4	2.0	-1.9	-2.5
Change in tax impact	0.0	-0.1	0.1	-0.2	-0.3
Items that may be subsequently transferred to profit or loss, total	-0.3	-2.1	1.5	-1.1	-1.4
Comprehensive income for the period	6.1	3.1	15.3	-0.7	3.9
Attributable to					
Equity holders of the parent company	6.1	3.1	15.3	-0.7	3.9

CONSOLIDATED BALANCE SHEET (M€)

	30 September 2023	30 September 2022	31 December 2022
ASSETS			
Non-current assets			
Intangible assets	33.8	33.8	33.5
Goodwill	48.2	47.2	47.0
Tangible fixed assets	91.9	92.5	91.7
Equity investments	3.6	3.1	3.0
Deferred tax assets	4.8	5.4	3.7
Total non-current assets	182.3	181.9	179.0
Current assets			
Inventories	39.4	43.2	42.8
Accounts receivable and other receivables	27.5	30.8	31.0
Financial assets at fair value through profit or loss	46.7	36.4	40.1
Cash and bank receivables	26.8	26.2	31.9
Total current assets	140.3	136.6	145.8
Assets classified as being held for sale*	-	7.8	7.1
Assets	322.6	326.3	331.9
SHAREHOLDERS' EQUITY AND LIABILITIES	30 September 2023	30 September 2022	31 December 2022
Equity attributable to equity holders of the parent company			
Share capital	27.8	27.8	27.8
Company shares	-2.8	-2.9	-2.9
Other equity attributable to equity holders of the parent company	231.5	233.5	238.0
Equity attributable to equity holders of the parent company	256.4	258.4	262.9
Non-controlling interests	-	-	-
Total shareholders' equity	256.4	258.4	262.9
Non-current liabilities			
Deferred tax liabilities	10.9	9.9	10.0
Provisions	0.5	-	-
Non-current financial liabilities	22.4	24.4	23.7
Total non-current liabilities	33.8	34.3	33.7
Current liabilities			
Accounts payable and other liabilities	29.4	27.8	31.1
Derivative contracts	0.2	0.1	0.1
Current financial liabilities	2.7	3.3	3.2
Total current liabilities	32.3	31.2	34.4
Debts and provisions related to assets being held for sale*	-	2.5	0.9
Liabilities total	66.2	67.9	69.0
Shareholders' equity and liabilities	322.6	326.3	331.9

*The balance sheet has not been adjusted in terms of comparison periods.

CALCULATION OF CHANGES IN SHAREHOLDERS' EQUITY

A = Share capital
 B = Share premium reserve
 C = Reserve fund
 D = Invested unrestricted equity fund
 E = Other reserves
 F = Company shares
 G = Translation differences
 H = Retained earnings

Equity attributable to equity holders of the parent company	A	B	C	D	E	F	G	H	I
Shareholders' equity 1 January 2023	27.8	2.9	88.6	20.8	1.1	-2.9	-17.3	141.9	262.9
Comprehensive income for the period									
Result for the period	-	-	-	-	-	-	-	13.4	13.4
Other comprehensive income items									
Change in fair value of equity investments	-	-	-	-	0.6	-	-	-	0.6
Tax impact	-	-	-	-	-0.1	-	-	-	-0.1
Change in value of cash flow hedging	-	-	-	-	-0.5	-	-	-	-0.5
Change in fair value hedging	-	-	-	-	-0.1	-	-	-	-0.1
Change in translation differences related to foreign companies	-	-	-	-	-	-	2.0	-	2.0
Tax impact	-	-	-	-	0.1	-	-	-	0.1
Total comprehensive income for the period	0.0	0.0	0.0	0.0	0.0	0.0	2.0	13.4	15.3
Business activities involving shareholders									
Dividends	-	-	-	-	-	-	-	-22.1	-22.1
Share-based payments	-	-	-	-	-	0.0	-	0.3	0.3
Total business activities involving shareholders	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-21.8	-21.8
Shareholders' equity 30 September 2023	27.8	2.9	88.6	20.8	1.1	-2.8	-15.4	133.5	256.4

Equity attributable to equity holders of the parent company	A	B	C	D	E	F	G	H	I
Shareholders' equity 1 January 2022	27.8	2.9	88.6	10.2	-0.6	-17.8	-14.8	184.4	280.7
Comprehensive income for the period									
Result for the period	-	-	-	-	-	-	-	-0.1	-0.1
Other comprehensive income items									
Change in fair value of equity investments	-	-	-	-	0.7	-	-	-	0.7
Tax impact	-	-	-	-	-0.1	-	-	-	-0.1
Change in value of cash flow hedging	-	-	-	-	1.1	-	-	-	1.1
Change in translation differences related to foreign companies	-	-	-	-	-	-	-1.9	-	-1.9
Tax impact	-	-	-	-	-0.2	-	-	-	-0.2
Total comprehensive income for the period	0.0	0.0	0.0	0.0	1.4	0.0	-1.9	-0.1	-0.7
Business activities involving shareholders									
Dividends	-	-	-	-	-	-	-	-22.2	-22.2
Cancellation of own shares	-	-	-	10.6	-	14.5	-	-25.2	0.0
Share-based payments	-	-	-	-	-	0.4	-	0.2	0.5
Total business activities involving shareholders	0.0	0.0	0.0	10.6	0.0	14.9	0.0	-47.2	-21.7
Shareholders' equity 30 September 2022	27.8	2.9	88.6	20.8	0.8	-2.9	-16.7	137.1	258.4

