

ANORA

Market leader | Growth ambition | Forerunner

Investor presentation

April 2022

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

Key figures 2021, pro forma

Net sales, MEUR

665

Comparable
EBITDA, MEUR

101

Employees

1100

The leading player in the Nordic region

Wine

#1

Spirits

#1

Exports to

over
30
countries

Nordic
leader in

sustainable
packaging

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Unique portfolio of own and partner brands

Key Anora brands



Key partner brands



Wine



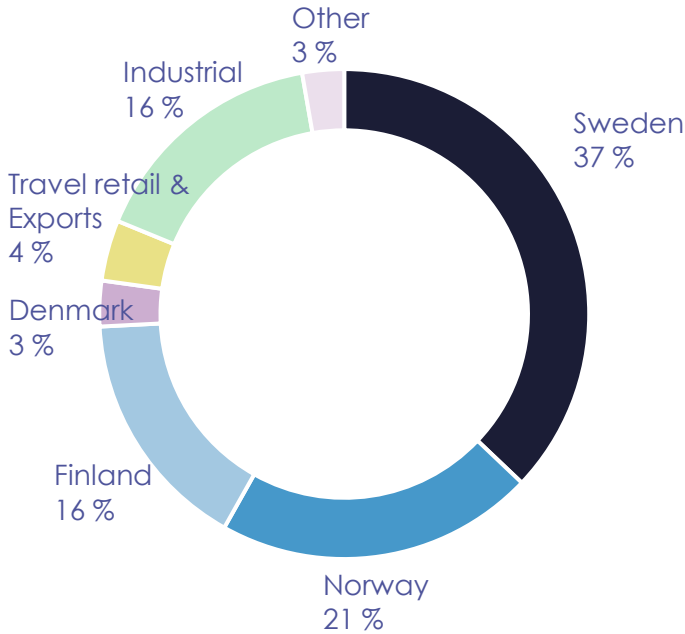
Spirits

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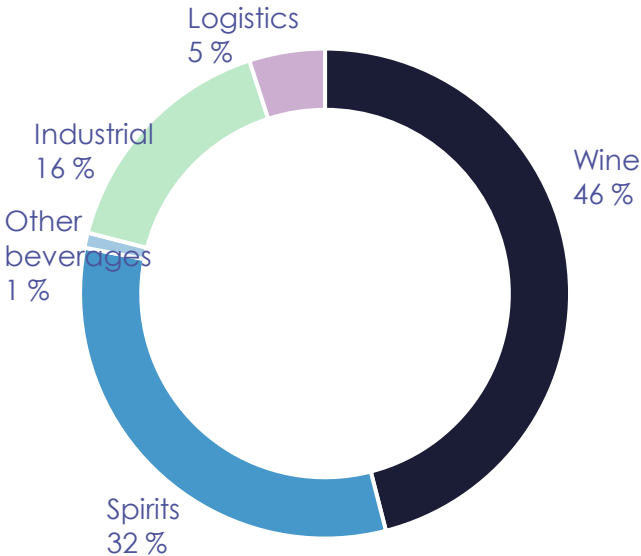
A well-balanced and stable business

Consumer beverage products account for 79% of Anora net sales

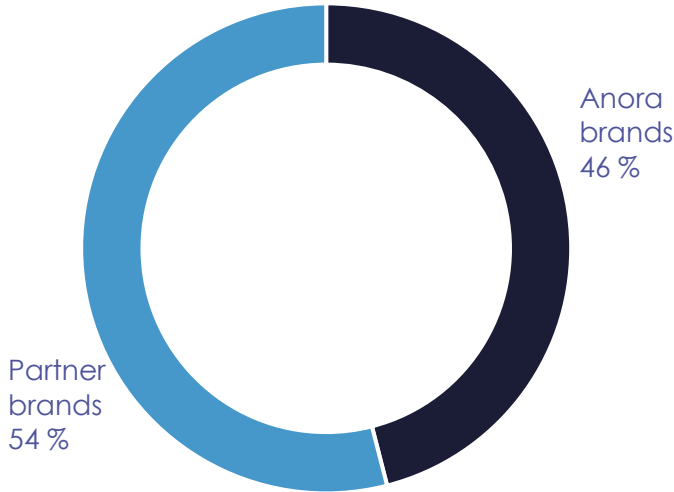
Aggregate net sales by country, MEUR



Aggregate net sales by product category, MEUR



Aggregate beverage net sales by brand category, MEUR



Note: All figures are based on stand-alone, aggregate net sales for 2021: EUR 673 million
The breakdown of net sales by product category and by brands is based on unaudited internal sales reporting.

