

ANORA

Q1 24 Results presentation

with CEO Jacek Pastuszka and CFO Sigmund Toth

7 May 2024

Today's agenda and speakers

- 1 Business review
- 2 Financial review
- 3 Summary
- 4 Q&A



Jacek Pastuszka

CEO



Sigmund Toth

CFO

Business review



Q1 results: Comparable EBITDA improved in Q1 due to higher gross margin and cost reduction

Net sales 146.9 (159.5) EUR million	Comparable EBITDA 8.9 (7.9) EUR million	Comparable EBITDA margin, % 6.1 (5.0)	EBITDA 7.8 (6.9) EUR million
Results visible from the recent price increases and cost cuts	Sales decline mainly due to a decrease in Wine and Industrial net sales	Implemented cost cuts, changes in operational model and price increases to bring further results in 2024	Guidance for comparable EBITDA: EUR 75–85 million for 2024

Wine

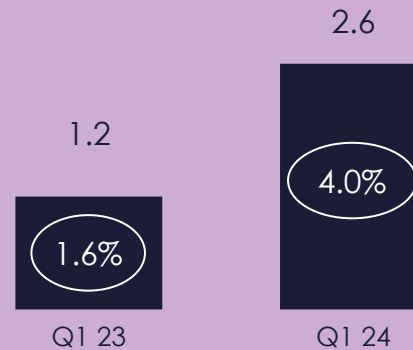
Q1 highlights

- **Net sales** decreased by 9.1% to EUR 66.6 million, due to Francois Lurton resignation in Sweden in March 2023 and discontinuation of low margin third party filling contracts in Denmark.
- The impact of exchange rate fluctuation was not significant on net sales due to hedging.
- **Comparable EBITDA** increased to EUR 2.6 (1.2) million, or 4.0% (1.6%) of net sales, due to price increases, improved gross margins and lower operating expenses.
- Especially own wines contributed positively.

Net sales (total)
EUR million



Comparable EBITDA
EUR million and %



New wine launches & tender wins

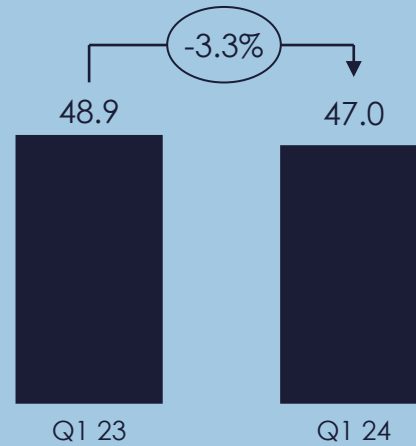


Spirits

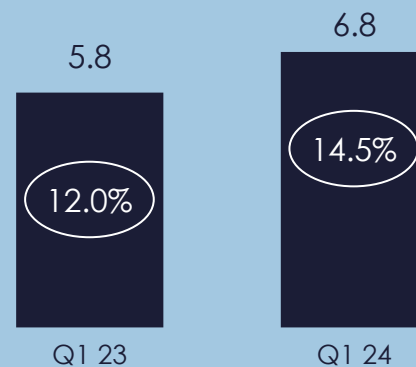
Q1 highlights

- **Net sales** decreased by 3.3% from the previous year and amounted to EUR 47.0 million.
- In Spirits, all four Nordic markets delivered net sales growth in Q1, whereas the performance of the international sales was weaker, partly due to the harbour strike in Finland affecting exports with limited gross profit effect.
- The impact of exchange rate fluctuation was not significant on net sales due to hedging.
- Koskenkorva net sales grew from the previous year and represented over 15% of the total Spirits sales.
- **Comparable EBITDA** improved mainly due to the price increases and additional cost control.

Net sales (total)
EUR million



Comparable EBITDA
EUR million and %



Successful launches

Sweden

O.P. Anderson Dill and Explorer Organic Vodka met with great consumer acceptance

Finland

Leijona Namu Raspberry Sour, Leijona Bangkok Pineapple, Koskenkorva Tropical Spirit Drink and Corona Spanish Brandy.

The grocery retail portfolio got two new ready-to-drink additions from Koskenkorva – Pure Peach Raspberry and Vichy Strawberry & Kiwi.