Equity attributable to equity holders of the parent company	A	B	C	D	E	F	G	H	I
Shareholders' equity 1 January 2022	27.8	2.9	88.6	10.2	-0.6	-17.8	-14.8	184.4	280.7
Comprehensive income for the period									
Result for the period	-	-	-	-	-	-	-	4.8	4.8
Other comprehensive income items									
Change in fair value of equity investments	-	-	-	-	0.6	-	-	-	0.6
Tax impact	-	-	-	-	-0.1	-	-	-	-0.1
Change in value of cash flow hedging	-	-	-	-	1.5	-	-	-	1.5
Change in translation differences related to foreign companies	-	-	-	-	-	-	-2.5	-	-2.5
Tax impact	-	-	-	-	-0.3	-	-	-	-0.3
Total comprehensive income for the period	0.0	0.0	0.0	0.0	1.7	0.0	-2.5	4.8	3.9
Business activities involving shareholders									
Dividends	-	-	-	-	-	-	-	-22.2	-22.2
Unclaimed dividends	-	-	-	-	-	-	-	0.1	0.1
Cancellation of own shares	-	-	-	10.6	-	14.5	-	-25.2	0.0
Share-based payments	-	-	-	-	-	0.4	-	0.0	0.4
Total business activities involving shareholders	0.0	0.0	0.0	10.6	0.0	14.9	0.0	-47.3	-21.8
Shareholders' equity 31 December 2022	27.8	2.9	88.6	20.8	1.1	-2.9	-17.3	141.9	262.9

Consolidated cash flow statement (M€)

CASH FLOW FROM BUSINESS OPERATIONS	7-9/2023	7-9/2022	1-9/2023	1-9/2022	1-12/2022
Result before taxes, continuing and discontinued operations	7.6	6.2	17.3	0.6	6.5
Adjustments:					
Planned depreciation and impairment	2.5	2.5	7.5	7.8	10.3
Financial income and expenses	-0.6	0.7	-1.7	3.2	2.8
Other adjustments	0.1	0.2	-0.4	7.7	7.4
Total adjustments	2.1	3.4	5.5	18.7	20.6
Cash flow before change in working capital	9.7	9.6	22.8	19.2	27.1
Change in working capital					
Increase (-) / decrease (+) in current receivables	1.6	-1.2	4.2	-3.4	-0.1
Increase (-) / decrease (+) in inventories	3.8	1.5	3.3	-12.7	-10.3
Increase (+) / decrease (-) in current interest-free liabilities	0.0	-2.1	-2.4	-3.9	-1.8
Total change in working capital	5.4	-1.9	5.1	-20.0	-12.3
Cash flow from business operations before financial items and taxes	15.1	7.7	27.9	-0.8	14.8
Interest paid and payments for other financial expenses	-0.3	-0.1	-0.8	-0.3	-0.5
Dividends received	0.0	0.0	0.3	0.3	0.3
Interest received and other financial income	0.6	0.1	1.2	0.4	0.5
Other financial items, net	0.1	-0.4	0.1	-0.5	-0.5
Income taxes paid	-0.5	-0.5	-1.0	-1.9	-3.0
Cash flow from business operations after financial items and taxes	15.0	6.9	27.8	-2.9	11.6
CASH FLOW FROM INVESTMENTS					
Investment in tangible assets	-3.4	-0.8	-6.6	-2.8	-3.7
Investment in intangible assets	-0.2	-0.1	-0.7	-0.5	-0.7
Proceeds from transfer of shares in Group companies adjusted by cash at the date of transfer	-	-	7.4	-2.8	-2.8
Income from intangible and tangible assets	-	0.0	-	1.6	1.6
Proceeds from equity investments	0.0	0.0	0.0	0.4	0.4
Acquired businesses					
Cash flow from investments	-3.6	-0.8	0.1	-4.1	-5.2
Cash flow after investments	11.4	6.1	27.9	-7.0	6.4
CASH FLOW FROM FINANCIAL OPERATIONS					
Other financial items, net	-	-	-	-0.1	-0.1
Payments associated with the reduction of lease liability	-0.7	-0.4	-2.3	-1.9	-2.9
Repayment of non-current loans	-0.1	-0.1	-0.1	-0.1	-0.1
Dividends and other profit distribution paid to shareholders of the parent company	0.0	0.0	-22.1	-22.1	-22.1
Cash flow from financial operations	-0.8	-0.5	-24.5	-24.2	-25.2
CHANGE IN LIQUID FUNDS	10.6	5.6	3.4	-31.2	-18.8
Liquid funds at the beginning of the period			68.1	89.0	89.0
Impact of changes in exchange rates			0.0	0.2	0.2
Impact of changes in the fair value of liquid funds			1.0	-2.6	-2.3
Liquid funds at the end of the period			72.6	55.4	68.1

NOTES TO THE INTERIM REPORT

BASIC INFORMATION

Raisio plc is a Finnish public limited company. Raisio plc and its subsidiaries form the Raisio Group. The Group is domiciled in Raisio, Finland, and its registered address is Raisionkaari 55, FI-21200 Raisio. The company's shares are listed on NASDAQ OMX Helsinki Ltd.

