

# ANORA

**Growth through sustainability**

Investor presentation

January 2023

ANORA

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# The leading wine and spirits brand house in the Nordic region and an industry forerunner in sustainability

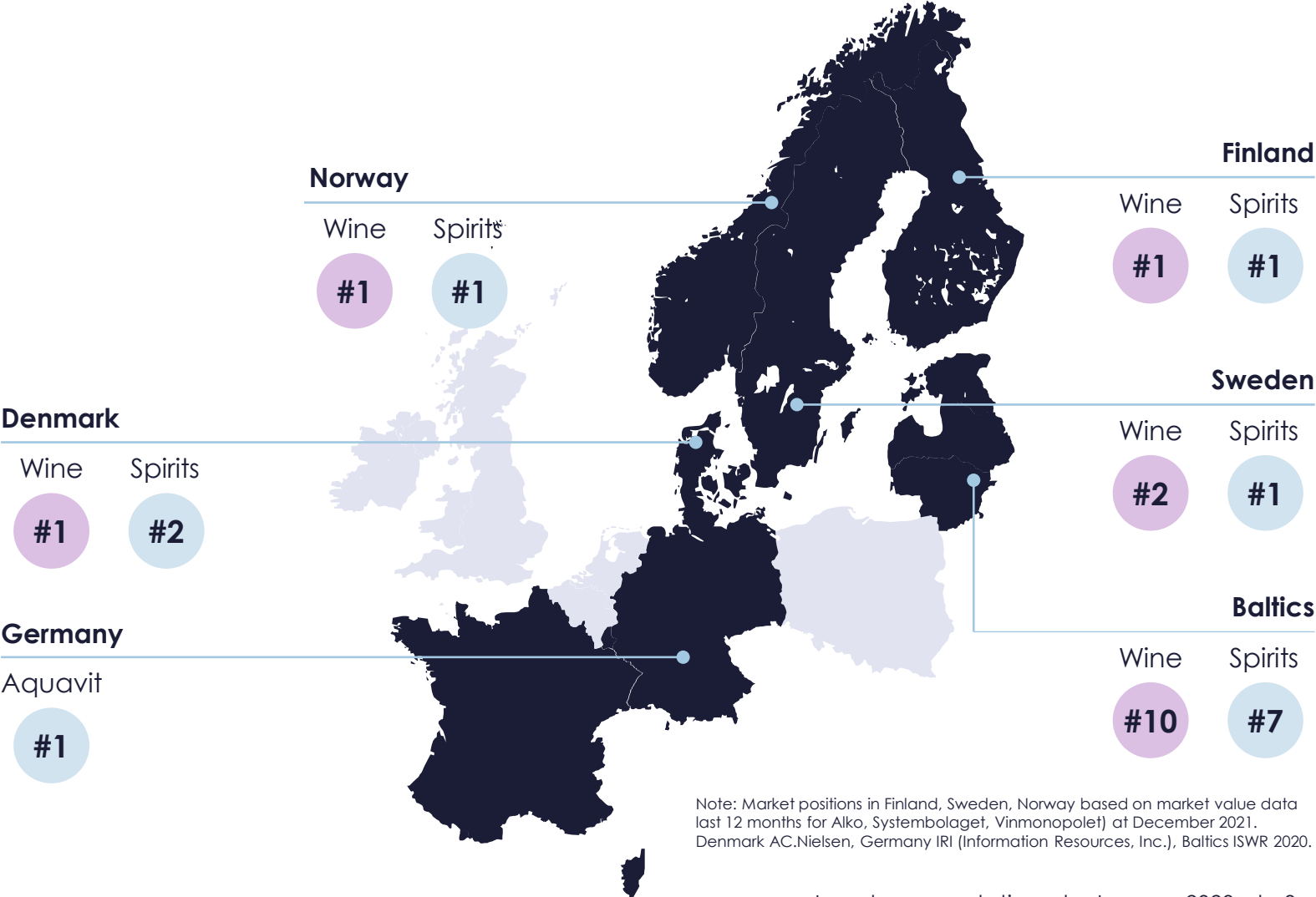
## Nordic overall market position



## Forerunner in sustainability



ANORA



Note: Market positions in Finland, Sweden, Norway based on market value data last 12 months for Alko, Systembolaget, Vinmonopolet) at December 2021. Denmark AC.Nielsen, Germany IRI (Information Resources, Inc.), Baltics ISWR 2020.

# A well-balanced business across categories and countries

Net sales, MEUR

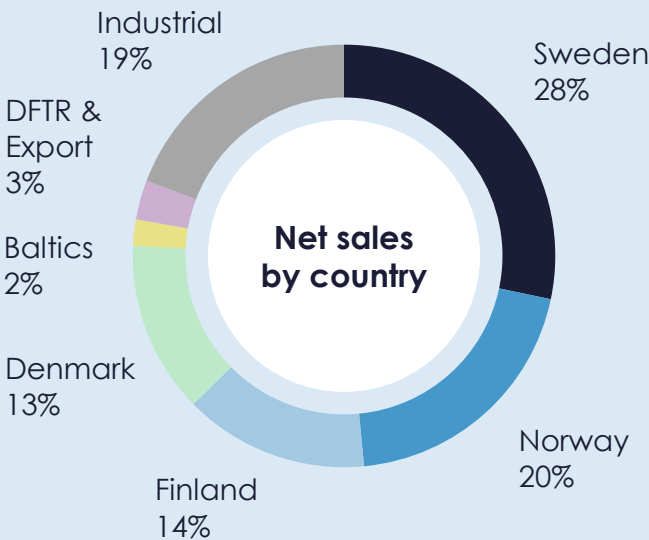
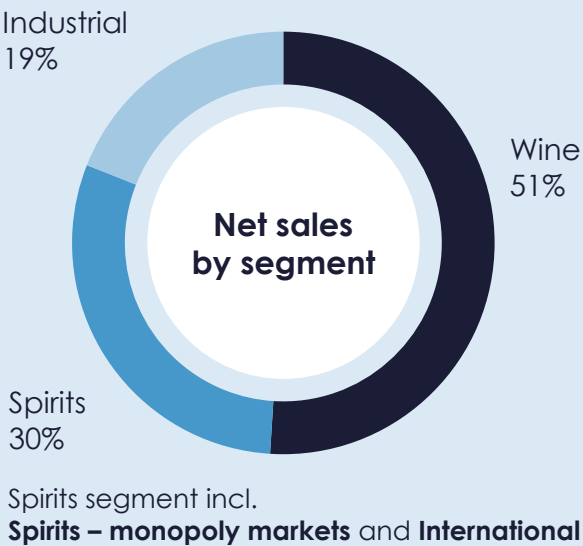
739

Comparable EBITDA, MEUR

110

Personnel

1,212





# Strong and versatile portfolio of leading own and partner brands

## Key Anora brands

### Wine

CHILL  
OUT

BLOSSA  
GLÖGG

Wongraven

RubyZin

Falling  
FEATHER

IL  
CAPOLAVORO

### Spirits

SKAGERRAK  
NORDIC DRY GIN

KOSKENKORVA

LARSEN  
COGNAC

LINIE  
AQUAVIT

O.P. ANDERSON

XANTÉ

ANORA

## Key partner brands

### Wine

MASI<sup>®</sup>  
AGRICOLA

LOUIS ROEDERER  
CHAMPAGNE

BORGOGNO

LAROCHE

FAMILLE  
ANDRÉ LURTON

XAVIER  
VIGNON

Penfold's

DESDE 1551  
CODORNÍU

CHAMPAGNE  
BOLLINGER  
MAISON FONDÉE EN 1829

### Spirits

FIREBALL  
CINNAMON WHISKY

Underberg

AMARULA

Jose  
Cuervo

JACK DANIEL'S  
Old No. 7  
BRAND

FERNET-BRANCA

DISARONNO  
ORIGINALE  
The World's Favorite  
Italian Liqueur

hermÖ  
GIN

# Delivering growth through sustainability

We are the leading Nordic wine and spirits group delivering growth through sustainability. Our passion takes the best of the Nordics to the world and the best of the world to the Nordics.

**We are Anora, let's drink better!**



# Our growth strategy up to 2030

**Lead category growth  
across consumer occasions  
and channels in the Swedish,  
Norwegian and Finnish markets as  
the wine and spirits powerhouse**



**Scale our position in  
Denmark and the Baltics  
to cement our regional  
leadership**

**Accelerate beyond the Nordics with strong,  
sustainable hero brands**

# Delivering growth through sustainability



**Faster-than-market growth (1.5x) in our core monopoly markets**



**Share of international<sup>1</sup> from ~10% (today) to ~20% (future)**



**Hero brands from ~15% (today) to ~30% (future)<sup>2</sup>**



**Self-funding of investments for growth**



**Recognized #1 in ESG**



**Preferred workplace**

# 3–5%

Annual net sales growth

Including M&A, majority is organic

# 16%

Comparable EBITDA margin

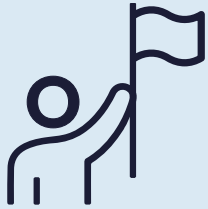
Through increased focus on margin accretive business and scale benefits on indirect costs

# Our sustainability roadmap to growth



# Strong values and company culture support our growth

## COURAGE TO **EXPLORE**



We are **passionate** and ambitious to lead the industry. We have the **courage** to challenge the status quo, continuously improving for a better tomorrow.

## ENERGY TO INSPIRE



We share a can-do attitude and **enjoy** going the extra mile. **Positivity** shines through in everything we do, making us inspiring and fun to work with.

## EMPOWERING TO WIN



Our dynamic, open and **inclusive** way of working represents a modern Nordic mindset. We take **ownership** of our decisions, giving all of us the freedom to succeed.



A background image showing a person pouring beer from a tap into a glass. The scene is dimly lit, likely indoors at night. The person's hand is visible holding the glass, and the beer is being poured from a tap. The overall tone is dark and moody.

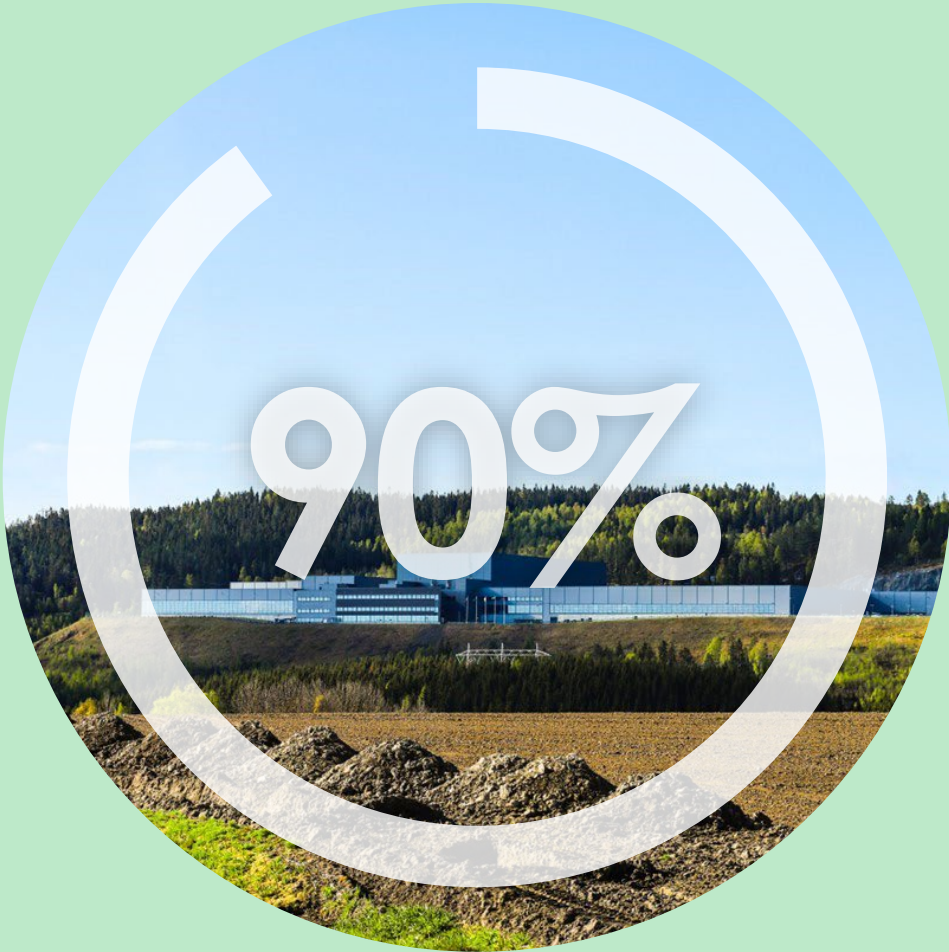
# Our sustainability roadmap



Substantial reduction of CO<sub>2</sub> emissions at Koskenkorva Distillery



Significant use of renewable energy at Gjelleråsen





# Key drivers

## **Nordic monopolies have agreed to**

- ✓ Decrease the CO<sub>2</sub> footprint of the supply chain by 50% within 2030
- ✓ Minimise the use of heavy weight glass bottles
- ✓ Maximise the share of low carbon footprint packaging
- ✓ Support new innovative low carbon packaging solutions

## **An avalanche of new sustainability regulation**

- ✓ Norwegian transparency law
- ✓ EU human rights and environmental due diligence directive



# Planet

1

Carbon neutral operations by 2030 and Koskenkorva Distillery by 2026 – without compensations.

2

We increase the share of regeneratively farmed barley to 30% of own grain spirit products by 2030.

3

We reduce wastewater with 20%, increase recycling rate of waste to 90% and reduce landfill waste to zero by 2030.