Baltics & GTR

Koskenkorva Strawberry liqueur and Passionfruit Caipiroska novelties launched

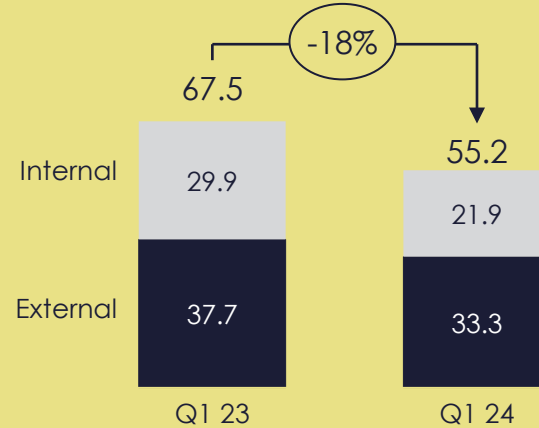
Industrial



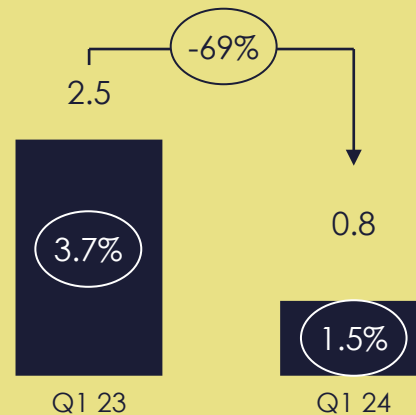
Q1 highlights

- **External net sales** decreased by 12%.
- In Industrial segment, the net sales was negatively impacted by lower sales prices due to the lower price of barley combined with lower production volumes.
- **Comparable EBITDA** was EUR 0.8 million, or 1.5% of net sales.
- The performance of the Industrial segment was negatively impacted by lower volume and price erosion due to barley value-based side product sales.