Forerunner in sustainability

Striving for carbon neutral production

- Production based on **circular economy** and own **bio-power** plant
- **58%** reduction in CO₂ emission
- **99.5%** recycling rate at our award-winning Koskenkorva distillery
- At Gjelleråsen, **89% of energy comes from renewable sources** such as geothermal energy

Supporting a responsible drinking culture

- Increasing number of **no-low** (low- and non-alcoholic) products
- **Supporting programmes** to develop a more responsible Nordic drinking culture e.g. *Let's talk about alcohol* school programme (Nordic) and *Drink responsibly* directed at student events (NOR)
- **Vinfinity**, Vingruppen Norden's own Sustainable action fund from earth to glass

Leading in eco-friendly packaging

- Aiming for **100% recyclable** packaging
- **#1** in the use of **PET** packaging: over 60 % lower CO₂ footprint
- Moving towards 100% **recycled PET** content: 90 % lower CO₂ footprint
- **#1** in the use of **Bag-in-Boxes**: over 80 % lower CO₂ footprint

Promoting an inclusive and safe workplace

- Striving towards **zero absences due to injuries**
- Operating based on Nordic values of **equality and inclusion**
- **Balanced** gender distribution in Management Team and Board



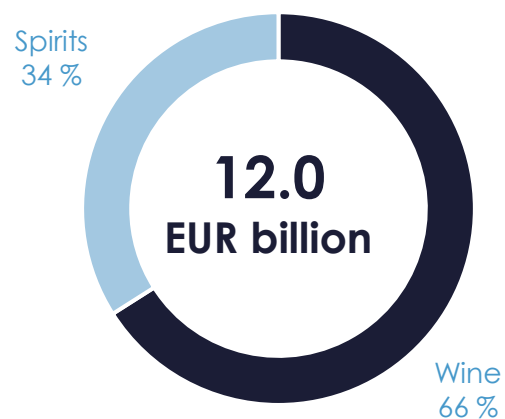
The leading wine and spirits brand house in the Nordics

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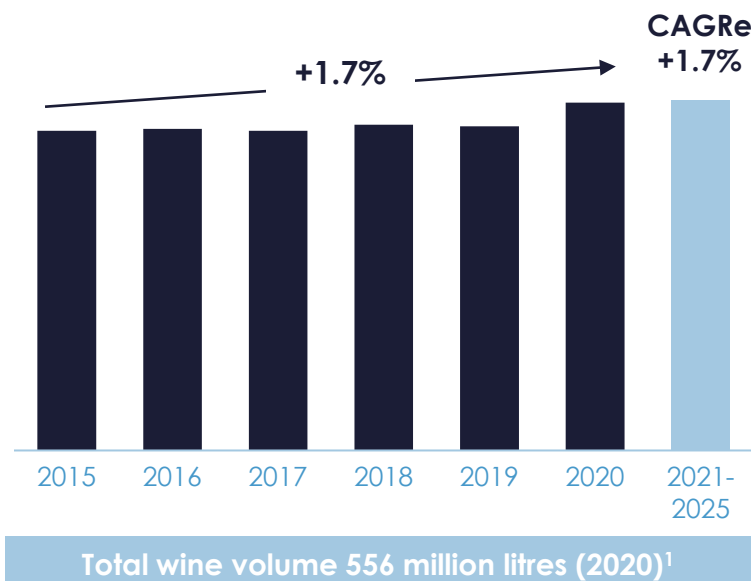


The Nordic wine and spirits market is large and non-cyclical

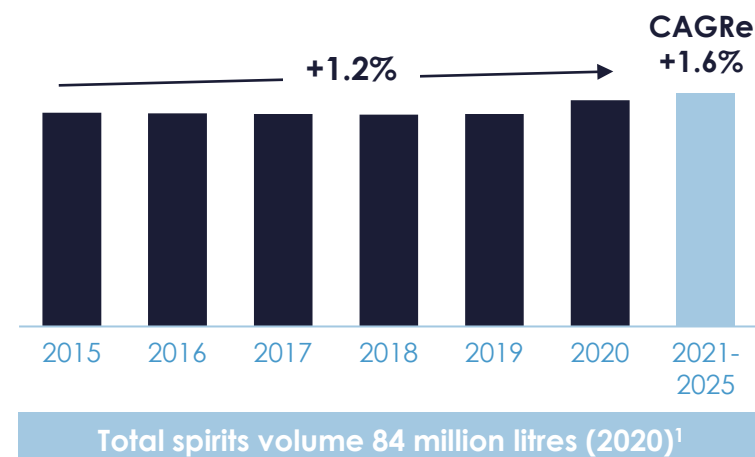
Value of the Nordic wine and spirits market¹