1,500

football fields of protected ground water area binding

827,320

tons of carbon

# We are committed to set Science-Based targets

## Near-term 2030

Reduction target of **38%**  
aligned with **1.5°C**  
covering Scopes 1–3



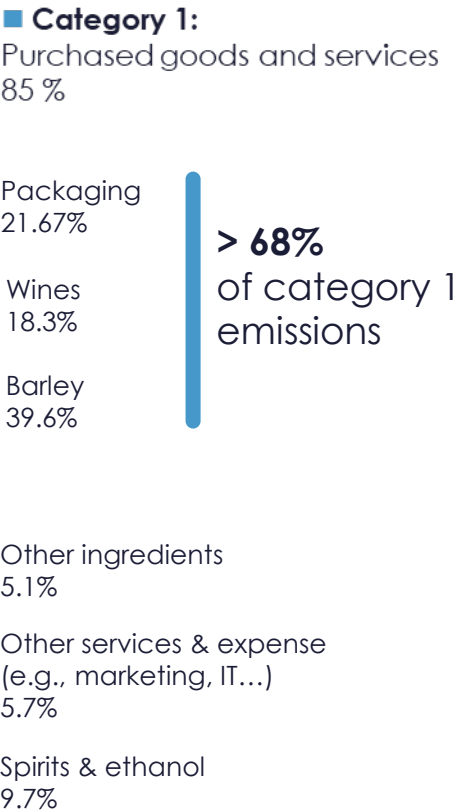
## Long-term 2050 Net Zero



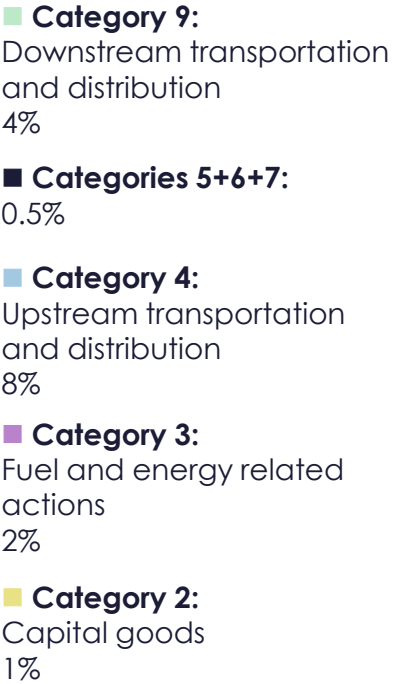
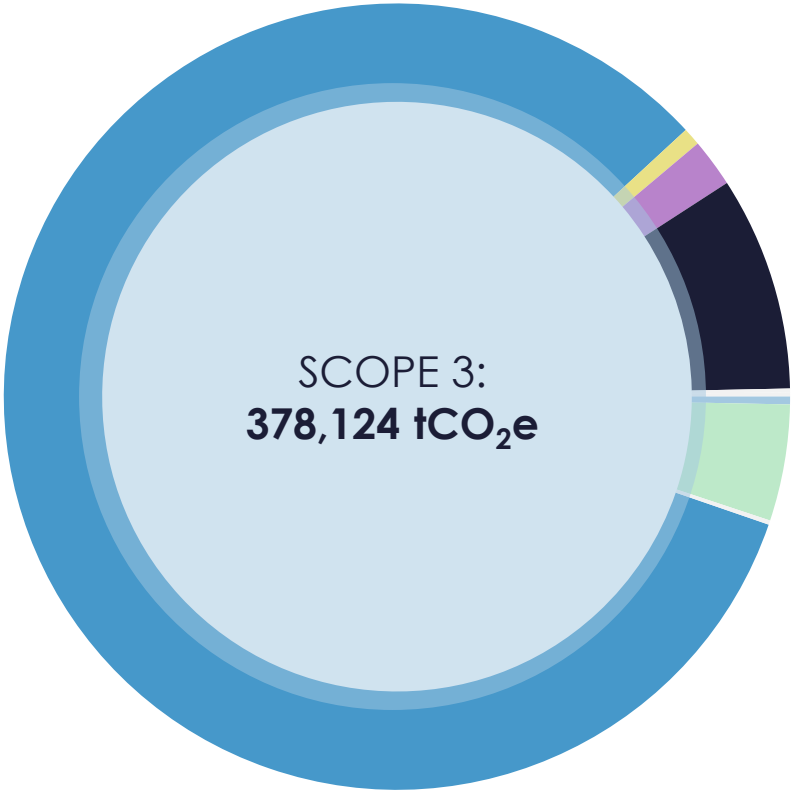


# How we will reduce emissions by 2030

## SCOPE 1+2

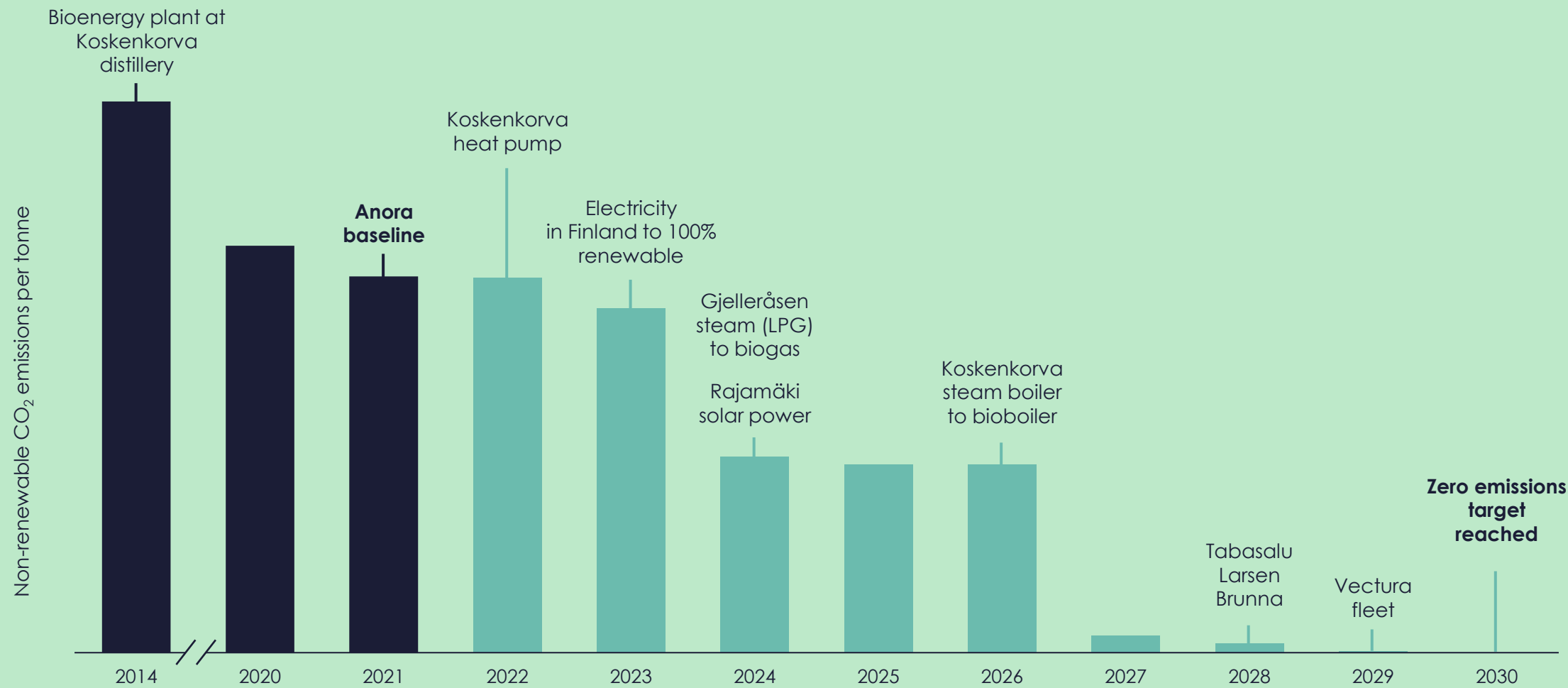


## SCOPE 3





# Milestones to zero emissions in own production





# People

1

100% of risk countries covered with audits or certificates. 100% of suppliers have signed amfori code of conduct in 2023.

2

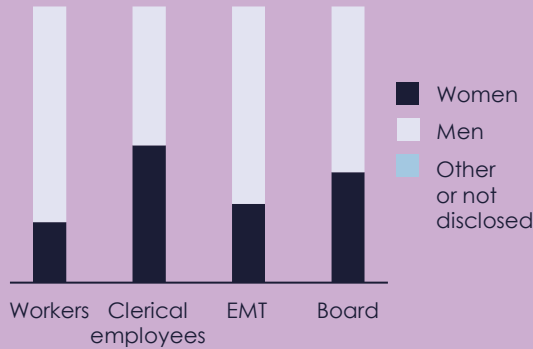
We increase the number of safety observations and reduce accidents resulting to absence to zero by 2030.

3

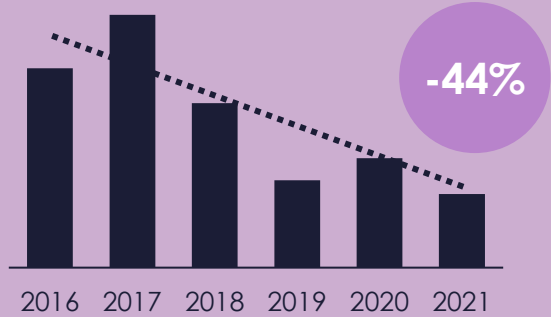
We ensure diversity, equity and inclusion at work.

2% of sourcing from risk countries

Gender distribution\*



LTIF development at Rajamäki



\* Based on Anora 2021 figures



REOPI  
LANEY  
PRODUCT

# Product



1

By 2030 all packages are light in weight, 100% recyclable and of materials from certified sources or recycled origin

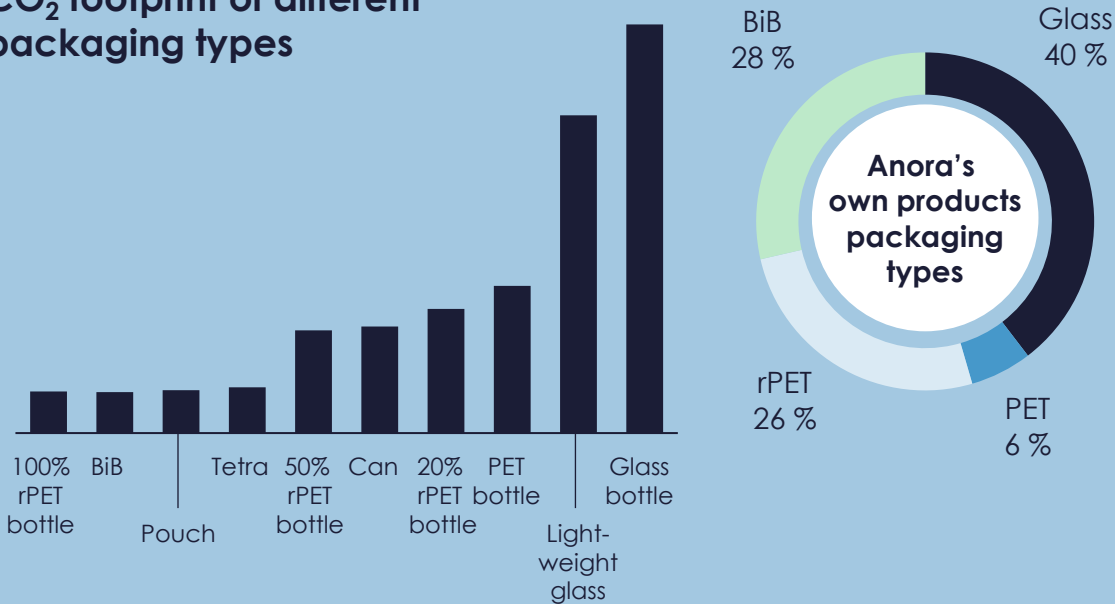
2

We increase the amount of sustainable and NoLo choices

3

We support a modern, responsible drinking culture

CO<sub>2</sub> footprint of different packaging types



# Building our sustainable future together with key partners

E



S



WE SUPPORT



G

- ☒ GRI
- ☒ TCFD
- ☒ Taxonomy





A background photograph of a group of people at a social gathering, clinking wine glasses. The image is overlaid with a semi-transparent dark blue filter. The text 'The Nordic wine and spirits market' is centered in white. The ANORA logo is in the bottom left, and the page information is in the bottom right.

