

INVESTOR PRESENTATION


ALTIA

**Leading Nordic alcoholic beverage brand
company in the wine and spirits markets**

NOVEMBER-DECEMBER 2020

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Leading Nordic alcoholic beverage brand company operating in the wines and spirits markets in the Nordic countries, Estonia and Latvia. We also have production in Cognac, France.

We are the leading Nordic alcoholic beverage brand house on the wine and spirits markets

WE OPERATE ON THE STABLE AND PROFITABLE NORDIC MARKET

Key figures 2019

Net sales

359.6

EUR million

Comparable EBITDA margin

12.4%

- Head office
- Production
- Distillery
- Sales office
- Warehouse

Exports to
approx. 30
countries

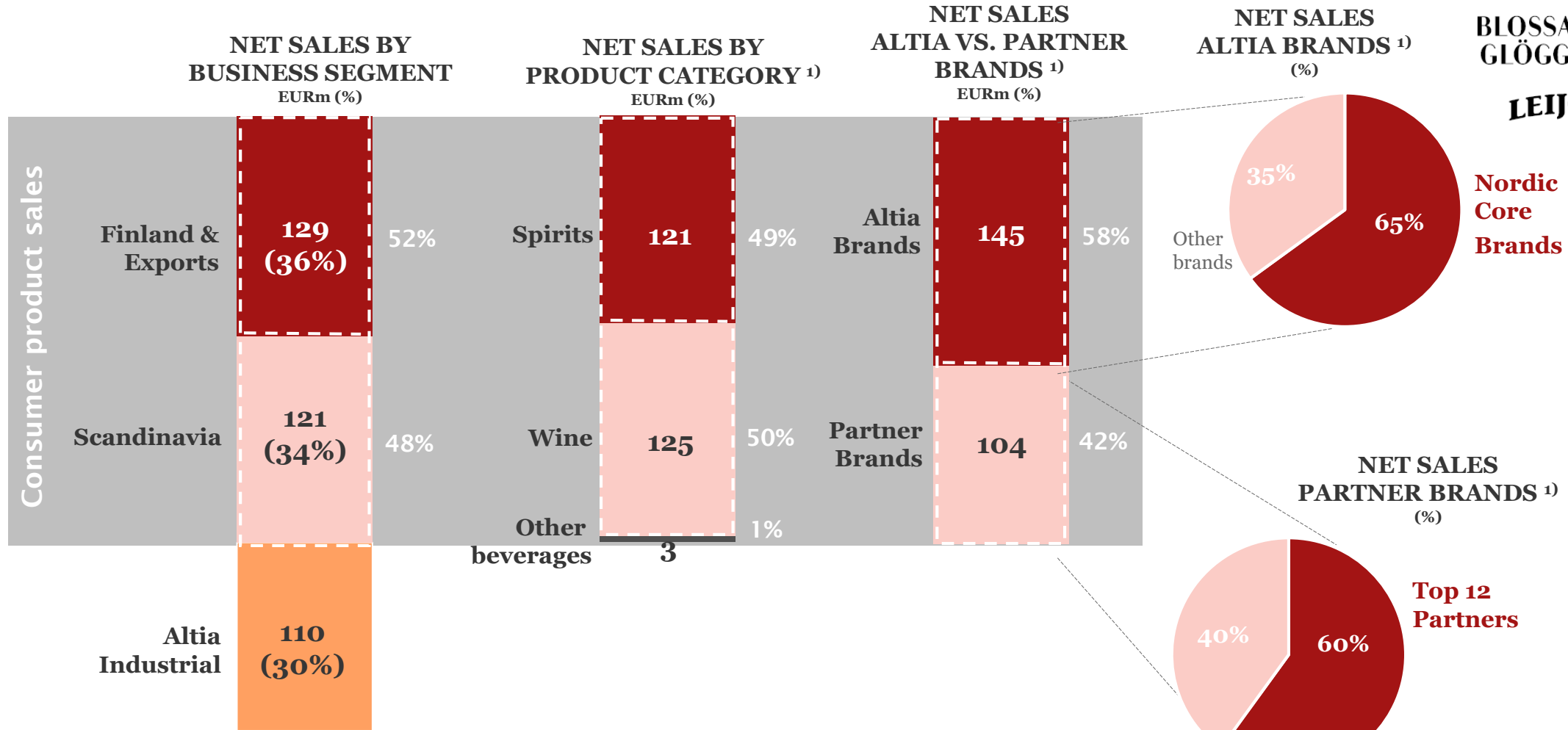
We are the Nordic iconic brands

BRAND FOCUSED BUSINESS THROUGH OWN AND PARTNER BRANDS



Wide assortment of many other own and partner brands from around 150 partners

Our business is well balanced



Our operations are divided into three segments

ALTIA INDUSTRIAL PROVIDES INDUSTRIAL PARTNERS WITH HIGH-QUALITY SOLUTIONS AND SERVICES



Finland & Exports

- Consumer product sales in Finland, the Baltics, travel retail and exports

Net sales

129
EUR million

Comparable
EBITDA margin

16.0%



Scandinavia

- Consumer product sales in Sweden, Norway and Denmark

Net sales

121
EUR million

Comparable
EBITDA margin

10.0%



Altia Industrial

- Industrial products
- Industrial services
- Supply chain and sourcing

Net sales

110
EUR million

Comparable
EBITDA margin

10.4%

Let's drink better

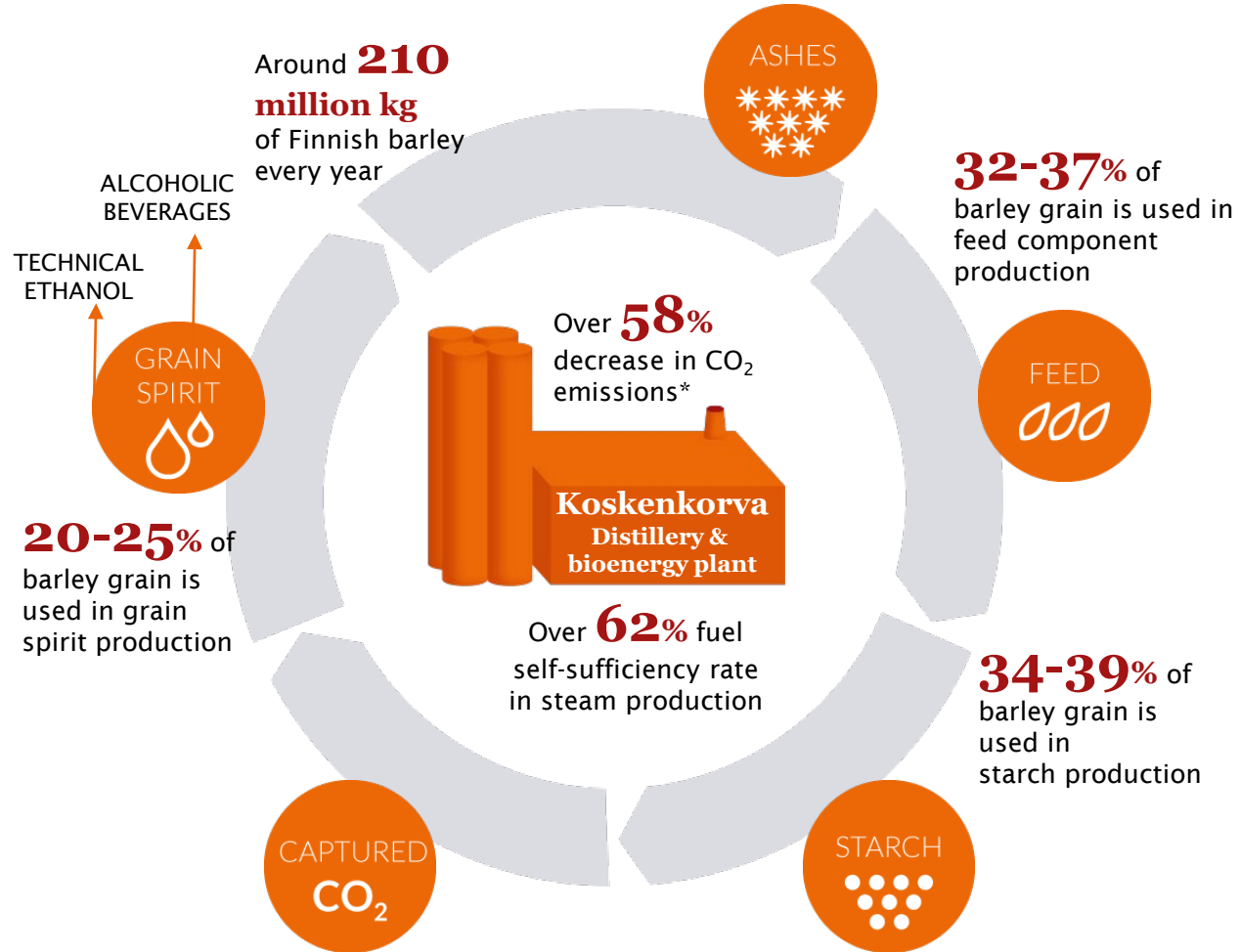
We want to support a development of a modern, responsible Nordic drinking culture and develop better drinking experiences.

We are proud to work with products that are the best choice for the environment and for the climate, promoted and consumed responsibly.



Sustainability and high quality raw materials are key elements of our brands

Finnish farmers and circular economy of barley – high material efficiency



Spring water



- Natural, unfiltered spring water
- Protected water abstraction areas
- The same source of water has been used since operations were first established in Rajamäki in 1888

Bulk wine & Cognac producers



- Dedicated Wine Sourcing team operates around the world in all wine regions
- Altia is committed to sustainable wine sourcing
- Audits at raw material suppliers
- The production of Renault and Larsen Cognac is handled locally

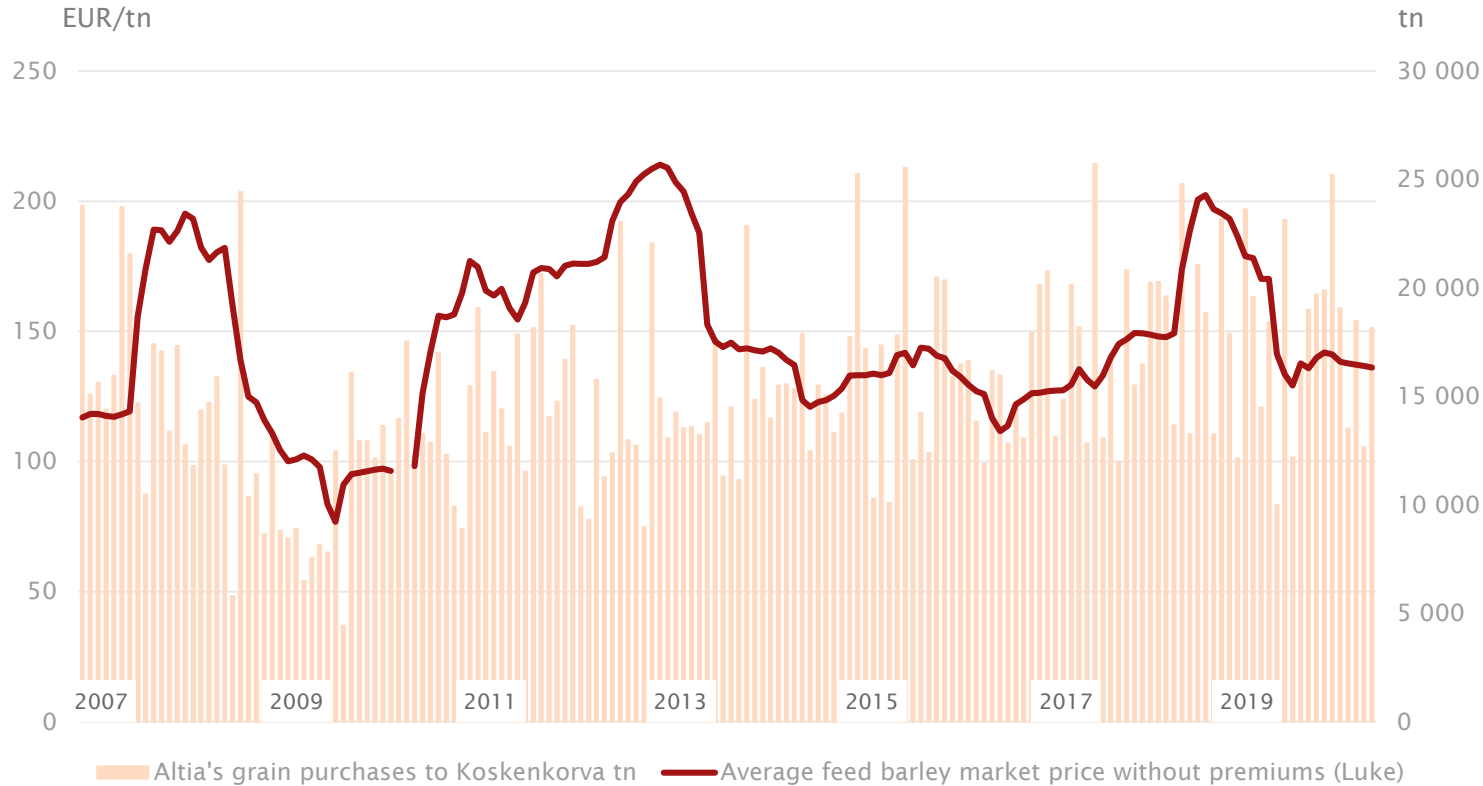
Packaging



- In packaging Altia considers the environmental attributes and recyclability of the materials used
- Forerunner in innovative, ecological and smart packaging such as PET bottles and bag-in-boxes
- PET bottles and bag-in-boxes have lower CO₂ emissions than glass bottles
- High recycling rates in the Nordics – up to 90% of PET bottles

