

A group of people are gathered around a table at an outdoor evening event, possibly a restaurant or bar. They are holding wine glasses and toasting. The scene is illuminated by warm, glowing string lights hanging above them. The background shows a dark sky and some foliage.

# Forming a leading wine and spirits brand house in the Nordics

Merger of Altia & Arcus

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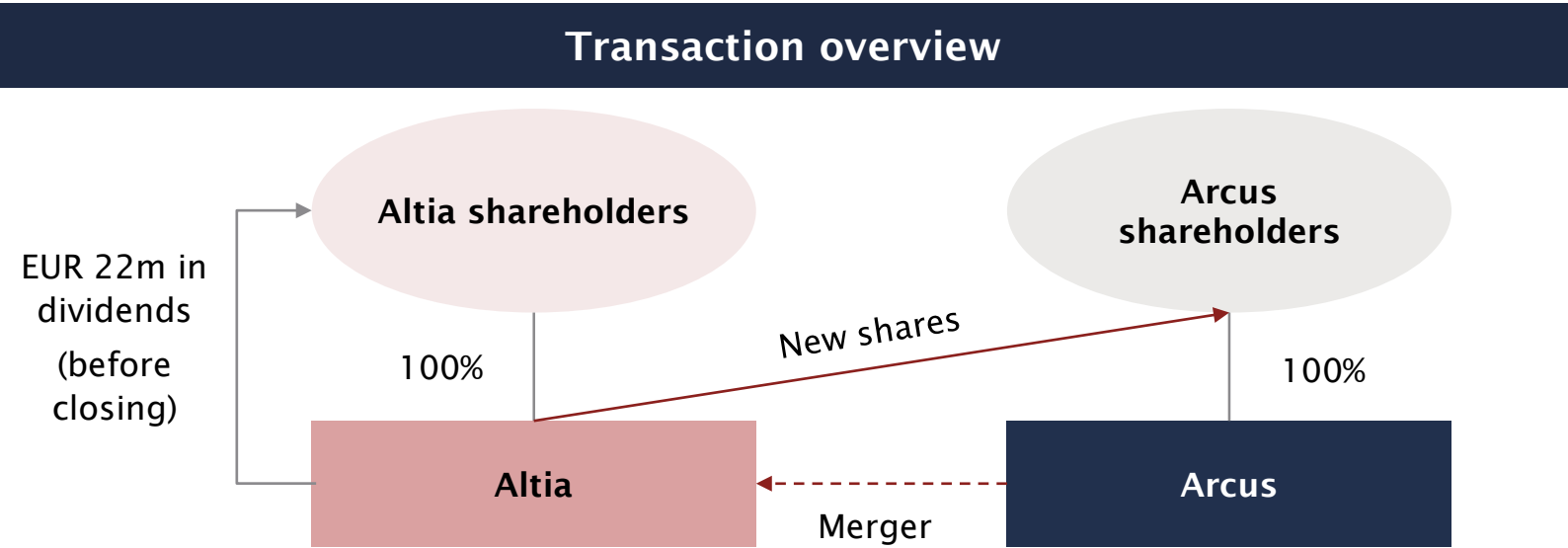
This presentation contains financial information regarding the businesses and assets of Altia and Arcus and their consolidated subsidiaries. Such financial information may not have been audited, reviewed or verified by any independent accounting firm. Certain financial data included in this presentation consists of “alternative performance measures.” These alternative performance measures, as defined by Altia and Arcus, may not be comparable to similarly titled measures as presented by other companies, nor should they be considered as an alternative to the historical financial results or other indicators of Altia’s and Arcus’s cash flows based on IFRS. Even though the alternative performance measures are used by the management of Altia and Arcus to assess the financial position, financial results and liquidity and these types of measures are commonly used by investors, they have important limitations as analytical tools and should not be considered in isolation or as substitutes for analysis of Altia’s or Arcus’s financial position or results of operations as reported under IFRS.