Wine: Volume development and growth forecast¹

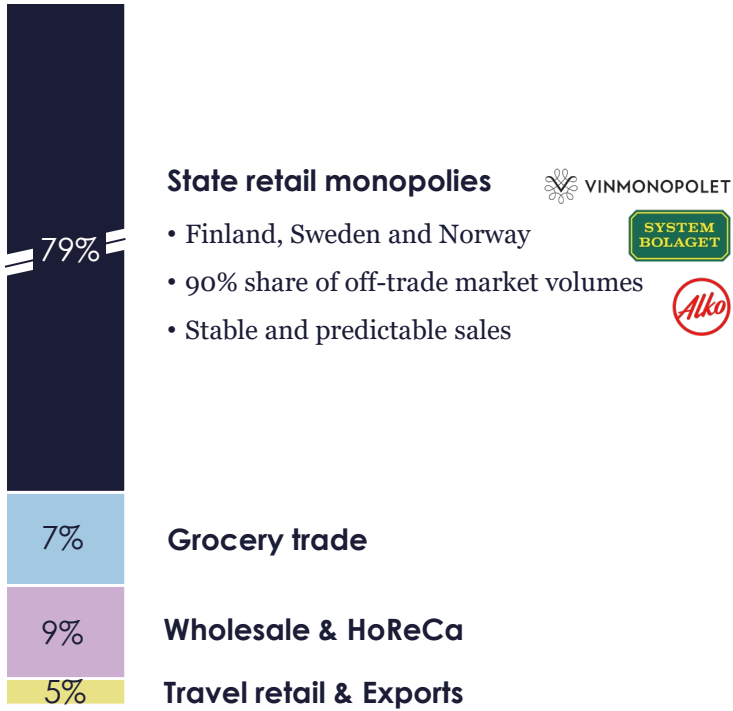


Spirits: Volume development and growth forecast¹



Leading positions across the Nordics & Baltics

Anora beverage sales channels¹



Nordic overall market position

Wine
#1

Spirits
#1

Norway

Wine
#1

Spirits
#1

Finland

Wine
#1

Spirits
#1

Sweden

Wine
#2

Spirits
#1

Denmark

Spirits
#2

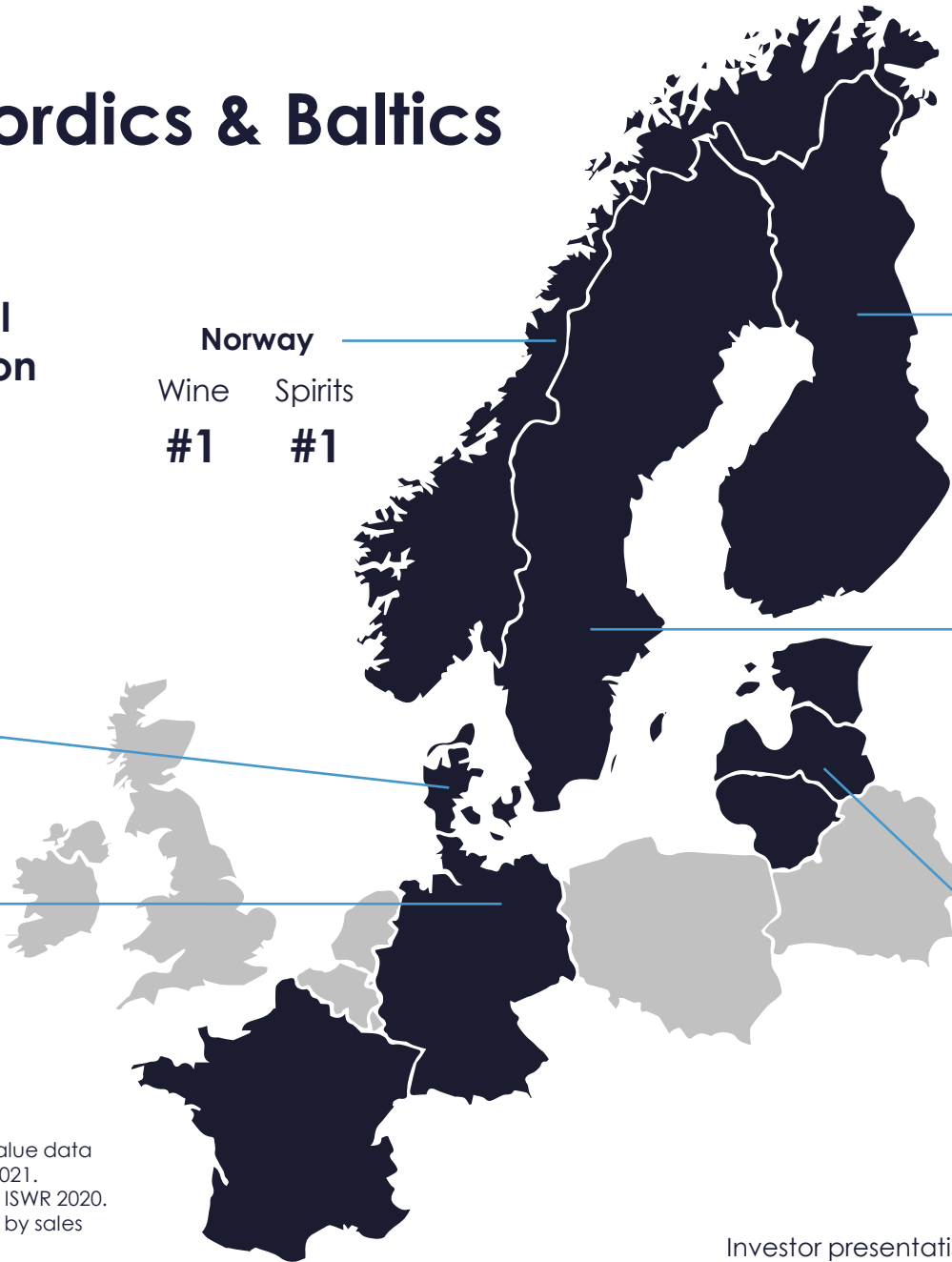
Germany

Aquavit
#1

Baltics

Wine
#10

Spirits
#7



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. 1) Aggregate beverage net sales for 2021. The breakdown of net sales by sales channel is based on unaudited internal sales reporting

Bringing the best of the world's wine to the Nordics

Our offering focuses on Nordic consumer preferences and key trends

Flexibility to respond to consumer trends through a global partner network



Extensive own wine brands portfolio designed for Nordic consumers



Net sales¹

Wine
net sales
EUR 308.5
million

46% of
Anora net
sales

Anora wine companies across the Nordics

- In-depth insight on the Nordic consumer preferences and wine trends
- Local experts on market access and operating with strict marketing restrictions
- Experience and knowledge to succeed in tenders