ACCOUNTING PRINCIPLES AND PRESENTATION OF FIGURES

Raisio plc's Interim Report for January–September 2023 has been prepared in accordance with IAS 34, Interim Financial Reporting regulations, and the same accounting principles as in the 2022 Financial Statements, with the exception of the standard amendments and interpretations concerning Raisio plc that came into effect on 1 January 2023.

The standard amendments and interpretations that entered into effect on 1 January 2023 have had no material impact on the Group's results, financial position or the presentation of the Interim Report.

The Interim Report is shown in EUR millions for continuing operations unless otherwise stated.

MANAGEMENT'S JUDGEMENT

The preparation of the financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Although these estimates are based on the management's best knowledge of current events, actual results may differ from the estimates.

Compared to the 2022 Financial Statements, there have been no significant changes in the accounting principles or uncertainties included in the estimates requiring management's judgement. For the Raisio Group, the most significant estimates in which management has used discretion relate to the possible impairment of assets of goodwill and intangible assets with indefinite financially useful lives as well as unfinished intangible assets, and to the fair value determination of the assets acquired in the business combination, to the amount of deferred tax asset and to what extent the tax asset can be recognised in the balance sheet, to the determination of depreciation periods, to the assessment of accounts receivable and inventories, and to the classification of lease periods and assets as held for sale or to be discontinued.

The Raisio Group suspended the export of foods and fish feeds to Russia at the start of March in the comparison year 2022, after Russia invaded Ukraine. In connection with the classification of business operations, the valuation of a non-current asset and the divestment of a business, management is required to exercise discretion as to the presentation to be used and the determination of the fair value of the non-current asset. Management has applied the requirements of standard IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations to the classification, presentation and recognition related to the sale of the Russian consumer business in the Healthy Food Segment and the fish feed business in the Healthy Ingredients Segment.

The Raisio Group decided to terminate its consumer business in Russia in spring 2022. 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 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.

On 31 May 2022, the Raisio Group began preparations to sell Raisioaqua Ltd and classified its fish feed business in the reporting for the second quarter of 2022 as assets being held for sale and reported it as discontinued operations. On 28 February 2023, Raisio announced that it had sold its fish feed business to a subsidiary of Finnforel Oy. The sale of the fish feed business generated a capital gain of EUR 0.6 million for Raisio for the first quarter of the review period 1 January–30 September 2023. In the first quarter of 2022, Raisio reported a EUR 4.1 million impairment loss in tangible fixed assets from the fish feed business.

The valuation of inventories requires management's assessment in determining obsolescence write-offs or resale prices. In the second quarter of the review period 1 January–30 September 2023, Raisio recorded an impairment of EUR 0.4 million related to grain trade inventories.

ALTERNATIVE KEY FIGURES AND ITEMS AFFECTING COMPARABILITY

Raisio plc presents alternative key figures to describe the financial performance and position of its businesses as well as cash flows to improve the comparability between different periods and to increase understanding of the formation of the company's earnings and its financial position.

The alternative figure is derived from the IFRS financial statements. It is possible to present items affecting comparability and calculate alternative key figures without items affecting comparability in the Board of Directors' report, Financial Statements Bulletin, Half-Year Reports and Interim Reports.

Items affecting comparability are income or expenses arising as a result of a one-off or infrequent event. Significant expenses of outside experts related to business acquisitions and business expansion, expenses related to business reorganisation and expenses related to the impairment of assets and their possible repayment are presented as items affecting comparability.

Items affecting comparability are recognised in the income statement according to the matching principle under the income or expense category. Management uses these alternative key figures to monitor and analyse business development, profitability and financial position.

CHANGES IN GROUP STRUCTURE

Raisioaqua Ltd, a fish feed subsidiary wholly owned by Raisio plc, was sold to a subsidiary of Finnforel Oy on 27 February 2023.

Events following the review period 1 January–30 September 2023

Raisio had no reported events after the review period.

SEGMENT INFORMATION

Raisio Group's reportable operating segments are Healthy Food, Healthy Ingredients and Other Operations. The financial figures are comparable.

Revenue by segment (M€)

	7-9/2023	7-9/2022	1-9/2023	1-9/2022	1-12/2022
Healthy Food					
Western Europe	14.5	16.1	45.1	48.2	64.1
Northern Europe	19.7	17.8	56.0	51.0	67.9
Eastern and Central Europe	2.1	2.8	7.1	8.3	11.0
Total Healthy Food	36.3	36.7	108.3	107.4	143.0
Healthy Ingredients	29.5	29.6	84.1	86.6	115.7
Other Operations	0.8	0.5	2.2	1.4	2.0
Sales between segments	-10.5	-10.3	-29.3	-30.2	-39.9
Total net sales	56.1	56.5	165.3	165.2	220.8

EBIT by segment (M€)

	7-9/2023	7-9/2022	1-9/2023	1-9/2022	1-12/2022
Healthy Food	5.6	6.6	12.9	13.4	18.0
Healthy Ingredients	1.8	0.2	5.5	1.6	3.4
Other Operations	-0.3	-0.7	-2.4	-3.0	-3.5
Interdivisional	0.0	0.0	0.0	0.0	0.0
Total EBIT	7.0	6.2	16.0	12.0	17.9

The EBIT of the Healthy Food Segment for the comparison periods includes a return of EUR 1.1 million in pension fund surplus from previous years.