# The Nordic wine and spirits market

# The Nordic wine and spirits market is large and non-cyclical

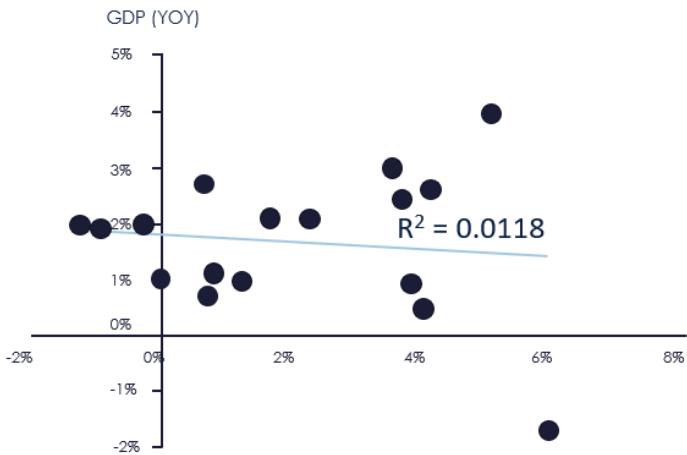
## Large and profitable market

Value of the Nordic wine and spirits market<sup>1</sup>



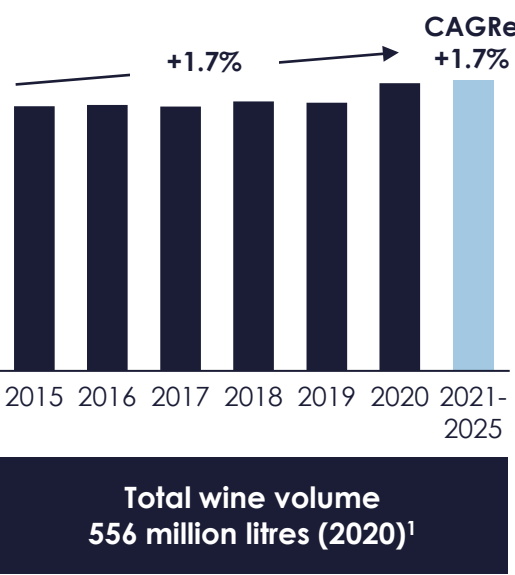
## Non-cyclical business

Wine and spirits consumption vs. GDP growth (Norway)<sup>2</sup>

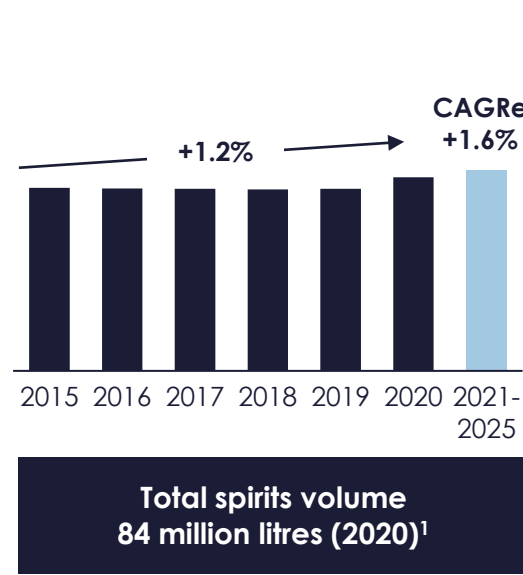


## Stable historical growth and solid growth forecast

Wine: volume development and growth forecast<sup>1</sup>



Spirits: volume development and growth forecast<sup>1</sup>

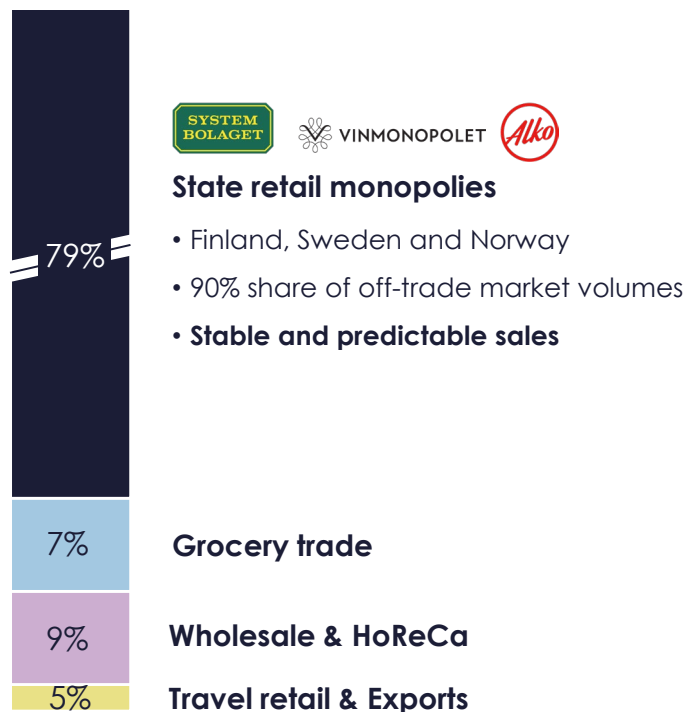


1) Euromonitor International Ltd. Alcoholic Drinks Data 2021 edition, retail value RSP incl. sales tax, EUR million, fixed 2020 exchange rates, current terms. The figures for 2020 are based on provisional estimates. The Nordic market refers to the off- and on-trade markets in Finland, Sweden, Norway and Denmark. All growth rates are CAGR %.

2) Source: Kepler Cheuvreux, Navigating polarized retail, February 2019

# We have extensive experience in operating with monopolies and in the regulated markets

Monopolies are Anora's largest sales channel<sup>1</sup>



## Special characteristics of the monopoly markets



### Monopoly route-to-assortment

- Tender process (launch book)
- Base assortment
- Order assortment
- Online shops
- Ranking

### Alcoholic beverages in grocery trade

- Finland: all below 5.5%
- Sweden: below 2.25%, beers max 3.5% (folköl)
- Norway: all below 4.7%

### Monopoly pricing & taxation

- Transparent pricing
- Fixed and predetermined gross margins and pricing coefficients at monopolies
- Regular price revisions
- High excise duty rates on especially spirits

### Advertising

- Level of restrictions vary across countries
- FI: Under 22% ABV brands allowed with certain restrictions
- SE: In general allowed, however certain restrictions apply
- NO: All marketing prohibited



**Denmark** and the **Baltics** are open markets with no state monopolies and certain restrictions on marketing

# Key trends shaping our business



## Consumers are going green

**14%** environmental & socially conscious consumers

**87%** of them willing to pay more for sustainability

Source: Bain Elements of Value Consumer survey



## Balancing consumption habits

No- and low (NoLo) alcohol category grew by **9%** in 2018–2021

Source: Euromonitor; IWSR; Lit Search



## Demand for convenience

**16%** global volume growth for RTDs

Strong in the Nordics:  
RTDs growth in Sweden

**12%**

RTD CAGR forecast in 2020–2025  
Sweden (CAGR) in 2015–2020  
Source: Euromonitor; IWSR; Lit Search; Bain analysis



## Premiumisation and in-home consumption after COVID

Long-term **tailwinds** to drinking better with premium products growing faster

**74%** of Europeans drink mainly at home, compared to 58% start of pandemic

Source: Bain EMEA COVID-19 Consumer/ Shopper Survey, powered by Dynata



## Digital disruption

**93%** of consumers say online reviews impact their purchasing decisions

Source: Eventbrite research "Fueling the experience economy"



**Lead in growing sustainable wine,  
win share across markets**

# We are the market leader in the Nordics

Capabilities in partner wine imports and own label wine make us unique

Net sales, MEUR

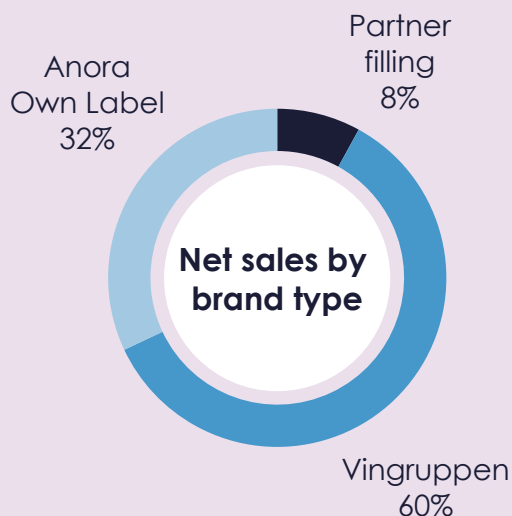
**377**

Gross margin

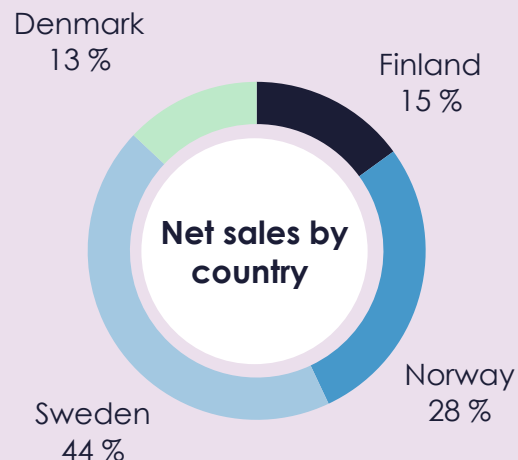
**30%**

Comparable EBITDA margin

**13%**



Includes Globus Wine



Includes Globus Wine, but only Own Brand not filler

PART OF ANORA  
**VINGRUPPEN**  
FINLAND - NORWAY - SWEDEN

- Multiple independent wine import companies, long history in Nordic monopoly markets
- Market-leading on-trade set-up and digital platforms folkofolk.se and viinimaa.fi



**ANORA**  
WINE BRANDS



**GLOBUS WINE**  
DELICACY REQUIRES MASTERY

- Developing, sourcing, filling and marketing wines tailored to the Nordic consumer
- Special emphasis on sustainability as a key driver for Nordic customers and consumers



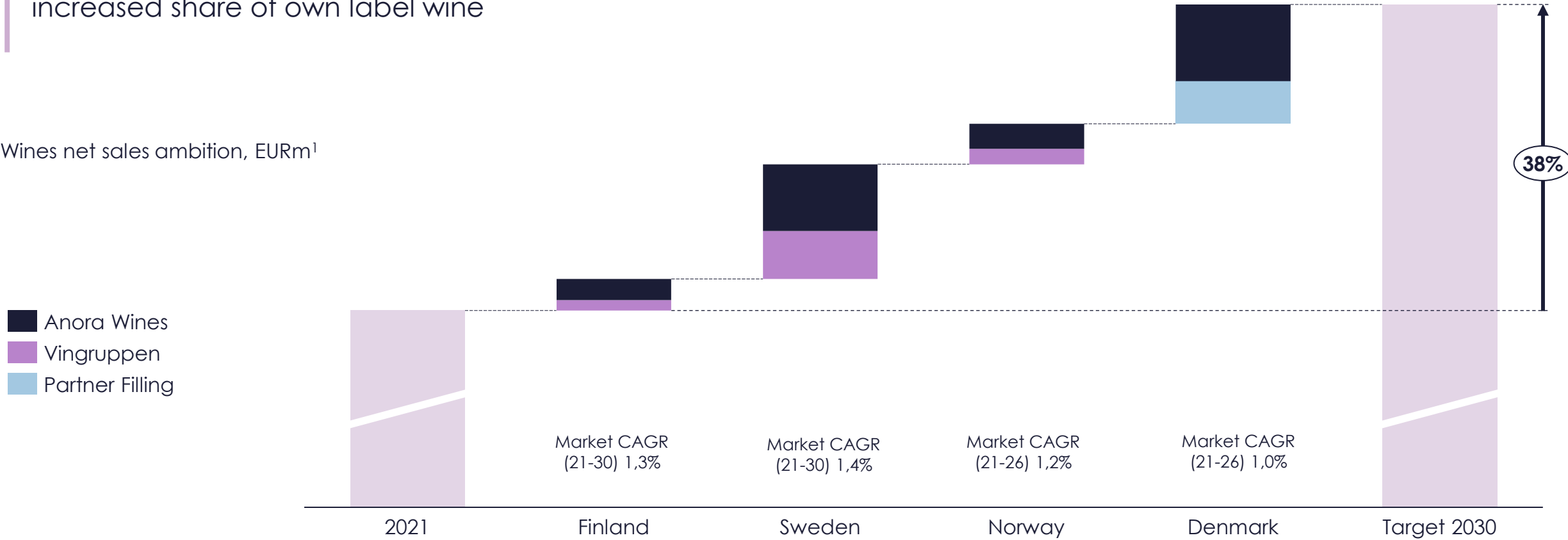
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All figures FY 2021, pro forma for Anora and including Globus Wine

# Target to grow sales faster than the market: +3.6% annually

Improving profitability following increased share of own label wine

Wines net sales ambition, EURm<sup>1</sup>



# Lead in growing sustainable wine, win share across markets

## Our growth priorities

## Impact

## Target 2030

**Grow Vingruppen through focus on monopoly tenders and on-trade**

Grow Vingruppen NS +15% to MEUR 260 and partner filling +20MEUR

**Win in the growing market for own label wine in the Nordics**

Double own label wine NS to MEUR 160

**Scale up our digital platforms to drive growth**

Widest digital reach to wine consumers in our home markets

**Grow faster than the overall market and exceed EUR 500 million in net sales**



# Long-term profitable growth in spirits

# We are the market leader in the Nordics and a strong challenger internationally

Net sales, MEUR

**225**

Gross margin

**48%**

Comparable EBITDA margin

**21%**

## Spirits – Monopoly

- Norway
- Finland
- Sweden

## Spirits – International

- Denmark
- Baltics
- Germany
- Global travel retail
- Exports



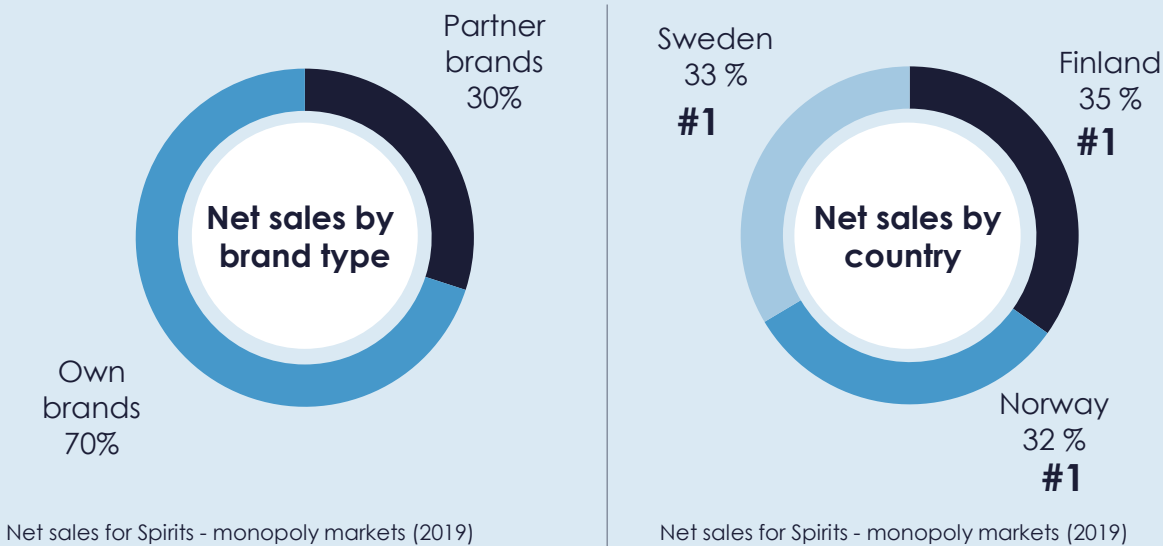
Anora's hero brands  
are exported to some  
**30 countries**

# Leader on the stable and profitable spirits market

The strongest spirits portfolio in the market with iconic local and international brands

Net sales, MEUR

145



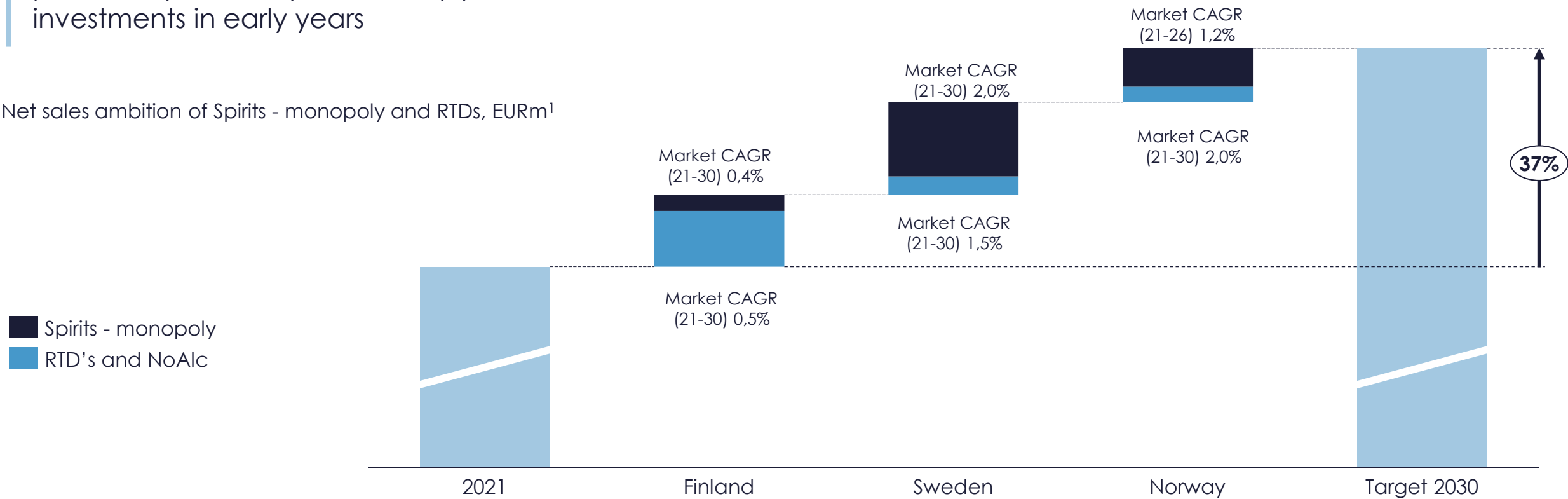
Categories	Own brands	Largest regional partner brands	Market share <sup>1</sup>
Unflavoured vodka and spirits	KOSKENKORVA	FINLANDIA	54.2%
Aquavit	LINIE, O.P. ANDERSON		69.1%
Cognac and other grape spirits	BRAASTAD, LARSEN		30.1%
Gin	SKAGERRAK	herve	17.0%
Bitter	CAVALLI	FERNET-BRANCA, Underberg	31.4%
Liqueur	XANTÉ	DISARONNO, AMARULA	29.3%
Whiskey		FOREBELL, JACK DANIEL'S	21.6%
Rum	BARRACUDA	DON PAPA, PLANTATION	16.8%
Tequila		Jose Cuervo	24.4%
Other	JALOVIINA		44.5%
NoLo		S.PELLEGRINO	N/A

Note: Spirits categories are mapped directly from monopoly categories in best effort. Divested brands are excluded from market shares.  
1) Alko, Systembolaget and Vinmonopolet market volumes combined (million litres last 12 months) as at Dec 2021. Anora's combined market shares as at Dec 2021 in Alko, Systembolaget and Vinmonopolet based on sales volumes last 12 months.

