

Preliminary Results of Orkla ASA's Public Cash Tender Offer for Kotipizza Group Oyj

Kotipizza Group Oyj
Stock Exchange Release
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Orkla ASA ("**Orkla**" or the "**Offeror**") and Kotipizza Group Oyj ("**Kotipizza**") announced on 22 November 2018 that they had on 22 November 2018 entered into a combination agreement pursuant to which Orkla undertook to make a voluntary recommended public cash tender offer to purchase all of the issued and outstanding shares in Kotipizza that are not owned by Kotipizza or any of its subsidiaries (the "**Tender Offer**"). The offer period under the Tender Offer commenced on 7 December 2018 at 9:30 a.m. and expired on 15 January 2019 at 4:00 p.m. (Finnish time).

Kotipizza has today received the following notice from the Offeror:

According to the preliminary results of the Tender Offer, the shares tendered in the Tender Offer, together with the total of 759,695 shares in Kotipizza acquired by the Offeror through market purchases, represent approximately 98.40% of all the shares and votes in Kotipizza.

Provided that the final results of the Tender Offer confirm that the shares tendered in the Tender Offer, together with any other Kotipizza shares acquired by the Offeror through market purchases, represent more than 90% of all shares in Kotipizza and all other conditions to completion of the Tender Offer continue to be fulfilled at such time or are waived, the Offeror will complete the Tender Offer in accordance with its terms and conditions.

The Offeror will confirm and announce the final results of the Tender Offer on or about 18 January 2019. In connection with the announcement of the final results, and provided that the Tender Offer will be completed, the Offeror intends to extend the offer period by a subsequent offer period commencing on a date to be announced in the final result announcement, as referred to in the terms and conditions of the Tender Offer.

The Offeror may purchase shares in Kotipizza during or after the offer period also in public trading on Nasdaq Helsinki or otherwise outside the Tender Offer.

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ABOUT ORKLA

Orkla is a leading supplier of branded consumer goods and concept solutions to the consumer, out-of-home and bakery markets in the Nordics, Baltics and selected markets in Central Europe and India. Orkla is listed on the Oslo Stock Exchange and its head office is in Oslo. In 2017, the Group had a turnover of NOK 40 billion, and approximately 18,000 employees as of 31 December 2017.

ABOUT KOTIPIZZA

Kotipizza is a Finnish pizza chain founded in 1987. At the end of financial year 2017, the number of restaurants stood at 266. In the financial year 2017, the total sales of Kotipizza restaurants amounted to EUR 106.3 million. The Kotipizza chain and Kotipizza Oyj operating the chain are part of the Kotipizza Group, alongside the supply and logistics company Helsinki Foodstock Oy, Chalupa Oy that operates the Mexican-style restaurant chain Chalupa, The Social Burger Joint Oy that operates the Social Burgerjoint restaurant chain, as well as the No Pizza restaurant concept, aimed for international markets, that opened its first restaurant in June 2018.

In the financial year 2017, Helsinki Foodstock had net sales of EUR 64.2 million and the total sales of Chalupa restaurants were EUR 1.86 million. In the same period, the Kotipizza Group had total net sales of EUR 84.1 million with EBIT of EUR 6.4 million.

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Notice to U.S. Shareholders

U.S. shareholders are advised that the shares of Kotipizza are not listed on a U.S. securities exchange and that Kotipizza is not subject to the periodic reporting requirements of the U.S. Securities Exchange Act of 1934 (the "Exchange Act"), and is not required to, and does not, file any reports with the U.S. Securities and Exchange Commission (the "SEC") thereunder. The Tender Offer is made to Kotipizza's shareholders resident in the United States on the same terms and conditions as those made to all other shareholders of Kotipizza to whom an offer is made.

Any information documents, including the tender offer document, are being disseminated to U.S. shareholders on a basis comparable to the method that such documents are provided to Kotipizza's other shareholders.

The Tender Offer is made for the issued and outstanding shares in Kotipizza, which is domiciled in Finland. Information distributed in connection with the Tender Offer is subject to the disclosure requirements of Finland, which are different from those of the United States. In particular, the financial statements and financial information included in the tender offer document have been prepared in accordance with applicable accounting standards in Finland, which may not be comparable to the financial statements or financial information of U.S. companies.

It may be difficult for Kotipizza's shareholders to enforce their rights and any claims they may have arising under the federal securities laws, since Orkla and Kotipizza are located in non-U.S. jurisdictions, and some or all of their respective officers and directors may be residents of non-U.S. jurisdictions. Kotipizza's shareholders may not be able to sue Orkla or Kotipizza or their respective officers or directors in a non-U.S. court for violations of the U.S. securities laws. It may be difficult to compel Orkla and Kotipizza and their respective affiliates to subject themselves to a U.S. court's judgment.

The Tender Offer is made in the United States pursuant to Section 14(e) and Regulation 14E under the Exchange Act as a "Tier II" tender offer, and otherwise in accordance with the requirements of Finnish law. Accordingly, the Tender Offer will be subject to disclosure and other procedural requirements, including with respect to the offer timetable, settlement procedures and timing of payments that are different from those applicable under U.S. domestic tender offer procedures and law.

To the extent permissible under applicable law or regulations, Orkla and its affiliates or brokers (acting as agents for Orkla or its affiliates, as applicable) may from time to time, and other than pursuant to the Tender Offer, directly or indirectly, purchase or arrange to purchase, the shares of Kotipizza or any securities that are convertible into, exchangeable for or exercisable for such shares of Kotipizza. To the extent information about such purchases or arrangements to purchase is made public in Finland, such information will be disclosed by means of a press release or other means reasonably calculated to inform U.S. shareholders of Kotipizza of such information. In addition, the financial advisers to Orkla may also engage in ordinary course trading activities in securities of Kotipizza, which may include purchases or arrangements to purchase such securities.

Neither the SEC nor any U.S. state securities commission has approved or disapproved the Tender Offer, or passed any comment upon the adequacy or completeness of any tender offer document. Any representation to the contrary is a criminal offence in the United States.