

Finnforel to invest EUR 45 million in new production facilities and build first selective breeding centre for rainbow trout in Finland



“Over the next decade, the mission of the Finnforel team is to bring Finnish genetics and fish farming know-how to the world. In the future, fish will be farmed where consumers are.”

Finnish technology company Finnforel has become one of the world's leading ecological fish farms since it was founded in 2017. The company's products are currently sold in more than a thousand grocery stores in Finland under the Saimaan Tuore brand. Finnforel achieved a significant breakthrough in November 2020, when its million-kilo production plant in Varkaus achieved maximum capacity level for premium fish farming.

With the investment programme announced today, Finnforel enters its next growth phase, as the company aims for rapid expansion in both the Finnish and global markets.

“Only 0.1 percent of all the fish in the world is produced in an ecologically sustainable way. This is a massive EUR 300 billion business that must change if we want to save our seas and lakes. I believe that Finnforel's highly refined model, which works without antibiotics or environmental emissions, can claim a significant part of this market. Over the next decade, the mission of the Finnforel team is to bring Finnish genetics and fish farming know-how to the world. In the future, fish will be farmed where consumers are,” says Pekka Viljakainen, Chairman of the Board and one of the founders of Finnforel Oy.

Finnforel is further expanding the production capacity of its Varkaus plant from one million to three million kilos. The resulting “Finnforel Gigafactor” concept will cover the entire fish farming process, from juvenile fish to ready consumer products. Construction work on the extension, which will cost approximately EUR 25 million, will begin immediately. In December 2021, Finnforel will begin exporting its fish products to the United Kingdom,

Germany and the Netherlands. At the same time, the company is entering the design phase for several similar gigafactor projects in Europe, Russia and the Middle East.

Finland's first selective breeding centre for rainbow trout to be built in Hollola

A significant part of Finnforel's expansion plans is to introduce to Finland industrial-scale broodstock and fry production suitable for Recirculating Aquaculture Systems. At present, most of the eggs used in fish farming in Finland are imported. Finnforel is building a EUR 12 million genetics and fry plant in Hollola that, upon completion, will have the capacity to produce eggs for six Finnforel gigafactor plants around the world.

The project, which is being implemented in close co-operation with Natural Resources Institute Finland, is also important in terms of Finland's emergency supply. Together with the Finnish institute, Finnforel will help secure the supply of fish eggs and fry, for example in crisis situations. Since the early 1990s, Natural Resources Institute Finland has carried out pioneering research in rainbow trout genetics, breeding and animal health. This project marks the first time that the results of this work are being applied and commercialised to this extent.

"According to the business model created by Finnforel, fish will be processed from eggs to consumer packaging. By securing the entire production chain, we create an easy way for consumers and retailers to buy and sell fresh and delicious fish. The consumption of fish is growing internationally, and I firmly believe that more vigilant consumers will increasingly favour organically produced alternatives that are easy and quick to prepare," says Max Alfthan, Managing Director of Finnforel.

Significant new owners

Finnforel is financing these investments totalling EUR 45 million through a EUR 34 million share issue, EUR 4.5 million from the European Maritime and Fisheries Fund (EMFF) and EUR 6 million in loans from banks.

The share issue will make significant Finnish and international institutional investors shareholders in Finnforel. These include Ahlström Invest, Finnish Industry Investment Ltd (TESI), the European Investment Bank (European Fund for Strategic Investment), The Good Investors (Ireland/France) and other European family enterprises.

Finnforel's press conference was held on Tuesday 9th of November from 11.00 am onwards. The recording of the press conference can be viewed here: <https://www.finnforel.com/>

Further information:

Pekka Viljakainen, Chairman of the Board, Finnforel Oy
bulldozer@aii.fi, tel. +358 50 1422

Max Alfthan, Managing Director, Finnforel Oy
max.ahfthan@finnforel.com, tel. +358 40 0461640

Read more about Finnforel here: <https://www.finnforel.com/>
For more information: <https://youtu.be/e6Q8LbLddXw>