# Growth driven by capturing market share and building new business with RTD and NoLo

Topline projected to grow ~4% CAGR 2022-2030;  
profitability relatively flat in early years, increase in A&P  
investments in early years

Net sales ambition of Spirits - monopoly and RTDs, EURm<sup>1</sup>



1) Source: Internal sales reporting data  
\* Source Market CAGR: Euromonitor 2022 country reports, IWSR and Anora management assessment

# Long-term profitable growth in Spirits

## Our growth priorities

**Earn the right to expand partner business**

## Impact

Strong development in on-trade channel drives us to reach above-market growth in partner spirits

**Scale our hero brands**

Double the A&P to reach the full growth potential and grow market share

**Optimise local warriors and tactical drivers**

Re-allocation of resources between local warriors and hero brands

**Capture share in growing and adjacent categories (RTDs and NoLo)**

Double our share of market in Finland, expand to Norway and enter into new partnerships

## Target 2030

**Above-market growth**

**Growth ~4%  
CAGR 2022-2030**

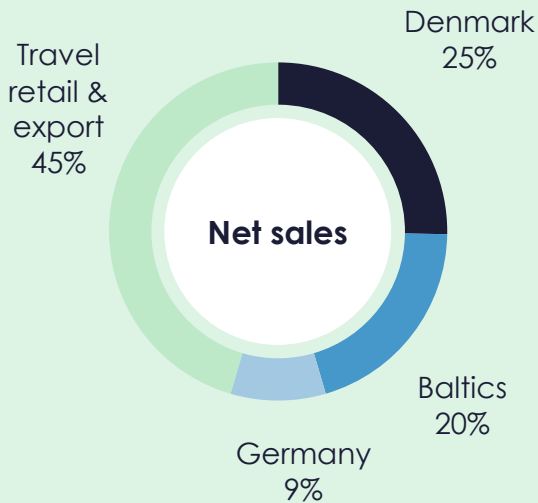


**International markets are a  
significant contributor to growth**

# It's a new beginning – with high ambitions

Net sales, MEUR<sup>1</sup>

85



1) Net sales for Spirits - International markets (2019);  
Source: Internal sales reporting

## Denmark

- **#2 in spirits** on the competitive Danish market
- Portfolio focused on aquavit and bitters with clear white spots in gin and vodka

**KOSKENKORVA**

SKAGERRAK  
NORDIC DRY GIN



## Baltics

- **#4 in spirits in Estonia** and **#3 in Latvia**
- Challenger position in both Estonia and Latvia and limited presence in Lithuania provides growth opportunities

**KOSKENKORVA**

SAAREMAA  
RHU GIN

АРСЕНИЧЪ

## Beyond the Nordics

- **#1 on the German aquavit** market
- **#1** in Nordic Duty Free Travel Retail
- Hero brands exported to **~30 countries**
- Strong ambition to grow with focused investments

**KOSKENKORVA**

SKAGERRAK  
NORDIC DRY GIN



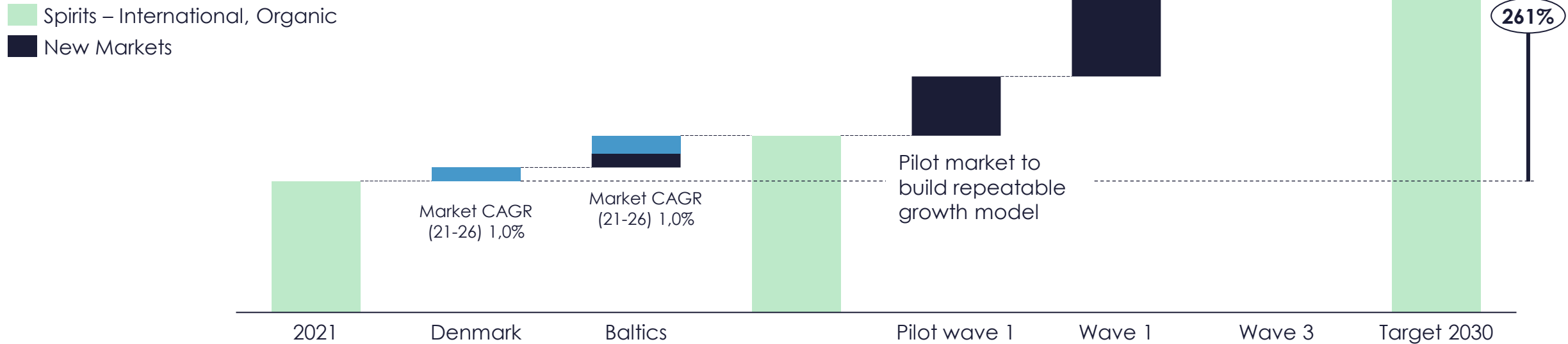
XANTÉ

ANORA

# Tripling International sales by 2030 and increasing share from 10% to 20% supported by M&As

Topline projected to grow at ~17% CAGR 2022-2030; profitability weak in early years, given significant increase in A&P and people investments

Net sales ambition of Spirits - International, EURm<sup>1</sup>



1) Source: Internal sales reporting data  
\* Source Market CAGR: Euromonitor 2022 country reports, IWSR and Anora management assessment



# International markets are a significant contributor to growth

## Our growth priorities

## Impact

## Target 2030

**Win in open markets**

Grow market share: take ownership of full own portfolio and attract strong partners

**Scale up hero brands beyond the Nordics**

Less dependency on monopoly markets, seeking growth with Koskenkorva in prioritised markets and focus on strong route-to-market

**Maximise global travel retail and digital growth enabling the change**

Be the sustainability leader building consumer experiences in global travel retail and digital channels

**Triple the sales of International**

**Growth ~17%  
CAGR 2022-2030**

# Funding the growth journey through efficiency

# State-of-the-art supply chain

## Industrial and logistics business

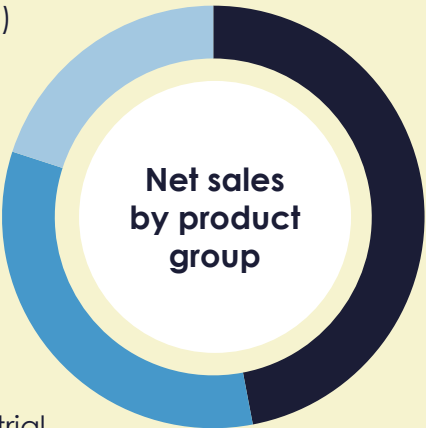
Net sales, MEUR

138

Comparable EBITDA margin

7%

Logistics  
(Vectura)  
20%



Industrial  
products  
33%

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Source: Internal sales reporting

## Supply chain footprint

Bottling production

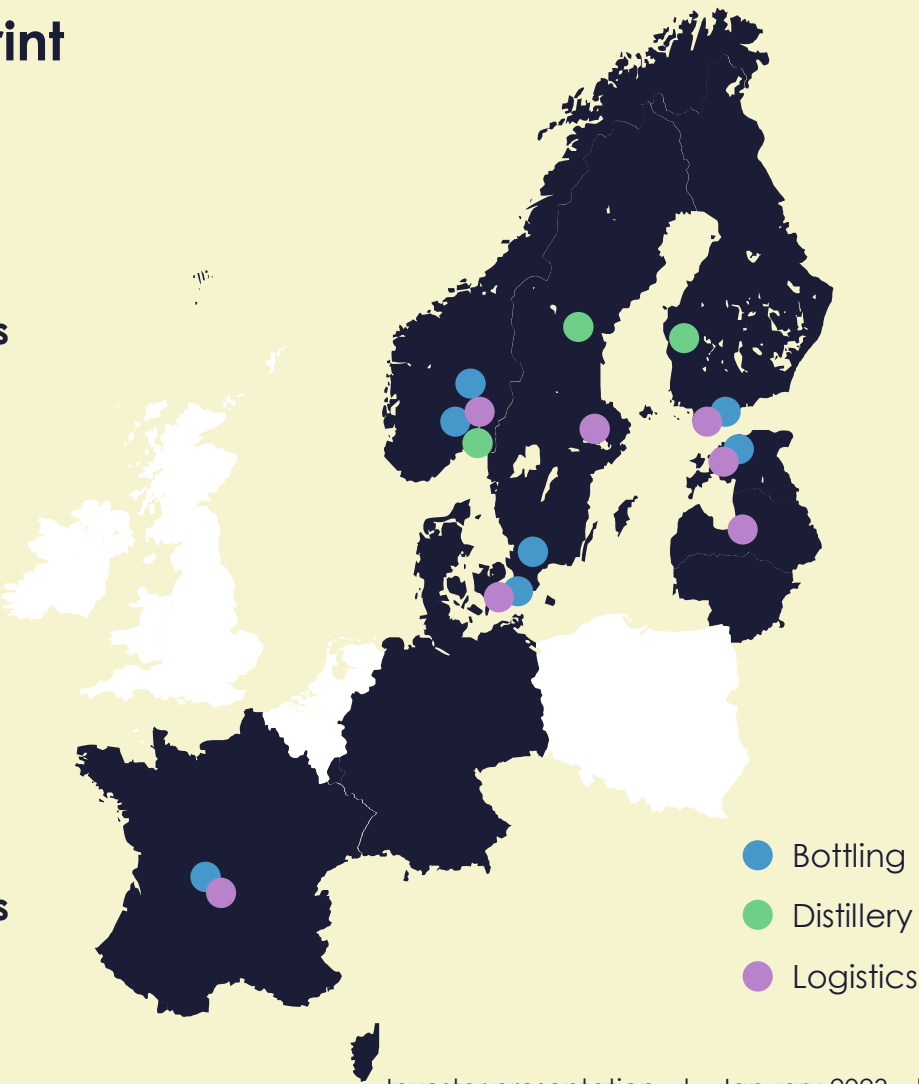
136 million litres

Distillation production

30 million litres

Logistics volume

176 million litres





# Efficient supply chain enables growth

## Logistics centres

Outstanding route-to-market through efficient **logistics** capabilities covering **23.3%** of all deliveries to monopolies\*

## Bottling plants

World class **bottling plants** for spirits and wines – forerunner in sustainability – own spring water – filling business

## Distilleries

Unique **distillation** and **maturation** capabilities for different spirits categories

### Vectura (NO)

64  
million litres

### Gjelleråsen (NO)

21  
million litres

### Gjelleråsen Distillery and Maturation Warehouse (NO)

### Brunna (SE)

42\*\*  
million litres

### Globus Wine (DK)

54  
million litres

### O.P. Anderson Aquavit Distillery (SE)

### Rajamäki (FI)

67  
million litres

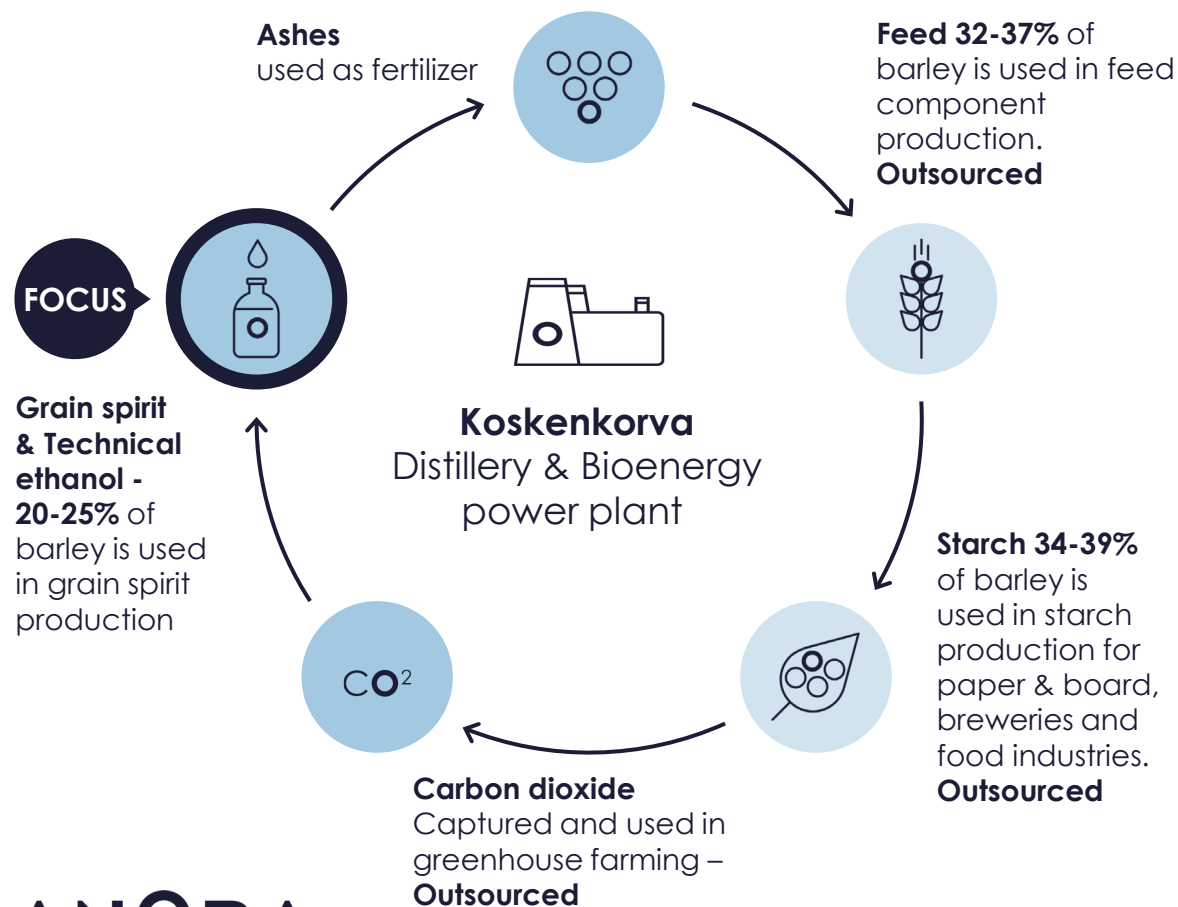
### Rajamäki (FI)