Net sales (total)
EUR million



Comparable EBITDA
EUR million and % of net sales



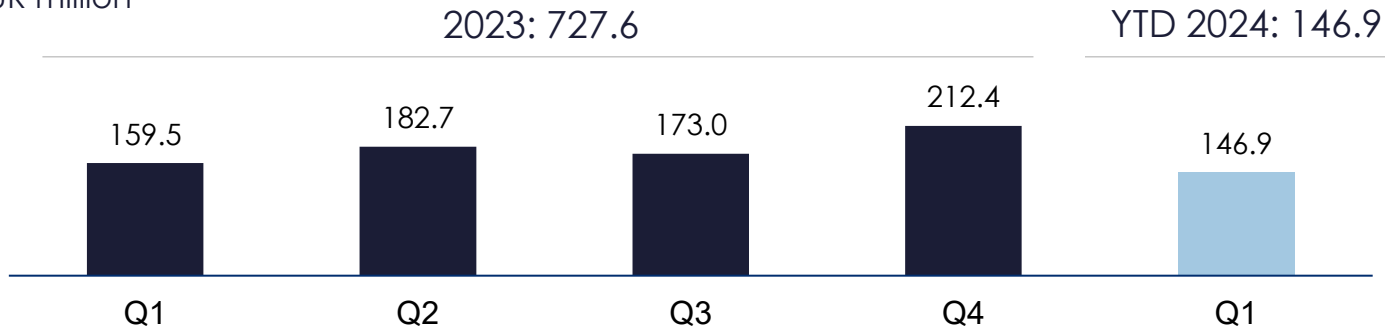
Financial review



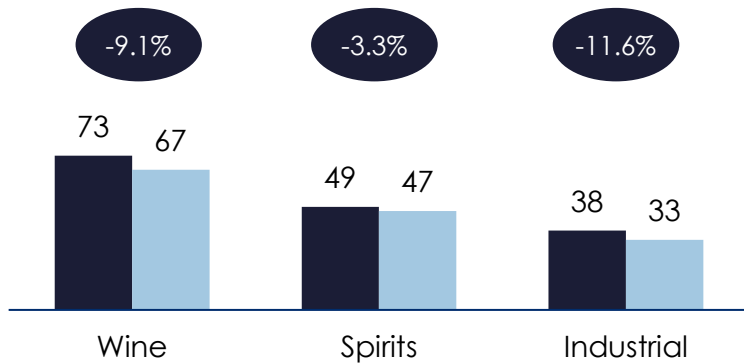
Net sales development

Q1 2024 net sales decreased by 7.9%

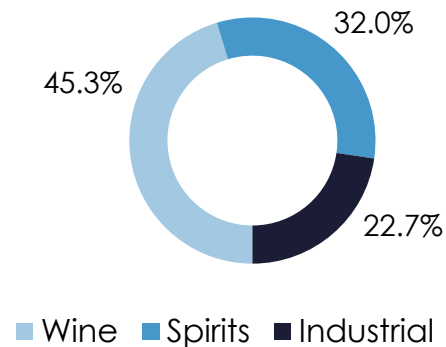
Group net sales
EUR million



Net sales (external) by segment
EUR million



Net sales (external) by segment Q1 2024
%

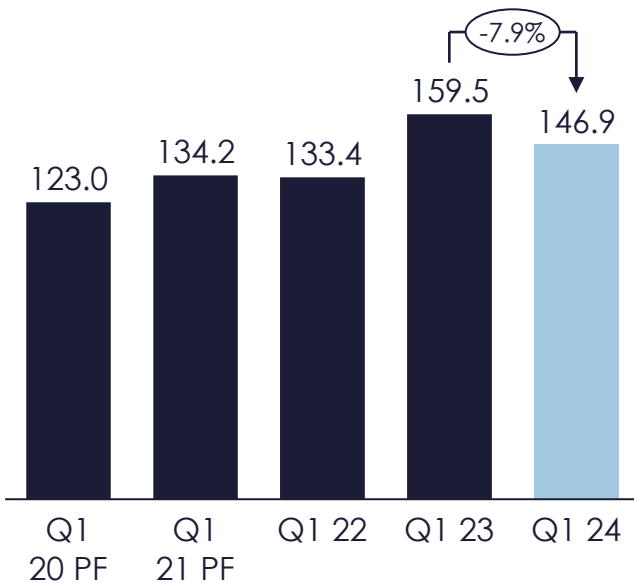


- Q1/24 net sales: 146.9 (159.5) MEUR, down by 7.9%
- Net sales declined mainly due to a decrease in Wine and Industrial net sales.
- In Spirits, all the four Nordic markets delivered net sales growth in Q1, whereas the performance of international sales was weaker, partly due to the harbour strike in Finland that disrupted export deliveries.
- In the Industrial segment, net sales were negatively impacted by lower sales prices due to the lower price of barley combined with reduced production volumes.

In Q1 2024, net sales decreased by 7.9%

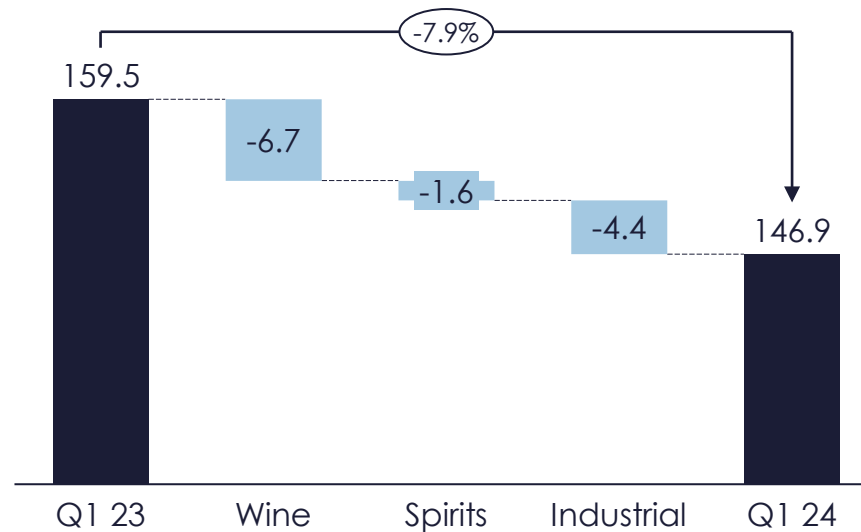
Net sales declined mainly due to a decrease in Wine and Industrial net sales

Net sales (external), EUR million



PF = Pro forma

Net sales (external), EUR million and change per segment

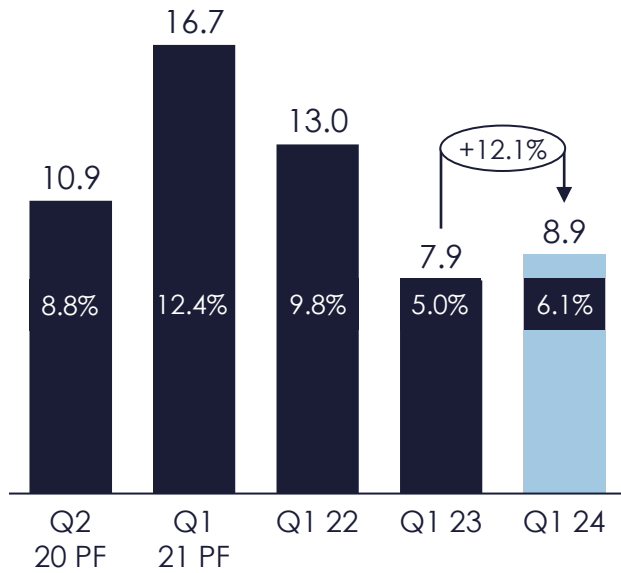


- In Wine, net sales decreased due to Francois Lurton resignation in Sweden in March 2023 and discontinuation of low margin third party filling contracts in Denmark.
- In Spirits, all the four Nordic markets delivered net sales growth in Q1, whereas the performance of international sales was weaker, partly due to the harbour strike in Finland that disrupted export deliveries with limited gross profit effect.
- In the Industrial segment, net sales were negatively impacted by lower sales prices due to the lower price of barley combined with reduced production volumes.
- The divestment of Larsen was completed on 29 September 2023.