Sales channels



VINMONOPOLET

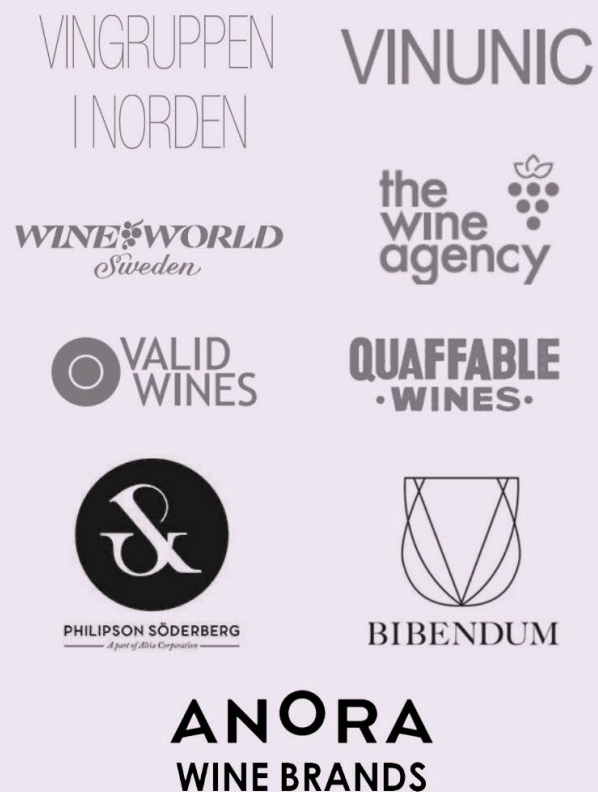
On-trade
Travel retail
Grocery trade

Our entrepreneurial wine companies

FINLAND



SWEDEN

















NORWAY



The leading wine and spirits brand house in the Nordics

Complete spirits portfolio with iconic local and international brands

Strong product category width and depth

	Unflavoured vodka & spirits	Aquavit	Cognac & other grape spirits	Gin	Bitter	Liqueur	Whiskey	Rum	Tequila	Other
Key Anora brands	KOSKENKORVA		 BRAASTAD							
Key partner brands						 	 			
Market volume, mL ¹	20.0	3.0	4.6	4.5	1.4	8.1	13.5	2.6	0.3	5.7
Market share ¹	54.2%	69.4%	30.1%	17.0%	31.4%	30.3%	21.6%	17.1%	24.4%	39.1%
Net sales ²	Spirits net sales EUR 216.5 million 32% of Anora net sales									

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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 December 2021. Anora's combined market shares as at December 2021 in Alko, Systembolaget and Vinmonopolet based on sales volumes last 12 months.

2) Spirits net sales stand-alone, aggregate 2021.

The leading wine and spirits brand house in the Nordics

Stronger capabilities to grow through Nordic innovations

Innovative culture and eager to be in front of market

- We always aim at creating value for our business, customers, partners and consumers.
- It is imperative for us that our customers and consumers consider our offering to be relevant and interesting.
- Strong track record of successful innovations within both existing and adjacent spirits categories creating line extensions, stretching to new categories and consumer occasions as well as identifying new sources for growth shaping the market.
- Strong in-house product development of wines and wine-based products appealing to Nordic taste.
- Strong track record within sourcing of sustainable raw materials.
- Best-in-class marketing teams balancing global brand building activities and local market needs across all Nordic countries.
- Leading capabilities for innovative, sustainable and convenient packaging.
- Combined launches of more than 100 novelties yearly.

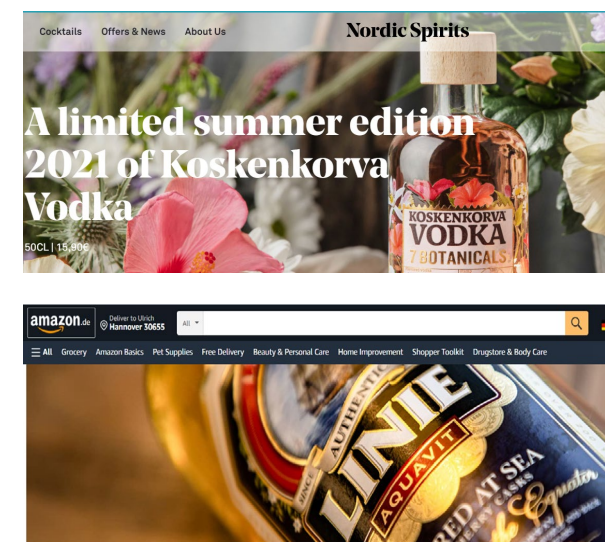
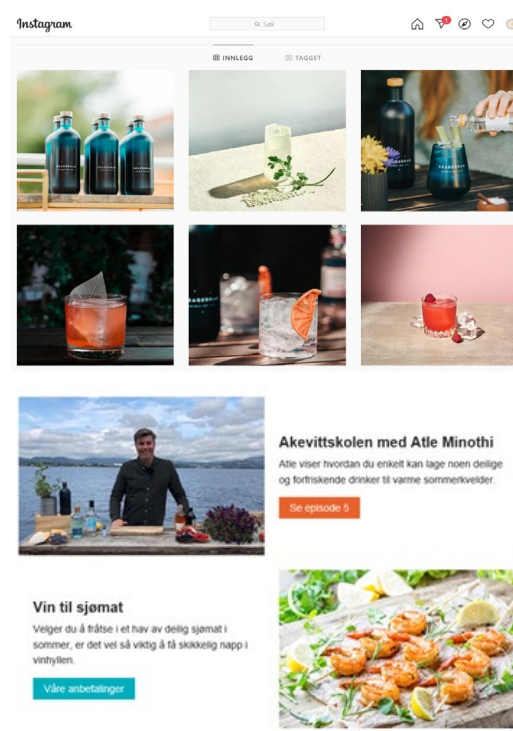
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The leading wine and spirits brand house in the Nordics