This presentation includes estimates relating to the cost and revenue synergy benefits expected to arise from the merger as well as the related integration costs (which are forward-looking statements), which have been prepared by Altia and Arcus and are based on a number of assumptions and judgments. Such estimates present the expected future impact of the merger on the Combined Company’s business, financial condition and results of operations. The assumptions relating to the estimated cost and revenue synergy benefits and related integration costs are inherently uncertain and are subject to a wide variety of significant business, economic, and competitive risks and uncertainties that could cause the actual cost and revenue synergy benefits from the merger, if any, and related integration costs to differ materially from the estimates in this presentation. Further, there can be no certainty that the merger will be completed in the manner and timeframe described in this presentation, or at all.

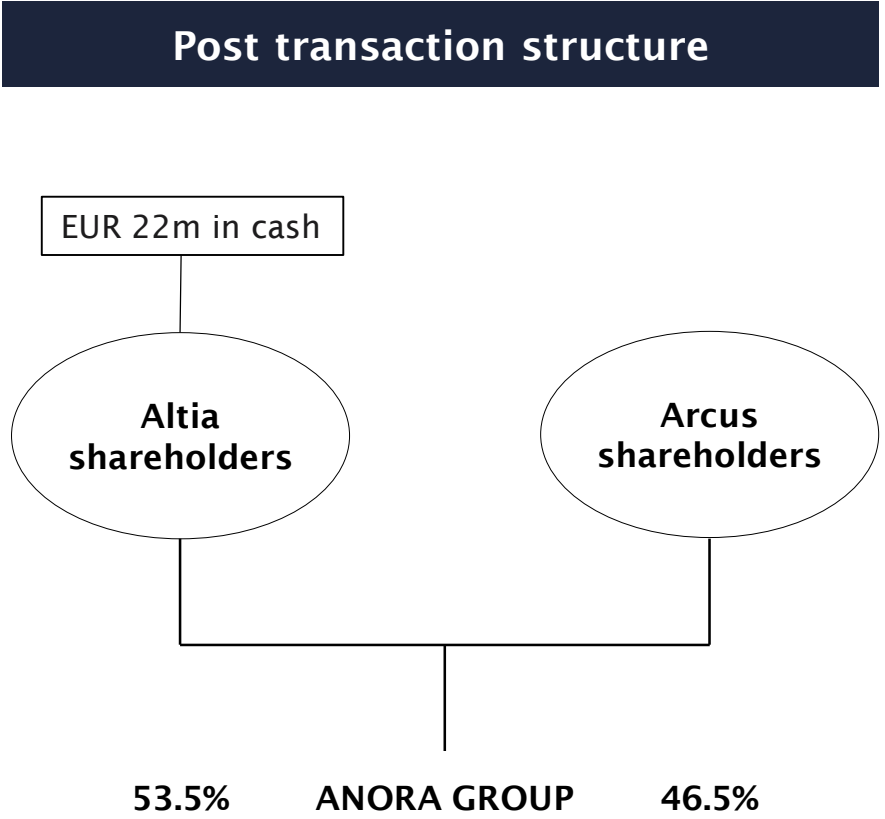
This presentation includes unaudited combined financial information and pro forma financial information. The company has prepared the unaudited pro forma financial information to illustrate the effect to the Merger of Altia and Arcus to Altia’s financial information as if the Merger had been undertaken at an earlier date. The pro forma financial information has been presented for illustrative purposes only and, therefore, the hypothetical financial position and results of operations therein may differ from the combined company’s actual financial position and results of operations. In addition, the unaudited pro forma financial information does not reflect any cost savings, synergy benefits or future integration costs that are expected to be generated or may be incurred as a result of the merger.

# Combination overview

Transaction structure	
Exchange ratio	Surviving entity
0.4618 new Altia shares for each Arcus share	ALTIA
0.4618 new Altia shares issued for each share in Arcus as merger consideration to the shareholders of Arcus in exchange for all assets, liabilities and businesses of Arcus. Additionally, Altia proposes to pay an extra dividend of EUR 0.40 per share in addition to EUR 0.21 per share already authorized by Altia's Annual General Meeting and payable by the end of 2020, corresponding to EUR 22m in total, to Altia's shareholders.	The transaction will be executed as a statutory cross-border absorption merger whereby Arcus will be merged into Altia.