Q1 Group comparable EBITDA was up by 12.1% from last year

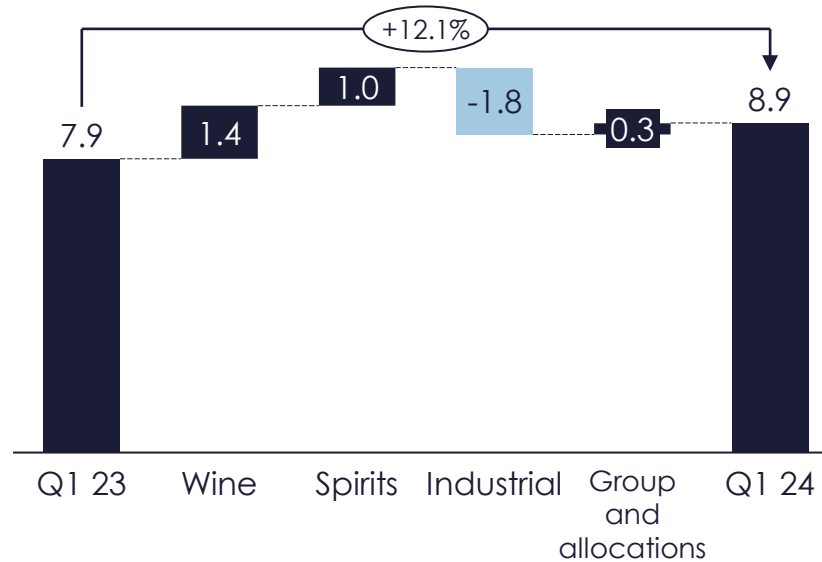
Comparable EBITDA improved in Q1 due to higher gross margin and cost reduction

Comparable EBITDA, EURm and % of net sales



PF stands for pro forma.

Comparable EBITDA, EURm and change per segment



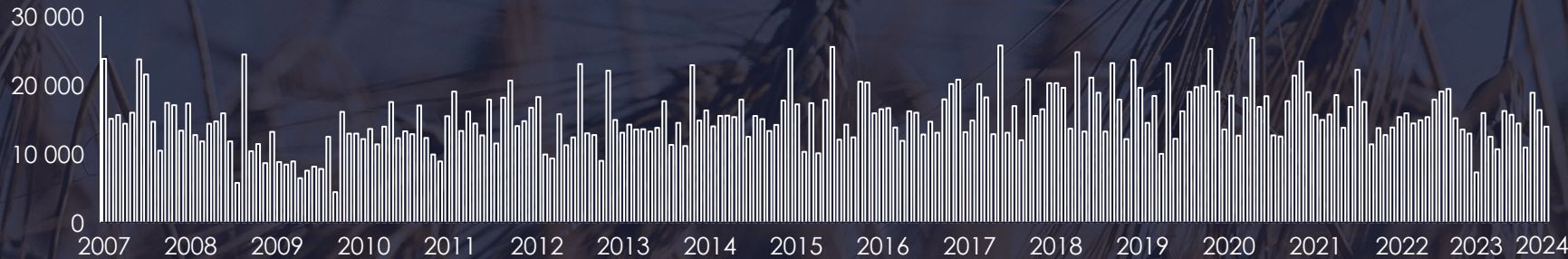
- Results were visible from the cost cuts and price increases made last year, supported by lower raw material prices and more stabilised currencies.
- The Spirits segment continued to improve its performance.
- The Wine segment also continued to improve its performance following the challenges of last year.
- The performance of the Industrial segment was negatively impacted by lower volume and price erosion due to barley value based side product sales.