Accelerating digital drinks experiences

Leading digital platforms in the Nordic wine and spirits industry



- Extensive consumer reach through websites, social media and newsletters
- For example, in Sweden Anora sites combined have on average 500 000 sessions per month
- Reliable and professional sources of information that inspire, inform and educate

Open markets brand stores

- Lineie @Amazon.de
- nordicspirits.com

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The leading wine and spirits brand house in the Nordics

Sales excellence and local presence

The unique features of the Nordic market require a local touch

- Unparalleled customer and consumer insight across all Nordic markets
- Strong combined salesforce - access to and strong presence in all customer segments in both on-trade and off-trade in monopoly as well as open markets
- Superior category and product expertise
- Entrepreneurial and agile set-up in partner business supported by strong shared services in e.g. digital visibility
- Best-in-class logistics ensuring seamless route-to-market

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The leading wine and spirits brand house in the Nordics

Growth opportunities in travel retail and exports

Attractive and versatile brand portfolio

- Leading positions with own and partner brands, both wine and spirits, and access to all major Nordic travel retail operators - airports as well as cruise/ferry- and border trade operators
- Strong presence in Denmark and Baltics with exciting growth opportunities
- Iconic Nordic brands in vodka, aquavit and cognac exported to over 30 countries with high quality, pure ingredients and sustainable packaging solutions with strong potential in new markets

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Summary

Market-leading portfolio of own and partner brands

- Strong product category width and depth
- Attractive one-stop shop for on- and off-trade customers in wine and spirits across home markets

Strongest innovators in the Nordics

- Innovative culture, eager to be in front of the market
- Dedicated experts on wine and spirits in each country – continuously monitoring consumer's preferences
- Strong track record of successful innovations

Superior route-to-market and sales excellence

- Superior offering to partners through sales excellence and leading presence in the complex Nordic markets
- Strong local expertise and experience to provide knowledge and service

Leading digital platforms in the Nordic wine and spirits industry

- Wide consumer reach through digital platforms and social media channels
- Increasing focus on digital marketing and innovative brand activations
- Strict marketing limitations in Finland, Sweden and Norway – we still know how to grow

Growth opportunities in travel retail and exports

- Nordic brands with export potential and increased resources to push for growth in fast-growing exports markets
- Raised attractiveness for distribution partners
- Stronger growth opportunities in travel retail

Anora's industrial business

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Industrial products and services

Innovative Nordic provider of high-quality solutions and services to industrial partners

- Comprises Koskenkorva plant operations, starch, feed component and technical ethanol businesses, as well as contract manufacturing services and logistics operations
- Finnish barley is the focus of operations and products include barley starch, grain sprits, technical ethanols and feed components
- Also offers a broad range of contract manufacturing and logistics services for leading wine and spirits companies and industrial partners
- Former Altia Industrial net sales 2021 were EUR 110 million
- 374 employees in 2021

