



# Premia Foods

Leads to the Hearts



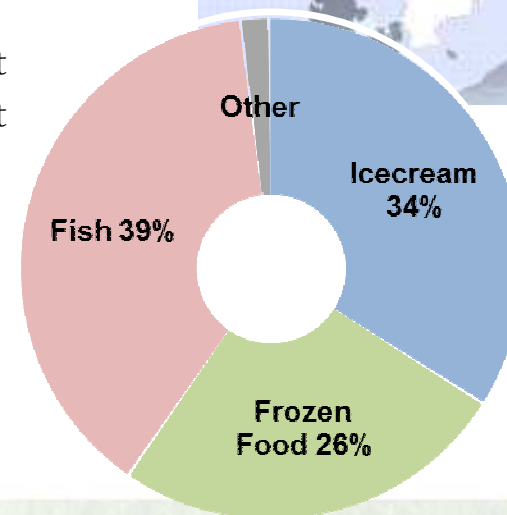
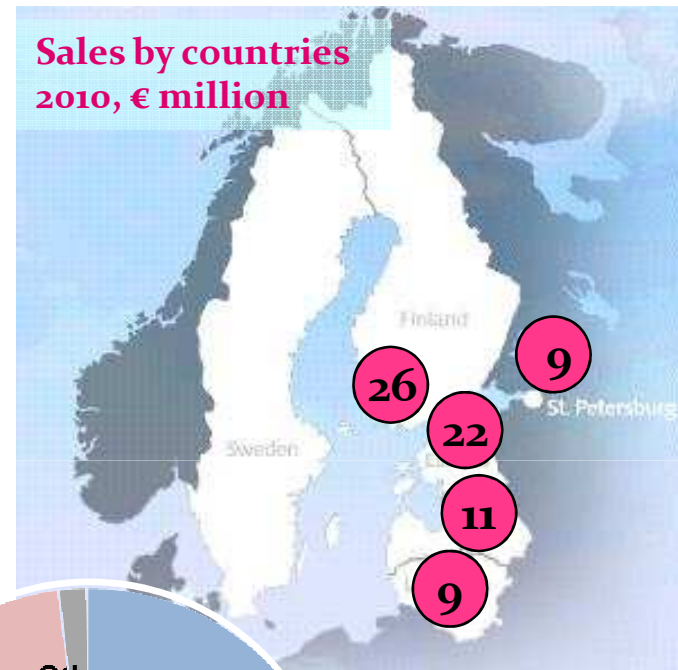
April 18th, 2011

# Presenting Team

- Kuldar Leis                      Chairman of Management Board
- Katre Kõvask                    Marketing Director, Member of the Management Board
- Erik Haavamäe                 Acting CFO, Member of the Supervisory Board

# Highlights of Premia Foods

- Leading branded foods company in ice cream, chilled food and frozen food segments with a sales of EUR 77.3 mln in 2010
- EBITDA in 2010: EUR 7.1 mln
- Established presence and leading brands in Baltics, Finland and NW Russia (St. Petersburg region)
- Reputable management with very strong track of M&A and brand building
- Strategy of establishing leading market presence and benefiting from product portfolio scale and operating synergies
- Well capitalized balance sheet



**Sales breakdown by business lines in 2010**

# Leading market positions

1

ICE CREAM in  
Baltics

2

ICE CREAM in  
St Petersburg

1

FROZEN FOOD  
in Baltics

2

FISH in Finland

- Premia has unique position in the Baltics - being No 1 frozen food and ice cream provider means high-level sales and distribution system in all countries and all sectors
- Frozen food and its logistics create a link with ice cream for diminishing the seasonality and variation of costs of the segments
- Vertical integration in chilled fish business ensures high level quality and variation of assortment.
- Diversified portfolio for Premia's own brands in all segments enables to maintain profitability and fight against private labels

## Sales matrix: segment share from total sales in 2010

Other	0.1%	1.1%	0.0%	0.3%	0.0%	
Fish	33.2%	5.0%	0.1%	0.1%		0.1%
Frozen Food		12.1%	9.3%	4.1%	0.1%	
Icecream	0.6%	9.7%	4.6%	7.5%	11.7%	0.1%
SEGMENT	Finland	Estonia	Latvia	Lithuania	Russia	Other regions
MARKET						