57  
million litres

### Koskenkorva Grain Spirit Distillery (FI)

# Koskenkorva is a unique distillery

Sustainability, innovation, premium quality and efficiency all in one



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## Innovations enabling premium products and growth

- Koskenkorva Climate Action Vodka of regeneratively farmed grain
- Koskenkorva organic vodka
- High quality ethanols for demanding medical Industry
- Naturet brand - heat transfer fluids supported by service model



## Efficiency proven by deep co-operation with customers and partners

- 24/7 automated operations by only three operators / shift
- Experienced knowledge network
- Market demand driven material flow optimisation gives flexibility
- High capacity utilisation

## Industry leader in sustainability

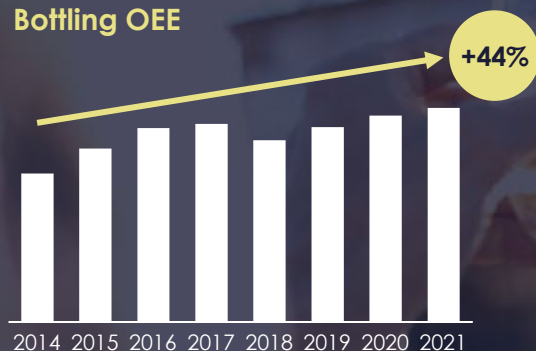
- Extremely high material efficiency >99.5%
- Fuel self-sufficiency of steam production up to 67% (2021)
- Electricity is produced by wind and water, Jan 2023->
- >58% reduction in CO<sub>2</sub> emissions since 2014, on way to zero



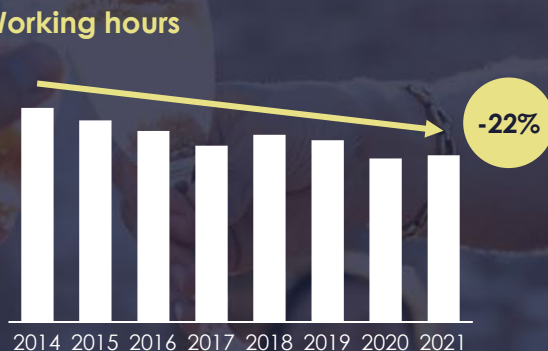
## Performance and productivity developing positively – Culture of continuous improvement

### Rajamäki

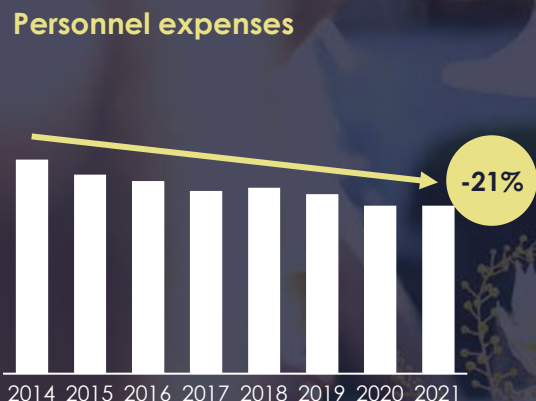
#### Bottling OEE



#### Working hours



#### Personnel expenses



#### Picking error



ANORA

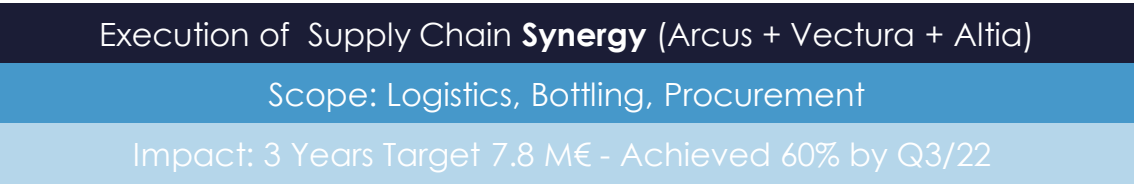
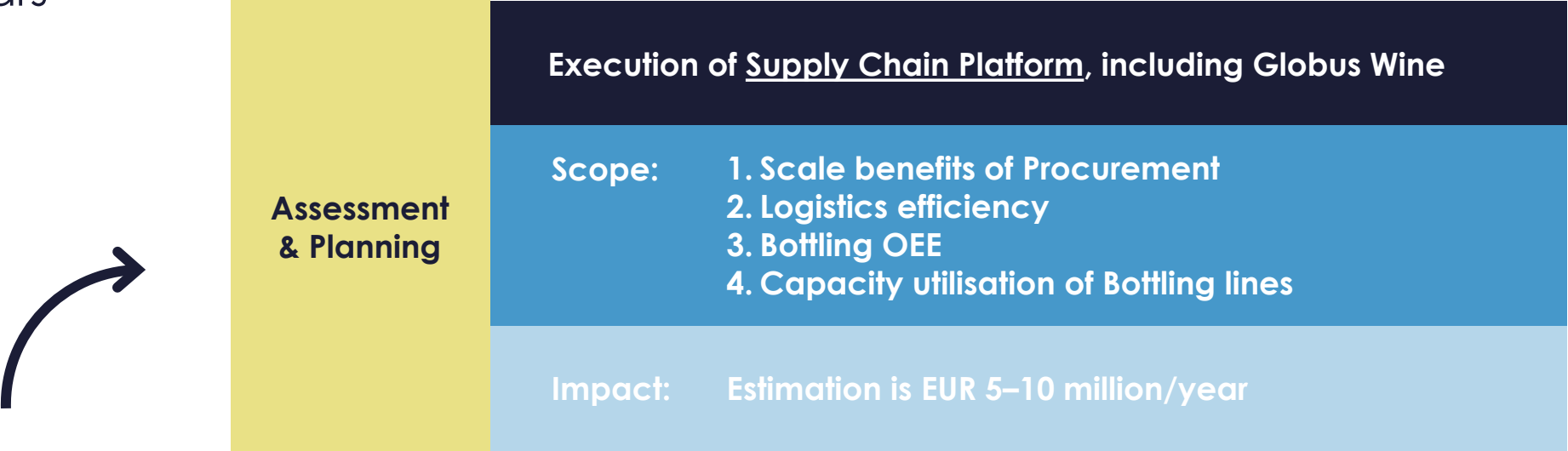
## Execution of supply chain synergy benefits is on track...

- **Strong execution capability:** Prompt follow-up and actions of planned synergy benefits across supply chain
- **Integration of logistics** between Altia and Arcus logistics operations completed according to plan in Norway, Sweden and Finland
- As result warehouse capacity utilisation and scale benefits are achieved
- **>60%** of planned 3 years supply chain synergy benefits achieved already during first 12 months



# ...with further efficiencies in the pipeline

Estimated additional efficiency potential is EUR 5-10 million per year, implementation during next 3 years



# Funding the growth journey through efficiency



## Internal culture drives efficiency

Continuous improvement culture enables **positive performance trends** to continue

**Supply chain synergy implementation** is structured and well **on track**

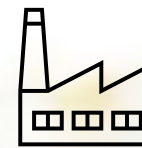


## Additional efficiency potential identified

**Globus Wine volumes** provide additional efficiency potential and procurement benefits

Additional potential across **bottling, and logistics sites**

Additional potential is **estimated at EUR 5-10 million annually**



## Sustainability and growth

**Pioneering sustainability work** will continue with ambitious targets

### Several drivers of growth:

- Unique **distillation innovations**
- Competitive **filling business** offered **to partners** by several factories
- Outstanding **route-to-market** by logistics capabilities

# Value creation through profitable growth

# Our long-term financial targets for 2030

**3–5%**

Annual net sales  
growth

Including M&A,  
majority being organic

**16%**

Comparable EBITDA  
margin

Through increased focus on  
margin accretive business and  
scale benefits on indirect costs

**<2.5x**

Net interest-bearing  
debt / comparable  
EBITDA

Debt levels may occasionally  
exceed in connection with M&As

**50–70%**

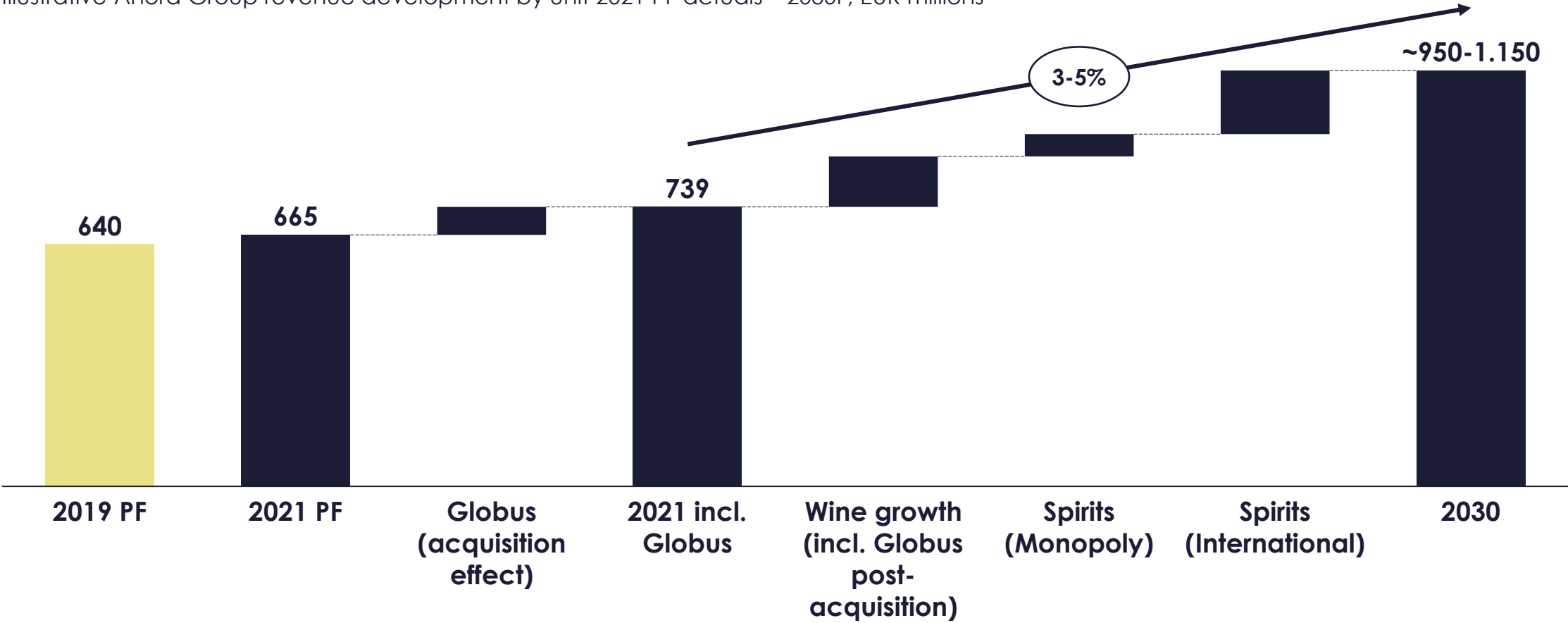
Dividend  
pay-out ratio

Anora aims to maintain a stable  
or increasing dividend  
(% of result for the period)



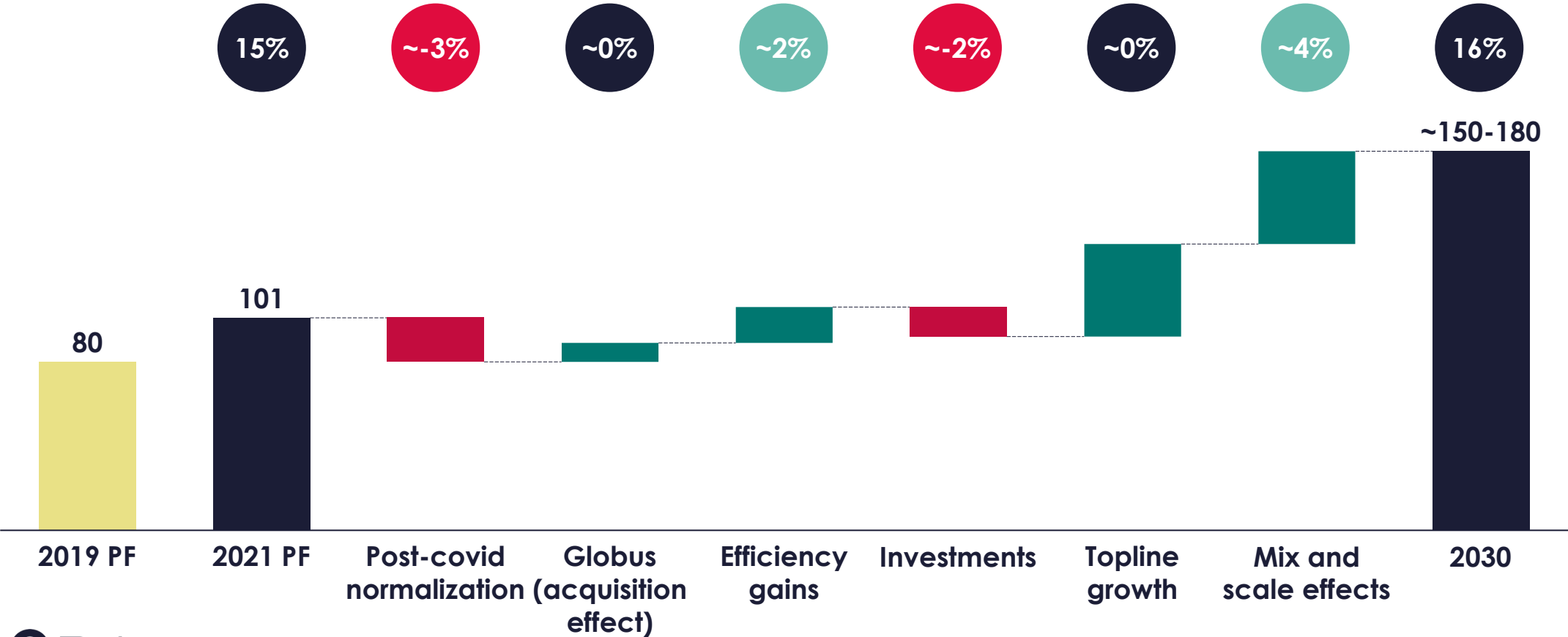
# All commercial units contributing to growth; strongest growth will come from outside the Nordic monopoly markets