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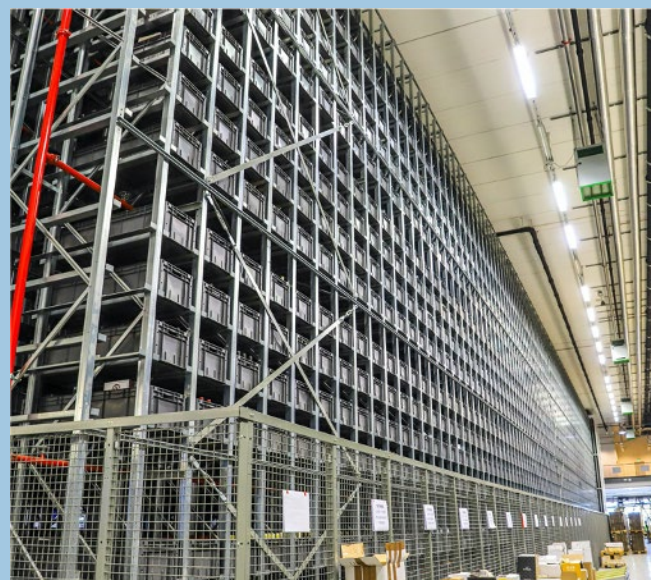
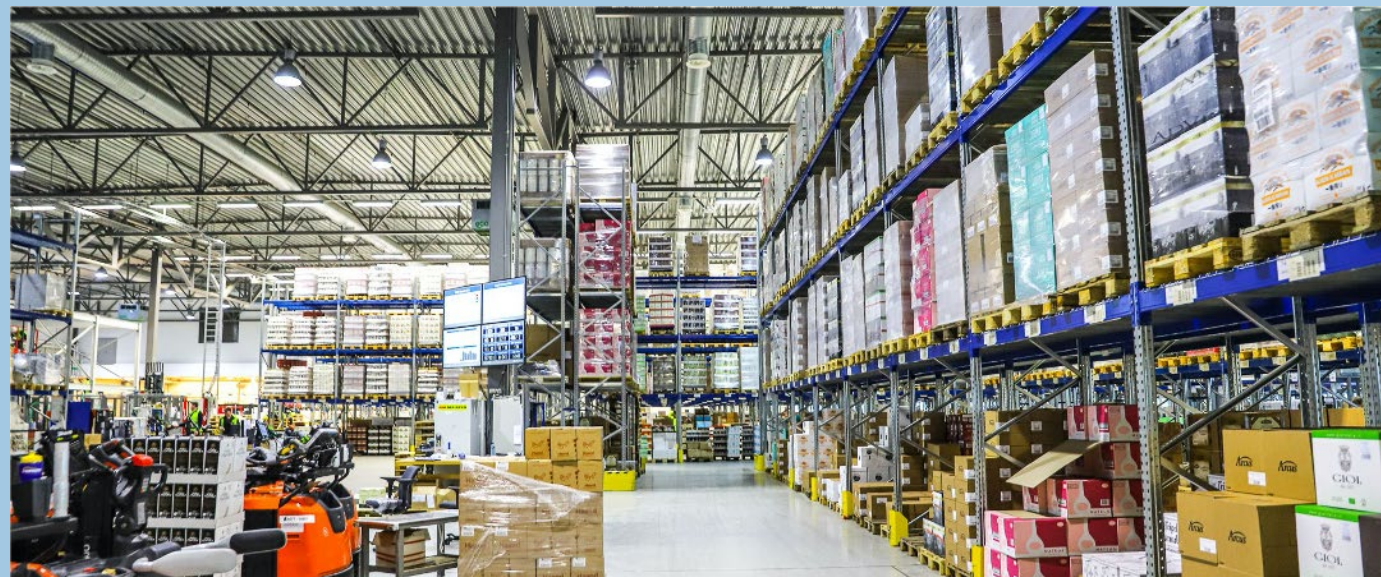
Logistics

Vectura AS

Leading wine and spirits logistics service provider in Norway

- Modern logistics facility located at Gjelleråsen
- Full service logistics provider for wine and spirits in the Norwegian market
- Handles approx. 12 500 different products for more than 100 importers
- Share of delivery to Vinmonopolet 51%, approx. 30% on-trade
- Orders from Vinmonopolet as direct digital feed to Vectura
- Former Arcus Logistics stand-alone net sales 2021 were EUR 37 million

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Our sustainability approach

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Forerunner in sustainability

Striving for carbon neutral production

- Production based on **circular economy** and own **bio-power** plant
- **58%** reduction in CO₂ emission
- **99.5%** recycling rate at our award-winning Koskenkorva distillery
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Leading in eco-friendly packaging

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Promoting an inclusive and safe workplace

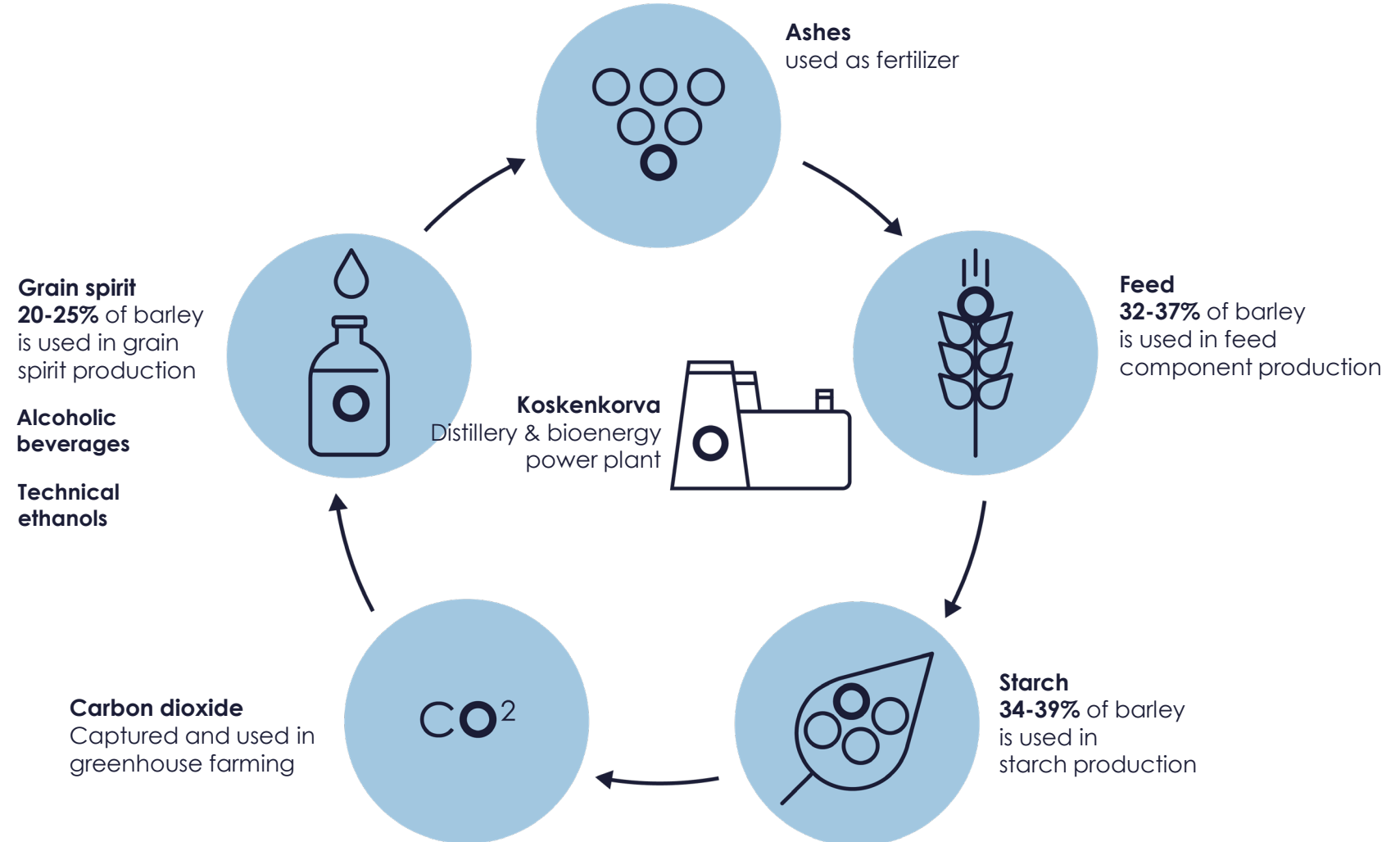
- Striving towards **zero absences due to injuries**
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- **Balanced** gender distribution in Management Team and Board