Post merger ownership	
ALTIA	<i>Arcus</i>
53.5%	46.5%



# Illustrative post transaction shareholder structure

Top 10 shareholders in ANORA GROUP <sup>1</sup>		
Shareholder	Shares	% of capital and votes
Canica AS	15,137,926	22.4%
Finnish State Development Company, Vake Oy	13,097,481	19.4%
Geveran Trading Co Ltd	3,117,150	4.6%
Hoff SA	1,522,554	2.3%
Ilmarinen Mutual Pension Insurance Company	1,113,300	1.6%
Sundt AS	1,108,070	1.6%
Varma Mutual Pension Insurance Company	1,050,000	1.6%
Verdipapirfondet Eika Spar	897,582	1.3%
Folketrygdfondet	831,240	1.2%
Danske Invest Norske Institusjon. II	819,414	1.2%
<b>Top 10 shareholders</b>	<b>38,703,164</b>	<b>57.3%</b>
Other shareholders	28,855,698	42.7%
<b>Total</b>	<b>67,550,415</b>	<b>100.0%</b>
<b>Altia's shareholders</b>	<b>36,140,485</b>	<b>53.5%</b>
<b>Arcus' shareholders</b>	<b>31,409,930</b>	<b>46.5%</b>

- The post transaction shareholders of the combined entity are calculated based on a conversion ratio of 0.4618 Altia shares for each Arcus share
- The current shareholders of Altia would own 53.5% and the current shareholders of Arcus (excluding shares owned by Arcus) would own 46.5% of the combined company
- Altia's largest shareholder, Vake Oy, holding approximately 36.2% of the shares in Altia has stated their support for the transaction
- Voting undertaking, subject to certain conditions, secured from Arcus' largest shareholder Canica AS, holding approximately 44.2% of the shares in Arcus
- Altia's shareholders Ilmarinen Mutual Pension Insurance Company, Varma Mutual Pension Insurance Company and Canica AS have irrevocably undertaken to vote in favour of the merger at the Altia EGM
- Arcus' shareholders Geveran Trading Co and Hoff SA have irrevocably undertaken to vote in favour of the merger at the Arcus' EGM
- The company continues to be listed on Nasdaq Helsinki, with a temporary dual-listing on Oslo Børs

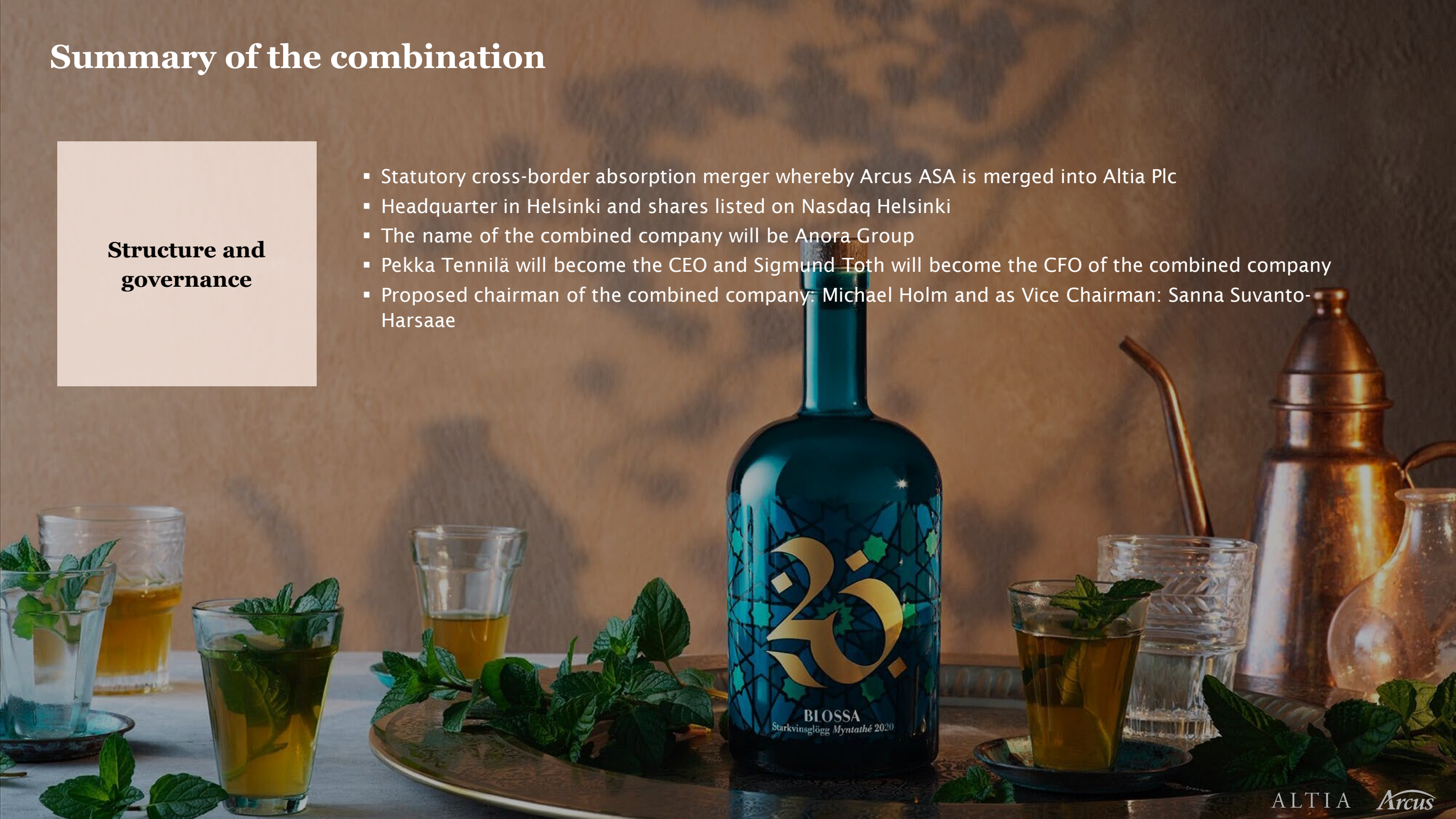
1) Altia shareholding as of 30 September 2020 and Arcus shareholding as of 28 September 2020; Excludes nominee registered shareholdings, except for Canica AS