Barley sourcing

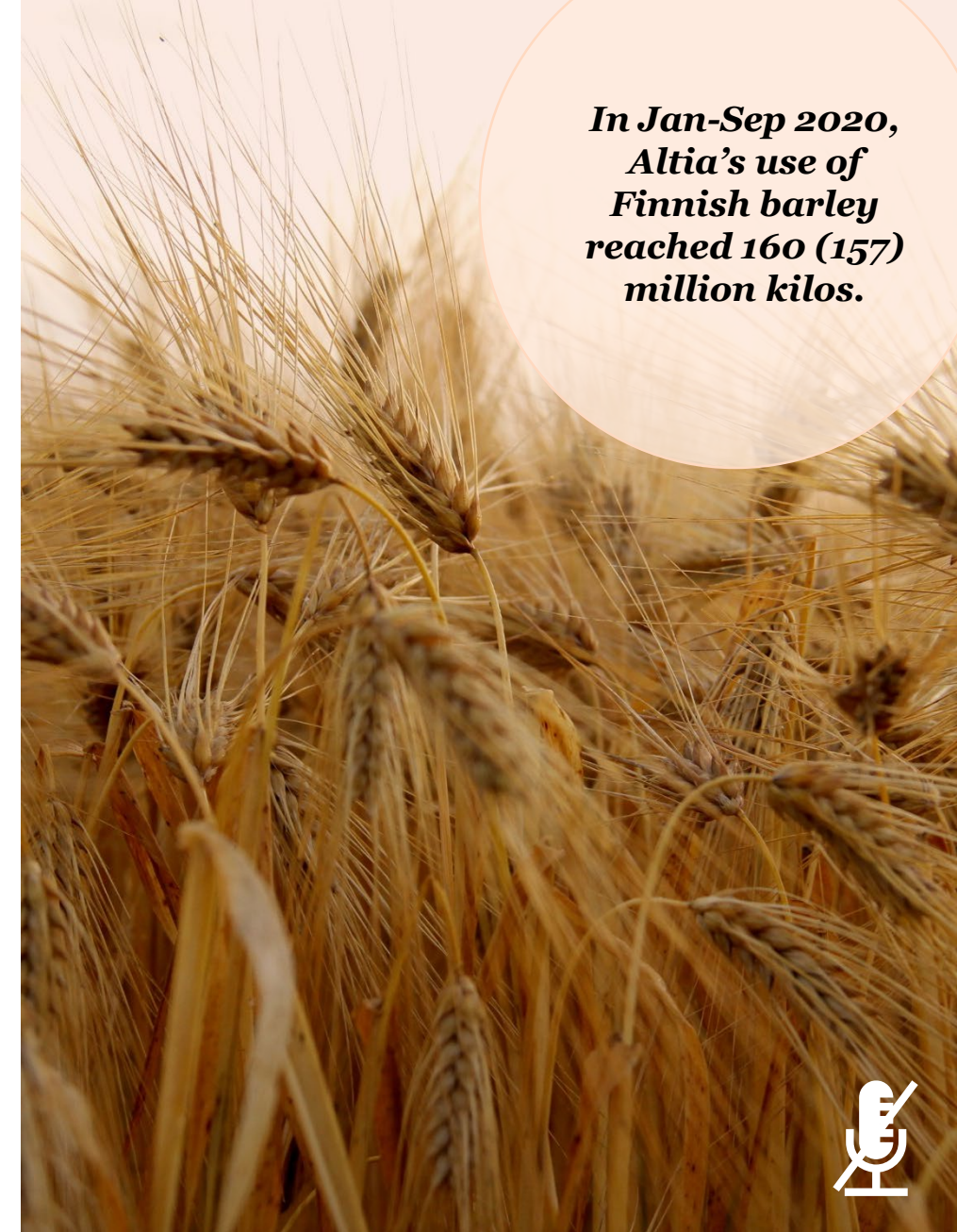
Barley price development and Altia's monthly volumes 2007-2020 (September)



Key principles for barley sourcing:

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

In Jan-Sep 2020, Altia's use of Finnish barley reached 160 (157) million kilos.



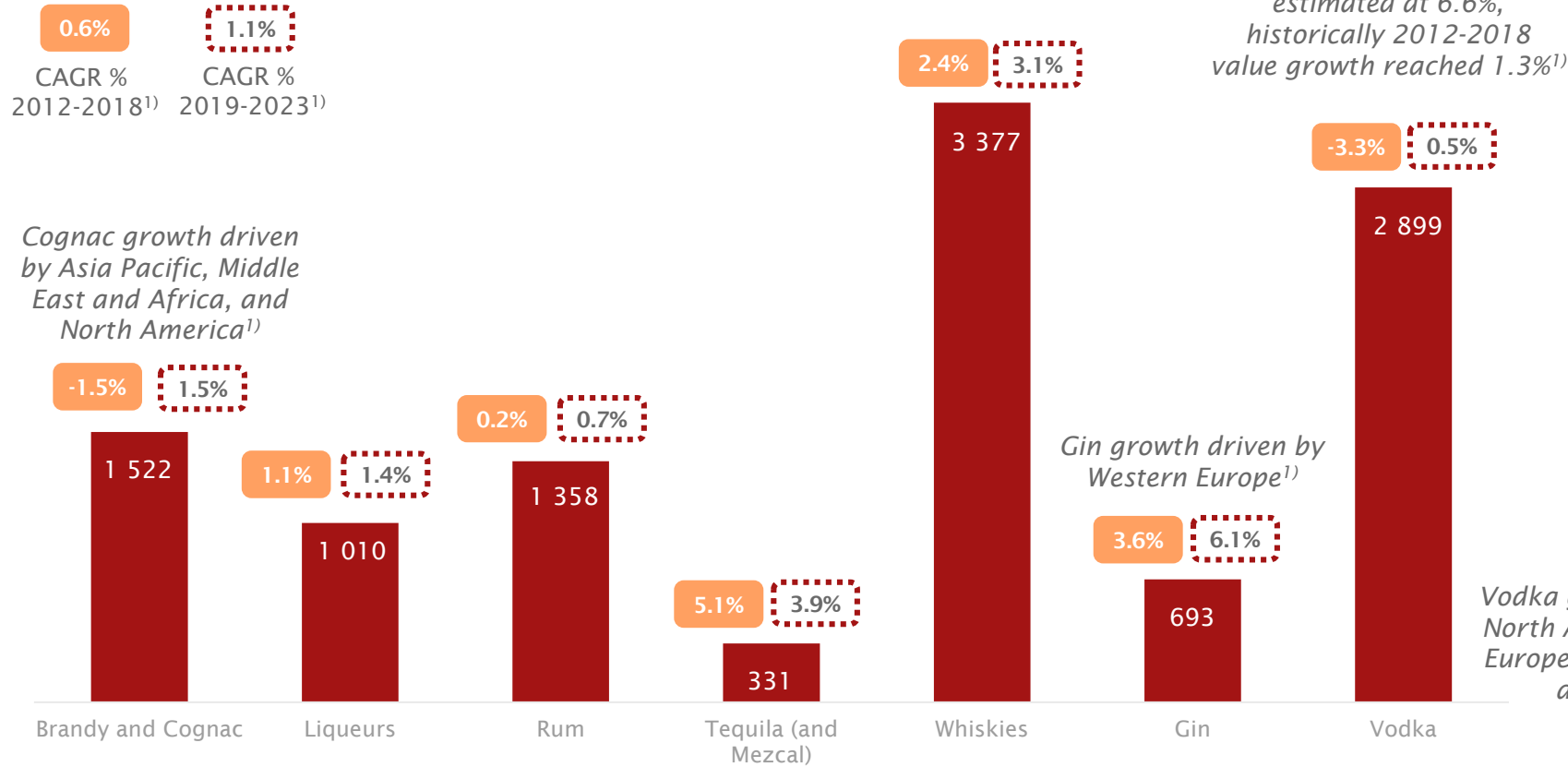
A top-down view of a glass filled with crushed ice and a sprig of fresh mint leaves. The glass is set on a rustic, weathered wooden surface. In the bottom right corner, the neck and cork of a dark glass bottle are visible. The overall aesthetic is natural and refreshing.

ALTIA

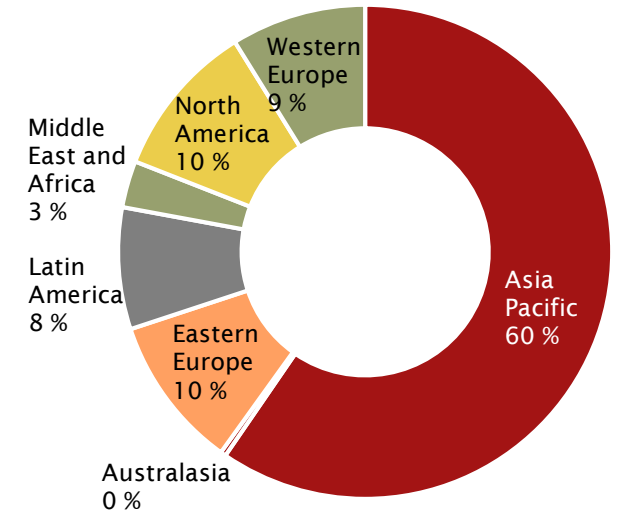
Markets, trends & innovation

Globally, premiumisation is driving growth in all large spirits categories

Global spirits market by category (million litres)¹⁾



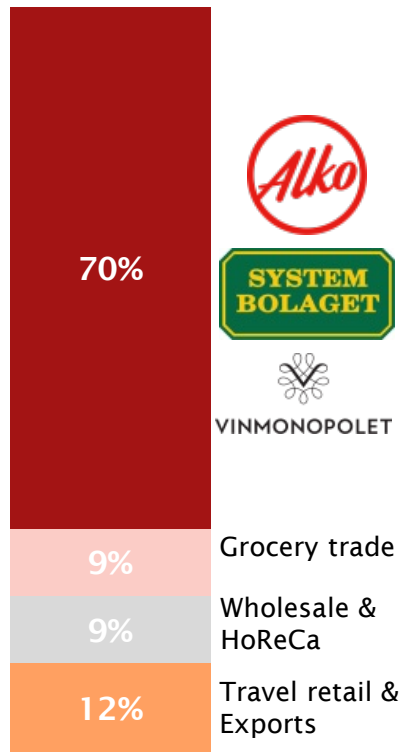
Global spirits volume by geography in 2018¹⁾



¹⁾ Source: Volume based, million litres; Source: Euromonitor International Ltd. Alcoholic Drinks data 2019 edition (May 2019). All historical CAGR % for 2012-2018, all forecast CAGR % for 2019-2023.