Barley sourcing

Barley price development
EUR/tn*



Anora's monthly sourcing volumes
tn



Anora used
44.0 (45.5)
million kg
of grain in Q1 2024

Key principles for barley sourcing:

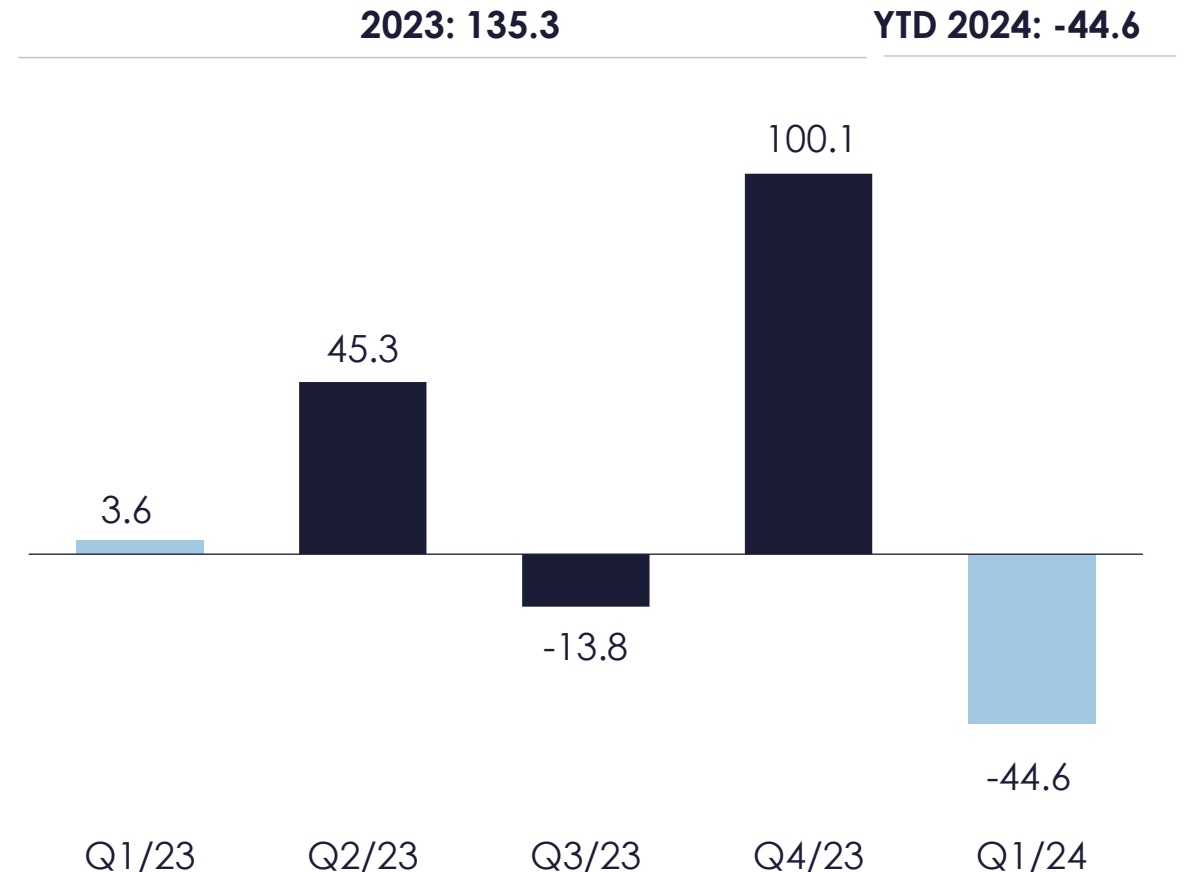
- Purchased at spot prices; no hedging tools available for barley
- In Q1 average monthly sourcing volume 16,385 tn
- About 1 month inventory; volumes and purchase prices are fixed a couple of months ahead
- New harvest in Aug–Sept

Cash flow development

Cash flow decreased from the previous year

- Net cash flow from operations totalled EUR -44.6 (3.6) million in Q1 2024
 - Explained by the seasonal increase in working capital of EUR -44.3 (8.8) million.
- The receivables sold amounted to EUR 125.3 (92.8) million at the end of the reporting period.
- Capex Q1: EUR 2.8 (2.2) million, representing 1.1 (1.4) percent of net sales
 - Capex was allocated mainly to replacement investments and to improve work safety and energy efficiency.