# Summary of the combination

## Structure and governance

- Statutory cross-border absorption merger whereby Arcus ASA is merged into Altia Plc
- Headquarter in Helsinki and shares listed on Nasdaq Helsinki
- The name of the combined company will be Anora Group
- Pekka Tennilä will become the CEO and Sigmund Toth will become the CFO of the combined company
- Proposed chairman of the combined company: Michael Holm and as Vice Chairman: Sanna Suvanto-Harsaae





# Proposed Board of Directors of Anora Group



**Michael  
Holm Johansen**  
Chairman



**Sanna  
Suvanto-Harsaae**  
Vice Chairman



**Kirsten Ægidius**



**Ingeborg Flønes**



**Sinikka Mustakari**  
new



**Jyrki Mäki-Kala**



**Nils Selte**



**Torsten Steenholt**



Current Altia Board Member



Current Arcus Board Member



# Summary of the combination

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- Pekka Tennilä will become the CEO and Sigmund Toth will become the CFO of the combined company
- Proposed chairman of the combined company: Michael Holm and as Vice Chairman: Sanna Suvanto-Harsaae

## Timing

- 29 September 2020: Merger plan and combination agreement signed and published
- 23 October 2020: Merger Prospectus published
- 12 November 2020: EGMs in Altia and Arcus (Completion of the merger is subject to approval by EGMs in Altia and Arcus as well as obtaining necessary authority approvals, such as merger control approvals)
- Q4 2020: Altia dividend payment of EUR 0.21 per share
- H1 2021 (estimate, depending on the timing of the completion): Altia extra dividend payment of EUR 0.40 per share
- H1 2021 (estimate): Expected completion of the merger during H1 2021





# Merger of Altia and Arcus



# The Nordic wine & spirits brand house with an excellent growth platform

**The wine and spirits brand house in the Nordics**

**Superior pan-Nordic route-to-market**

**Competitive platform/basis to grow in and outside home markets**

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

**Strong value creation from significant synergies**



# Leading presence in wines and spirits across the Nordics and existing presence in the Baltics

## Pro forma key figures (2019)

- Net sales EUR 640 million
- Comparable EBITDA EUR 85 million
- Personnel about 1,100