We operate in the large and non-cyclical Nordic wine and spirits market

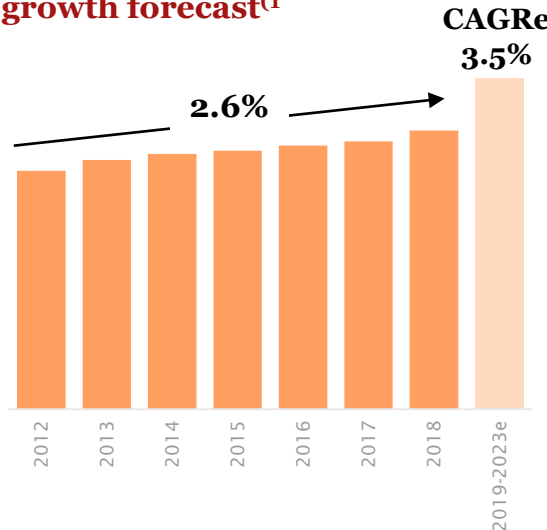
Two thirds of Altia's consumer beverage sales from state retail monopolies³



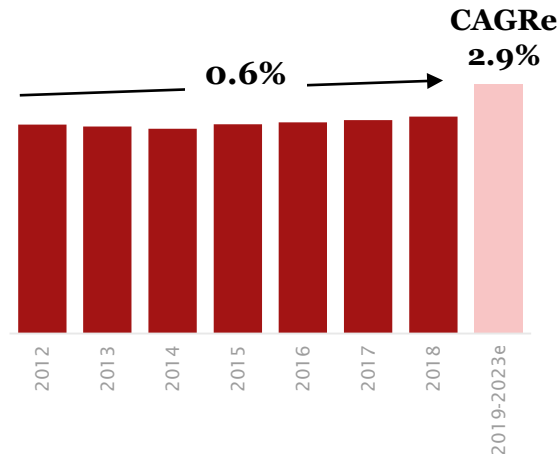
The value of the Nordic wine and spirits market¹



Wine: Value development and growth forecast¹



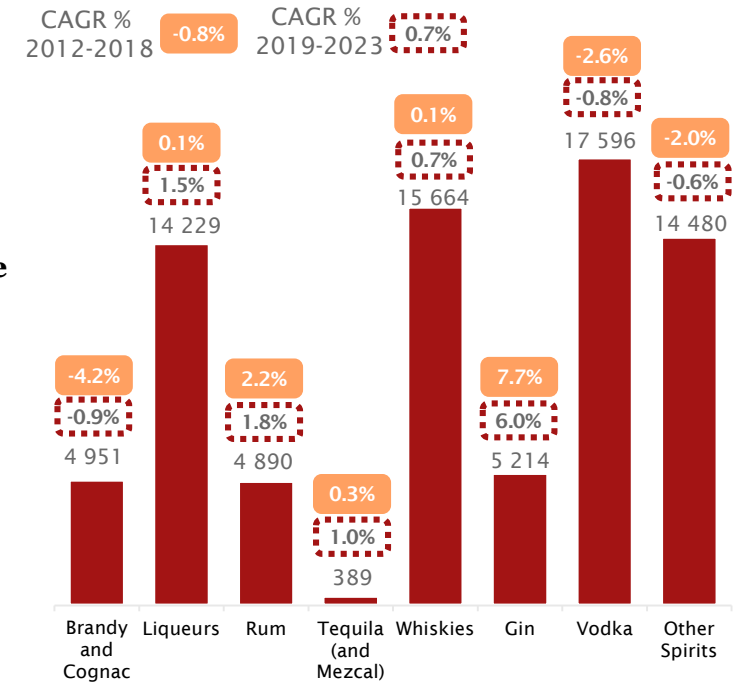
Spirits: Value development and growth forecast¹



Volume development of the Nordic wine and spirits market²



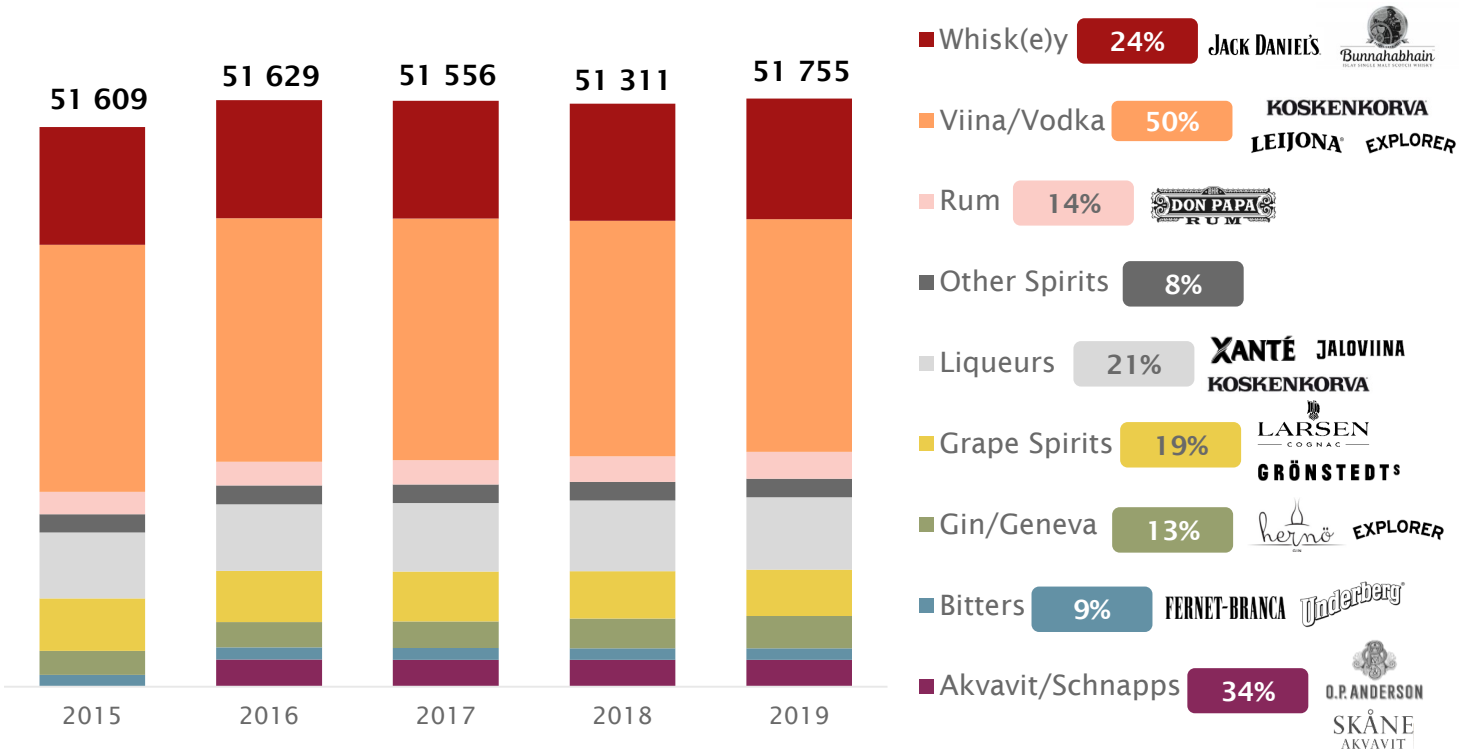
Spirits: Volume development per category²



1) Source: Euromonitor International Ltd. Alcoholic Drinks data 2019 edition (May 2019). All Euromonitor value data calculated in EUR with fixed exchange rates and current prices. All growth rates are CAGR; historical CAGR % for 2012-2018, forecast CAGR % for 2019-2023. Nordic incl. Finland, Sweden, Norway, Denmark.
 2) Source: Euromonitor International Ltd. Alcoholic Drinks data 2019 edition (May 2019). Volume data by thousand litres. Growth rates are CAGR; historical CAGR % for 2012-2018, forecast CAGR % for 2019-2023. Nordic incl. Finland, Sweden, Norway, Denmark.
 3) The breakdown of consumer beverage net sales by sales channel is based on unaudited internal sales reporting

Stable spirits volume development in the Nordic monopolies

Spirits sales volumes in the three Nordic monopolies and Altia's market shares at the end of 2019¹ with some brand examples for the largest categories



1) Source: Alko, Systembolaget, Vinmonopolet sales data by volume, thousand litres. Market shares include Altia's own brands and partner brands.

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

CHARACTERISTICS OF THE NORDIC MARKET

1

State retail monopolies

- Finland, Sweden, Norway
- 90% share of off-trade market volumes
- **Stable and predictable sales**
- **About two thirds of Altia's consumer products sales through monopolies**

2

Route-to-assortment

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

3

Pricing & taxation

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

4

Alcoholic beverages in grocery trade

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

5

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



Our market and consumer knowledge give us competitive advantage in the Nordics

1

Agility in sourcing, production and distribution

- Altia's wide and deep assortment, combined with ability to adjust production and work with the producers to make local solutions, enables Altia to respond better to the tender requirements

2

Knowledge to succeed in tenders

- Knowledge of the monopolies' preferences in terms of assortment
- Altia has mastered serving monopolies and this knowledge is hard for international competitors to obtain

3

Local consumer knowledge

- Local consumer knowledge and understanding of market trends are important success factors (e.g. low tannin wines, and organic wines, etc.)

4

Marketing and promotions

- Altia has vast experience in operating in an environment with strict marketing restrictions
- Furthermore, Altia can leverage its scale and expertise in promotional activity



Our brand portfolio is well positioned to capture the growth pockets created by key market trends

Authenticity

Sustainability

Health consciousness

Premiumisation

Convenience

Digitalisation

- CONNOISSEURSHIP
- LOCALITY, PROVENANCE AND HERITAGE
- CRAFTSMANSHIP

- ETHICAL WELLBEING
- FAIRLY TRADED
- ENVIRONMENTAL RESPONSIBILITY
- TRANSPARENCY

- BALANCED LIFE
- CLEAN CULTURE MOVEMENT
- FRESHNESS AND SIMPLICITY
- NATURAL INGREDIENTS

- QUALITY ALL AROUND
- SCARCITY IS LUXURY
- PREMIUM EXPERIENCES
- UNIQUE CHOICES

- ON-DEMAND
- EASY ACCESS
- CONVENIENT PACKAGING

A top-down photograph of a glass filled with crushed ice and a sprig of fresh mint leaves. The glass is set on a rustic, weathered wooden surface. In the bottom right corner, the neck and cork of a dark glass bottle are visible. The lighting is dramatic, highlighting the textures of the wood and the freshness of the mint.

ALTIA

Altia's refined strategy

Our financial targets aim towards stable shareholder returns

Net sales growth	+2 % CAGR	<ul style="list-style-type: none">• Altia's target is to achieve an annual net sales growth of 2 per cent over time (CAGR)
Comparable EBITDA margin	15 %	<ul style="list-style-type: none">• Comparable EBITDA margin target to reach 15 per cent in the long-term
Net debt / comparable EBITDA	<2.5x	<ul style="list-style-type: none">• Altia's target is to keep reported net debt in relation to comparable EBITDA below 2.5x in the long-term
Dividend policy	≥60 % of the result for the period	<ul style="list-style-type: none">• Altia aims to pursue an active dividend policy, and the result for the period not considered necessary to grow and develop the company will be distributed to the shareholders

Altia's refined strategy

1. Strengthen Nordic market leadership in grain-based spirits

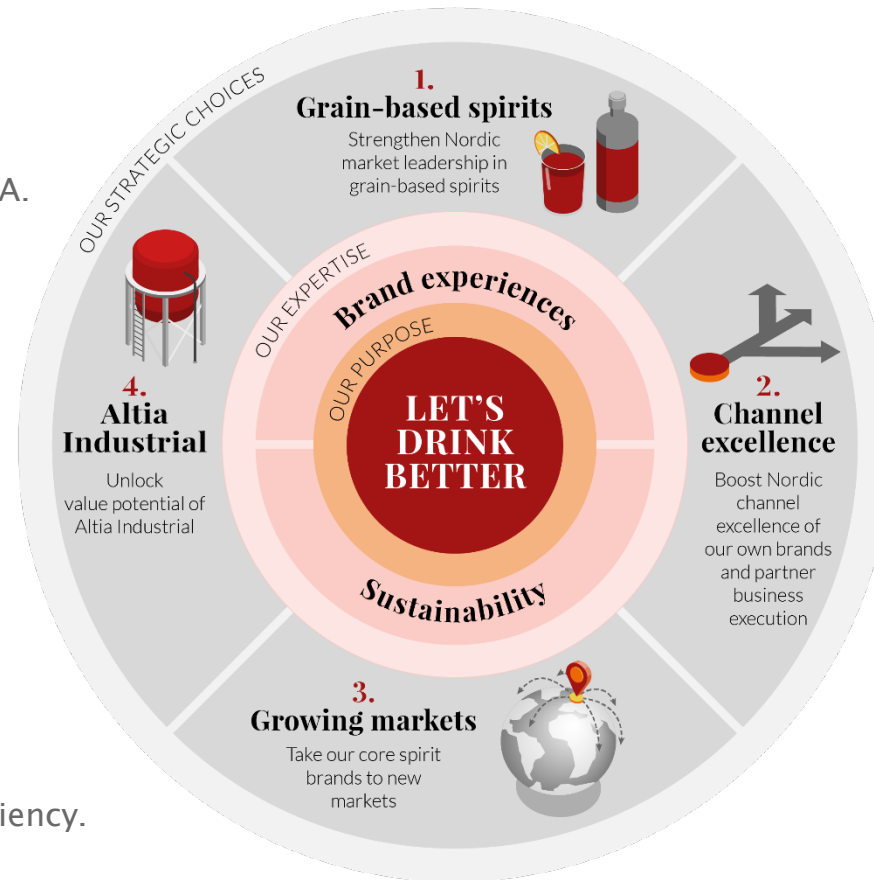
- Strengthen vodka market leadership with full category view.
- Grow in adjacent grain-based spirits categories organically and through M&A.
- Build **consumer engagement through digital channels** to create brand preference and ongoing dialogue.