Net cash flow from operations EUR million

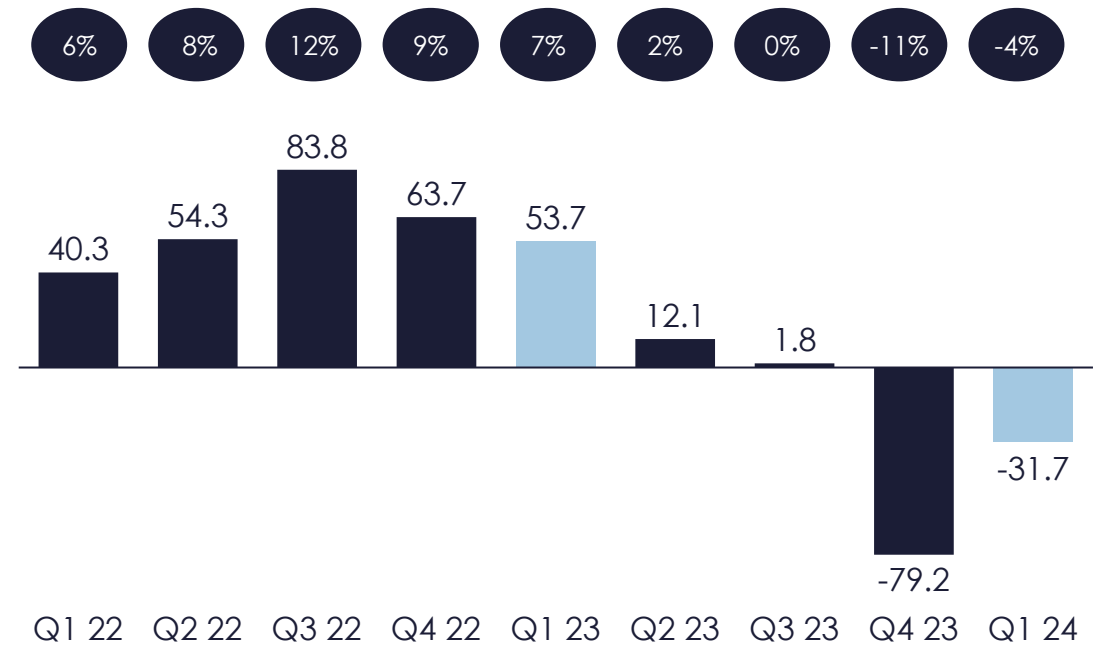


Net working capital

Net working capital was at a level of -4% of net sales at the end of March (LTM)

- The Group’s net working capital improved to EUR -31.7 (53.7) million at the end of March.
- Further progress in reducing inventories to EUR 158.5 (186.2) million, which in addition to the impact of the Larsen divestiture resulted in working capital being significantly lower than last year.
- Trade and other receivables decreased to EUR 95.4 (137.9) million. The receivables sold amounted to EUR 125.3 (92.8) million at the end of March.
- Trade and other payables decreased to EUR 282.5 (298.9) million.

Net working capital, EUR million and % of net sales, (LTM)



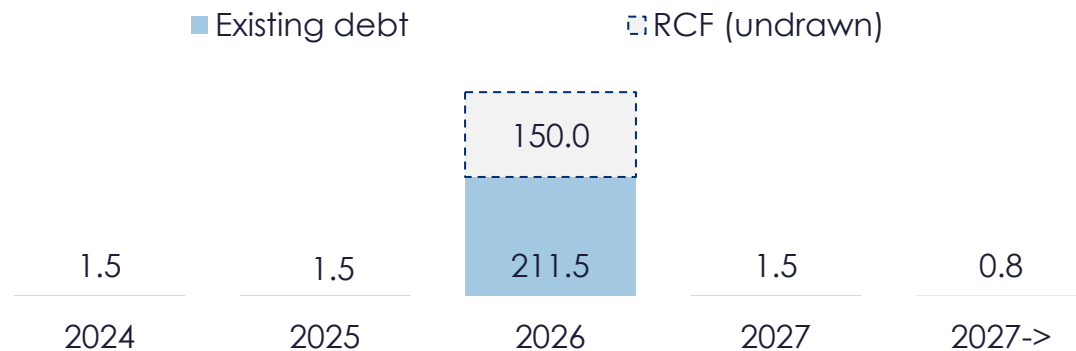
Leverage

Anora's efforts to reduce leverage progressed well

Net debt incl. lease liabilities, MEUR and Net Debt / Comparable EBITDA (LTM)



Debt maturity structure excl. lease liabilities on 31 Mar 2024, EURm



- Net debt decreased to EUR 176.6 (285.5) million at the end of Q1, primarily due to the sale of Larsen business
- Net debt/comparable EBITDA: 2.6x (4.0x).
- Interest-bearing debt incl. lease liabilities decreased to EUR 342.4 (397.0) million, excl. lease liabilities: EUR 215.5 (265.7) million
- The receivables sold amounted to EUR 125.3 (92.8) million at the end of March.
- Anora's liquidity position is strong.
 - Cash and cash equivalents of EUR 165.8m (111.4m)
 - Revolving credit facility of EUR 150.0m maturing in December 2026, none was in use at year-end.
- Gearing was 44.1% (62.2%) and the equity ratio 37.5% (37.8%) at the end of the reporting period.