Market shares in Norway, Sweden and Finland are based on data from the retail monopolies, Vinmonopolet, Systembolaget and Alko and are based on the total volumes for the combined entity in 2019. Market shares in Denmark are based on August-20 LTM volumes (including Altia Denmark A/S and Det Danske Spiritus Company (Arcus), provided by Nielsen)

Source: Euromonitor, Alko, Vinmonopolet, Systembolaget, Nielsen





# Strong and diversified brand portfolio of iconic local, regional and global brands

Wine and spirits	Wine		Aquavit		Vodka		
							
Partner brands	Bitter		Cognac		Glögg		
							
	Other spirits						
							
Partner brands							



# Winning approach to sustainability

**Towards carbon neutral production**

**Supporting a responsible drinking culture**

**Leader in eco-friendly packaging**

**Inclusive working culture and work safety**



# Superior pan-Nordic route-to-market

Superior partner offering through sales excellence and presence in complex Nordic markets

First class local knowledge and unparalleled presence across the Nordics



Leading distribution capabilities

ALTIA

64

Million litres sold  
per year<sup>1</sup>

Arcus

46

Million litres sold  
per year

Attractive one-stop shop for on- and off-trade customers in wine and spirits across home markets

Access to a unique portfolio of own and partner brands

**LINE**  
AQUAVIT

Underberg

KOSKENKORVA

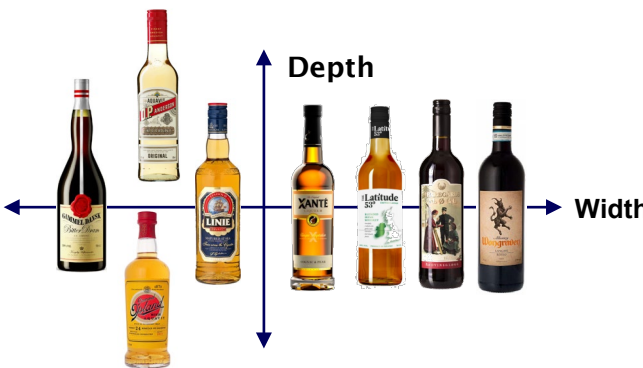
**FIREBALL**  
RED HOT  
CINNAMON WHISKY

**MASI**  
AGRICOLA

L A R O C H E

JACK DANIEL'S

Improved product category width and depth



Note: 1) Excluding exports



# Competitive platform to grow in and outside home markets

Joined forces and competence will facilitate more powerful launches, both in new and current markets

Attractive combined portfolio of iconic Nordic brands with further export potential

Strengthened financial position allowing for targeted M&A

1

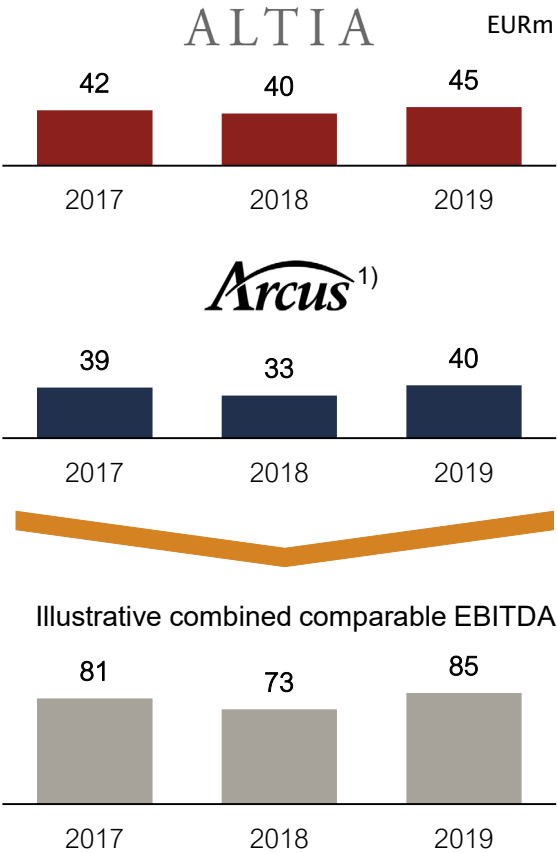
Increased resources allowing selective pushes in key export markets

