

Media information

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**FOOD UNION TOPS 2020 PROJECTIONS DESPITE YEAR OF GLOBAL UNCERTAINTY**

RIGA, LATVIA, December 16, 2020 – [Food Union (Europe)](https://foodunion.com/), a global ice cream and dairy producer and distributor, will wrap up 2020 by posting strong financial results and delivering outstanding commercial performance despite the global uncertainty caused by the COVID-19 pandemic. The Group has seen its market grow amid challenges caused by changing markets, evolving consumer preferences and transforming distributor value chains.

“I am pleased to announce that we are on track to achieve our goal of reaching a 5% increase in sales in 2020,” said Normunds Staņēvičs, CEO of Food Union Europe. **“**This is very encouraging, given the unprecedented market dynamics this year. Strategically, it’s worth noting the increase of Food Union’s ice cream market share by an average of 0.5% across markets where we sell our products.” In Food Union’s core ice cream business, profit margins increased by an average of 1.8%, Mr. Staņēvičs added**.** “This is a significant outcome given the challenging times. Our Group will start 2021 strongly positioned for growth,”said Mr. Staņēvičs.

In 2020, Food Union operated in nine European countries, navigated shifting market demands and launched 117 new products based on local consumer insights. Food Union Europe also increased exports into South East Asia, with total exports soaring from near-zero in the first months of 2020 to €2.1 million in sales by the end of 2020.

**“**Our current position speaks to the resilience of our global business,” said Mr. Staņēvičs**.** “We have emphasized flexibility and agility in responding to the current global crisis, and ensured that local market factors were central considerations in our most crucial business.” Throughout 2019, the Group invested €18.8 million in new technologies across every part of its business and in each geographical region. “These investments were prescient and positioned Food Union to both withstand the impact of COVID-19 and to increase revenues and profitability in 2020,” Mr. Staņēvičs added.

The Group’s shareholders include its founder and executive chairman, Andrey Beskhmelnitskiy, an entrepreneur with a track record of transforming an array of assets in the food products into a robust and profitable enterprise. Hong Kong-based investment company, [Meridian Capital Limited](https://meridiancapitallimited.com/), together with one of Asia’s largest private capital firms, [PAG](https://www.pag.com/en/), provide Food Union with financial backing. Meridian Capital Limited and PAG became Food Union shareholders in 2015 and 2018, respectively, to finance the Group’s growth and its expansion into the Chinese market with Food Union China.

“Even in the extraordinary circumstances that have characterized 2020, Food Union has managed to wrap up a successful year,” said. Askar Alshinbayev, founder and principal of Meridian Capital Limited. “The Group has made significant investments and undertaken fresh initiatives with the goal of delivering more innovation and enhancing operational agility in the FMCG market even in the middle of market headwinds and challenges.”

**ABOUT FOOD UNION**

[Food Union](https://www.globenewswire.com/Tracker?data=v23V3jjCuCObmpDO6HczgDTJsoJNu4fabWjnyaPlD77TjFc-sGsNKtD_8ZkQ0AnRUF8mR0fdT3aTL32XHcP5UQ==) is a leading, innovative consumer goods company that develops local brands and delivers delightful products designed to enhance the happiness and wellbeing of consumers in Europe, Belarus, Russia, China and Pacific Asia. Food Union is currently the leading ice cream producer in the Baltics and Denmark, and the group holds a strong market position in Norway, Romania, Russia and Belarus.

Food Union is a dynamic player in the European dairy sector. They paved the way by developing and focusing on acquiring leading brands across Europe. The Group is made up of the two of the largest dairy and ice-cream companies in Latvia – *Rīgas piena kombināts* and *Valmieras pien*s, and includes an array of ice-cream producers and specialist companies, including: Estonia’s and Lithuania’s largest ice cream makers *Premia TKH* and *Premia KPC,* the leading Danish ice cream producer *Premier Is* and Danish door-step-delivery ice cream company *Hjem I*s, Norway’s ice cream company *Isbjørn Is* and door-step-delivery ice cream company *Den Norske Isbilen*, Romanian ice cream maker *Alpin57Lu*x, and ice cream company *Ingman Ice Cream* in Belarus and ice cream company *Khladokombinat No.1* in Russia.

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