# Top brands

## Ice cream



## Frozen foods



## Fish and fish products



## Main Events in 2010

- Successful IPO: 14,500,000 new shares  
net proceeds 12.2 mEUR  
listed on the NASDAQ OMX Tallinn Stock Exchange
- Expansion to Russia: Acquisition of OOO Khladokombinat No. 1,  
St Petersburg second largest ice cream producer (22% market share)
- Minorities buyout.
- Fire accident in the fish production unit of in Uusikaupunki, Finland  
Insurance compensation: 2.9 mEUR
- Restructuring of loan portfolio: interest margin dropped by 280 bps  
0.4 mEUR savings
- Management 3 years option plan: 900,000 shares at 0.93 per share



# Financial Overview

2010 AUDITED RESULTS



## Key financials

<i>Profit &amp; Loss</i>	2010	2009	2008
	EUR mln	EUR mln	EUR mln
Sales	77,3	68,7	na
Gross profit	18,7	17,8	na
EBITDA	7,1	6,2	na
EBIT	3,1	2,5	na
Net profit	1,3	0,7	na

<i>Balance Sheet</i>	31.12.2010	31.12.2009	31.12.2008
	EUR mln	EUR mln	EUR mln
Net debt	11,2	18,5	19,7
Equity	41,4	27,7	27,2
Assets	68,9	62,8	65,7

Forecast for 2011: **10% increase in sales, i.e. EUR 85 mln;**  
**25% increase in net profit, i.e. EUR 1.6 mln**

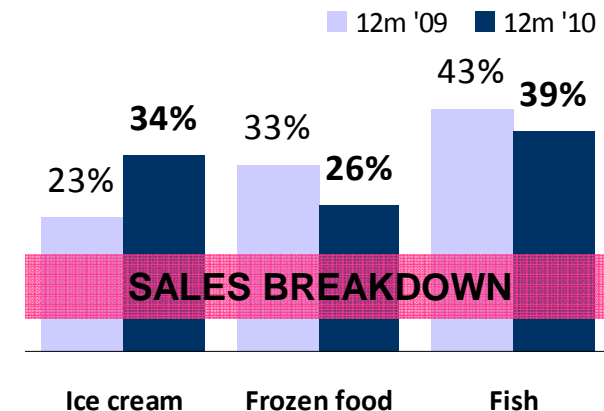
## Key performance ratios

<i>Ratios</i>	2010	2009	2008
Gross margin	24,2%	25,9%	na
EBITDA margin	9,2%	9,0%	na
EBIT margin	4,0%	3,7%	na
Net margin	1,7%	1,0%	na
Operating expense ratio	24,8%	25,5%	na
Liquidity ratio	1,87	1,15	1,06
Equity ratio	60%	44%	41%
Gearing ratio <i>net debt / (net debt + equity)</i>	21%	40%	42%
ROE	4%	3%	na
ROA	2%	1%	na

Management has proposed to distribute 30% of net profit of 2010 to dividends

# Performance by segments

EUR million	12m '10	12m '09	10/09
<b>&lt;&lt; SALES &gt;&gt;</b>	<b>77.3</b>	<b>68.7</b>	<b>+ 12%</b>
Ice cream	26.4	16.1	+ 64%
Frozen food	19.8	22.4	-12%
Fish	29.8	29.3	+ 2%
Other	1.3	0.9	+ 38%
<b>&lt;&lt; GROSS PROFIT &gt;&gt;</b>	<b>18.7</b>	<b>17.8</b>	<b>+ 5%</b>
Ice cream	10.0	6.9	+ 46%
Frozen food	4.5	4.8	-8%
Fish	3.9	5.9	-34%
Other	0.4	0.2	+ 52%
<b>&lt;&lt; GROSS MARGIN &gt;&gt;</b>	<b>24%</b>	<b>26%</b>	
Ice cream	38%	43%	
Frozen food	22%	22%	
Fish	13%	20%	



