



P R F O O D S

## Acquisition of Trio Trading

28 AUGUST 2017

# EXTRAORDINARY GENERAL MEETING

## Introduction and organizational matters

### Indrek Kasela

Member of the Management Board of AS PRFoods

### Maivi Ots

Chairman of the Meeting

Advokaadibüroo Eversheds Sutherland Ots&Co, partner

### Lauri Liivat

Secretary of the meeting

Advokaadibüroo Eversheds Sutherland Ots&Co, Attorney at Law

### Hannele Pook

Organising broadcast and voting

ARS Corporate Services OÜ





# Agenda

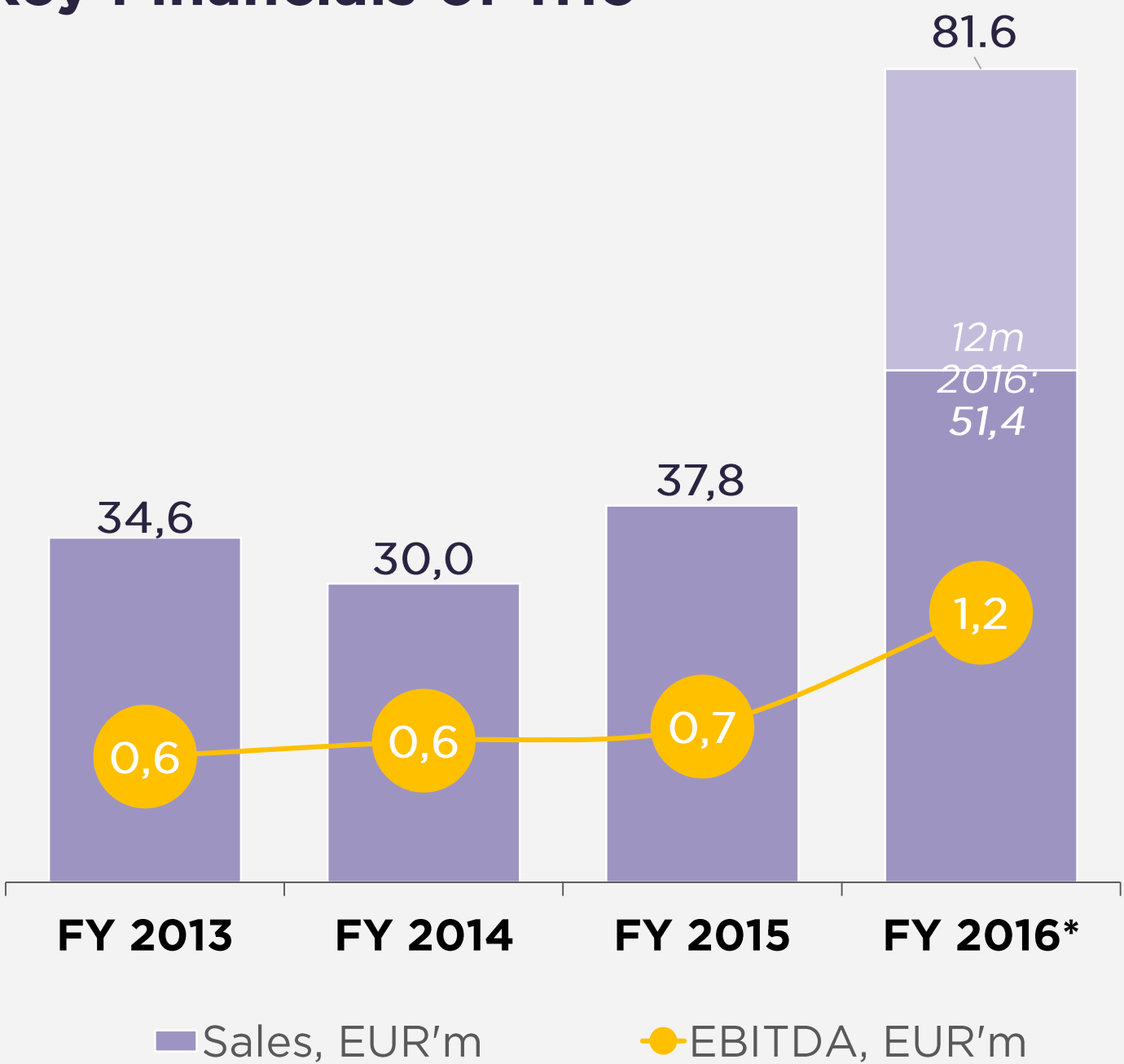
1. Approval of acquisition of Oy Trio Trading Ab