Our long-term financial targets for 2030

Long-term financial targets for 2030		Actual Q1 2024	Actual 2023	Actual 2022
Net sales growth <small>including M&A, majority being organic</small>	3–5%	-7.9%	3.5%	5.7%
Comparable EBITDA margin <small>Through focus on margin accretive business and scale benefits on indirect costs</small>	16%	6.1%	9.5%	10.8%
Net IB debt / comparable EBITDA (LTM) <small>Debt levels may occasionally exceed in connection with M&As</small>	<2.5x	2.6x	2.0x	4.0x
Dividend pay-out ratio <small>% of result for the period</small>	50–70%	n.a.	-38.1%	83.1%

Anora aims to maintain a stable or increasing dividend.
 AGM decided to pay a dividend of EUR 0.22 per share for 2022 in two installments.

Summary of Q1 2024

Comparable EBITDA improved in Q1 due to higher gross margin and cost reduction.

Net sales declined by 7.9% to EUR 146.9m, mainly due to a decrease in Wine and Industrial net sales.

Our efforts to reduce our leverage progressed well.

Outlook 2024

Market outlook 2024

In 2024, the volumes in our key markets are expected to be slightly lower than in 2023 due to challenging economic conditions.

Guidance 2024

In 2024, Anora's comparable EBITDA is expected to be EUR 75-85 million (2023: EUR 68.2 million).

ANORA



Q&A



Our next scheduled event

- 20 August 2024 | Half-year report for 1-6/2024

ANORA

Thank you!

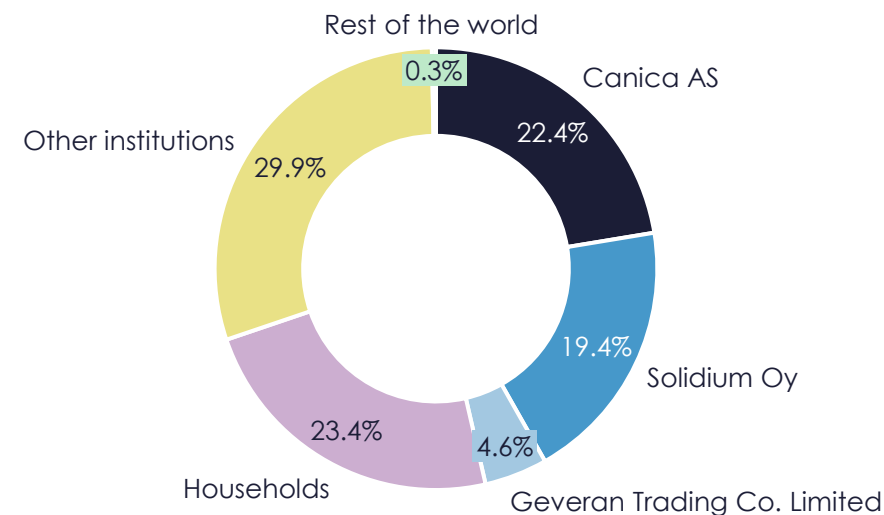
Appendix

Anora's top 10 shareholders 28 March 2024

Shareholder	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	641,000	0.9
Veritas Pension Insurance Company Ltd.	460,000	0.7
Savolainen Heikki Antero	367,571	0.5
OP Life Assurance Company Ltd	289,495	0.4
Eriksson Trygve	200,000	0.3
Rantalainen-Yhtiöt Oy	190,000	0.3
10 biggest owners in total	19,766,492	29.3
Nominee-registered shares	27,760,208	41.1
Total	67,553,624	100.0

Source: Euroclear Finland

ILLUSTRATION OF ANORA'S OWNERSHIP



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.

Q4/FY income statement

EUR million	Q1 24	Q1 23	2023
Net sales	146.9	159.5	726.5
Other operating income	2.3	2.2	20.3
Materials and services	-85.6	-97.1	-441.4
Employee benefit expenses	-26.3	-25.5	-103.8
Other operating expenses	-29.5	-32.3	-134.1
Depreciation, amortisation and impairment	-6.9	-8.6	-98.8
Operating result	0.8	-1.7	-31.3
Finance income	4.7	4.2	24.6
Finance expenses	-9.2	-9.5	-47.4
Share of profit in associates and joint ventures and income from interest in joint operations	0.7	1.1	0.2
Result before taxes	-3.0	-5.9	-53.9
Income tax expense	0.8	0.3	13.9
Result for the period	-2.2	-5.6	-39.9
Earnings per shares, basic	-0.03	-0.08	-0.59