	12m '10	12m '09
<b>&lt;&lt; EBITDA &gt;&gt;</b>	<b>7.1</b>	<b>6.2</b>
Ice cream	3.4	2.6
Frozen food	-0.6	-0.3
Fish	4.1	2.1
Other	0.1	1.8
<b>&lt;&lt; EBITDA MARGIN &gt;&gt;</b>	<b>9%</b>	<b>9%</b>
Ice cream	13%	16%
Frozen food	-3%	-1%
Fish	14%	7%

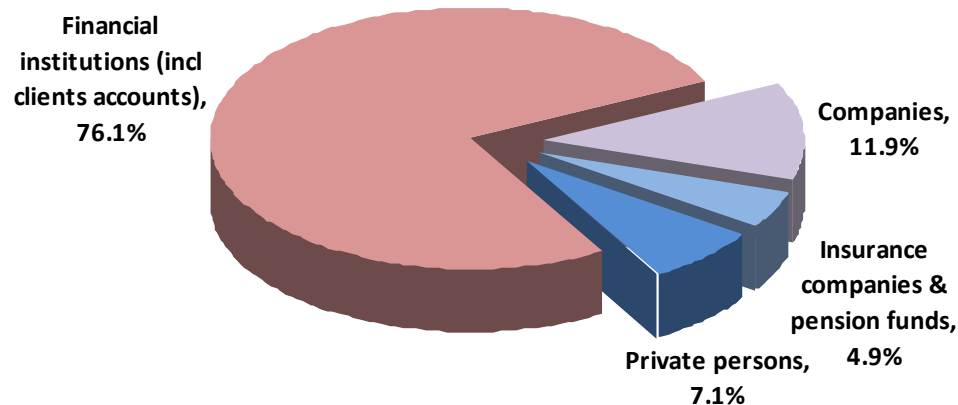
# Shareholders structure

## Major shareholders as at 31.12.2010:

ING Luxembourg S.A. 62.34%, incl:  
 -- Amber Trust II S.C.A 38,30%  
 -- Amber Trust S.C.A 13,91%  
 -- KJK Fund SICAV:SIF 10,13%

OÜ Rododendron 3.36%  
 Firebird Republics Fund Ltd. 3.09%  
 Ambient Sound Investments 2.59%  
 LHV Pension Fund L 2.58%  
 SEB Ab Clients 1.98%  
 Firebird Aurora Fund, Ltd. 1.68%  
 OÜ Footsteps Management 1.26%  
 LHV Pension Fund XL 1.00%  
 AS LHV Pank (nominee) 1.00%  
 OÜ Freespirit 1.00%  
 SEB Finnish Clients 0.97%

**Distribution of shareholding according to holder groups  
as of 31 December 2010**



Supervisory and management board members control 6,1% of the Company

# Trading history

2010, since listing on May 5th

EUR

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Average number of shares at the trading period (in thousands)	38,664
Opening price	0.93
Highest share price	1.08
Lowest share price	0.78
Closing price, at year end	0.95
Number of shares traded (in thousands)	7 048
Turnover (in millions)	6.51
Market capitalisation (in millions)	36.75
Dividend per share	0.01
Price-to-EBITDA	5.2
PE (Price earnings)	28.5
P/BV (Price-to-book value)	0.89