# ABOUT OY TRIO TRADING AB

## COMPANY SNAPSHOT

- Leading processor and importer of Nordic fish in Finland
- Established in 1989, based in Kokkola, Finland
- Processing covering salmon filleting and packaging of shellfish
- Sales mainly to Finnish wholesalers, seafood traders and retail companies, incl. Stockmann
  - PRFoods among top customers of Trio
- Employing over 50 people
- Owned by Finnish private individuals
- 2016 turnover of EUR 51.4 million\*

## Key Financials of Trio



\*FY2016 lasting 18m: from 1st Jan 2016 – 30 Jun 2017. 2016 calendar year sales amounting to 51.4m

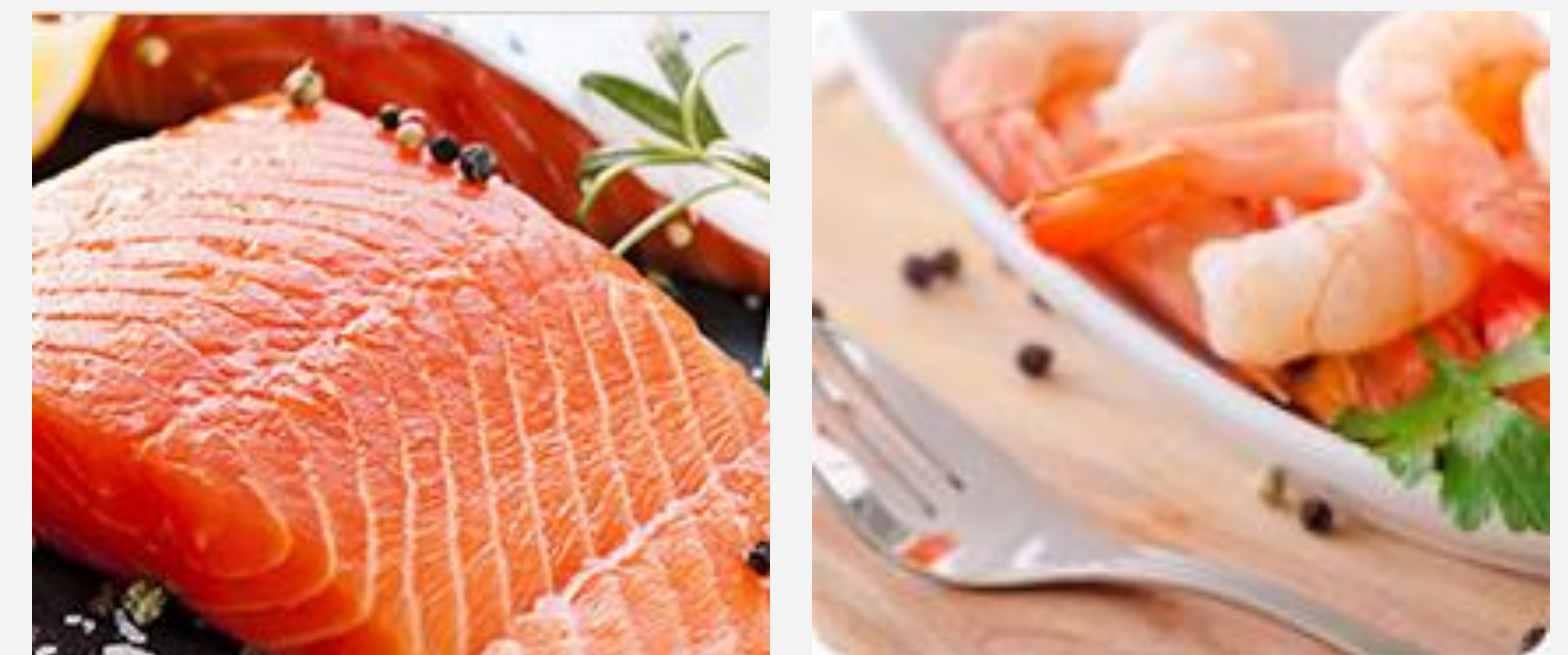
# ACQUISITION OF TRIO TRADING

## SUMMARY OF PAYMENT TERMS AND DEAL STRUCTURE

- Saaremere Kala AS, a fully-owned subsidiary of AS PRFoods, to acquire 100% in Oy Trio Trading Ab ('Trio'), becoming part of PRFoods consolidation group
- Purchase price for 100% of Trio shares shall be EUR 3,030,000
  - Additional annual purchase price to two of the sellers, lasting 5 years from FY 2018, of up to 3% from consolidated operational EBITDA of PRFoods, provided it exceeds EUR 6 million
