

Orkla ASA to Commence Redemption Proceedings in Respect of the Remaining Kotipizza Group Oyj Minority Shares

Kotipizza Group Oyj
Stock Exchange Release
24 January 2019 at 6:00 p.m. (EET)

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO CANADA, JAPAN, AUSTRALIA, SOUTH AFRICA OR HONG KONG OR IN ANY OTHER JURISDICTION IN WHICH THE TENDER OFFER WOULD BE PROHIBITED BY APPLICABLE LAW. FOR FURTHER INFORMATION, SEE SECTION "IMPORTANT INFORMATION" BELOW.

Orkla ASA to Commence Redemption Proceedings in Respect of the Remaining Kotipizza Group Oyj Minority Shares

Orkla ASA ("**Orkla**" or the "**Offeror**") announced on 17 January 2019 that it will complete the public tender offer to purchase the issued and outstanding shares of Kotipizza Group Oyj ("**Kotipizza**").

The Offeror has informed Kotipizza that on 21 January 2019 a total of 5,499,349 shares in Kotipizza were transferred to the Offeror based on completion of the tender offer. Together with the total of 763,632 shares acquired by the Offeror until 21 January 2019, the Offeror owned a total of 6,262,981 Kotipizza's shares corresponding to approximately 98.61 percent of all the shares and votes in Kotipizza. The Offeror has informed Kotipizza that the Offeror has the redemption right and obligation under Chapter 18, Section 1 the Finnish Companies Act to redeem the shares held by other Kotipizza shareholders at fair value.

The Offeror has decided to exercise its redemption right pursuant to the Finnish Companies Act and to redeem all shares held by any other remaining shareholders in Kotipizza (the "**Shares**" and each of them separately, a "**Share**"). To implement the redemption of the Shares, the Offeror will initiate arbitration proceedings as soon as possible as provided in the Finnish Companies Act. In such redemption proceeding, the Offeror will demand that the redemption price for the shares is EUR 23.00 per Share, which is the same price as the consideration paid by the Offeror in the tender offer.

According to the Offeror's notice, possible transfer tax collected in Finland deriving from the redemption of the shares as well as the payments and charges arising from the book-entry registrations carried out as a consequence of the redemption will be borne by the Offeror.

Media Enquiries:

Håkon Mageli
Group Director, Corporate Communications & Corporate Affairs
+47 928 45 828
hakon.mageli@orkla.no

Rabbe Wikström
Senior Advisor
+358 20785 4002
rabbe.wikstrom@orkla.no

Tommi Tervanen

CEO, Kotipizza Group Oyj
+358 207 716 743
tommi.tervanen@kotipizzagroup.com

Investor Enquiries:

Thomas Ljungqvist
SVP Investor Relations, Orkla ASA
+47 48 25 96 18
thomas.ljungqvist@orkla.no

Timo Pirskanen
CFO and Deputy to the CEO, Kotipizza Group Oyj
+358 207 716 747
timo.pirskanen@kotipizzagroup.com

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.

IMPORTANT INFORMATION

THIS RELEASE MAY NOT BE RELEASED OR OTHERWISE DISTRIBUTED, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO, CANADA, JAPAN, AUSTRALIA, SOUTH AFRICA OR HONG KONG OR IN ANY OTHER JURISDICTION IN WHICH THE TENDER OFFER WOULD BE PROHIBITED BY APPLICABLE LAW.

THIS RELEASE IS NOT A TENDER OFFER DOCUMENT AND AS SUCH DOES NOT CONSTITUTE AN OFFER OR INVITATION TO MAKE A SALES OFFER. IN PARTICULAR, THIS RELEASE IS NOT AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES DESCRIBED HEREIN, AND IS NOT AN EXTENSION OF THE TENDER OFFER, IN, CANADA, JAPAN, AUSTRALIA, SOUTH AFRICA OR HONG KONG. INVESTORS SHALL ACCEPT THE TENDER OFFER FOR THE SHARES ONLY ON THE BASIS OF THE INFORMATION PROVIDED IN A TENDER

OFFER DOCUMENT. OFFERS WILL NOT BE MADE DIRECTLY OR INDIRECTLY IN ANY JURISDICTION WHERE EITHER AN OFFER OR PARTICIPATION THEREIN IS PROHIBITED BY APPLICABLE LAW OR WHERE ANY TENDER OFFER DOCUMENT OR REGISTRATION OR OTHER REQUIREMENTS WOULD APPLY IN ADDITION TO THOSE UNDERTAKEN IN FINLAND.