# Share performance

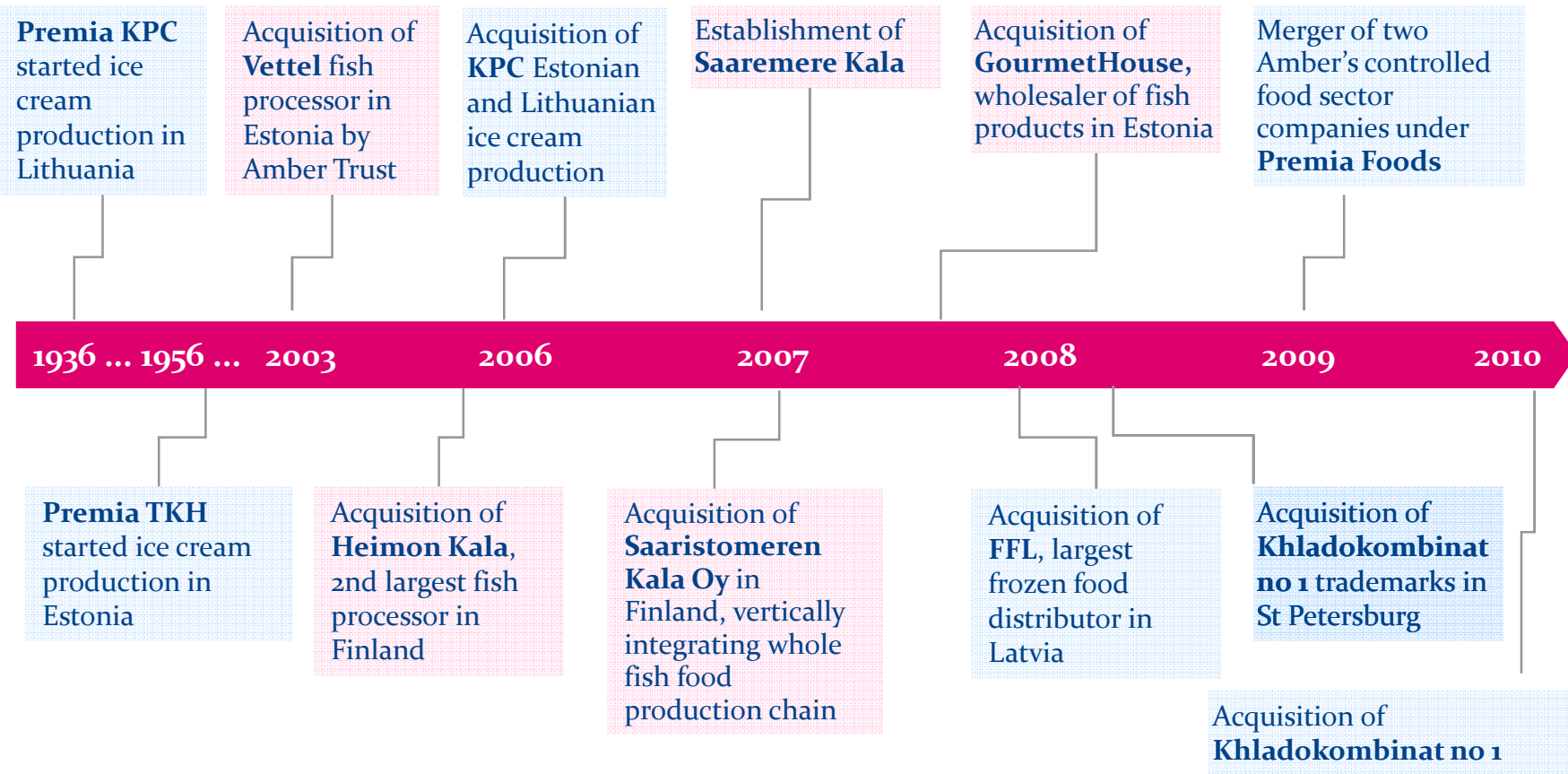
Performance until April 8th 2011:



# Appendixes



# Aggressive growth through M&A



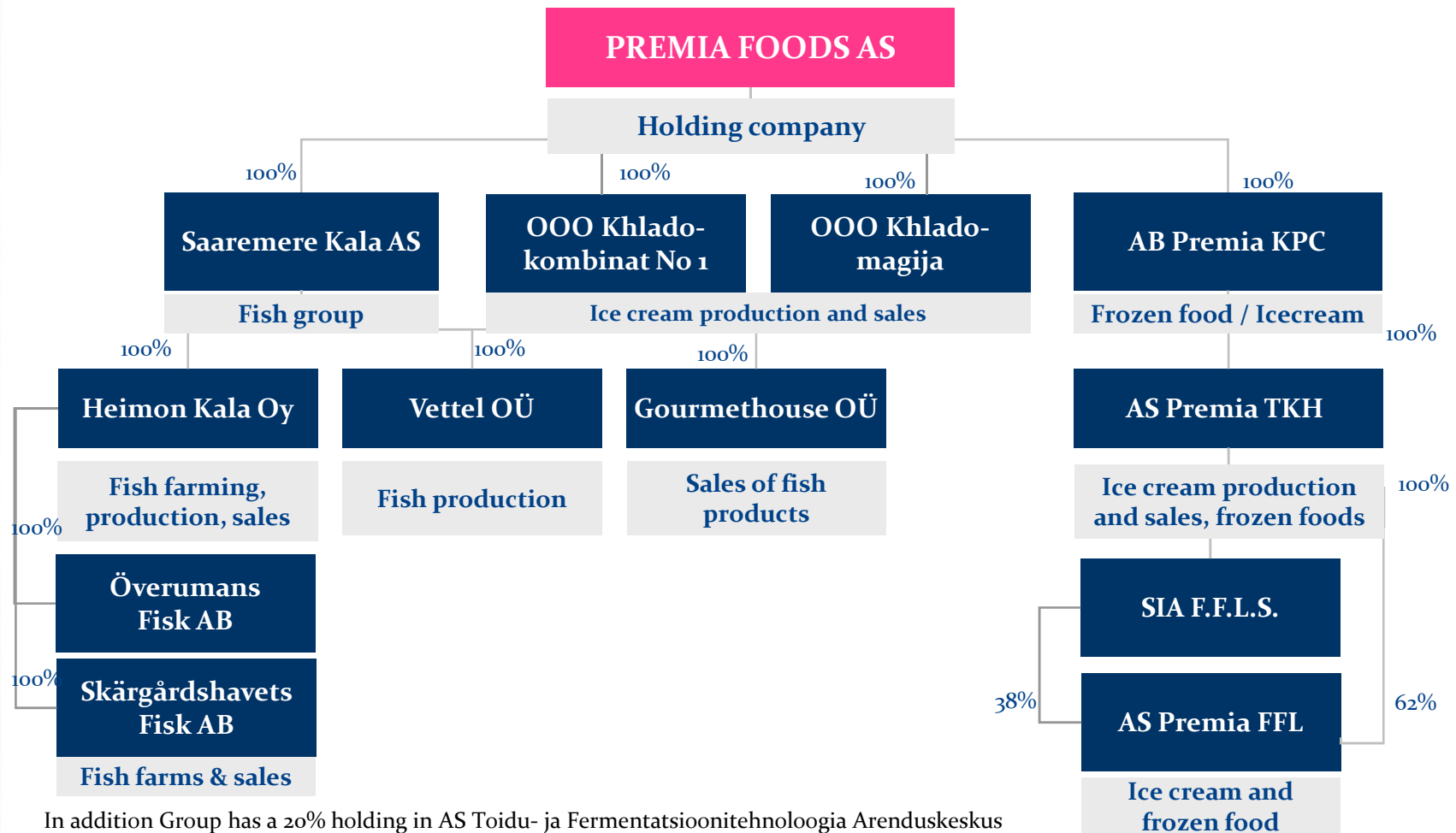


## Management background

- ❑ Very experienced in food industry, being active in managing positions as a team in various food companies more than 10 years.
- ❑ Known as successful brand builders and team leaders (Aura, Ösel Foods, Nordic Foods)
- ❑ Launched successfully juice brand Aura in year 2000, which became Estonian juice market leader within 1,5 years; sold soft drink brand “Linnuse kali” to Coca Cola Inc in 2001 and beverage company Ösel Foods Ltd together with “Aura” brand to Olvi in 2003 and also sold ready-meal company Nordic Foods Ltd, established in 2004, together with “Maakera” brand to Orkla Group in 2006.
- ❑ During presence in Premia Foods since 2006, managed successful turnaround of the company, also managing expansion of company’s activities to Scandinavia and Russia in addition to being present in the Baltics.
- ❑ Mr Leis is the Deputy Chairman of Supervisory Board of Estonian Food Association.



# Group structure



In addition Group has a 20% holding in AS Toidu- ja Fermentatsioonitehnologia Arenduskeskus (Competence Center of Food and Fermentation Technology).