Illustrative Anora Group revenue development by unit 2021 PF actuals – 2030F, EUR millions



# Earnings driven by topline growth, incremental marketing investments financed by efficiency improvements and expanded margins

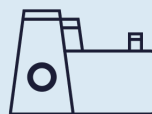
Illustrative Anora Group EBITDA development 2021 PF actuals – 2030F, EUR millions; % of net sales



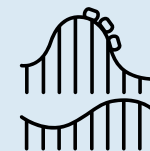
# Cash generation expected to remain stable throughout the strategy period thanks to stable margins, capex and working capital



Anora's underlying business will continue to produce strong operational cash flows throughout the strategy period as we seek to finance organic growth investments through efficiency improvements that maintain stable margins






Anora is well invested. Capex will remain at current levels of ~10 EurM per year. In addition to maintenance capex we will continue to invest in sustainability, e.g. at Koskenkorva, new packaging formats



Throughout the strategy period, working capital is expected to remain fairly stable as a percentage of sales though with seasonal variations.

The international expansion strategy is not expected to have a material effect on working capital levels

# We will continue to use M&As to support our strategy

Strategic pillar	Lead category growth across consumer occasions and channels in the Swedish, Norwegian and Finnish markets as the wine and spirits powerhouse	Scale our position in Denmark and the Baltics to cement our regional leadership	Accelerate beyond the Nordics with strong, sustainable hero brands
What we will look for	<p>Brands in growing traditional and new fast-growing categories to support full portfolio in the Nordics</p> <p>Assets with complementary capabilities (also via JV): e.g.,</p> <ul style="list-style-type: none"> <li>• Grocery trade</li> <li>• Digital</li> <li>• On-trade</li> <li>• Supply chain: canning/small bottling line</li> <li>• R&amp;D: high quality taste for NoLo</li> </ul>	<p>Assets with strong presence and route-to-market in Denmark and/or Baltics to step change market position</p> <p>Brands positioned in underrepresented categories</p>	<p>Assets with route-to-market access to priority countries, including digital</p> <p>Insurgent brands outside Nordic core markets aligned with our sustainability proposition</p> <p>Assets that can bring access to attractive channels</p>
Investments completed	 		

# ANORA



# Key figures

(IFRS)

	2021	2020
Net sales, EUR million	478.2	342.4
Comparable EBITDA, EUR million	71.7	52.4
% of net sales	15.0	15.3
Items affecting comparability, EUR million	-8.8	-12.1
Result for the period, EUR million	31.2	17.8
Earnings per share, EUR	0.67	0.49
Net debt, EUR million	126.0	-3.9
Net debt / comparable EBITDA	1.8	-0.1
Net cash flow from operations, EUR million	50.8	56.1
Personnel at year-end	1 055	637

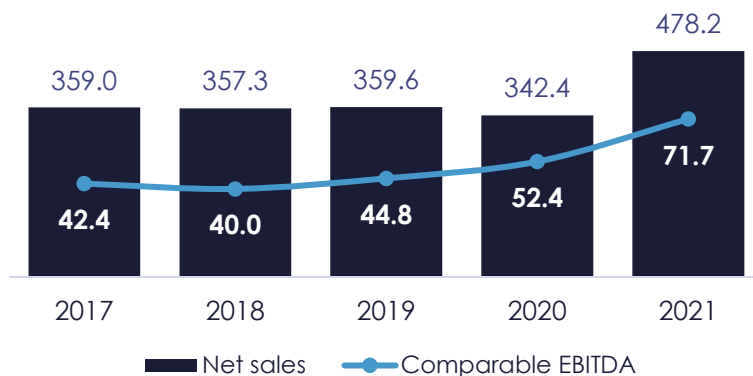
# ANORA

The merger of Altia and Arcus to form Anora Group Plc was completed on 1 September 2021. Arcus has been consolidated to Anora as of 1 September 2021.

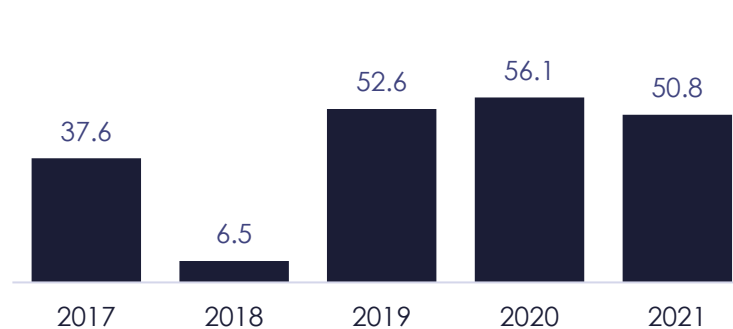


# Strengthened financial capacity for growth outside Nordics

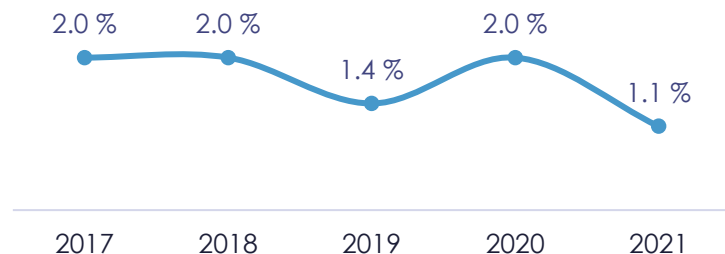
Net sales and comparable EBITDA<sup>1</sup> EURm



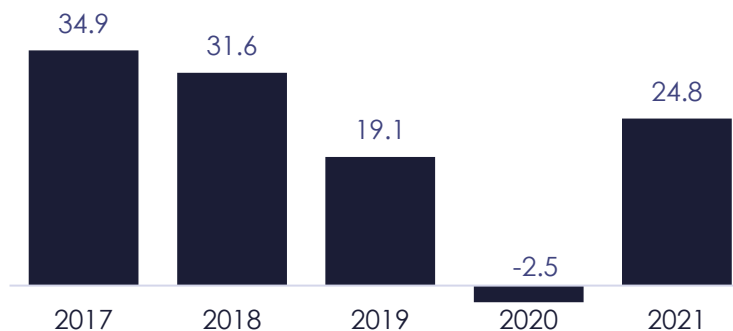
Net cash flow from operating activities<sup>1</sup> EURm



Gross capex/net sales<sup>1</sup> %



Gearing %



# Why invest in Anora?

**ANORA**

## Value creation: higher growth at improved margins, with strong cash flow generation and stable dividends

### Higher revenue growth

- Increased revenue growth through **market share gains** in home markets and **international expansion**
- **M&A** to strengthen our capabilities and expand our footprint

### Improved margins

- **Efficiency gains in production** to finance investments and improve margins

### Strong cash flow generation

- Well-invested, **limited capex** needs
- **Low and stable working capital**

### Stable dividends

- Dividend policy reaffirms importance of **strong and stable dividend**



Thank you



# ANORA

[www.anora.com](http://www.anora.com)  
[investor.relations@anora.com](mailto:investor.relations@anora.com)

Follow us:



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# Appendix: M&A



# Merger

ANORA





# Altia and Arcus merger

The leading wine and spirits brand house in the Nordic region and an industry forerunner in sustainability

29 September

Merger plan announced

23 July

Brand divestments agreed – all regulatory approvals for the merger received

1 September

**Merger completed:  
Anora is formed**

3 September

Payment of extra dividend (EUR 0.40 per share) to former Altia shareholders

2020

2021

12 November

Shareholders approve the merger plan in Extraordinary General Meetings

April-May

Conditional approvals from Swedish, Norwegian and Finnish competition authorities received

18 August

Anora's Executive Management Team appointed

Temporary secondary listing of Anora's share on the Oslo Stock Exchange

Integration work begins

15 October

Anora's future operating model announced

1 October

Divestment of brands completed

30 December

Last day of trading on the Oslo Stock Exchange



## Strong value creation for shareholders from significant synergies

Synergy sources	
Cost	Sourcing and manufacturing
	Logistics and warehousing
	SG&A
	Other OPEX
Revenues	Expansion in core Nordic markets
	Acceleration in non-core and new markets

Potential run-rate EBITDA net synergies

**EUR ~8-10m**

About 80% realised within 2 years

**ANORA**





# Step-change in scale with efficiencies across the value chain

Increase scale and control of own operations leads to reduced carbon footprint, more sustainable operations and less complexity resulting in improved efficiency and profitability

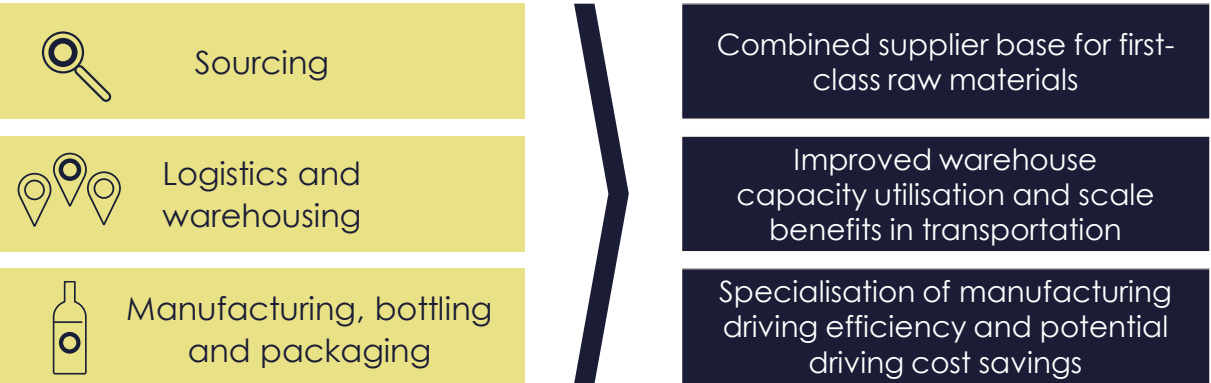
## Strong manufacturing & logistics footprint

- Specialisation between Rajamäki and Gjelleråsen
- Strong standalone Industrial business through increased ethanol volumes
- Efficient use of in-house logistics



**ANORA**

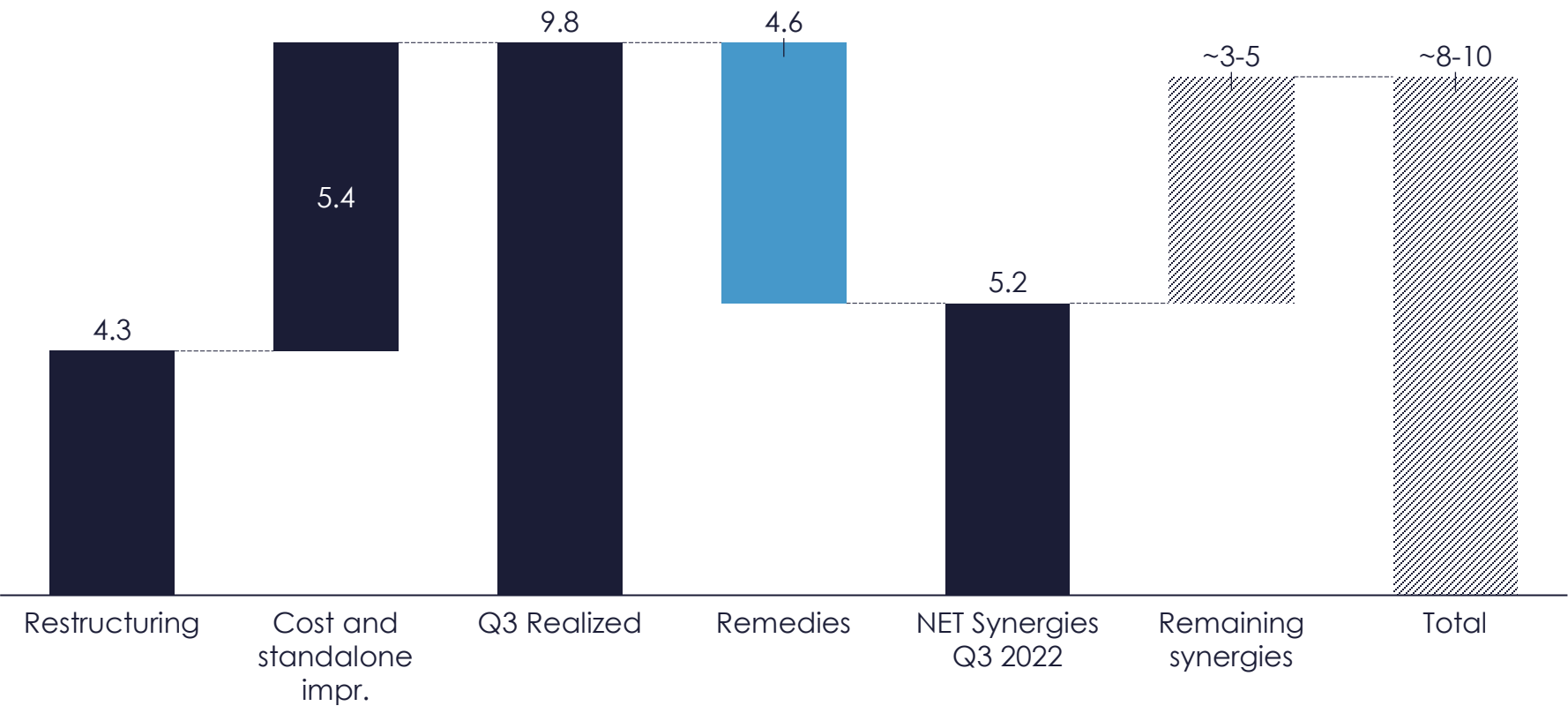
## Efficiency gains across the value chain