Net assets by segment (M€)

	1-9/2023	1-9/2022	1-12/2022
Healthy Food	83.7	84.6	83.9
Healthy Ingredients	116.9	122.6	118.4
Other Operations and unallocated items	55.8	51.2	60.6
Total net assets	256.4	258.4	262.9

Investments by segment (M€)

	7–9/2023	7–9/2022	1–9/2023	1–9/2022	1–12/2022
Healthy Food	0.0	0.1	0.3	0.4	0.4
Healthy Ingredients	2.2	0.7	6.1	2.3	3.5
Other Operations	0.2	0.1	1.0	0.9	1.2
Total investments	2.4	1.0	7.4	3.6	5.2

SALES REVENUE

Revenue by country (M€)

	7–9/2023	7–9/2022	1–9/2023	1–9/2022	1–12/2022
Finland	30.6	27.9	85.3	79.4	106.0
UK	11.7	13.2	36.6	40.2	53.5
Other	13.8	15.4	43.4	45.6	61.3
Total net sales	56.1	56.5	165.3	165.2	220.8

Revenue by group (M€)

	7–9/2023	7–9/2022	1–9/2023	1–9/2022	1–12/2022
Sales of goods	55.3	56.0	162.9	163.7	218.6
Sales of services	0.7	0.4	2.0	1.2	1.6
Royalties	0.1	0.1	0.4	0.4	0.6
Total net sales	56.1	56.5	165.3	165.2	220.8

ACQUIRED BUSINESSES, DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE

Acquired businesses

No businesses were acquired between 1 January and 30 September 2023.

No businesses were acquired between 1 January and 30 September 2022 or 1 January and 31 December 2022.

Discontinued operations and assets held for sale

Fish feed business

In March 2022, Raisio plc terminated its export activities to Russia, which meant that the fish feed exports of the Group's Raisioaqua Ltd to the country also ended. 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 began preparations to sell Raisioaqua Ltd. On 28 February 2023, the Raisio Group announced that it had sold its fish feed business in the Healthy Ingredients Segment, transferring Raisioaqua Ltd, a fish feed subsidiary wholly owned by Raisio plc, to a subsidiary of Finnforel Oy on 27 February 2023. The sale of the fish feed business generated a capital gain of EUR 0.6 million for Raisio for the first quarter of the review period 1 January–30 September 2023. In the first quarter of the comparison year 2022, Raisio reported a EUR 4.1 million impairment loss in fixed assets from the fish feed business.

The Raisio Group has applied the requirements of standard IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations to the classification, presentation and disclosures related to the sale. The Raisio Group classified its fish feed business as assets held for sale and reported it as discontinued operations from the beginning of the second quarter of the comparison year 2022. Assets classified as being held for sale and the related debts and provisions are presented separately on their own lines in the balance sheet for the previous periods. In the Group's income statement, discontinued operations and continuing operations are presented separately and the comparison periods have been adjusted accordingly. The balance sheet has not been adjusted for earlier periods.

Income statement for the discontinued fish feed business (M€)

	1–9/2023	1–9/2022	1–12/2022
Net sales	1.3	20.2	24.9
Cost of sales	-1.6	-23.3	-27.9
Gross profit	-0.4	-3.1	-3.1
Operating income and expenses, net	-0.7	-1.7	-2.0
EBIT	-1.0	-4.8	-5.1
Financial income and expenses	0.0	-	-
Result for the period before taxes	-1.0	-4.8	-5.1
Income taxes	0.1	0.9	1.1
Result for the period after taxes	-0.9	-3.9	-4.0
Result of the transfer of discontinued operations after taxes	0.6		
Result for the period from discontinued operations	-0.3		
Taxes on discontinued operations			
Taxes on the result of discontinued operations	0.0		
Taxes on the transfer of discontinued operations	0.0		
Taxes on discontinued operations, total	0.1		

EBIT for the comparison periods 1 January–30 September 2022 and 1 January–31 December 2022 includes a EUR 4.1 million impairment loss from fixed assets.