# Profit & loss

EUR million	2010	2009	10/09
<b>Sales</b>	<b>77,3</b>	<b>68,7</b>	<b>12%</b>
<b>Gross Profit</b>	<b>18,7</b>	<b>17,8</b>	<b>5%</b>
<b>Operating expenses</b>	<b>-19,1</b>	<b>-17,5</b>	<b>9%</b>
Selling & distribution	-15,1	-13,6	11%
Admin. expenses	-4,0	-4,0	1%
Other activities	2,5	2,0	27%
Biomass IFRS valuation	1,0	0,3	229%
<b>EBIT</b>	<b>3,1</b>	<b>2,5</b>	<b>22%</b>
Net financial items	-1,4	-1,9	-26%
Income tax	-0,4	0,0	na
<b>Net earnings</b>	<b>1,3</b>	<b>0,7</b>	<b>89%</b>
<b>EBITDA</b>	<b>7,1</b>	<b>6,2</b>	<b>14%</b>

# Balance sheet

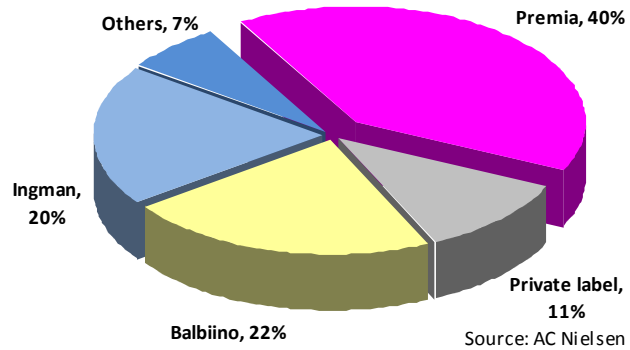
EUR million	31.12.10	31.12.09		31.12.10	31.12.09
Cash and bank	0,7	1,3	ST debt	2,4	10,2
Accounts receivable	10,0	8,6	Factoring	2,8	2,7
Biological assets	8,4	6,2	Accounts payable	9,6	8,4
Other inventory	8,6	8,6	<b>Current liabilities</b>	<b>14,8</b>	<b>21,3</b>
<b>Current assets</b>	<b>27,6</b>	<b>24,6</b>	LT Debt	9,5	9,6
Financial assets	0,6	0,4	Deferred income tax	1,6	1,4
Investment property	2,1	2,1	Related party payable	-	1,1
Tangible & intangible	38,7	35,7	<b>Non-current liabilities</b>	<b>11,1</b>	<b>12,1</b>
<b>Non-current assets</b>	<b>41,3</b>	<b>38,2</b>	Target financing	1,7	1,7
			Equity	41,4	27,7
<b>TOTAL ASSETS</b>	<b>68,9</b>	<b>62,8</b>	<b>TOTAL EQUITY &amp; LIAB</b>	<b>68,9</b>	<b>62,8</b>