Koskenkorva Distillery circular economy

We use 100% of the barley grain

- **209** million kg of Finnish barley consumed annually
- **99.5%** recycling & reutilisation rate
- Over **67%** fuel self-sufficiency in steam production
- Over **58%** decrease in CO₂ emissions



Anora takes an active role in transforming the no/low category

Going from a functional "must" into a modern lifestyle choice

- Our ambition is to support a modern, responsible drinking culture, where consumers can make conscious, sustainable and healthier choices
- We have a strong track record in innovations in the no/low category with e.g. glöggs and ready-to-drinks
- Launching new no/low products is also a concrete way to support the reduction of alcohol consumption per capita and the mindset of quality over quantity
- We have strong in-house capabilities in maturation, blending and seasoning and most recently added with dealcoholisation equipment that allows removal of alcohol from wine
- Our product development teams have solid expertise in producing spice distillates and extracts
- In 2021, a total of 55 (10) launches in the no-low category



Alcohol-free seltzer in the SAY Seltzer line (Finland)

O.P. Anderson Distillery's alcohol-free snaps (Sweden)

Roti – alcohol-free gin (Finland)



Climate smart packaging

Leader in environmentally friendly packaging in the Nordics

Bag-in-Box



BIB over 80% lower CO₂ footprint

About 50% of wines sold in e.g. Systembolaget are sold in BIB¹

Production line for fully recyclable BIB

PET



PET over 60% lower CO₂ footprint

First Recycled PET (rPET) 90% lower CO₂ footprint

Effective deposit-refund systems



Light glass



Over 20% lower CO₂ footprint

We reduce amount of glass constantly

Tetras and pouches



Over 80% lower CO₂ footprint

Key financials

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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.



	<u>Pro forma</u>	<u>Reported</u> <u>(IFRS)</u>
	2021	2021
Net sales, EUR million	665.0 (627.7)	478.2 (342.4)
Comparable EBITDA, EUR million	101.0 (98.3)	71.7 (52.4)

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

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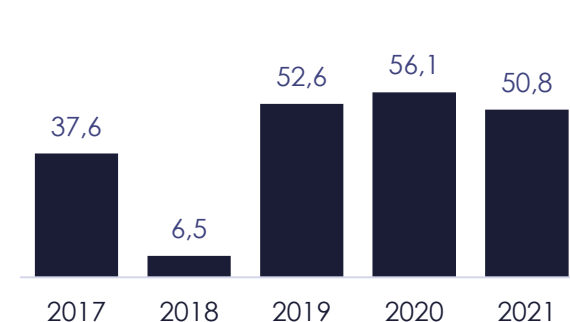
Strengthened financial capacity for growth outside Nordics

- Highly stable and profitable business
- Low capex needs
- High cash generation and low leverage
- Increased debt capacity for future growth investments and M&A's
- Healthy dividend capacity

