

Kotipizza Group Oyj

Company Release 21 May 2015, at 9:30 a.m. (EET)

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KOTIPIZZA GROUP OYJ IS PLANNING A LISTING ON THE MAIN LIST OF NASDAQ OMX HELSINKI AND REDEEMING ITS BOND CONDITIONAL TO THE EXECUTION OF THE LISTING

Kotipizza Group Oyj ("Company") is planning a listing of its shares on the main list of NASDAQ OMX Helsinki Ltd ("Listing") and is considering an initial public offering in connection with the potential Listing. The Listing is expected to take place during the summer 2015.

Kotipizza Group Oyj is the parent company of the group, which includes three operating subsidiaries, Kotipizza Oyj ("Kotipizza"), Foodstock Oy ("Foodstock") and Chalupa Oy ("Chalupa"), which possess special competence in the different areas of the restaurant industry's value chain. Kotipizza carries out the franchising operations of the pizzeria chain owned by the Group, while Foodstock engages in food sourcing and logistics operations. Chalupa is a new Mexican-style fast casual restaurant concept launched in May 2015 as a joint venture. Through its business, Kotipizza Group is one of the leading players in the fast food industry in Finland. More than 99 percent of Kotipizza restaurants operate on the basis of a franchising agreement run by independent franchisees. Franchisee is given a tested and profitable business idea and product, and brand, knowhow and other advantages of co-operating with the chain.

Kotipizza began to systematically develop its restaurants' image and product range in 2013 whereby it aims to grow its restaurant sales. Kotipizza restaurant network aims to grow by opening restaurants at central locations, particularly in growth centres and larger cities. The modernisation of the online store in autumn 2014 is a part of the entire restaurant concept revision, aiming to guarantee consumers a flexible and first-class shopping experience.

The Company's long experience in the profitable restaurant franchising model makes it well positioned to launch and develop new restaurant concepts cost-efficiently. The first example of this is the Mexican-style fast casual concept Chalupa, which was launched in May 2015. Further, the Company considers possibilities to expand its fast casual brand portfolio with potential business acquisitions. The management of the Company believes that the proliferation of the fast casual trend will bring new restaurant concepts to the industry, which is expected to accelerate the segment's growth in the future.

The Company issued on 2 April 2013 a three-year unsecured bond with a nominal value EUR 30 million (the "Bond"). Conditional to the execution of the Listing, the Board of Directors of the Company has decided to redeem the Bond in full in accordance with the terms and conditions of the Bond. The contemplated redemption is planned to be financed with the proceeds from the initial public offering and the new term loans to be withdrawn in connection with the Listing.

Pohjola Bank plc acts as the lead manager for the contemplated initial public offering.
Roschier, Attorneys Ltd. acts as the legal advisor in the contemplated initial public offering.

Kotipizza Group Oyj

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Kotipizza Group in brief

Kotipizza is a Finnish pizza chain, which was founded in 1987. At the end of 2014, the number of restaurants stood at 261 restaurants. In 2014, the sales of Kotipizza restaurants were 70.2 million euro. Kotipizza Group Oyj net sales were 52.2 million euro for the financial year ended 31 January 2015 with an EBITDA of 4.3 million euro respectively.

The main owners of Kotipizza Group Oyj are the funds managed by Sentica Partners Oy (approx. 90%) and the Company's key personnel (approx. 10%).

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