# Leader in ice cream markets

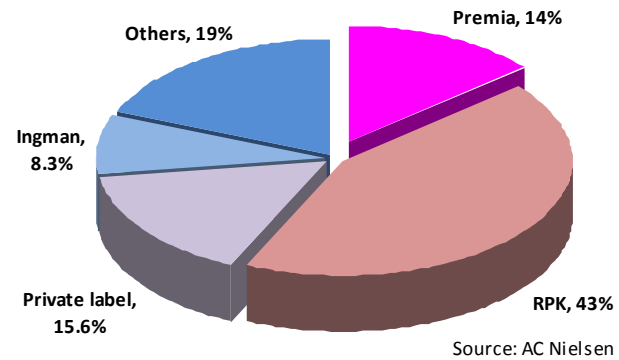
## ESTONIAN ICE CREAM MARKET

value share in Jun - Jul 2010



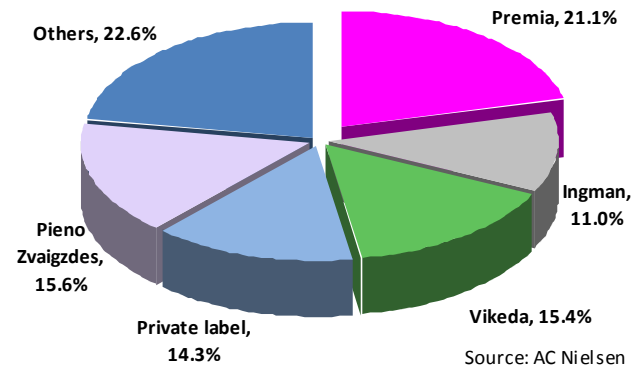
## LATVIAN ICE CREAM MARKET

value share in Jun - Jul 2010



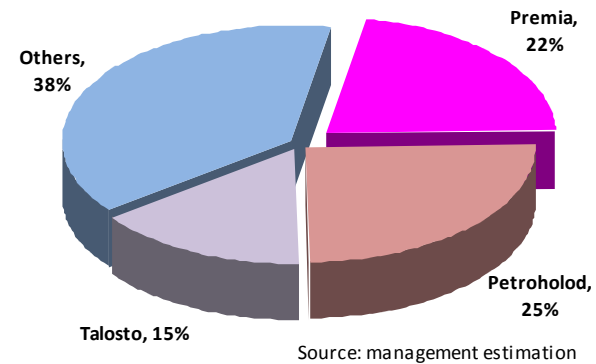
## LITHUANIAN ICE CREAM MARKET

value share in Jun - Jul 2010



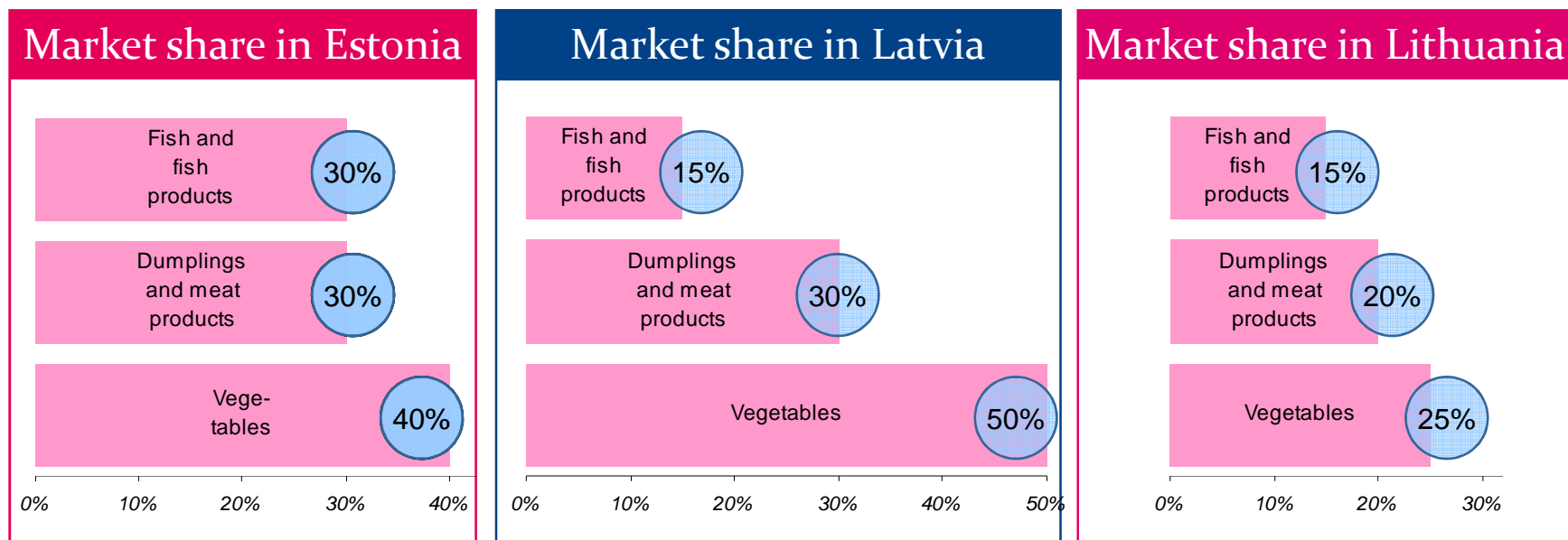
## ST PETERSBURG'S ICE CREAM MARKET

value share in Jun - Jul 2010



# Characteristics of frozen foods market

- ❑ The market is characterised by high entry barriers, as the sunk costs into the equipment and facilities are high.
- ❑ Main brandowners from Europe looking for one company in the Baltics to be their distribution partner.
- ❑ Well-segmented market, very active product developing with local specialities



Source: management estimation

## Strong No 2 in Finnish chilled packed fish market