Earnings per share from the discontinued fish feed business

	1-9/2023	1-9/2022	1-12/2022
Earnings per share, €	0.00	-0.02	-0.03

Impact of the discontinued fish feed business on the Group's financial position (M€)

	30 September 2023	30 September 2022	31 December 2022
Intangible assets	0.1	0.1	0.1
Tangible fixed assets	2.0	2.2	2.2
Deferred tax assets	0.1	0.2	0.1
Inventories	5.1	7.0	4.9
Accounts receivable and other receivables	1.2	4.5	2.3
Cash and bank receivables	0.2	-	-
Total assets included in the group classified as held for sale / sold	8.6	13.9	9.6
Non-current right-of-use assets	0.0	0.0	0.0
Current right-of-use assets	0.0	0.0	0.0
Accounts payable and other liabilities	2.0	2.4	0.8
Other interest-bearing liabilities and cash pool	3.2	6.1	2.5
Total liabilities included in the group classified as held for sale / sold	5.2	8.6	3.4
Total net assets included in the group classified as held for sale / sold	3.4	5.3	6.2
Capital gain/loss on sold subsidiary shares	0.9		
Transaction expenses allocated to the divestment	-0.3		
Profit impact on EBIT	0.6		
Debt-free selling price of subsidiary shares	7.5		
Interest-bearing financial liability of divested subsidiary at the time of transfer	-3.2		
Selling price of subsidiary shares	4.4		
Selling price of subsidiary shares	4.4		
Net interest-bearing financial liability of divested subsidiary at the time of transfer	3.0		
Sale of subsidiary shares adjusted for cash at the time of transfer	7.4		
Cash flow from divestment including expenses	7.1		

Cash flow from the discontinued fish feed business (M€)

	1–9/2023	1–9/2022	1–12/2022
Subsidiary divestments adjusted for cash at the time of transfer	7.4	-	-
Cash flow from business operations	-0.3	-4.7	-1.0
Cash flow from investments	0.0	-0.3	-0.3
Cash flow in total	7.1	-5.1	-1.3

Russian consumer business

On 29 April 2022, Raisio signed an agreement for the sale of the Healthy Food Segment's Central and Eastern European consumer business in Russia. 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 sale of the Healthy Food Segment's Russian consumer business generated a capital loss of EUR 3.5 million for the comparison period. As a result, Raisio recognised an estimated impairment loss of EUR 2.9 million in its EBIT for the first quarter of 2022.

The Raisio Group applied the requirements of standard IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations to the classification, presentation and recognition related to the sale of the Russian consumer business. The Raisio Group classified the Russian consumer business as assets held for sale and reported it as discontinued operations from the beginning of the first quarter of the comparison year 2022. Assets classified as being held for sale and the related debts and provisions are presented separately on their own lines in the balance sheet for the previous periods. In the Group's income statement, discontinued operations and continuing operations are presented separately and the comparison periods have been adjusted accordingly. The balance sheet has not been adjusted for earlier periods.

Income statement concerning the discontinued Russian consumer business (M€)

	1-9/2022	1-12/2022
Net sales	2.4	2.4
Cost of sales	-2.0	-2.0
Gross profit	0.4	0.4
Operating income and expenses	-0.4	-0.4
EBIT	0.1	0.1
Financial income	0.0	0.0
Result before taxes	0.1	0.1
Income taxes	0.0	0.0
Result for the period after taxes	0.1	0.1
Result of the transfer of discontinued operations after taxes	-3.8	-3.8
Result for the period from discontinued operations	-3.7	-3.7
Taxes on discontinued operations		
Taxes on the result of discontinued operations	0.0	0.0
Taxes on the transfer of discontinued operations	-0.3	-0.3
Taxes on discontinued operations, total	-0.3	-0.3

Earnings per share from the discontinued Russian consumer business

	1-9/2022	1-12/2022
Earnings per share, €	-0.02	-0.02

Impact of the discontinued Russian consumer business on the Group's financial position (M€)

	30 September 2022	31 December 2022
Non-current assets	0.1	0.1
Inventories	0.4	0.4
Current receivables	0.8	0.8
Liquid funds	2.8	2.8
Assets in total	4.0	4.0
Current liabilities	0.4	0.4
Total liabilities	0.4	0.4
Total net assets included in the group classified as held for sale / sold	3.6	3.6
Accumulated translation differences	-1.4	-1.4
Capital gain/loss on the divested business including accumulated translation differences	-3.5	-3.5
Transaction expenses allocated to the divestment	0.0	0.0
Profit impact on EBIT	-3.5	-3.5
Debt-free selling price of shares and the Nordic brand	4.3	4.3
Net interest-bearing assets of divested subsidiary at the time of transfer	2.8	2.8
Selling price of shares and the Nordic brand	1.5	1.5
Selling price of shares and the Nordic brand	1.5	1.5
Net interest-bearing debt of divested subsidiaries at the time of transfer	2.8	2.8
Russian subsidiary divestment adjusted for cash at the time of transfer	-1.3	-1.3
Cash flow from divestment including expenses	-1.3	-1.3

Impact of the discontinued Russian consumer business on the Group's cash flow statement (M€)

	1–9/2022	1–12/2022
Subsidiary divestments adjusted for cash at the time of transfer	-2.8	-2.8
Cash flow from investments, Nordic brand name	1.5	1.5
Cash flow from business operations	1.4	1.4
Cash flow impact in total	0.1	0.1

Tangible right-of-use assets (M€)