2

Opportunity to introduce and invest in attractive brands in selected fast-growing markets

3

Raised attractiveness for distribution partners



Note: 1) Yearly average FX used to translate Arcus' historical values

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

Strong combined manufacturing and logistics footprint

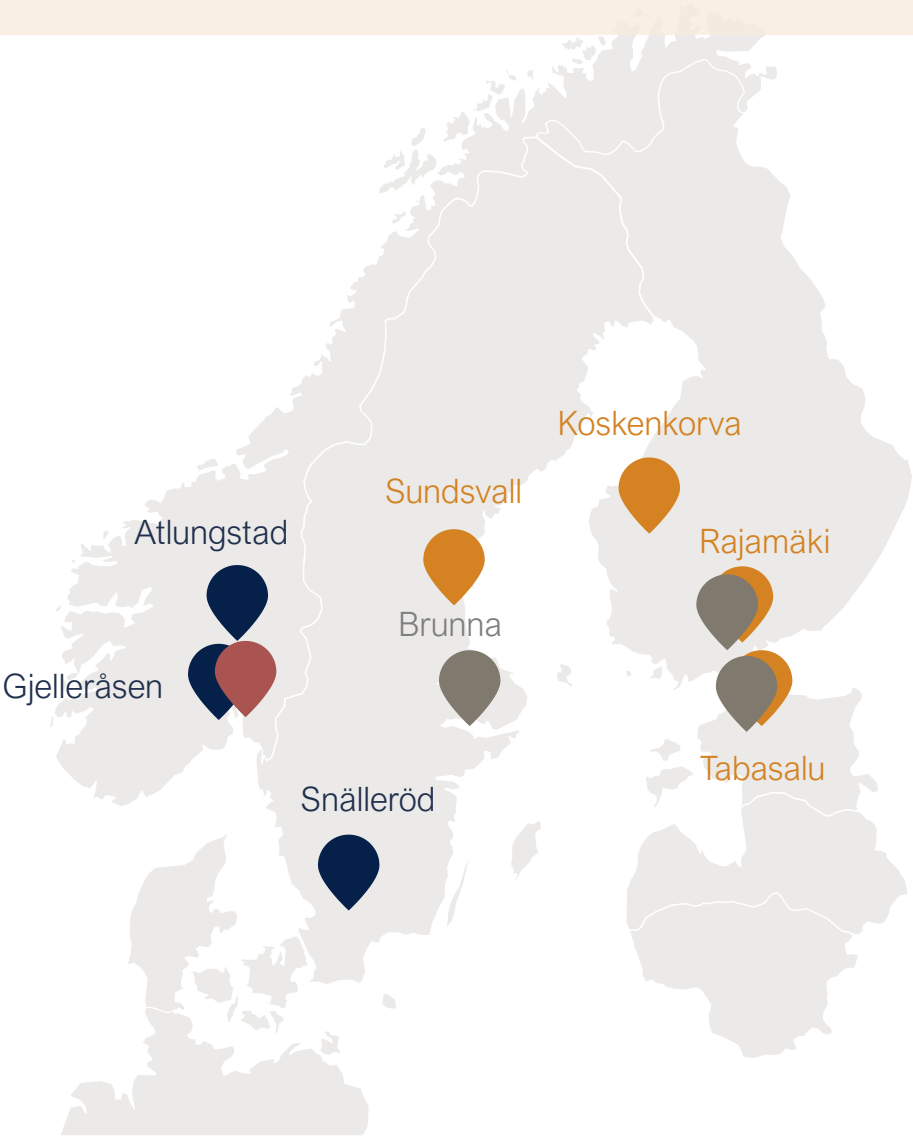
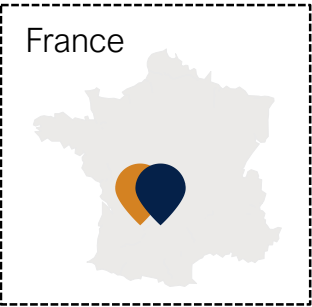
Efficiency gains across the value chain