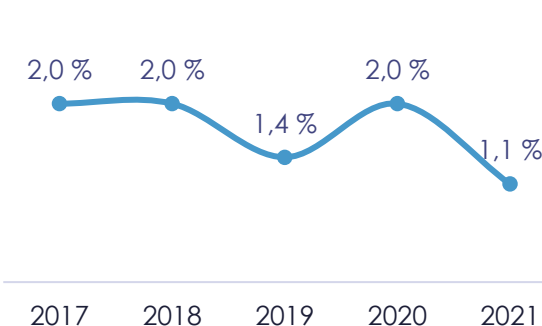
Net sales and comparable EBITDA¹
EURm



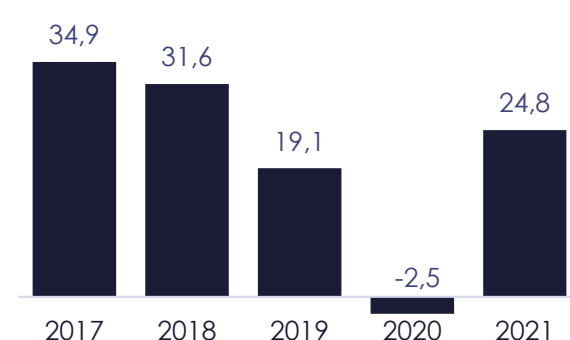
Net cash flow from operating activities¹
EURm



Gross capex/net sales¹
%



Gearing
%



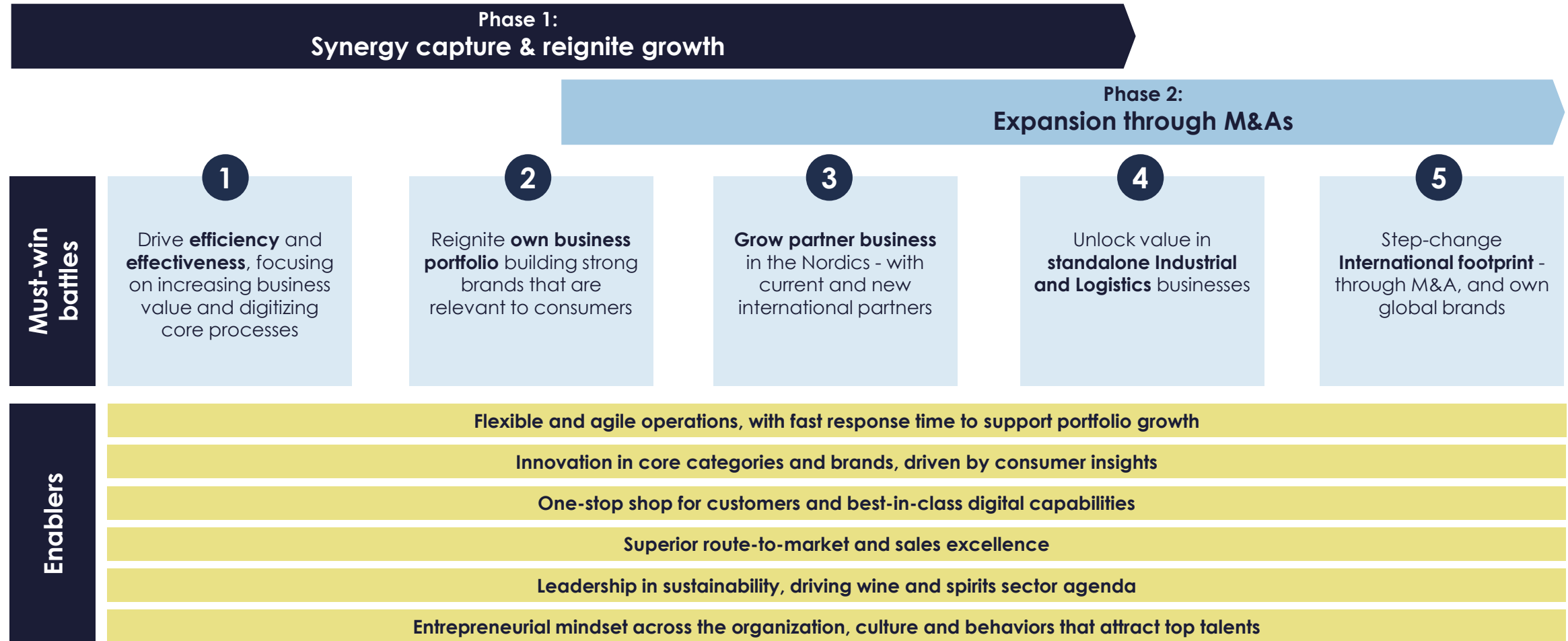
¹In 2021 reported figures Arcus has been consolidated to Anora as of 1 September 2021. 2017-2020 are former Altia reported figures. IFRS 16 Leases standard has been adopted as of 1 January 2019. The financial information for 2016-2018 has not been restated and is thus not fully comparable.

Merger

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Must-win battles and enablers to deliver on ambition



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



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Efficiency gains across the value chain



Sourcing



Logistics and
warehousing



Manufacturing, bottling
and packaging

Combined supplier base for first-class raw materials

Improved warehouse capacity utilisation and scale benefits in transportation

Specialisation of manufacturing driving efficiency and potential driving cost savings

Strengthened sustainability

Increased scale

Increased control of own operations

Deeper supplier partnerships

More efficient use of materials

More efficient production

More sustainable operations

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

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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

Henrik Bodekær Thomsen

SVP, Spirits



Long career in the international beverage business with Carlsberg; joined Arcus in 2018

Kirsi Puntila

SVP, International



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

Why invest in Anora?

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Why invest in Anora: Market leader | Growth ambition | Forerunner

1.
Market leader
in the profitable
and stable
Nordic wine
and spirits

2.
Capacity to
grow in and
outside the
Nordics

3.
Global industry
forerunner
in sustainability

4.
Step-change
in scale drives
productivity

Thank you



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