	30 September 2023	30 September 2022	31 December 2022
Acquisition cost at the beginning of the period	340.2	354.5	354.5
Translation differences	0.0	0.2	0.2
Additions, includes additions made in accordance with the IFRS 16 standard	6.7	3.4	4.8
Sales, decreases and transfers	-31.8	-1.7	-1.7
Assets classified as being held for sale	-	-17.6	-17.6
Acquisition cost at the end of the period	315.2	338.9	340.2
Accumulated depreciation and impairment at the beginning of the period	248.5	252.4	252.4
Translation differences	0.0	0.2	0.2
Sales, decreases and transfers	-31.7	-1.7	-1.7
Depreciation and impairment for the period	6.4	10.7	12.9
Assets classified as being held for sale	-	-15.3	-15.4
Accumulated depreciation and impairment at the end of the period	223.3	246.4	248.5
Book value at the end of the period	91.9	92.5	91.7

Leased right-of-use assets (M€)

	30 September 2023	30 September 2022	31 December 2022
Acquisition cost at the beginning of the period	32.1	31.4	31.4
Translation differences	0.0	0.0	0.0
Increases	0.6	0.9	0.9
Divestment and other decreases	-0.4	0.0	0.0
Assets held for sale	-	-	-0.1
Acquisition cost at the end of the period	32.3	32.2	32.1
Accumulated depreciation and impairment at the beginning of the period	-5.5	-2.6	-2.6
Translation differences	0.0	0.0	0.0
Accumulated depreciation of decreases and transfers	0.3	0.0	0.0
Depreciation for the period	-2.3	-2.3	-3.0
Assets held for sale	-	-	0.0
Accumulated depreciation and impairment at the end of the period	-7.6	-4.8	-5.5
Book value at the beginning of the period	26.6	28.7	28.7
Book value at the end of the period	24.7	27.3	26.6

The most significant item of leased right-of-use assets relates to the process equipment for the new snack and oat drink production plant.

Items from leases recognised in the income statement (M€)

	30 September 2023	30 September 2022	31 December 2022
Rental income	0.6	0.5	0.7
Depreciation for fixed assets	-2.3	-2.2	-3.0
Costs of short-term and low-value leases	0.0	0.0	0.0
Interest expenses related to leases	-0.3	-0.3	-0.4
Total	-2.0	-2.1	-2.7
Outgoing cash flow resulting from leases	2.3	2.2	2.9

Lease liabilities (M€)

	30 September 2023	30 September 2022	31 December 2022
Lease liabilities 1 January	26.7	28.8	28.8
Translation differences	0.0	0.0	0.0
Increase in lease liabilities	0.6	0.9	0.9
Payments related to decrease of lease liabilities	-2.3	-2.2	-2.9
Assets held for sale	-	-	0.0
Total	25.0	27.5	26.7
Non-current lease liabilities at the beginning of period	23.5	25.6	25.6
Non-current lease liabilities at the end of period	18.6	24.2	23.5
Current lease liabilities at the beginning of period	3.2	3.2	3.2
Current lease liabilities at the end of period	6.3	3.3	3.2

The Raisio Group is exposed to an annual outgoing cash flow of approximately EUR 2.0 million related to the process equipment of the new production facility focusing on snacks and oat drinks.

Provisions (M€)

	30 September 2023	30 September 2022	31 December 2022
At the beginning of the period	-	-	-
Increases in provisions	0.5	-	-
At the end of the period	0.5	-	-

Related party transactions (M€)

	30 September 2023	30 September 2022	31 December 2022
Sales to key employees in management	1.5	1.4	1.9
Purchases from key employees in management	0.2	0.3	0.3
Receivables from key employees in management	0.1	0.2	0.2
Payables to key employees in management	0.0	0.0	0.0

CONTINGENT LIABILITIES AND ASSETS (M€)

	30 September 2023	30 September 2022	31 December 2022
Contingent off-balance sheet liabilities			
Other liabilities	2.5	3.2	6.9
Guarantee liabilities on the Group companies' commitments	13.7	1.7	4.1
Commitment to investment payments	4.0	2.3	1.7

DERIVATIVE CONTRACTS (M€)

	30 September 2023	30 September 2022	31 December 2022
Nominal values of derivative contracts			
Currency forward contracts	36.9	33.2	35.6
Currency options	13.1	16.0	8.1
Interest rate swap	13.5	14.5	14.5
Commodity derivatives	1.5	-	-

FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES (M€)

The table shows book values and fair values for each item. The book values correspond to the consolidated balance sheet values. The principles used by the Group for measuring the fair value of all financial instruments are presented below.

	Book value 30 September 2023	Fair value 30 September 2023	Book value 31 December 2022	Fair value 31 December 2022
Financial assets				
Equity investments*)	3.6	3.6	3.0	3.0
Accounts receivable and other receivables	26.4	26.4	30.0	30.0
Investments recorded at fair value through profit or loss*)	45.8	45.8	38.7	38.7
Liquid funds	26.8	26.8	31.9	31.9
Derivatives*)	0.9	0.9	1.4	1.4
Financial liabilities				
Other loans	0.1	0.1	0.2	0.2
Lease liabilities	25.0	26.1	26.7	27.5
Accounts payable and other liabilities	19.7	19.7	21.8	21.8
Derivatives*)	0.2	0.2	0.1	0.1

FAIR VALUE HIERARCHY OF FINANCIAL ASSETS AND LIABILITIES MEASURED AT FAIR VALUE

Of the financial assets and liabilities measured at fair value *), all except the equity investments are on level 2. The fair value of the level 2 items is defined by valuation techniques using market pricing valuations provided by the service provider. Equity investments are on level 3 as their fair value is not based on observable market data.