Manufacturing

- Altia
- Arcus

Own warehouse

- Altia
- Arcus



Sourcing

Combined supplier base for first-class raw materials

Logistics and warehousing

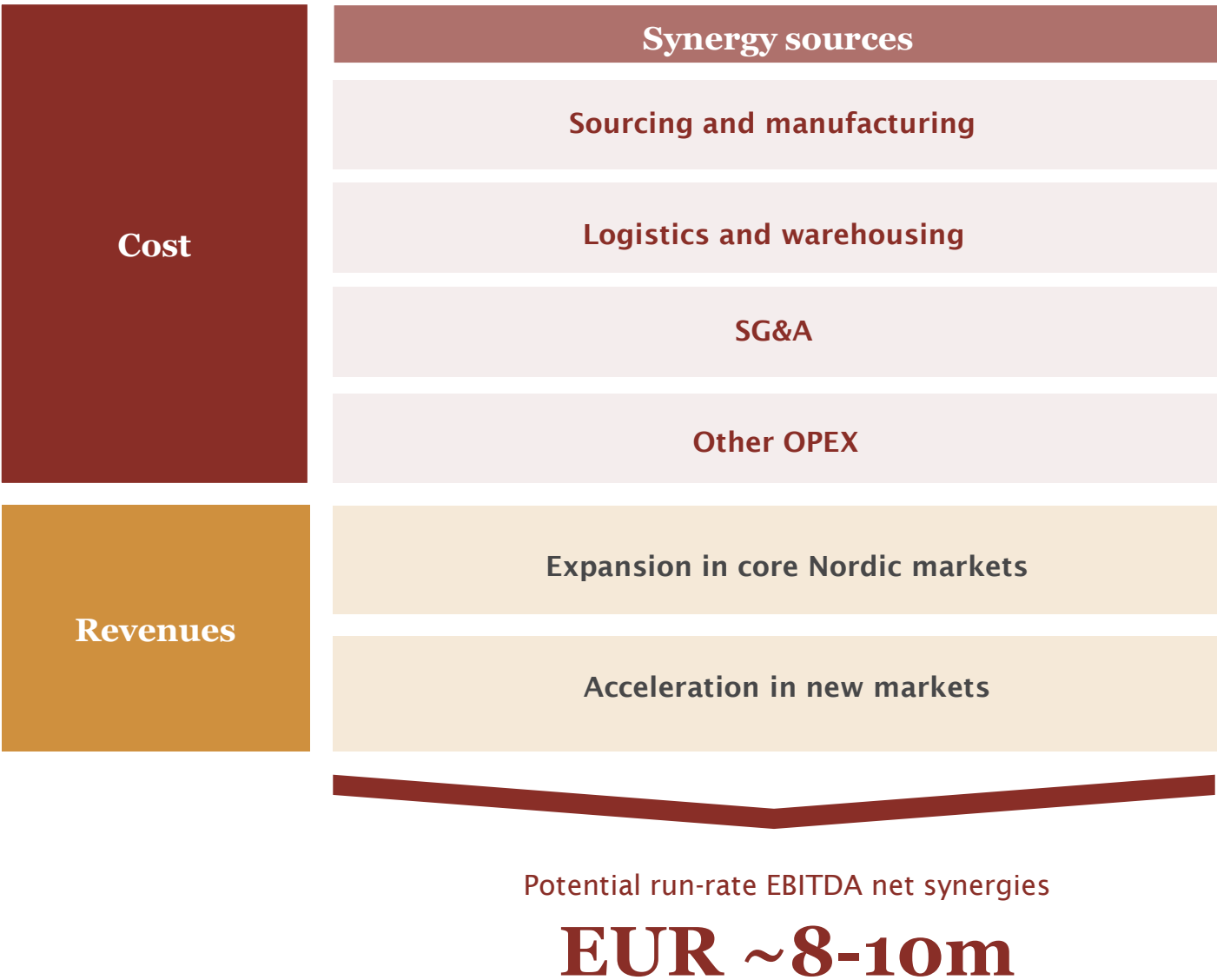
Improved warehouse capacity utilisation  
Scale benefits in transportation

