



Press release, April 27, 2022

AAK to leave Russia

AAK AB (publ.) has decided to make a controlled exit from its operations and investments in Russia.

In March, AAK communicated a temporary halt of deliveries to, and sales in, Russia. Since then, a careful evaluation has been carried out, resulting in a decision to permanently wind up the business in the country. The company has initiated this sensitive and difficult process, focusing on executing it in a controlled manner to ensure both legal compliance and the safety of its employees. Russia makes up for some 3 percent of AAK's volumes, as measured in metric tons.

Part of the exit refers to leaving a local joint venture (JV), in which AAK holds a 75 percent stake. The aim is to reach an agreement to let the AAK stake revert to the partner from which it was originally acquired. The JV makes up for approximately half of AAK's volumes in the country or 1.5 percent of the Group's total volumes, as measured in metric tons – most of which are reported in Food Ingredients.

The remaining half of the Russian volumes are imported to and sold via AAK's Russian sales company, which will be closed. Most of these volumes are reported in business area Chocolate & Confectionery Fats. AAK is now working diligently to re-route as much as possible of this to customers in other geographies.

The exit and its effects

The exit is estimated to lead to a cost of SEK 300–350 million, affecting the income statement in the second quarter. Given an expected gradual transfer of volumes, AAK estimates that the total impact on operating profit will be in the range of SEK 75–100 million in 2022.

For more information:

AAK releases quarterly earnings today and will host a conference call at 1:00 p.m. CEST. For more information about this decision, you are welcome to join the call. [Click here](#) for dial-in details. You may also contact us via investor@aak.com.

The information was submitted for publication at 11:55 a.m. CET on April 27, 2022.

About AAK

Everything AAK does is about Making Better Happen™. We specialize in plant-based oils that are the value-adding ingredients in many of the products people love to consume. We make these products better tasting, healthier, and more sustainable. At the heart of AAK's offer is Customer Co-Development, combining our desire to understand what better means for each customer, with the unique flexibility of our production assets, and a deep knowledge of many products and industries, including Chocolate & Confectionery, Bakery, Dairy, Plant-based Foods, Special Nutrition, Foodservice and Personal Care. Our 4,000 employees support our close collaboration with customers through 25 regional sales offices, 15 dedicated Customer Innovation Centers, and with the support of more than 20 production facilities. Listed on Nasdaq Stockholm and with our headquarters in Malmö, Sweden, AAK has been Making Better Happen for more than 150 years.