  - Additional exit purchase price to two of the sellers of up to 1.5% of PRFoods equity value in case of PRFoods sale (exit), conditional on certain preconditions
- Transaction to be financed as a combination of:
  - EUR 2,500,000 loan from AS SEB Pank
  - own funds

## TRANSACTION RATIONALE

- ✓ Increase the range of seafood products on offer
- ✓ Cross-selling opportunities to enlarged customer base
- ✓ Enhanced access to retail customers and export markets
- ✓ Significant synergies in processing and logistics



# KEY FINANCIALS:

## TRIO TRADING FY2014 – FY2016

PROFIT & LOSS ACCOUNTS

EUR '000	FY 2014	FY 2015	FY 2016*
Turnover	30,015	37,825	81,641
Gross profit	3,395	4,312	6,343
EBITDA	631	694	1,203
EBIT	226	282	608
Net profit	-154	117	391
Gross margin	11.3%	11.4%	7.8%
EBITDA margin	2.1%	1.8%	1.5%
EBIT margin	0.8%	0.7%	0.7%
Net margin	-0.5%	0.3%	0.5%

BALANCE SHEET

EUR '000	2014 31 Dec	2015 31 Dec	2017 30 Jun
Net debt	3,506	1,991	1,184
Net working capital <sup>(1)</sup>	1,159	56	-497
Non-current assets	2,674	2,306	2,413
Shareholder funds	327	370	733
Total assets	6,237	6,558	8,157