RECONCILIATIONS RELATED TO THE CASH FLOW STATEMENT

Other adjustments to cash flows from operations (M€)

	1–9/2023	1–9/2022	1–12/2022
Impairment for intangible and tangible fixed assets	-	4.1	4.1
Divestment losses/gains of subsidiary shares	-0.9	5.0	5.0
Capital gains and losses of fixed assets	-	-1.6	-1.5
Costs of share rewards	0.3	0.3	0.1
Provisions	0.5	-	-
Other	-0.2	-0.2	-0.3
Total adjustments in cash flow statement	-0.4	7.7	7.4

Income statement items containing no payment transaction and items presented elsewhere in the cash flow statement are adjusted.

Acquisitions and disposals of fixed assets in the cash flow of investing (M€)

	1–9/2023	1–9/2022	1–12/2022
Acquisitions of fixed assets in total	-7.4	-3.9	-5.5
Payments for investments of earlier financial periods (change in liabilities)	0.1	0.6	1.1
Investments funded by lease commitments or other interest-bearing debt	-2.3	-1.9	-2.9
Fixed asset acquisitions funded by cash payments	-9.6	-5.2	-7.3
Capital gain and loss on fixed assets in the income statement or comprehensive income statement	0.0	1.8	1.8
Balance sheet value of disposed asset	0.0	0.1	0.1
Consideration received from fixed asset divestments in the cash flow statement	0.0	1.9	1.9

Disposal of subsidiary shares in the cash flow of investing (M€)

	1–9/2023	1–9/2022	1–12/2022
Capital gain or loss in the income statement excluding expenses allocated to the sale	0.9	-3.6	-3.6
Total net assets sold	3.4	3.6	3.6
Sales price	7.5	0.0	0.0
Proceeds in the cash flow statement adjusted by cash at the date of transfer	7.4	-2.8	-2.8

Reconciliation of liabilities related to financing activities (M€)

	31 December 2022	Cash flows	Non-cash changes			30 September 2023
			IFRS 16	Changes in exchange rates	Other change	
Non-current liabilities	0.2	-0.1	-	-	-	0.1
Lease liabilities	26.8	-2.3	0.6	0.0	0.0	25.0
Total liabilities for financing activities	27.0	-2.4	0.5	0.0	0.0	25.1

RECONCILIATIONS OF ALTERNATIVE KEY FIGURES

Reconciliation of items affecting comparable EBIT, Raisio Group (M€)

		7-9/2023	7-9/2022	1-9/2023	1-9/2022	1-12/2022
Comparable EBIT		7.4	6.5	17.3	12.3	18.4
- Expenses related to restructuring	M€	-0.2	-	-0.5	-	-
- Expenses related to business expansion	M€	-0.1	-0.3	-0.7	-0.3	-0.5
Items affecting comparability, in total	M€	-0.3	-0.3	-1.2	-0.3	-0.5
EBIT	M€	7.0	6.2	16.0	12.0	17.9

Reconciliation of items affecting comparable EBITDA, reconciliation to EBIT, Raisio Group (M€)

		7-9/2023	7-9/2022	1-9/2023	1-9/2022	1-12/2022
Comparable EBITDA	M€	9.9	8.9	24.8	19.8	24.8
+/- Items affecting EBIT	M€	-0.3	-0.3	-1.2	-0.3	-0.5
Items affecting comparability, in total	M€	-0.3	-0.3	-1.2	-0.3	-0.5
EBITDA	M€	9.6	8.7	23.5	19.5	27.8
+/- Depreciation	M€	-2.5	-2.5	-7.5	-7.5	-10.0
EBIT	M€	7.0	6.2	16.0	12.0	17.9

Reconciliation of items affecting comparable EBIT, Healthy Food Segment (EUR million)

		7-9/2023	7-9/2022	1-9/2023	1-9/2022	1-12/2022
Comparable EBIT	M€	5.7	6.6	13.3	13.4	18.0
- Expenses related to restructuring	M€	-0.1	-	-0.4	-	-
Items affecting comparability, in total	M€	-0.1	-	-0.4	-	-
EBIT	M€	5.6	6.6	12.9	13.4	18.0

QUARTERLY EARNINGS OF GROUP (M€)

	7-9/2023	4-6/2023	1-3/2023	10-12/2022	7-9/2022	4-6/2022	1-3/2022
Net sales by segment							
Healthy Food	36.3	34.9	37.0	35.6	36.7	35.1	35.6
Healthy Ingredients	29.5	26.1	28.6	29.1	29.6	29.4	27.6
Other Operations	0.8	0.8	0.6	0.6	0.5	0.5	0.5
Interdivisional	-10.5	-9.1	-9.8	-9.7	-10.3	-9.4	-10.5
Total net sales	56.1	52.7	56.5	55.6	56.5	55.5	53.2
EBIT by segment							
Healthy Food	5.6	4.0	3.3	4.5	6.6	4.1	2.7
Healthy Ingredients	1.8	1.9	1.8	1.8	0.2	1.4	0.0
Other Operations	-0.3	-0.9	-1.2	-0.4	-0.7	-1.0	-1.3
Interdivisional	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total EBIT	7.0	5.0	4.0	5.9	6.2	4.4	1.5
Financial income and expenses, net	0.6	0.7	0.4	0.3	-0.7	-1.2	-1.3
Result before taxes	7.6	5.7	4.4	6.2	5.5	3.2	0.2
Income taxes	-1.7	-1.5	-0.9	-1.1	-1.0	-0.2	-0.2
Group result	5.9	4.2	3.5	5.0	4.5	3.0	0.0