Q1 balance sheet

EUR million	31 Mar 2024	31 Mar 2023	31 Dec 2023
ASSETS			
Non-current assets			
Goodwill	299.0	305.0	304.3
Other intangible assets	199.6	213.8	206.3
Property, plant and equipment	62.6	74.9	62.7
Right-of-use assets	64.2	123.2	67.9
Investments in associates and joint ventures and interests in joint operations	12.1	20.8	12.3
Financial assets at fair value through other comprehensive income	0.7	0.7	0.7
Other receivables	0.0	0.0	0.0
Deferred tax assets	0.0	0.6	0.0
Total non-current assets	638.3	739.0	654.1
Current assets			
Inventories	158.5	214.7	144.2
Trade and other receivables	95.4	137.9	110.1
Derivatives receivables	2.6	2.8	0.8
Current tax assets	8.5	7.3	6.1
Cash and cash equivalents	165.8	111.4	212.7
Assets held for sale	-	-	7.6
Total current assets	430.8	474.1	481.6
Total assets	1,069.1	1,213.2	1,135.7

EUR million	31 Mar 2024	31 Mar 2023	31 Dec 2023
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	61.5	61.5	61.5
Invested unrestricted equity fund	336.8	336.8	336.8
Legal reserve	0.0	0.5	0.0
Hedge reserve	0.3	0.9	-1.5
Translation differences	-50.9	-46.9	-44.0
Retained earnings	52.2	105.4	54.5
Equity attributable to owners of the parent	399.8	458.2	407.3
Non-controlling interests	0.6	0.7	0.5
Total equity	400.4	458.9	407.8
Non-current liabilities			
Deferred tax liabilities	35.8	53.8	36.5
Borrowings	214.0	215.3	214.8
Non-current liabilities at fair value through profit or loss	0.1	0.6	0.1
Lease liabilities	114.1	119.4	120.7
Other liabilities	0.0	0.0	0.0
Employee benefit obligations	2.4	2.5	2.4
Total non-current liabilities	366.4	391.5	374.5
Current liabilities			
Borrowings	1.5	50.4	1.5
Current liabilities at fair value through profit or loss	0.7	-	0.6
Lease liabilities	12.8	11.9	13.3
Provisions	3.1	-	3.9
Trade and other payables	282.5	298.9	329.6
Derivatives liabilities	0.0	0.3	2.2
Current tax liabilities	1.6	1.3	2.2
Total current liabilities	302.3	362.7	353.4
Total liabilities	668.7	754.3	727.9
Total equity and liabilities	1,069.1	1,213.2	1,135.7

Anora's Executive Management Team

Jacek Pastuszka

CEO



Janne Halttunen

SVP, Wine



Risto Gaggl

SVP, Industrial



Johanna Sundén

CHRO



Sigmund Toth

CFO



Joined Anora in October 2023 after a long career at Carlsberg, most recently as Executive Vice President of Western Europe and a member of the Group's Executive Committee. Prior to Carlsberg, various positions in AIG American International Group, Danone and Procter & Gamble.

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

Kirsi Puntila

SVP, International



Previously, Risto worked as Chief Supply Chain Officer at Fiskars Group for over 10 years. Before Fiskars, he held several international positions at Elcoteq, the latest of which was Vice President, Business Excellence.

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

Mikkel Pilemand

CGO



Long career in consumer goods business, the recent position prior to Anora being Chief Commercial Officer at nemlig.com. Joined Anora 1 May 2023.

Prior to joining Anora, Johanna has held several senior HR positions in international companies such as Orkla Health, the Wilhelmsen Group and Lindorff. She has experience from working with M&As, company integrations, leadership development, talent management and organisational change.

Anora's Board of Directors

Michael Holm Johansen
Chairperson



Shareholdings: 80,000

Chair of the Human Resources Committee

Jyrki Mäki-Kala
Vice Chairperson



Shareholdings: 13,600

Chair of the Audit Committee

Kirsten Ægidius
Member



Shareholdings: 6,100

Member of the Human Resources Committee

Christer Kjos
Member



Shareholdings: -

Member of the Audit Committee

Florence Rollet
Member



Shareholdings: 4,620

Member of the Human Resources Committee

Annareetta Lumme-Timonen
Member



Shareholdings: 4,600

Member of the Audit Committee

Torsten Steenholt
Member



Shareholdings: 20,000

Member of the Audit Committee

Jussi Mikkola
Member



Shareholdings: 100

Employee-elected Board member

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