## Strengthened sustainability



# Synergy realisation progressing as planned



Potential run-rate EBITDA net synergies EUR ~8-10 million of which about 80% realised within 2 years of merger completion

**Well on track to deliver on the promised strategies**

Remaining synergies will be integrated in the overall efficiency program rather than tracked separately



# Acquisitions & investments

**Globus Wine** – leading wine company in Denmark

**ISH** – innovative scale-up in non-alcoholic beverages

**ANORA**

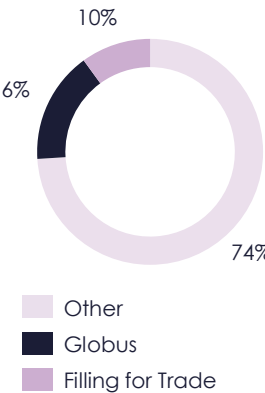


# Acquisition of Globus Wine, the leading wine company in Denmark

Strengthens Anora's competitiveness in volume products

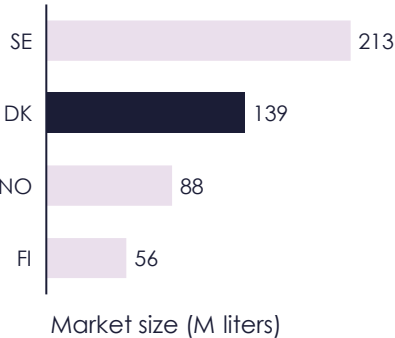
## Consistent above-market growth

Market share  
**25.9%** in still wines



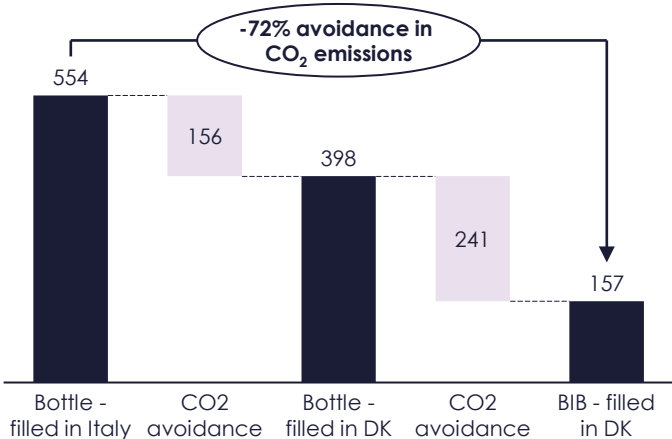
Source: Nielsen FY2021

The Danish wine market is **estimated to grow 1-3%** in 2021-2025



Source: Euromonitor

**Near-market filling** reduces CO<sub>2</sub> foot print significantly.



Source: SustainX, Management assesment





# Market-leading wine company in Denmark

Founded in 2006

Sources wine in bulk to be filled in bag-in-boxes or bottles at the production facility in Køge

Products are sold under own brands or 3rd party brands

Strong in-house brand building capabilities

Customers include leading retail chains in Denmark as well as large international wine houses

Strong capabilities throughout the value chain such as wine sourcing

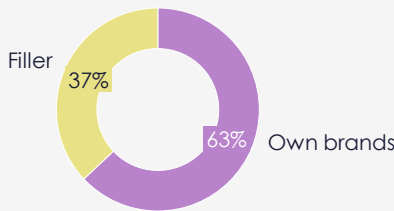
The modern and efficient production facility has the largest bag-in-box filling capacity in Northern Europe (built in 2018) and the total production volume exceeded 50 million litres in 2021



## Key figures

Net sales	Adjusted EBITDA	Employees
549.6	66.2	139
DKK million	DKK million	

Net sales split by line of business



## Production capacity

With production facilities located close to Copenhagen, Globus Wine is within optimal reach for wine consumer markets in Scandinavia, the Baltics and Northern Germany.

Simultaneous filling	Bottling capacity	Bag-in-box capacity	Warehouse capacity
5	100 000	90 000	14
Production lines	bottles per day	units per day	million litres

# Leading position in wine across the Nordics

Anora establishes a market-leading position in the Danish wine market

The acquisition further strengthens Anora's position as the leading Nordic wine and spirits group

The acquisition strengthens our wine business area and opens opportunities to grow our own wine brands across all our markets

The purchase price was DKK 596.4 million (EUR 80 million) which equals an enterprise value of DKK 669.6 million (EUR 90 million).

## Nordic overall market position

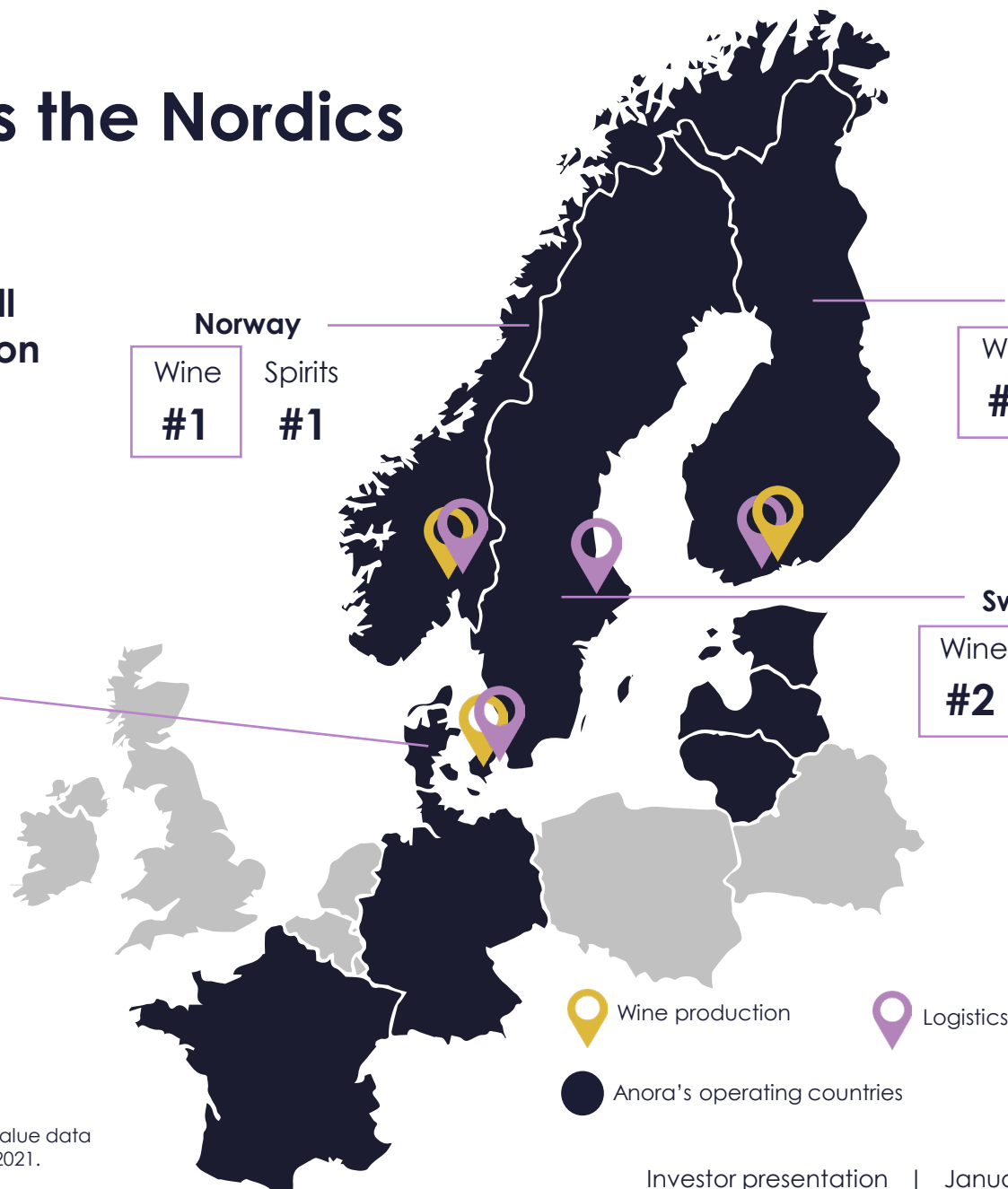
Wine	Spirits
<b>#1</b>	<b>#1</b>

Norway	
Wine	Spirits
<b>#1</b>	<b>#1</b>

Finland	
Wine	Spirits
<b>#1</b>	<b>#1</b>

Denmark	
Wine	Spirits
<b>#1</b>	<b>#2</b>

Sweden	
Wine	Spirits
<b>#2</b>	<b>#1</b>



Note: Market positions in Finland, Sweden, Norway based on market value data last 12 months for Alko, Systembolaget, Vinmonopolet) at December 2021. Denmark AC.Nielsen.



# Anora invests in ISH, the award-winning Danish scale-up company in non-alcoholic beverages

Anora has made an investment of EUR 5 million in ISH

ISH is a Danish scale-up company in non-alcoholic beverages founded in 2018 by Morten Sørensen

ISH is a global leader in non-alcoholic (NA) markets with a broad portfolio of award-winning non-alcoholic spirits, wines and ready-to-drink beverages

Anora is a minority shareholder in the company with 26% of the shares, which due to convertible loans and warrant programme can be diluted to 20% over the next couple of years

The investment will enable ISH to further accelerate its international growth

Anora will be distributing ISH's alcohol-free products in Norway, Sweden, and Finland

Non-alcoholic beverages are currently the fastest growing segment in the beverage industry. While still a small category, the volume of non-alcoholic spirits is estimated to grow at a 15.5%\* compound annual growth rate between 2021–2025.



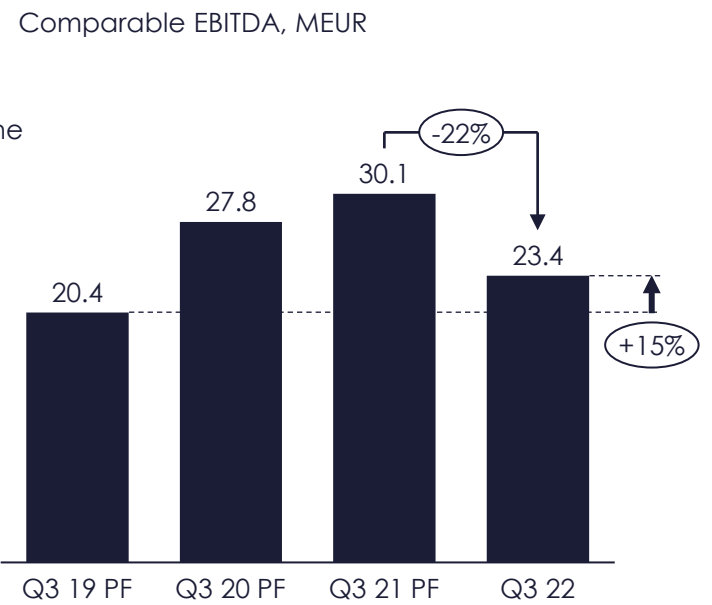
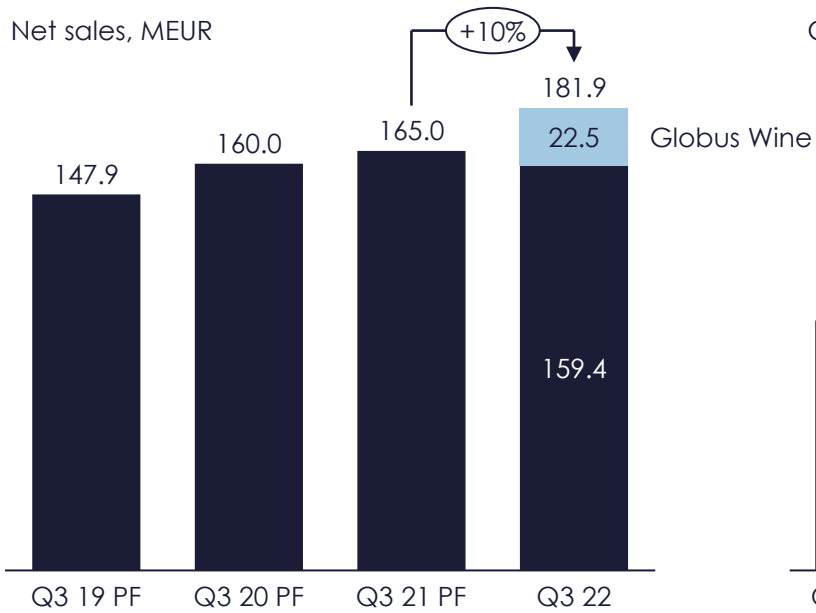
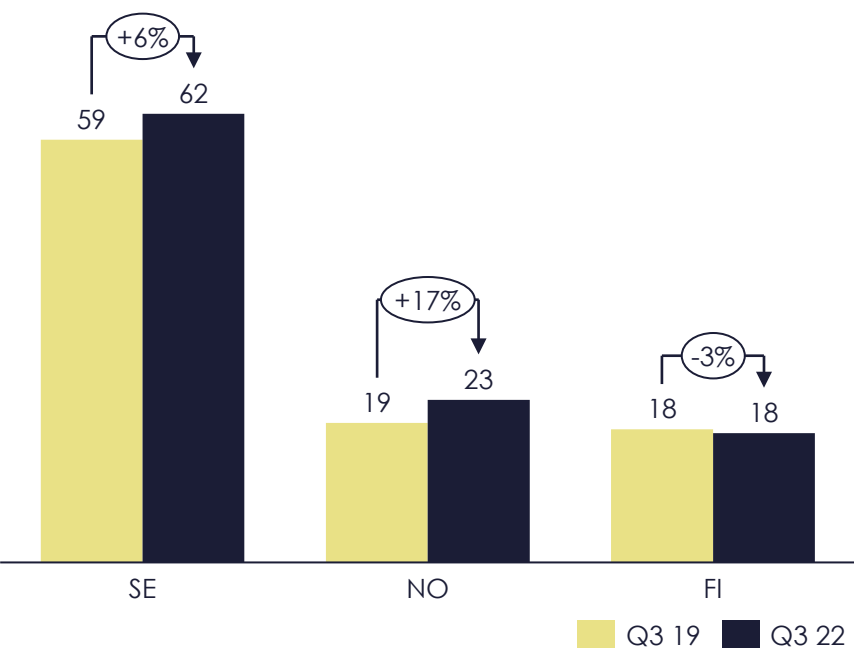
# Appendix: Most recent results

# Net sales grew in Q3 – strong performance by Globus Wine

Decline in profitability due to normalisation after Covid-19, higher opex and lower gross margin

**Market:** The decline in volumes was related to the normalising of the channel mix with consumption returning to the on-trade, travel retail and border trade as Covid-19 restrictions have been lifted.<sup>1</sup>

**Anora:** Net sales growth driven by the strong performance of the newly acquired Globus Wine in Denmark, and growth in Industrial. Continued positive market share development in spirits in the monopolies. Profitability decline was due to lower volumes, higher opex and lower gross margin. The implemented price increases have not fully mitigated the increasing input costs.