	10-12/2021	7-9/2021	4-6/2021	1-3/2021
Net sales by segment				
Healthy Food	35.2	34.0	33.1	32.0
Healthy Ingredients	26.7	25.3	24.0	20.7
Other Operations	0.4	0.3	0.3	0.4
Interdivisional	-8.6	-8.8	-7.5	-7.6
Total net sales	53.8	50.8	49.9	45.5
EBIT by segment				
Healthy Food	4.5	5.3	3.9	4.5
Healthy Ingredients	1.5	1.7	0.6	1.8
Other Operations	-1.4	-0.3	-1.1	-0.8
Interdivisional	0.0	0.0	0.0	0.0
Total EBIT	4.6	6.7	3.4	5.5
Financial income and expenses, net	0.1	0.0	0.5	0.3
Result before taxes	4.7	6.7	4.0	5.7
Income taxes	0.3	-1.3	-0.8	-1.2
Group result	4.9	5.4	3.1	4.5

Quarterly net sales of the group's strategic areas of focus (M€)

		7–9/ 2023	4–6/ 2023	1–3/ 2023	10–12/ 2022	7–9/ 2022	4–6/ 2022	1–3/ 2022
Net sales	M€	42.2	41.7	44.7	43.4	43.6	42.3	42.5
Benecol® and plant stanol ester solutions	M€	25.6	26.9	27.8	28.8	28.2	28.4	28.4
Value-added oat products and ingredients	M€	15.2	13.7	15.1	13.1	13.7	12.2	12.3
Plant-based products	M€	1.3	1.2	1.7	1.5	1.6	1.7	1.8

KEY FIGURES

	30 September 2023	30 September 2022	31 December 2022
Net sales, M€	165.3	165.2	220.8
Change in net sales, %	0.0	13.0	10.4
EBITDA, M€	23.5	19.5	27.8
Comparable EBITDA, M€	24.8	19.8	28.3
Depreciation and impairment, M€	7.5	7.5	10.0
EBIT, M€	16.0	12.0	17.9
% of net sales	9.7	7.3	8.1
Comparable EBIT, M€	17.3	12.3	18.4
% of net sales	10.4	7.5	8.3
Result before taxes, M€	17.7	8.8	15.0
% of net sales	10.7	5.3	6.8
Return on equity, %, continuing operations	7.0	3.7	4.6
Return on invested capital, ROIC, %	7.9	-0.1	2.0
Comparable return on invested capital, ROIC, %	8.5	0.1	4.9
Return on invested capital, ROIC, %, continuing operations	8.1	4.3	5.5
Comparable return on invested capital, ROIC, %, continuing operations	8.7	4.4	5.6
Interest-bearing financial liabilities at end of period, M€	25.1	27.7	27.0
Net interest-bearing financial liabilities at end of period, M€	-47.5	-27.8	-41.2
Working capital, continuing operations	37.6	47.2	44.0
Equity ratio, %	79.5	79.2	79.2
Net gearing, %	-18.5	-10.7	-15.7
Investments, M€	7.4	3.6	5.2
% of net sales	4.5	2.2	2.3
R&D expenses, M€	2.2	2.0	2.9
% of net sales	1.3	1.2	1.3

Average personnel	348	343	342
Earnings per share, €	0.08	0.00	0.03
Earnings per share, €, continuing operations	0.09	0.05	0.08
Comparable earnings per share, €, continuing operations	0.09	0.05	0.08
Earnings per share, €, discontinued operations	0.00	-0.05	-0.05
Cash flow from business operations after financial items and taxes, M€	27.8	-2.9	11.6
Cash flow from business operations per share after financial items and taxes, €	0.18	-0.02	0.07
Equity per share, €	1.62	1.63	1.66
Average number of shares during the period, in 1,000s			
Free shares	127,858	127,911	127,935
Restricted shares	30,181	30,706	30,705
Total *	158,039	158,617	158,640
Average number of shares at end of period, in 1,000s			
Free shares	127,844	128,004	128,012
Restricted shares	30,113	30,701	30,701
Total *	157,957	158,705	158,713
Market capitalisation of shares at end of period, M€			
Free shares	264.6	241.9	318.7
Restricted shares	62.0	61.4	80.4
Total *	326.7	303.3	399.2 *
Share price at end of period			
Free shares	2.07	1.89	2.49
Restricted shares	2.06	2.00	2.62

*Number of shares, excluding the company shares held by the Group

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.
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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	$\frac{\text{Profit for the period attributable to the parent company shareholders} \pm \text{items affecting comparability}}{\text{Average number of shares during the period adjusted for issues}}$
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	$\text{Acquisition of non-current tangible and intangible assets on a gross basis.}$
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.	



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