\*FY 2016 lasting 18m, ending June 2017

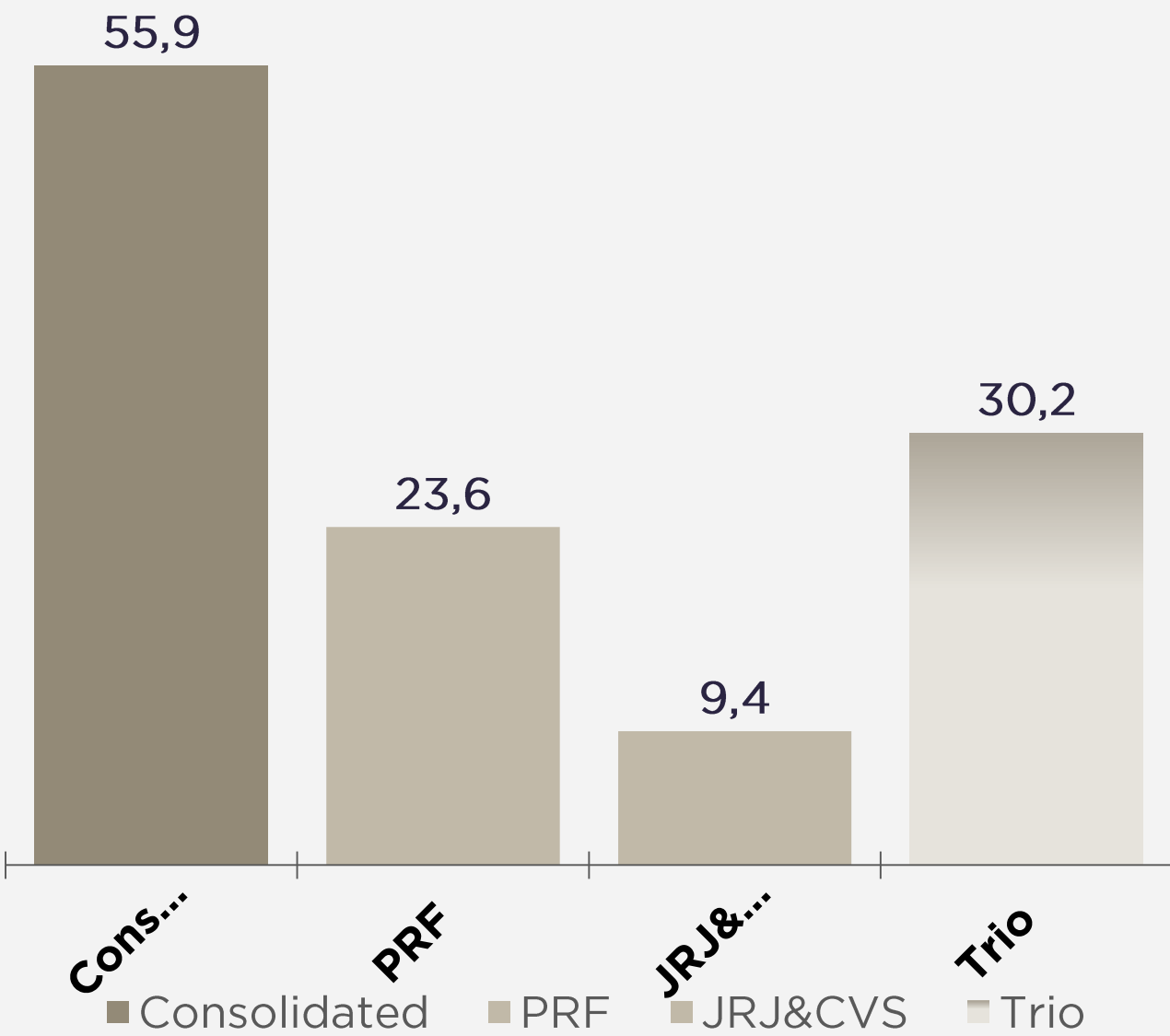
1) Net Working Capital, excluding cash and interest bearing debt

# ILLUSTRATIVE COMBINED FINANCIALS: PRFOODS + JRJ & CVS + TRIO

SELECTED PRO-FORMA PROFIT & LOSS ACCOUNTS ITEMS FOR THE  
CALENDAR YEAR 2016\*

EUR'm	PRFoods	JRJ&CVS	Trio	Consolidated
Turnover	47.4	18.6	51.4	97.8
Gross profit <sup>(1)</sup>	5.0	6.5	3.9	15.5
Gross margin	10.6%	35.2%	7.6%	15.8%
EPS <sup>(2)</sup>	0.02	0.04	0.00	0.05

Illustrative turnover for 6m 2017  
PRF + JRJ & CVS + Trio



\* Unaudited JRJ, CVS and Trio financials for the calendar year 2016; GPB:EUR as at year-end 2016 Eesti Pank exchange rate. PRF and Trio combined financials including eliminated intra-company turnover  
1) PRFoods gross profit excluding factory depreciation  
2) EPS attributable to PRF shareholders, combined EPS including assumed acquisition financing costs

## Approval of acquisition of Oy Trio Trading Ab

### Resolution:

to approve the acquisition of the entire shareholding in Oy Trio Trading Ab by AS PRFoods group company AS Saaremere Kala in accordance with the terms and conditions of the contemplated transaction as made available to the shareholders at the website of Nasdaq Tallinn and at the web site of AS PRFoods [www.prfoods.ee](http://www.prfoods.ee) simultaneously with convening the extraordinary general meeting of shareholders, and as presented to the shareholders in the course of the extraordinary general meeting of shareholders.





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prfoods.ee