<sup>1</sup> Wine and spirits volumes. Source: Systembolaget, Vinmonopolet, Alko and Nielsen IQ

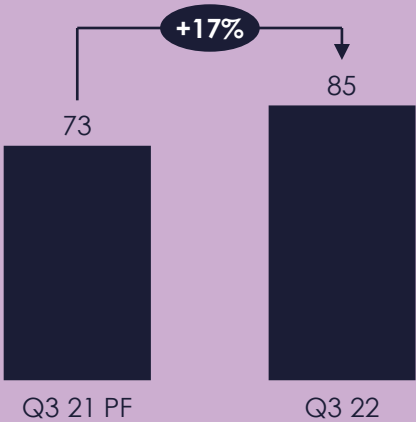
# Wine



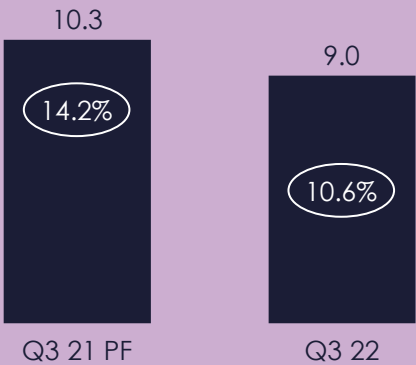
## Q3 Highlights

- **Net sales** increased by 17.2% to EUR 85.1 (72.6) million
- Growth was driven by the acquisition of Globus Wine which was consolidated to Anora for the full Q3
- Strong quarter for Globus Wine
- Market shares declined in Sweden and Finland, in Norway decline was less than in H1 22
- **Profitability** impacted by lower sales and high input costs, positive contribution by Globus Wine

NET SALES (TOTAL), MEUR



COMP. EBITDA, MEUR AND MARGIN %



ANORA

PF stands for pro forma. Margin calculated as % of net sales (total).

## Product launches in Q3



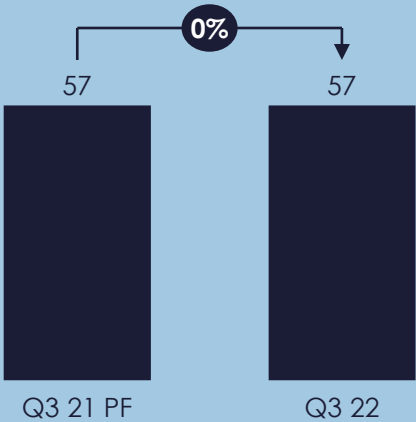


# Spirits

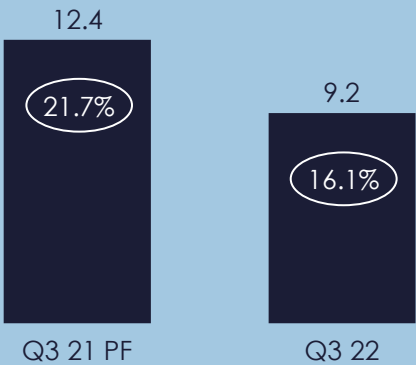
## Q3 Highlights

- **Net sales** were at last year's level at EUR 57.2 (57.2) million
- Supported by the solid growth in International.
- Market share gains in the monopolies
- **Profitability** declined due to reduced gross profit due to higher input costs and higher operating expenses. The implemented price increases have not fully compensated the high input costs

NET SALES (TOTAL), MEUR



COMP. EBITDA, MEUR AND MARGIN %



## Product launches in Q3

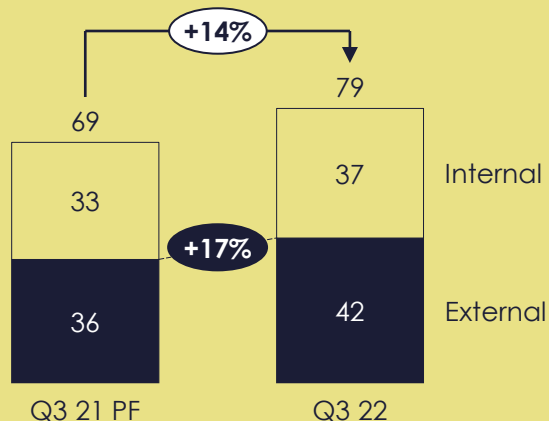


# Industrial

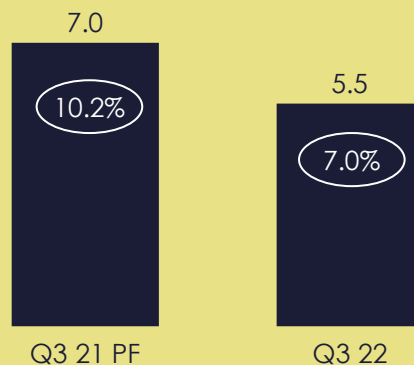
## Q3 Highlights

- **External net sales** grew by 17.3% to EUR 41.6 (35.5) million
- Growth was driven by higher sales prices in contract manufacturing and industrial products following the increase in the cost of barley
- **Profitability** declined due to the higher cost of barley and higher operating expenses

### NET SALES, MEUR



### COMP. EBITDA, MEUR AND MARGIN %



PF stands for pro forma. Margin calculated as % of net sales (total).

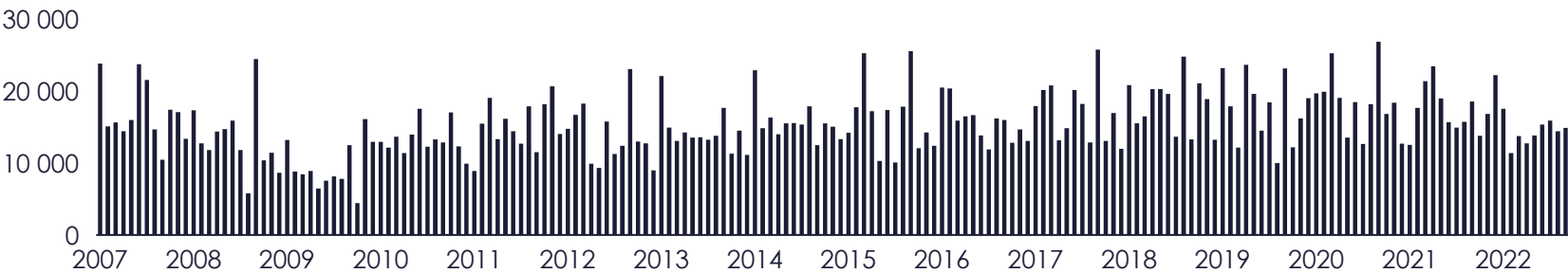


# Barley sourcing

BARLEY PRICE DEVELOPMENT (EUR/TN)\*



ANORA'S MONTHLY SOURCING VOLUMES (TN)



ANORA

\*Average feed barley market price excl. premiums for 2007-June 2022 (source: Luke)

\*\* Anora quote for barley (12 November 2022, [www.anoraindustrial.com](http://www.anoraindustrial.com))

Q3 22:  
**45.8 (52.6)**  
million kilos  
of grain

**Key principles for barley sourcing:**

- Purchased at spot prices; no hedging tools available for barley
- Average monthly sourcing volume 17000-18000 tn
- About 1 month inventory; volumes and purchase prices are fixed a couple of months ahead
- New harvest in August-September



# Balance sheet key figures

	Q1-Q3 22	Q1-Q3 21	2021
Net debt / comparable EBITDA (rolling 12m)	3.6 <sup>1</sup>	2.9	1.8
Borrowings, EUR million	256.7	173.0	162.6
Net debt, EUR million	315.7	172.7	126.0
Equity ratio, %	39.0	42.5	41.2
Gearing, %	65.8	35.5	24.8
Capital expenditure, EUR million	6.5	3.0	5.4
Total assets, EUR million	1 230.8	1 163.7	1 233.3
Net cash flow from operations, EUR million	-36.4	-6.7	50.8
	Q3 22	Q3 21	2021
Net cash flow from operations, EUR million	7.3	-5.1	50.8

- The **increase in net debt** was due to the **acquisition of Globus Wine** which was financed with debt.
- **Cash and cash equivalents** amounted to EUR 76.8 (129.7) million, while **the interest-bearing debt** including lease liabilities amounted to EUR 392.5 (302.3) million. The increase in interest-bearing debt was related to funding of the **Globus Wine acquisition** (EUR 85 million) and **increase in IFRS 16 lease liabilities from Globus Wine**.
- The **gearing ratio** was 65.8% (35.5%) and **equity ratio** was 39.0% (42.5%).
- The **reported net debt to comparable EBITDA** was 3.6 (2.9) times. If **including Globus Wine** rolling 12-month figures, net debt/comparable EBITDA (rolling 12 months) would have been **approx. 3.4** for Q1-Q3/22.
- **Cash flow from operations** was impacted by the change in working capital due to a high inventory level. Inventory values were higher than year ago due to stocking of barley and ethanol, as well as higher input costs resulting in higher standard costs.



# Outlook 2022

## Guidance remains unchanged

- **Comparable EBITDA expected to be between EUR 75-85 million**
- Corresponds to the **pre-pandemic level**
- Takes into account the **annual impact of EUR 4.6 million** of the divestment of Anora brands due to the merger
- **Volumes in the monopolies are expected to be significantly lower** than in 2020 and 2021 as the lifting of COVID-19 restrictions result in higher on-trade, border trade and duty-free sales
- **Input costs are expected to remain at a high level**





# Summary of Q3 22

**Strong performance  
by Globus Wine in  
Denmark – driving  
net sales growth**

**Profitability declined  
in Q3, but we were  
at pre-pandemic  
level (excl. Globus  
Wine)**

**Capital Markets Day**  
Tuesday  
29 November

# Appendix: Governance

# Anora's Executive Management Team

**Pekka Tennilä**

CEO



Previously served as Chief Executive Officer, Baltics at Carlsberg Group and in other managerial positions at Carlsberg Group; joined Altia in 2014

**Sigmund Toth**

CFO



Previously worked at McKinsey & Company and held several positions in Finance & Accounting at Procter & Gamble; joined Arcus in 2015

**Janne Halttunen**

SVP, Wine



International career in the beverage and tobacco business; joined Altia in 2009, leading Altia's wine business in several roles

**Kirsi Puntila**

SVP, Spirits



Long career with global brands at Pernod-Ricard; joined Altia in 2014 and has led core spirit brands and innovation across all markets

**Kirsi Lehtola**

CHRO



Strong HR expertise from global paper and pulp business; joined Altia in 2016

**Hannu Tuominen**

SVP, Industrial



Previously served as Production Director and Division Director at Vaisala Corporation and in several managerial positions at Fiskars Oyj; has led Altia's supply chain since 2008



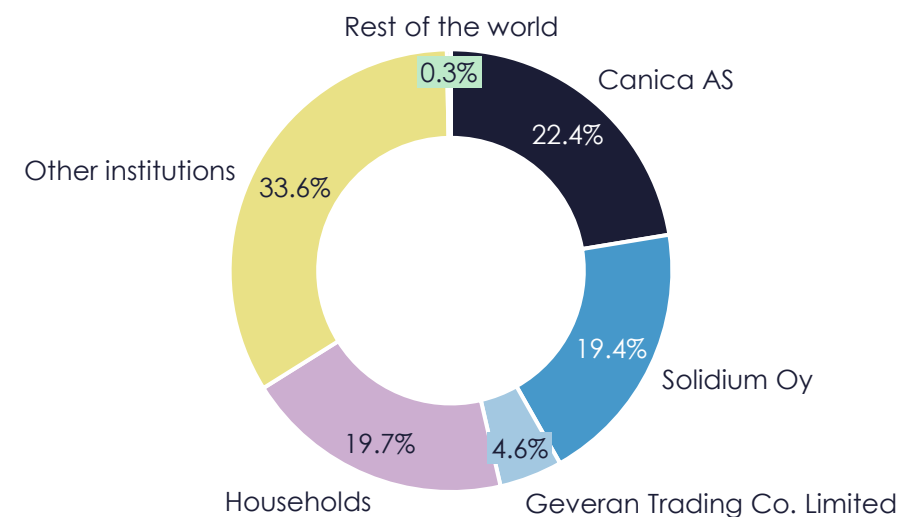
# Anora's top 10 shareholders

Shareholder (31 December 2022)	Shares	% of shares
Solidium Oy	13 097 481	19.4
Varma Mutual Pension Insurance Company	2 031 240	3.0
Ilmarinen Mutual Pension Insurance Company	1 290 000	1.9
WestStar Oy	1 199 705	1.8
Elo Mutual Pension Insurance Company	686 000	1.0
Veritas Pension Insurance Company Ltd.	368 279	0.5
Savolainen Heikki Antero	261 819	0.4
Tapiola Trendi Investment fund	215 772	0.3
Itikka osuuskunta	178 745	0.3
Mandatum Life Insurance Company Limited	177 738	0.3
<b>Total</b>	<b>19 506 779</b>	<b>28.9</b>
<i>Nominee registered total</i>	<i>30 789 361</i>	<i>45.6</i>

Source: Euroclear Finland

# ANORA

## ILLUSTRATION OF ANORA'S OWNERSHIP STRUCTURE



The chart provides an illustration of Anora's ownership structure including the largest shareholders based on information provided to the company. In the Euroclear Finland data, the shareholdings of Canica AS and Geveran Trading Co. Limited are included in the nominee-registered shares.

# Building the future on our strong brands, continuous evolution and sustainable operations