M&A to accelerate Nordic market leadership in grain-based spirits

- Target premium & craft products that can scale up through Altia market access into our current markets.

4. Unlock value potential of Altia Industrial

- Differentiate through unique sustainability profile.
- Continue to improve supply chain efficiency.
- Pursue **end-to-end supply chain digitalization**.
- Capture the potential of more value-added industrial products.



2. Boost Nordic channel excellence of own brands and partner business execution

- Enable best route-to-market in the Nordics for our brands and for our partners.
- Further develop our winning partner portfolio offering.
- Strengthen sales execution across channels – monopoly, on-trade, retail and travel retail.
- Leverage digital enablers such as dynamic, data-driven marketing to **drive sales in physical channels**.

3. We take our core spirit brands to growing markets

- Establish position in selected attractive spirit-growth markets through export and M&A.
- Leverage cross-selling opportunities for grain-based spirits in new markets.
- Explore e-commerce opportunities and **presence in digital channels and market places**.

A group of people are gathered outdoors at night, celebrating. They are holding wine glasses and smiling. The scene is illuminated by warm, glowing string lights. The background shows a dark sky and some foliage.

Merger of Altia and Arcus

ANNOUNCED ON 29 SEPTEMBER 2020

Forming a leading wine and spirits brand house in the Nordics

MERGER OF ALTIA AND ARCUS

Altia and Arcus are joining forces to form a leading spirits and wine brand house in the Nordics: **ANORA GROUP**.

With a broader portfolio of iconic brands, combined innovation know-how and award-winning sustainability work we can provide even greater value to our customers. In addition, enhanced consumer understanding in our home markets and a broader distribution network will make Anora the best possible partner.

In our Industrial and Logistics businesses, the merger will bring greater volumes, increase efficiency and improve profitability.

As one company we will be more competitive and have a stronger financial position – putting us in the opportune position to build future growth in and beyond the Nordics.

ANORA GROUP's preliminary combined net sales is EUR 640 million (2019) and ANORA employs about 1,100 professionals around the Nordics and Baltics.

Deal rationale

The wine and spirits brand house in the Nordics

Superior pan-Nordic route-to-market

Competitive platform to grow in and outside home markets

Step-change in scale with efficiencies across the value chain

Strong value creation from significant synergies

Transaction consideration

- The shareholders of Arcus will receive 0.4618 new Altia shares for each share in Arcus as merger consideration whereby the shareholders of Arcus will receive a 46.5% ownership in the combined company
- In addition, 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, corresponding to EUR 22 million in total, to Altia's shareholders prior to completion

Arcus in brief

Arcus is a leading Nordic branded consumer goods company with a range of iconic Arcus spirits brands and a broad wine portfolio. Arcus is the world's largest producer of aquavit.

Key facts

Net sales (2019): NOK 2,763 million

Adjusted EBITDA (2019): NOK 397 million

Number of employees: 435

Listed on Oslo Børs

Forming a leading wine and spirits brand house in the Nordics

MERGER OF ALTIA AND ARCUS

Timetable

29 Sep 2020	Announcement
23 Oct 2020	Publication of prospectus
12 Nov 2020	Altia and Arcus EGMs were held – shareholders in both companies approved the merger plan
25 Nov 2020	Altia dividend payment (AGM authorised, 0.21e per share)
H1 2021	Altia extra dividend payment (0.40e per share)
H1 2021	Expected closing of the combination (subject to obtaining necessary merger control approvals and customary closing conditions)

Corporate governance



Pekka Tennilä
CEO



Sigmund Toth
CFO



Michael Holm Johansen
Chairman



Sanna Suvanto-Harsaae
Vice Chairman

Other members of the Board of Directors:

Kirsten Ægidius	Jyrki Mäki-Kala
Ingeborg Flønes	Nils Selte
Sinikka Mustakari	Torsten Steenholt

Shareholder structure

The current shareholders of Altia will own 53.5% and the current shareholders of Arcus will own 46.5% of the combined company.

The company continues to be listed on Nasdaq Helsinki with a temporary dual-listing on Oslo Børs.

Top 10 shareholders	% of capital and votes
Canica AS	22.4%
Finnish State Development Company, Vake Oy	19.4%
Geveran Trading Co Ltd	4.6%
Hoff SA	2.3%
Ilmarinen Mutual Pension Insurance Company	1.6%
Sundt AS	1.6%
Varma Mutual Pension Insurance Company	1.6%
Verdipapirfondet Eika Spar	1.3%
Folketrygdfondet	1.2%
Danske Invest Norske Instit. II	1.2%
Top 10 shareholders in total	57.3%



More information:

<https://altiagroup.com/investors/merger>

A top-down photograph of a glass filled with crushed ice and a sprig of fresh mint leaves. The glass is set on a rustic, weathered wooden surface. The lighting is dramatic, highlighting the textures of the wood, the ice, and the leaves. In the bottom right corner, the top of a dark glass bottle with a cork stopper is visible.

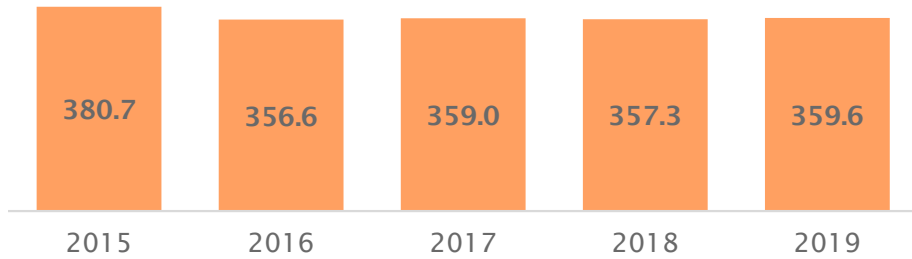
ALTIA

Financials

Our operations are based on profitable growth

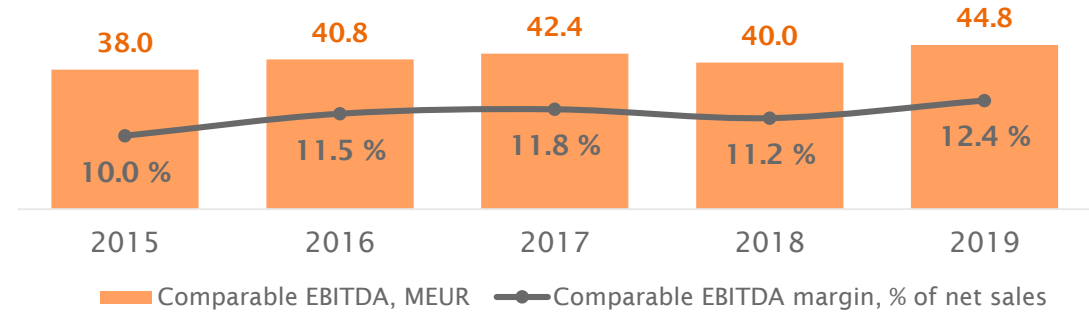
More information:
pp. 33-37, 39-43

Net sales (MEUR)



Stable and diversified revenue streams underpinned by non-cyclical underlying consumption of wine and spirits

Comparable EBITDA

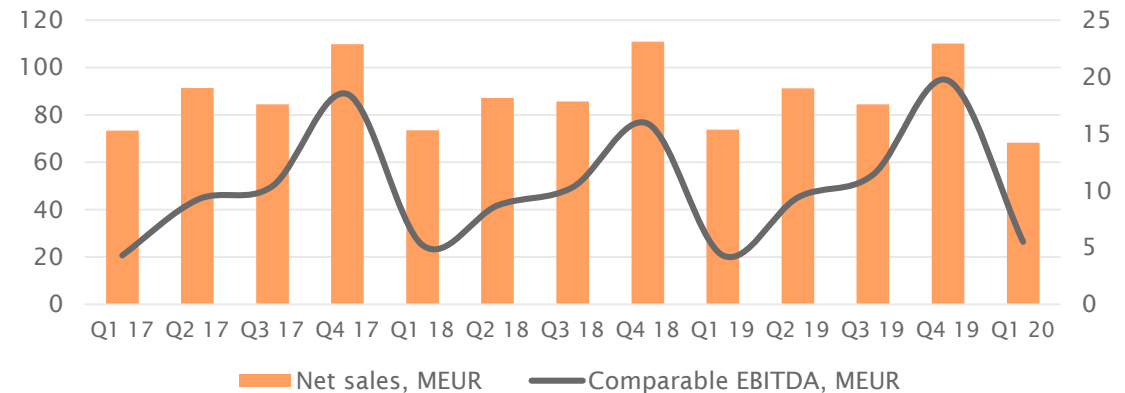


Clear strategic initiatives to improve profitability

Seasonality

- Altia's business is characterised by substantial seasonality.
- Revenues typically lower in Q1, a large amount of revenue and cash flow generated in Q4.
- Significant fluctuations also in net working capital.

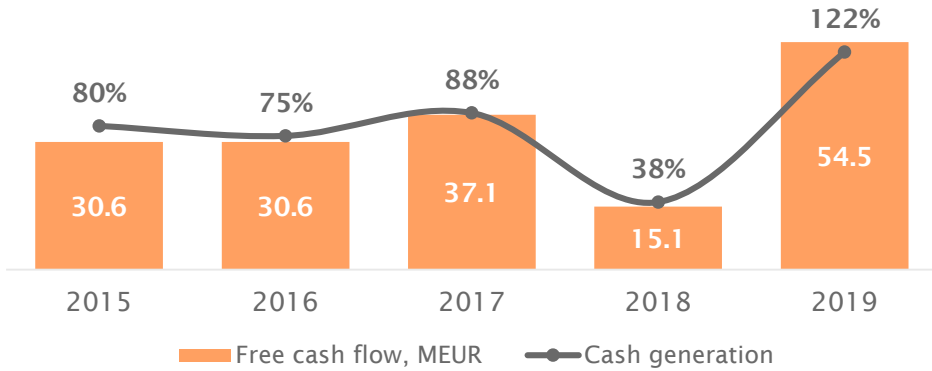
Quarterly net sales and comparable EBITDA