Manufacturing, bottling and packaging

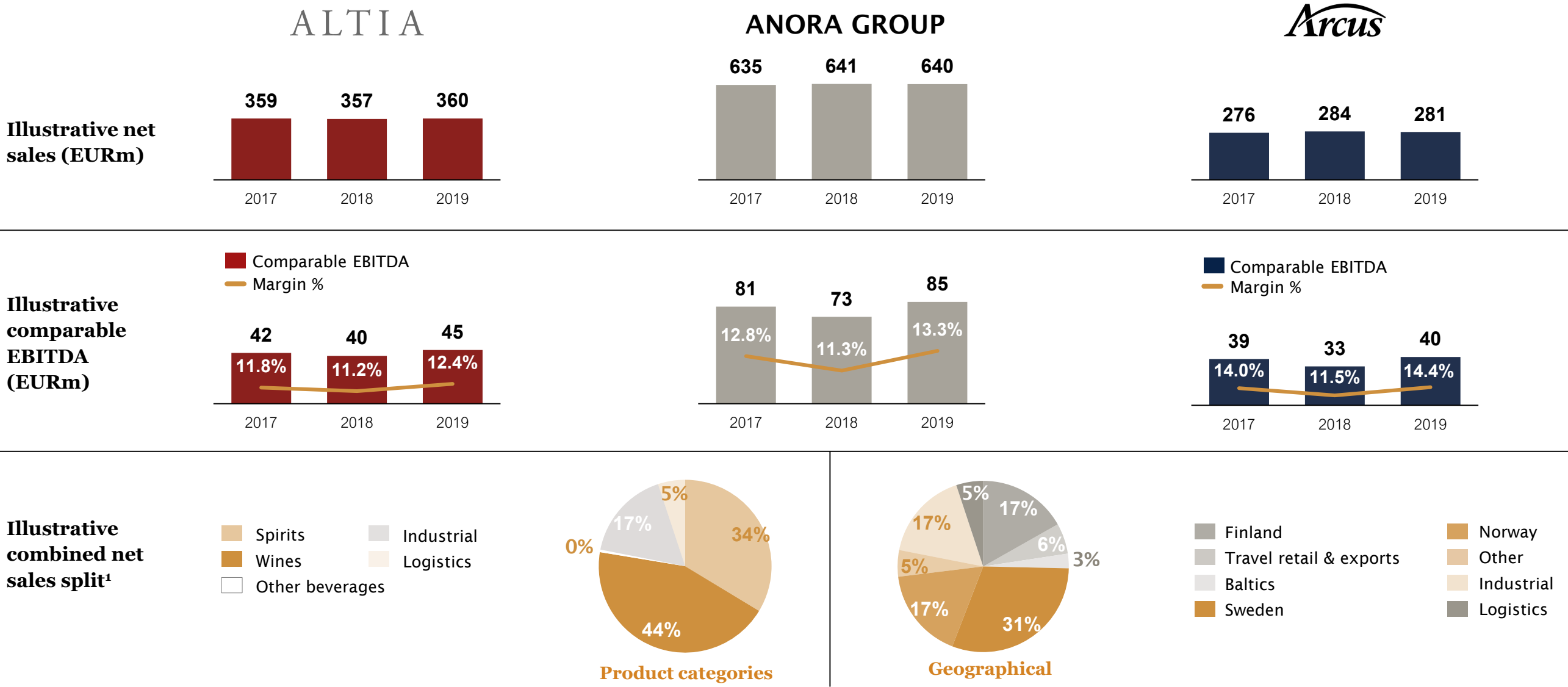
Specialisation of manufacturing driving efficiency and potential cost savings



# Strong value creation for shareholders from significant synergies



# ANORA GROUP's illustrative combined net sales and EBITDA



Note: The illustrative combined financial information is based on a hypothetical situation, and they should not be regarded as pro forma financial information, as acquisition costs, differences in basis of preparation, adjustments related to transaction costs or impacts of a possible refinancing have not been taken into account. The illustrative combined financial information are based on Altia's and Arcus' audited financial statements for the financial periods ended 31 December 2019, 2018 and 2017. Annual average exchange rates have been used for historical figures.

1) Arcus sales excluding parent sales and group eliminations



# **Strong value creation for shareholders**

**The wine and spirits brand house in the Nordics**

**Strengthened financial position – excellent conditions for future growth**

**Strong value creation from significant synergies**