THE TENDER OFFER IS NOT BEING MADE AND THE SHARES WILL NOT BE ACCEPTED FOR PURCHASE FROM OR ON BEHALF OF PERSONS, DIRECTLY OR INDIRECTLY IN ANY JURISDICTION WHERE MAKING OR ACCEPTANCE OF SUCH TENDER OFFER WOULD BE PROHIBITED BY APPLICABLE LAWS OR REGULATIONS OR WOULD REQUIRE ANY REGISTRATION, APPROVAL OR FURTHER MEASURES WITH ANY REGULATORY AUTHORITY NOT EXPRESSLY CONTEMPLATED BY THE TENDER OFFER DOCUMENT. THE TENDER OFFER DOCUMENT AND RELATED ACCEPTANCE FORMS AS WELL AS OTHER RELATED MATERIAL WILL NOT AND MAY NOT BE DISTRIBUTED, FORWARDED OR TRANSMITTED INTO OR FROM ANY JURISDICTION WHERE IT WOULD BE PROHIBITED BY THE APPLICABLE LAWS AND REGULATIONS. IN PARTICULAR, THE TENDER OFFER IS NOT BEING MADE, DIRECTLY OR INDIRECTLY, IN OR INTO, OR BY USE OF THE POSTAL SERVICE OF, OR BY ANY MEANS OR INSTRUMENTALITY (INCLUDING, WITHOUT LIMITATION, FACSIMILE TRANSMISSION, TELEX, TELEPHONE OR THE INTERNET) OF INTERSTATE OR FOREIGN COMMERCE OF, OR ANY FACILITIES OF A NATIONAL SECURITIES EXCHANGE OF, CANADA, JAPAN, AUSTRALIA, SOUTH AFRICA OR HONG KONG. THE TENDER OFFER CANNOT BE ACCEPTED, DIRECTLY OR INDIRECTLY, BY ANY SUCH USE, MEANS OR INSTRUMENTALITY OR FROM WITHIN, CANADA, JAPAN, AUSTRALIA, SOUTH AFRICA OR HONG KONG.

THIS STOCK EXCHANGE RELEASE OR ANY OTHER DOCUMENT OR MATERIALS RELATING TO THE TENDER OFFER IS NOT BEING MADE AND HAVE NOT BEEN APPROVED BY AN AUTHORISED PERSON FOR THE PURPOSES OF SECTION 21 OF THE UK FINANCIAL SERVICES AND MARKETS ACT 2000 ("FSMA"). ACCORDINGLY, THIS STOCK EXCHANGE RELEASE OR ANY OTHER DOCUMENT OR MATERIALS RELATING TO THE TENDER OFFER ARE NOT BEING DISTRIBUTED TO, AND MUST NOT BE PASSED ON TO, THE GENERAL PUBLIC IN THE UNITED KINGDOM. THE COMMUNICATION OF THIS STOCK EXCHANGE RELEASE OR ANY OTHER DOCUMENT OR MATERIALS RELATING TO THE TENDER OFFER IS EXEMPT FROM THE RESTRICTION ON FINANCIAL PROMOTIONS UNDER SECTION 21 OF THE FSMA ON THE BASIS THAT IT IS A COMMUNICATION BY OR ON BEHALF OF A BODY CORPORATE WHICH RELATES TO A TRANSACTION TO ACQUIRE DAY TO DAY CONTROL OF THE AFFAIRS OF A BODY CORPORATE; OR TO ACQUIRE 50 PER CENT. OR MORE OF THE VOTING SHARES IN A BODY CORPORATE, WITHIN ARTICLE 62 OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005.

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.