Free cash flow in 2018 impacted by working capital development

More information:
pp. 33-37, 39-43

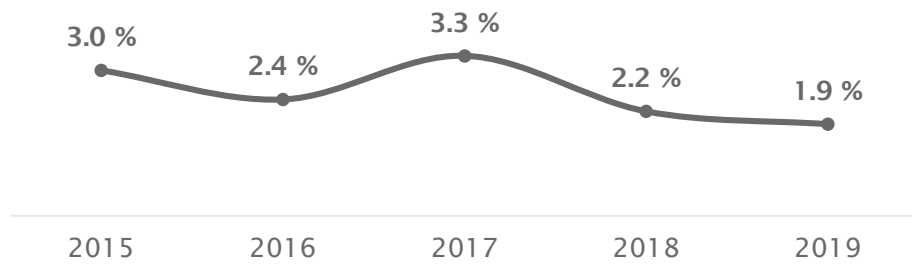
Free cash flow*



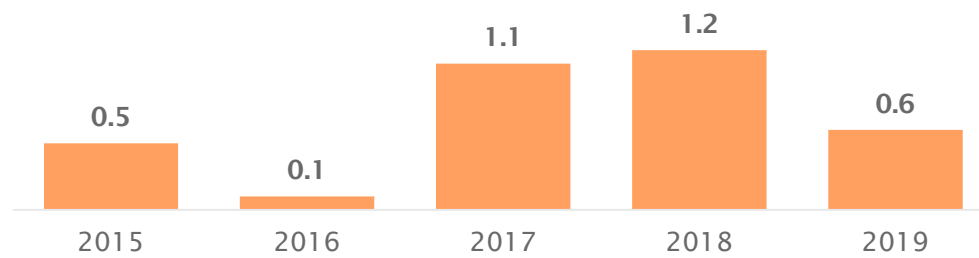
Net working capital / Net sales, %



Gross capex / Net sales, %




Net debt / Comparable EBITDA, ratio



*) Free cash flow = Comparable EBITDA – Change in working capital – Gross capex
Cash generation = % of comparable EBITDA

Net working capital

 More information:
pp. 33-37, 39-43

Net working capital

EUR million	2015	2016	2017	2018	2019
Inventories	101.2	96.3	94.5	99.6	92.0
Contract assets, trade and other receivables	59.1	63.8	53.9	61.2	54.6
Contract liabilities, trade and other payables	(143.5)	(142.7)	(137.4)	(131.9)	(135.2)
Trade working capital	16.8	17.5	11.0	28.9	11.4
<i>% of net sales</i>	<i>4.4%</i>	<i>4.9%</i>	<i>3.1%</i>	<i>8.1%</i>	<i>3.2%</i>
Non-Current provisions	(1.3)	-	-	-	-
Current Provisions	(2.1)	(1.3)	-	(0.5)	-
Net working capital	13.4	16.1	11.0	28.4	11.4
<i>% of net sales</i>	<i>3.5%</i>	<i>4.5%</i>	<i>3.1%</i>	<i>8.0%</i>	<i>3.2%</i>

Comments

- Receivables from the state retail monopolies partly sold
- Cognac constitutes notable part of inventory
- The seasonal swings of the business are also visible in net working capital development within the financial year. Net working capital requirements being at its highest in the lead up to Christmas, Easter and Midsummer
- Fast swings also around year-ends due to sold receivables (before year-end) and excise taxes and VAT to be paid for December sales (after year-end)

Our cash flow enables an attractive dividend capacity

LOW OPERATIONAL CAPEX NEEDS ENABLE SOLID AND STABLE CASH FLOW

More information:
pp. 33-37, 39-43

Free cash flow

EUR million	2015	2016	2017	2018	2019
Comparable EBITDA	38.0	40.8	42.4	40.0	44.8
Change in working capital ¹⁾	3.9	(1.6)	6.7	(17.2)	16.5
Acquisition of PPE and intangible assets	(11.3)	(8.7)	(11.9)	(7.7)	(6.8)
Free cash flow²⁾	30.6	30.6	37.1	15.1	54.5
Cash conversion ³⁾	80%	75%	88%	38%	122%

Summary of consolidated statement of cash flows

EUR million	2015	2016	2017	2018	2019
Net cash flow from operating activities before financial items and taxes	41.4	34.3	45.9	17.1	58.7
Financial items and taxes	(6.5)	(4.8)	(8.2)	(10.6)	(6.1)
Net cash flow from operating activities	34.8	29.4	37.6	6.5	52.6
Acquisitions of PPE and intangible assets	(11.3)	(8.7)	(11.9)	(7.7)	(6.8)
Sale of PPE and intangible assets	1.0	4.5	2.6	0.6	0.1
Other	2.8	1.2	1.5	1.9	0.7
Net cash flow from investing activities	(7.4)	(3.1)	(7.8)	(5.2)	(6.0)
Net cash flow after capital expenditure	27.4	26.3	29.8	1.3	46.6

Comments

- In 2019, capital expenditure was related to a number of safety and replacement investments, and the development of information systems at Koskenkorva
- In 2018, capital expenditure was primarily related to investments at the Rajamäki plant and the further development of information technology and digital capabilities
- In 2017, capital expenditure was mostly related to continuation of efficiency improvement in Rajamäki plant and development of IT systems
- In 2016, capital expenditure was primary related to the renewal of the Rajamäki plant and digitalisation
- In 2017, Altia sold assets (building and land) related to the closure of Svendborg site – no further proceeds from Svendborg is expected in the future
- In 2016, Altia divested the feed processing related fixed assets in Koskenkorva to Oy Feedmix Ab and the steam distribution network in Rajamäki to Adven
- In 2015, capital expenditure was primarily related to the modernisation of the old power plant at the Koskenkorva plant as well as the improvement in operating efficiency at the Rajamäki plant

1) Change in Working capital as presented in consolidated statement of cash flows

2) Free cash flow = Comparable EBITDA – Change in working capital – Gross capex

3) Calculated as Free cash flow divided by Comparable EBITDA. Comparable EBITDA = EBITDA excluding items affecting comparability. Please see Appendix for further details on items affecting comparability

A top-down photograph of a glass filled with crushed ice and a sprig of fresh mint leaves. The glass is set on a rustic, weathered wooden surface. In the bottom right corner, the neck and cork of a dark glass bottle are visible. The overall aesthetic is natural and refreshing.

ALTIA

Q3 2020

COVID-19 update

KEY PRIORITIES THE HEALTH AND SAFETY OF EMPLOYEES AND BUSINESS CONTINUITY

Impacts so far

- Significant negative impacts on travel retail, exports and on-trade
- Consumers shifting purchases to the monopolies
- Following 2nd wave of COVID-19, new restrictions from mid Q3
- Demand for technical ethanol stabilised

Actions taken

- Remote work
- Costs savings mainly in Q2, cost optimisation has continued
- Strong financial position and liquidity situation

Going forward

- Uncertainty in the operating environment remains high
- Recovery of sales channels depends on government restrictions and recommendations and how these impact consumer behaviour
- The risks related to the health and safety of Altia's employees have increased and the risk for supply chain disturbances is higher



Strong third quarter, guidance updated

HIGHLIGHTS FROM Q1-Q3 2020

Reported net sales
Q1-Q3

235.9 (249.5)

EUR million

Comparable EBITDA
Q1-Q3

33.4 (25.1)

EUR million

Net sales growth in
constant currencies

-4.7%

Comparable EBITDA margin

14.2% (10.1%)



Market development

APPROXIMATELY TWO THIRDS OF CONSUMER PRODUCT SALES COME FROM STATE RETAIL MONOPOLIES

Combined spirits and wine sales volume development in the state retail monopolies

Change compared to previous year, %	Q3 20	Q3 19	Q1-Q3 20	Q1-Q3 19	2019
Nordics in total	+18.2	1.5	16.5	-0.3	+0.1
Spirits	20.0	3.3	17.2	1.1	+1.0
Wine	17.9	1.3	16.4	-0.6	-0.0
Finland, total sales	+10.8	-1.7	13.3	-2.5	-2.6
Spirits	7.9	+0.6	9.3	-1.4	-2.0
Wine	12.0	-2.9	14.8	-2.9	-2.8
Sweden, total sales	+10.5	+2.5	10.2	+0.4	+1.0
Spirits	20.6	+6.5	18.5	+3.8	+3.9
Wine	9.5	+2.1	9.4	+0.1	+0.7
Norway, total sales	+48.7	+2.0	38.2	-0.4	+0.4
Spirits	41.3	+2.5	29.5	+1.1	+1.6
Wine	50.0	+1.9	39.6	-0.6	+0.2

Finland

- In spirits, COVID-19 has been largest in viina, rums, whiskies and brandies
- All wine categories grew, bag-in-boxes in high demand

Sweden

- The high growth categories were whiskies, gin, rum and viina/vodka.
- All wine categories grew bag-in-boxes in high demand

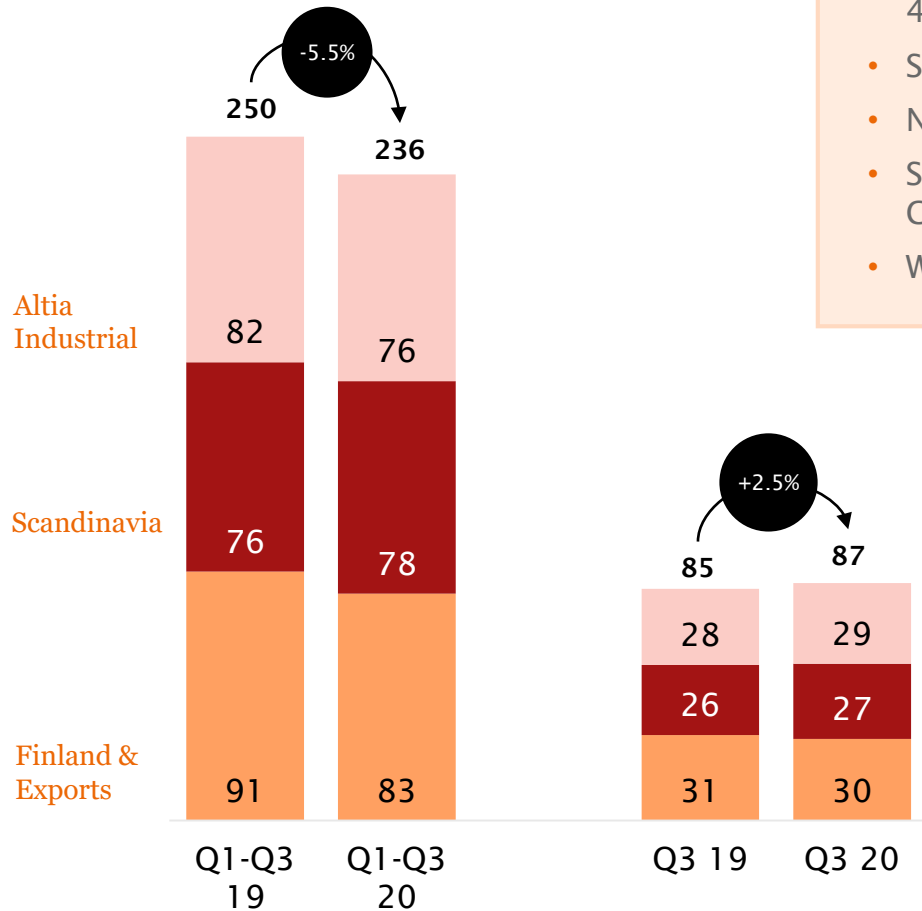
Norway

- All spirits and wine categories grew

Net sales grew in Q3

STABLE DEVELOPMENT ACROSS ALL SEGMENTS

Net sales by segment, MEUR



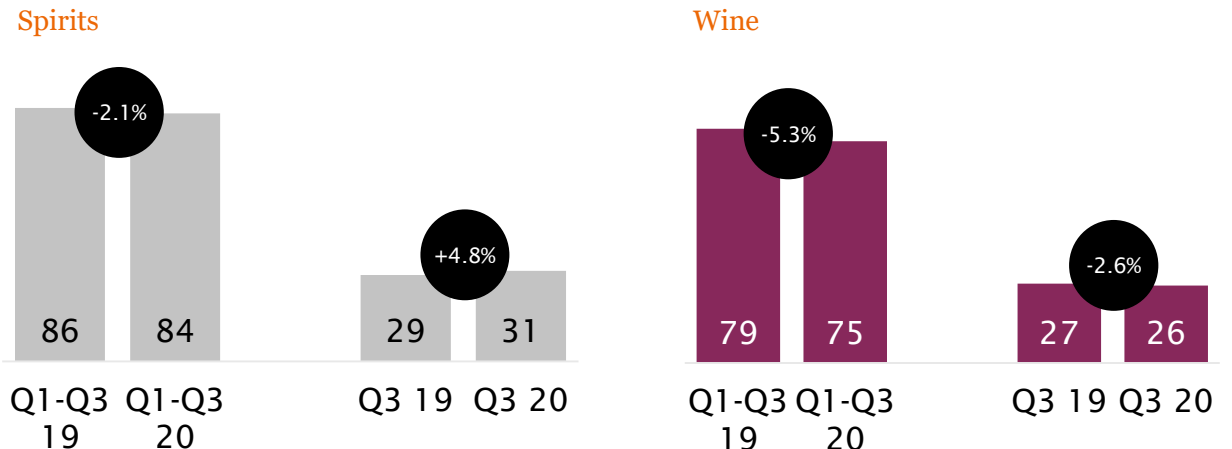
Q1-Q3 20:

- Net sales decline in constant currencies was 4.7%
- Significant negative impacts of COVID-19
- Normalised barley price
- Spirits sales in monopolies grew but due to COVID-19 total spirits sales declined
- Wine impacted by partner portfolio changes

Q3 20:

- Net sales increase was 2.5%
- Spirits sales grew driven by strong monopoly sales
- Negative impact on wine from partner change

Net sales of spirits and wine, MEUR



Finland & Exports

JANUARY–SEPTEMBER 2020

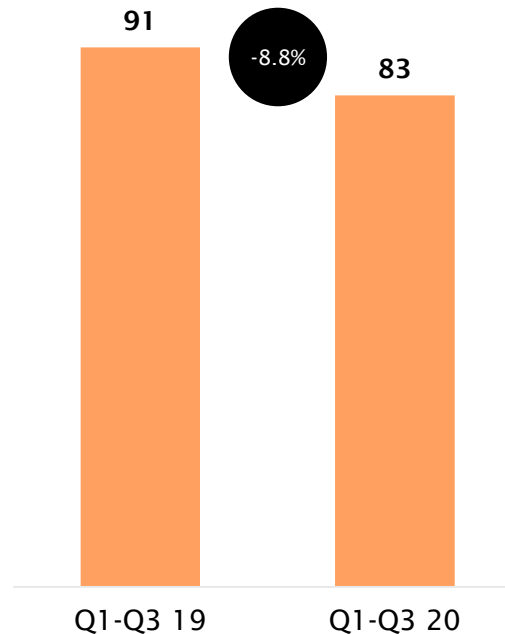
The Finland & Exports segment comprises the import, sale and marketing of wine and spirits, and other beverages in Finland and the Baltics, as well as exports and travel retail.



Highlights

- Net sales were EUR 82.8 (90.9) million, down by 8.8%.
- Net sales decline mainly related to COVID-19 in travel retail, on-trade and exports.
- Monopoly sales grew driven by spirits, wine impacted by partner changes.
- Finnish grocery trade stable growth continued.
- In Baltics, local grocery trade stable development.

Net sales, MEUR



Product launches in Q3 20



Scandinavia

JANUARY–SEPTEMBER 2020

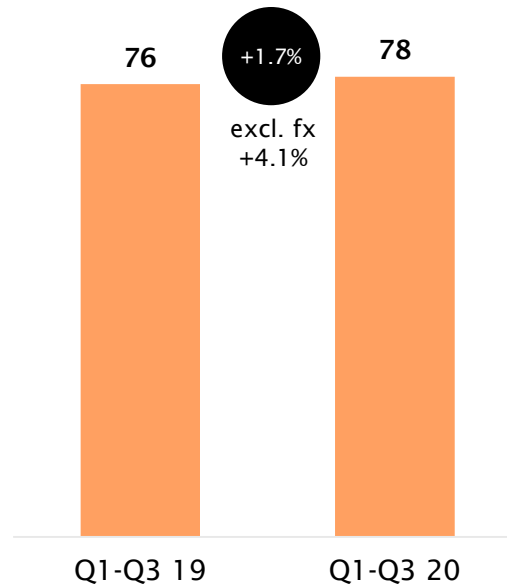
The Scandinavia segment comprises the import, sale and marketing of wine and spirits, and other beverages in Sweden, Norway and Denmark.



Highlights

- Net sales were EUR 77.5 (76.3) million, up by 1.7%.
- Growth in constant currencies 4.1%.
- Strong monopoly market driver for net sales growth.
- In Sweden, spirits grew and market shares improved in gin, liqueur & rum.
- Wine sales in Sweden negatively impacted by partner portfolio changes.
- In Norway, strong growth across categories and market shares increased.
- On-trade negatively impacted by COVID-19.

Net sales, MEUR



Product launches in Q3 20



Altia Industrial

JANUARY–SEPTEMBER 2020

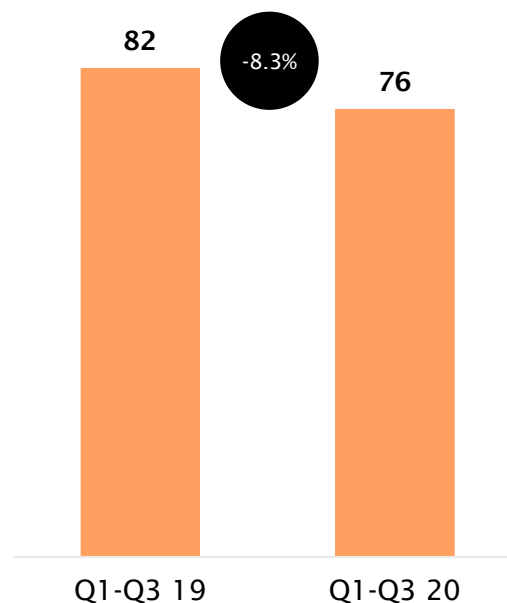
The Altia Industrial segment comprises Koskenkorva plant operations, starch, feed component and technical ethanol businesses, as well as contract manufacturing services at Rajamäki. It also includes supply chain operations, i.e. production operations in different countries, customer service, logistics and sourcing.



Highlights

- Net sales declined by 8.3% to EUR 75.5 (82.4) million.
- Lower contract manufacturing volumes due to COVID-19.
- Ethanol demand has been strong, and volumes high.
- Starch impacted by weak demand of printing paper.
- Lower barley prices impacted topline negatively.

Net sales, MEUR



Operations

- During Q3, cognac inventory reduced as part of long-term working capital management
- Operations have run without any major business disruptions.

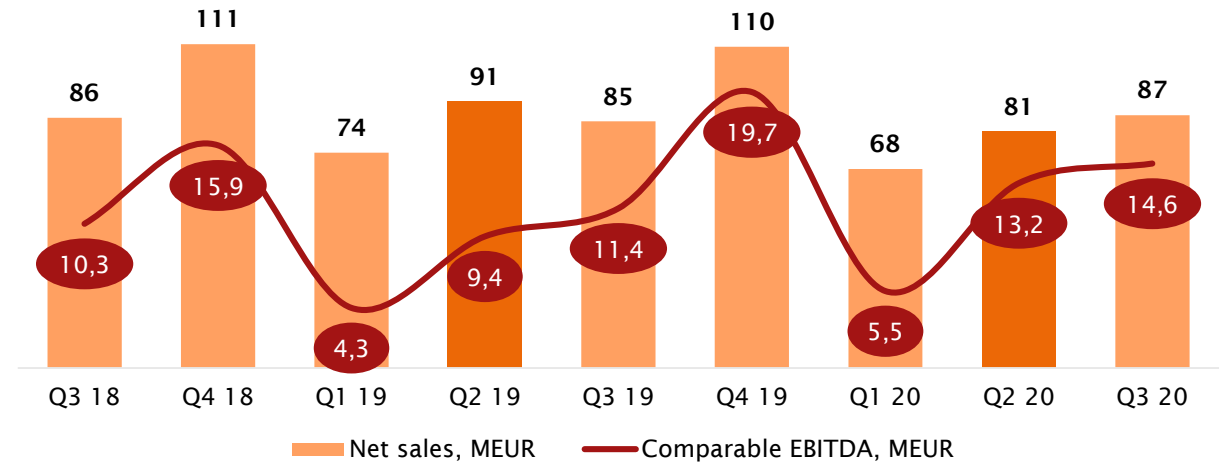
Q1-Q3: Significant profitability improvement

ALTIA INDUSTRIAL, MONOPOLY SALES AND COST SAVINGS

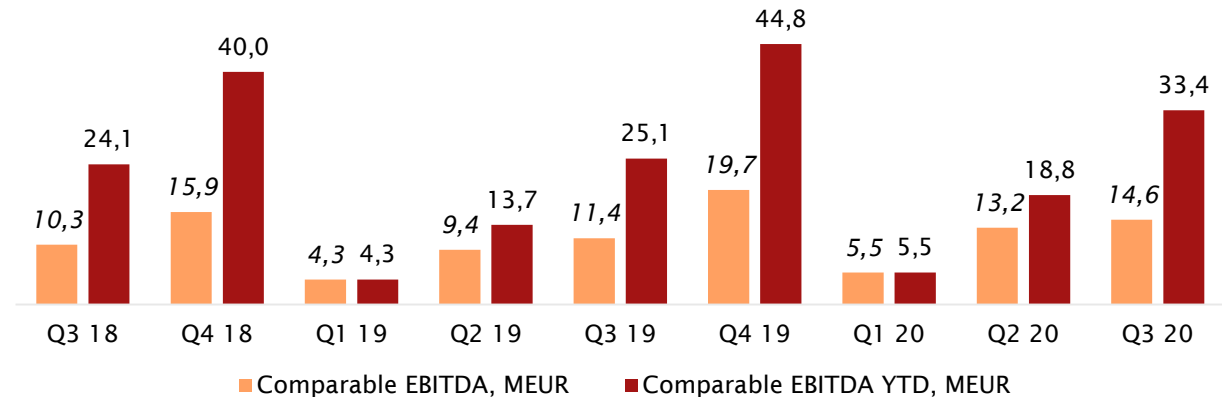
Q1-Q3 20:

- Comparable EBITDA improved by 33% or EUR 8.3 million to EUR 33.4 (25.1) million
- Key drivers
 - Altia Industrial segment
 - Strong sales and continued focus on revenue management
 - Group-wide cost savings

Quarterly net sales and comparable EBITDA, EUR million



Quarterly and cumulative comparable EBITDA, EUR million



Profitability improved in all segments

ALTIA INDUSTRIAL, MONOPOLY SALES AND COST SAVINGS

Comparable EBITDA by segment, MEUR and margins

EUR million	Q3 20	Q3 19	Change	Q1-Q3 20	Q1-Q3 19	Change	2019
Finland & Exports	5.5	5.0	+9.3%	13.8	13.3	+3.9%	20.6
<i>% of net sales</i>	18.4	16.1		16.6	14.6		16.0
Scandinavia	1.9	1.3	+47.8%	4.7	3.0	+58.9%	12.1
<i>% of net sales</i>	7.1	5.1		6.1	3.9		10.0
Altia Industrial	6.5	3.6	+83.5%	13.6	6.9	+97.9%	11.4
<i>% of net sales</i>	22.2	12.8		18.0	8.3		10.4
Other	0.7	1.5		1.3	2.0		0.7
Total	14.6	11.4	+28.5%	33.4	25.1	+33.1%	44.8
<i>% of net sales</i>	16.9	13.5		14.2	10.1		12.4

Q1-Q3 20:

Finland & Exports

- Strong monopoly sales, revenue management and cost savings
- Significant shortfall from travel retail and exports net sales

Scandinavia

- Solid sales to monopolies, revenue management and cost savings
- Shortfall from restricted on-trade
- Negative impact from fx (NOK)

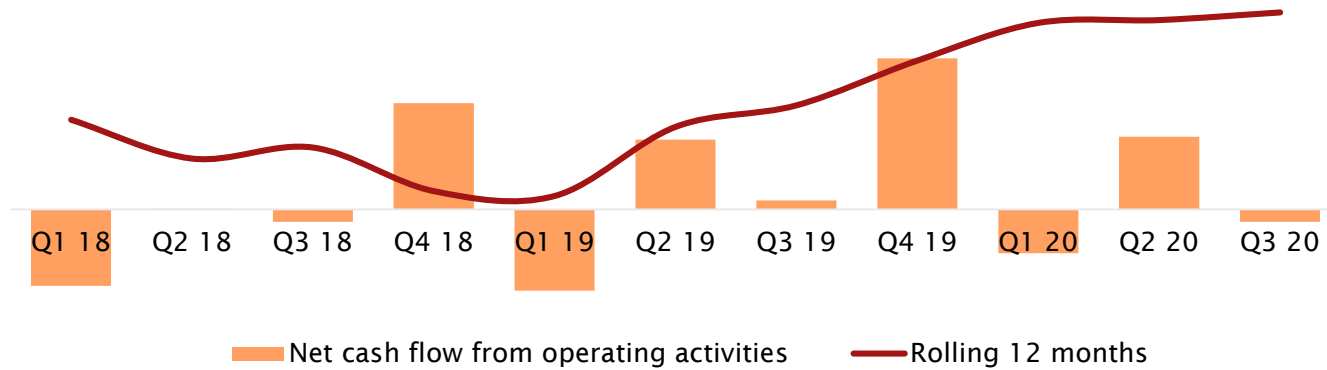
Altia Industrial

- Normalised barley price
- Positive development of technical ethanol
- Improved supply chain efficiencies

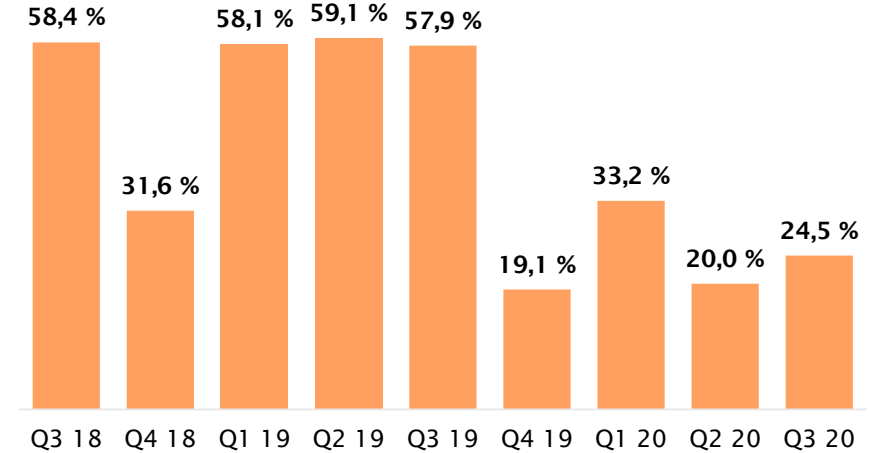
Strong financial position

SOLID NET CASH FLOW FROM OPERATIONS AND LIQUIDITY POSITION

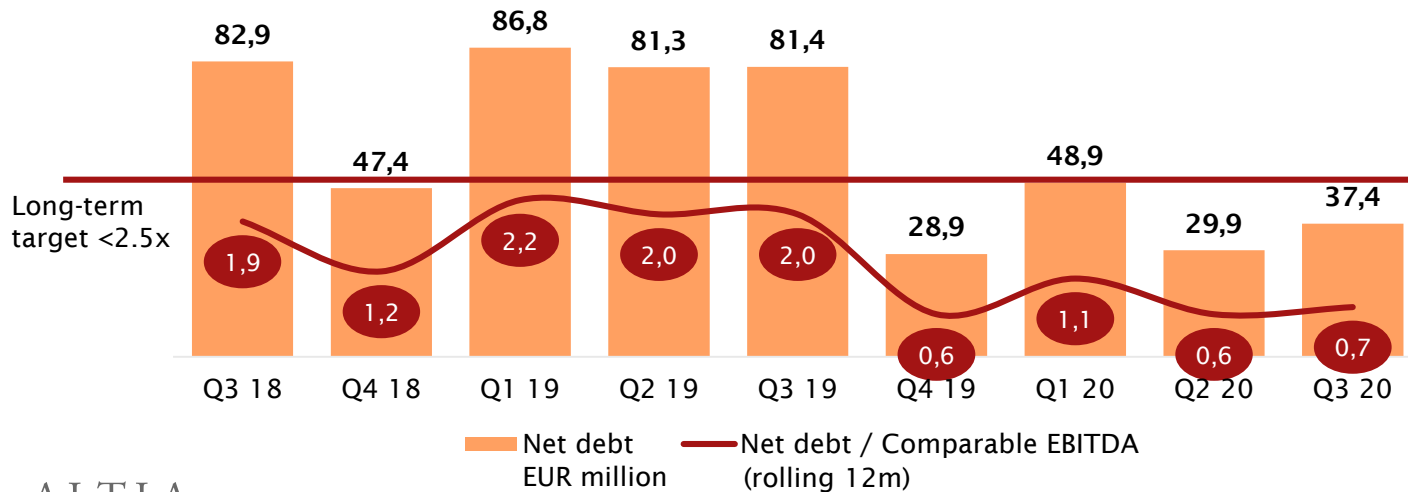
Net cash flow from operating activities, MEUR



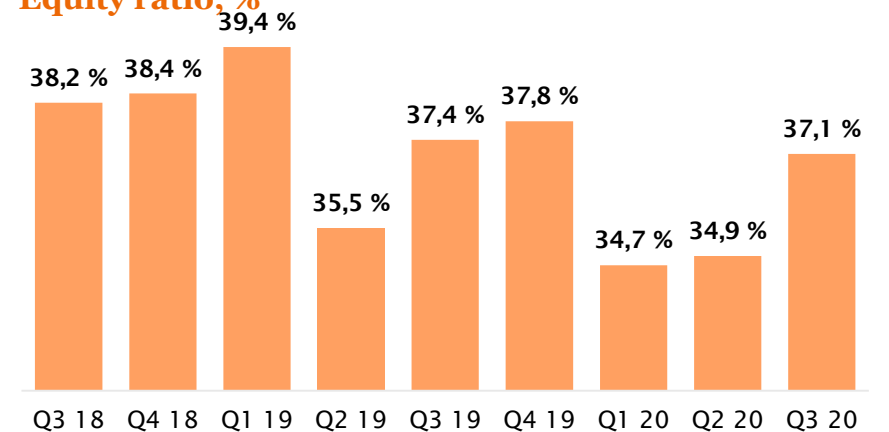
Gearing, %



Net debt



Equity ratio, %



Updated guidance provided

DESPITE THE ESCALATED UNCERTAINTIES, ALTIA IS PROVIDING AN UPDATED GUIDANCE FOR 2020

- Towards the rest of the year, the uncertainties related to COVID-19 have escalated and the negative impacts on Altia's last and most important quarter are expected to be substantial.
- The restrictions on social gatherings will limit the festive season and hence impact negatively the Christmas sales.
- Especially in Scandinavia, the sales volumes of glögg and aquavit are expected to be lower than in the previous year.
- Further, the significant negative impact on sales in travel retail is expected to continue.
- In Altia Industrial, the escalated uncertainties relate to the decreased demand for starch, the tight situation on the ethanol market, the lower contract manufacturing volumes and the expected higher cost base due to increased barley cost.
- **Despite the uncertainties in the fourth quarter, Altia is providing an updated guidance for 2020. Following the strong profitability development during the first nine months of the year, comparable EBITDA for 2020 is expected to be higher than in 2019.**



Appendices



Investor Relations:

tua.stenius-ornhjelm@altiacorporation.com

www.altiagroup.com



Key ratios

EUR million	Q3 20 20	Q2 20 20	Q1 20 20	2019	Q4 19	Q3 19	Q2 19	Q1 19	2018	Q4 18	Q3 18	Q2 18	Q1 18	2017	Q4 17	Q3 17	Q2 17	Q1 17
Net sales, EUR million	86.6	81.0	68.2	359.6	110.1	84.5	91.2	73.8	357.3	110.9	85.7	87.1	73.5	359.0	109.8	84.5	91.3	73.4
Comparable EBITDA, EUR million	14.6	13.2	5.5	44.8	19.7	11.4	9.4	4.3	40.0	15.9	10.3	8.7	5.2	42.4	18.5	10.4	9.2	4.3
% of net sales	16.9	16.3	8.1	12.4	17.9	13.5	10.4	5.8	11.2	14.3	12.0	9.9	7.0	11.8	16.9	12.3	10.0	5.8
EBITDA, EUR million	8.8	12.6	5.4	43.1	19.8	9.8	9.2	4.3	34.0	14.4	10.3	8.3	1.1	40.3	16.3	11.1	9.0	3.8
Comparable operating result, EUR million	10.3	8.9	1.1	26.8	15.2	6.9	5.0	-0.3	25.6	12.2	6.6	5.2	1.6	28.2	15.0	6.9	5.6	0.7
% of net sales	11.9	10.9	1.6	7.5	13.8	8.2	5.5	-0.4	7.2	11.0	7.7	5.9	2.2	7.8	13.6	8.1	6.1	1.0
Operating result, EUR million	4.5	8.2	1.0	25.1	15.3	5.3	4.8	-0.3	19.7	10.7	6.6	4.8	-2.5	26.1	12.7	7.6	5.4	0.3
Result for the period, EUR million	3.1	6.1	1.3	18.4	10.4	4.0	3.6	0.3	15.1	8.6	4.8	3.6	-1.8	18.3	8.0	5.6	3.9	0.7
Earnings per share, EUR	0.08	0.17	0.04	0.51	0.29	0.11	0.10	0.01	0.42	0.24	0.13	0.10	-0.05	0.51	0.22	0.16	0.11	0.02
Net debt / comparable EBITDA, rolling 12m	0.7	0.6	1.1	0.6	0.6	2.0	2.0	2.2	1.2	1.2	1.9	1.8	1.8	1.1	1.1	0.9	0.6	0.7
Average number of personnel	655	659	642	682	648	677	705	698	718	701	725	742	705	762	718	763	783	785

EUR million	Q3 20 20	Q2 20 20	Q1 20 20	2019	Q4 19	Q3 19	Q2 19	Q1 19	2018	Q4 18	Q3 18	Q2 18	Q1 18	2017	Q4 17	Q3 17	Q2 17	Q1 17
Reported net debt / comparable EBITDA	0.7	0.6	1.1	0.6	0.6	2.0	2.0	2.2	1.2	1.2	1.9	1.8	1.8	1.1	1.1	0.9	0.6	0.7
Borrowings, EUR million	*	121.8	*	82.6	82.6	*	97.3	*	89.4	89.4	*	103.1	*	100.1	100.1	*	72.7	*
Net debt, EUR million	37.4	29.9	48.9	28.9	28.9	81.4	81.3	86.8	47.4	47.4	82.9	77.4	*	47.7	47.7	36.5	27.7	*
Equity ratio, %	37.1	34.9	34.7	37.8	37.8	37.4	35.5	39.4	38.4	38.4	38.2	35.2	34.9	34.3	34.3	47.1	45.5	47.7
Gearing, %	24.5	20.0	33.2	19.1	19.1	57.9	59.1	58.1	31.6	31.6	58.4	56.7	56.9	34.9	34.9	19.2	15.0	14.3
Capital expenditure, EUR million	*	-2.5	*	-6.8	*	*	-3.2**	*	-7.7	*	*	-4.7**	*	-11.9	*	*	-5.8**	*
Total assets, EUR million	410.6	428.9	424.5	400.2	400.2	375.2	387.7	378.6	390.4	390.4	*	388.0	*	398.4	398.4	*	404.2	*

*) Not reported

***) Capital expenditure for H1 2019, 2018 and 2017 respectively

QUARTERLY NET SALES AND COMPARABLE EBITDA BY SEGMENT

Net sales by segment

EUR million	Q3 20	Q2 20	Q1 20	Q4 19	Q3 19	Q2 19	Q1 19	Q4 18	Q3 18	Q2 18	Q1 18	Q4 17	Q3 17	Q2 17	Q1 17	Q4 16	Q3 16	Q2 16	Q1 16
Finland & Exports	29.8	29.2	23.8	37.8	31.2	34.7	25.0	39.5	31.8	35.4	27.1	40.7	31.4	35.7	26.0	41.1	31.6	33.9	27.3
Scandinavia	27.4	28.1	22.0	44.5	25.6	29.0	21.7	42.8	25.0	27.4	22.5	44.4	26.5	29.7	23.2	45.9	26.7	30.0	25.0
Altia Industrial	29.4	23.8	22.4	27.8	27.7	27.5	27.1	28.6	28.9	24.2	24.0	24.7	26.5	25.9	24.2	24.0	25.6	22.7	22.9
Total	86.6	81.0	68.2	110.1	84.5	91.2	73.8	110.9	85.7	87.1	73.5	109.8	84.5	91.3	73.4	111.0	83.9	86.6	75.1

Comparable EBITDA by segment

EUR million	Q3 20	Q2 20	Q1 20	Q4 19	Q3 19	Q2 19	Q1 19	Q4 18	Q3 18	Q2 18	Q1 18	Q4 17	Q3 17	Q2 17	Q1 17	Q4 16	Q3 16	Q2 16	Q1 16
Finland & Exports	5.5	5.5	2.8	7.3	5.0	5.3	3.0	6.2	4.9	4.6	3.4	7.2	4.0	5.2	3.1	7.7	4.5	4.3	3.6
Scandinavia	1.9	2.9	-0.1	9.1	1.3	2.0	-0.3	8.0	0.8	1.5	-0.1	8.9	1.0	2.1	-0.5	9.0	1.0	0.7	-0.3
Altia Industrial	6.5	4.9	2.2	4.5	3.6	2.3	1.0	2.2	4.8	2.5	1.4	3.7	4.5	2.6	1.6	2.6	3.4	2.6	-0.2
Other	0.7	-0.1	0.7	-1.3	1.5	-0.2	0.6	-0.6	-0.3	0.2	0.4	-1.3	0.9	-0.8	0.1	-0.5	1.6	0.2	0.6
TOTAL comparable EBITDA	14.6	13.2	5.5	19.7	11.4	9.4	4.3	15.9	10.3	8.7	5.2	18.5	10.4	9.2	4.3	18.9	10.5	7.8	3.6
Items affecting comparability	-5.9	-0.7	-0.1	0.2	-1.6	-0.2	-	-1.5	0.0	-0.4	-4.1	-2.2	0.7	-0.2	-0.5	15.7	1.6	2.8	-0.1
EBITDA	8.8	12.6	5.4	19.8	9.8	9.2	4.3	14.4	10.3	8.3	1.1	16.3	11.1	9.0	3.8	34.6	12.1	10.6	3.6
Depreciation, amortisation and impairment	-4.3	-4.4	-4.4	-4.5	-4.5	-4.5	-4.5	-3.7	-3.6	-3.5	-3.5	-3.6	-3.6	-3.5	-3.5	-3.7	-3.6	-3.6	-3.6
Operating result	4.5	8.2	1.0	15.3	5.3	4.8	-0.3	10.7	6.6	4.8	-2.5	12.7	7.6	5.4	0.3	30.9	8.5	7.0	-0.0

Consolidated income statement

EUR million	Q2 20	Q2 19	H1 20	H1 19	2019
NET SALES	81.0	91.2	149.3	165.0	359.6
Other operating income	1.4	2.0	2.9	3.9	7.6
Materials and services	-45.4	-54.4	-84.1	-99.4	-213.1
Employee benefit expenses	-11.5	-11.6	-23.0	-23.1	-45.9
Other operating expenses	-13.0	-18.0	-27.1	-32.9	-65.0
Depreciation, amortisation and impairment	-4.4	-4.5	-8.8	-9.0	-17.9
OPERATING RESULT	8.2	4.8	9.2	4.5	25.1
Finance income	-0.1	1.0	0.2	2.5	3.5
Finance expenses	-0.6	-1.4	-1.2	-3.5	-5.7
Share of profit in associates and joint ventures and income from interests in joint operations	0.1	0.2	1.1	1.2	1.6
RESULT BEFORE TAXES	7.6	4.5	9.3	4.7	24.6
Income tax expense	-1.5	-0.9	-1.9	-0.7	-6.2
RESULT FOR THE PERIOD	6.1	3.6	7.5	4.0	18.4
Result for the period attributable to:					
Owners of the parent	6.1	3.6	7.5	4.0	18.4
Earnings per share for the result attributable to owners of the parent, EUR					
Basic and diluted	0.17	0.10	0.21	0.11	0.51

Consolidated balance sheet

EUR million	30 Jun 2020	30 Jun 2019	31 Dec 2019
ASSETS			
Non-current assets			
Goodwill	80.0	79.8	80.1
Other intangible assets	22.5	27.1	25.2
Property, plant and equipment	59.1	62.5	60.9
Right-of-use assets	8.9	11.5	10.4
Investments in associates and joint ventures and interests in joint operations	8.9	8.2	8.8
Financial assets at fair value through other comprehensive income	1.4	1.4	1.4
Deferred tax assets	1.5	1.4	0.9
Total non-current assets	182.3	192.1	187.7
Current assets			
Inventories	101.1	111.6	92.0
Contract assets	-	0.1	0.2
Trade and other receivables	41.5	51.9	54.4
Current tax assets	2.7	4.5	1.6
Cash and cash equivalents	101.2	27.7	64.2
Total current assets	246.6	195.7	212.4
TOTAL ASSETS	428.9	387.7	400.2

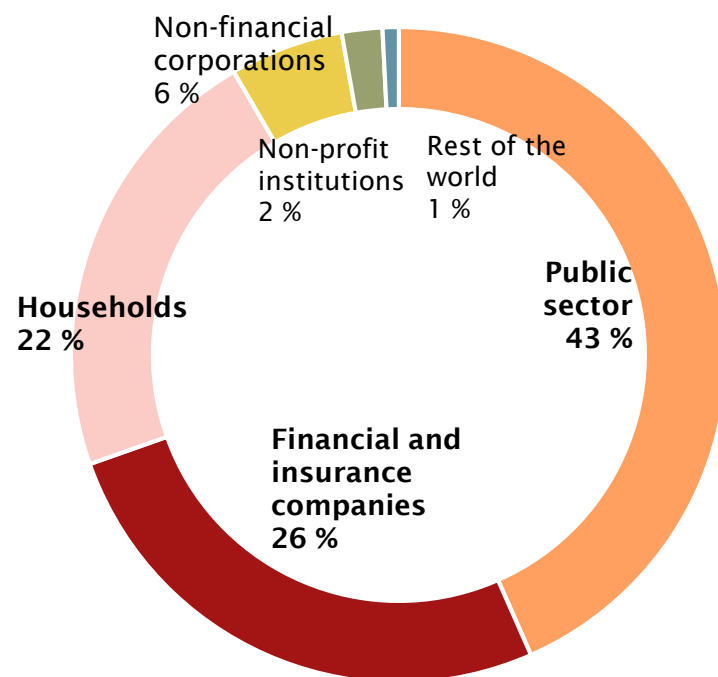
EUR million	30 Jun 2020	30 Jun 2019	31 Dec 2019
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	60.5	60.5	60.5
Invested unrestricted equity fund	1.2	1.2	1.2
Fair value reserve	0.6	0.6	0.6
Legal reserve	0.1	0.1	0.1
Hedge reserve	-1.0	-0.7	-1.0
Translation differences	-23.7	-21.7	-22.1
Retained earnings	111.9	97.5	111.9
Total equity	149.5	137.6	151.2
Non-current liabilities			
Deferred tax liabilities	16.4	16.7	16.7
Borrowings	70.4	76.8	76.1
Lease liabilities	5.7	8.2	7.1
Employee benefit obligations	1.3	1.3	1.4
Total non-current liabilities	93.7	103.0	101.3
Current liabilities			
Borrowings	51.5	20.5	6.5
Lease liabilities	3.5	3.4	3.4
Trade and other payables	127.9	122.4	134.7
Contract liabilities	-	0.2	0.5
Current tax liabilities	2.8	0.6	2.5
Total current liabilities	185.7	147.1	147.6
Total liabilities	279.4	250.1	249.0
TOTAL EQUITY AND LIABILITIES	428.9	387.7	400.2

Cash flow from operating activities

EUR million	Q2 20	Q2 19	H1 20	H2 19	2019
CASH FLOW FROM OPERATING ACTIVITIES					
Result before taxes	7.6	4.5	9.3	4.7	24.6
Adjustments					
Depreciation, amortisation and impairment	4.4	4.5	8.8	9.0	17.9
Share of profit in associates and joint ventures and income from investments in joint operations	-0.1	-0.2	-1.1	-1.2	-1.6
Net gain on sale of non-current assets	-	-0.0	-	-0.0	-0.0
Finance income and costs	0.6	0.5	1.0	1.1	2.2
Other adjustments	0.2	-0.4	0.0	-0.4	-0.8
	5.1	4.3	8.7	8.3	17.7
Change in working capital					
Change in inventories, increase (-) / decrease (+)	0.9	-2.9	-9.4	-12.2	7.4
Change in contract assets, trade and other receivables, increase (-) / decrease (+)	3.9	5.8	11.8	8.8	5.3
Change in contract liabilities, trade and other payables, increase (+) / decrease (-)	10.2	15.5	-5.5	-8.7	3.8
Change in working capital	14.9	18.4	-3.0	-12.1	16.5
Interest paid	-0.4	-0.3	-0.8	-0.8	-1.6
Interest received	0.0	0.1	0.1	0.1	0.2
Other finance income and expenses paid	-0.1	-0.6	-0.4	-1.3	-1.7
Income taxes paid	-1.5	-1.6	-3.6	-2.9	-3.1
Financial items and taxes	-2.0	-2.5	-4.7	-4.9	-6.1
NET CASH FLOW FROM OPERATING ACTIVITIES	25.7	24.7	10.3	-4.0	52.6

Shareholder structure

AS AT 31 OCTOBER 2020



	Shareholders	Number of shares	% of shares
1	Valtion Kehitysyhtiö Vake Oy	13 097 481	36.2
2	Ilmarinen Mutual Pension Insurance Company	1 113 300	3.1
3	Varma Mutual Pension Insurance Company	1 050 000	2.9
4	WestStar Oy	655 566	1.8
5	Veritas Pension Insurance Company Ltd.	420 000	1.2
6	FIM Fenno Sijoitusrahasto	151 025	0.4
7	Säästöpankki Kotimaa	150 000	0.4
8	Petter and Margit Forsström ´s Foundation	140 200	0.4
9	Mandatum Life Insurance Company Limited	138 798	0.4
10	Takanen Jorma	122 617	0.3
	Top 10 total	17 038 987	47.1
	<i>Nominee-registered shares</i>	8 926 197	24.7

Finland & Exports

Consumer product sales in Finland, the Baltics, travel retail and export



Key brands:



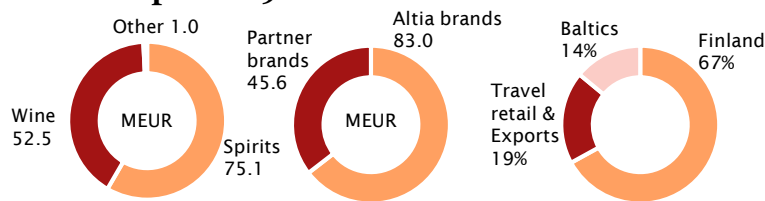
Key focus areas:

- Focus on innovation to launch new products in the state retail monopoly and to continue as an important partner and route-to-market
- Grow exports in key markets Russia and Asia, and capture new markets
- Grow in the Finnish grocery trade channel through innovations
- Strengthen brand positions and expand distribution in travel retail
- Continuous development of consumer-phasing digital platforms viinimaa.fi and nordicspirits.com
- Continuous evaluation of product portfolio and on-going revenue management

Key figures 2019:

- Net sales EUR 129 million
- Comparable EBITDA margin 16.0%
- Average number of personnel 89

Net sales split 2019¹:



Scandinavia

Consumer product sales in Sweden, Norway and Denmark



Key brands:



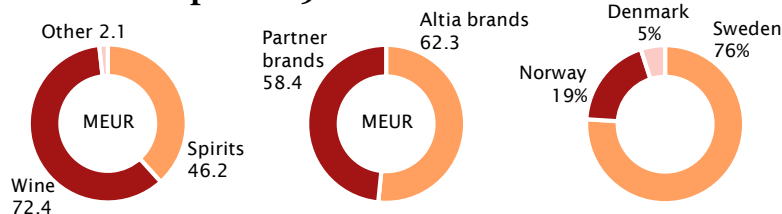
Key focus areas:

- Strengthen position in the growing gin, liqueur, rum and sparkling wine categories through innovations
- Continue to lead the development of sustainable products and packaging
- Strengthen brand positions and expand distribution in on-trade
- Continuous development of consumer-phasing digital platform folkofolk.se
- Continuous evaluation of product portfolio and on-going revenue management

Key figures 2019:

- Net sales EUR 121 million
- Comparable EBITDA margin 10.0%
- Average number of personnel 74

Net sales split 2019¹:



Alti Industrial

Industrial products and services businesses, sourcing, supply chain, customer service and logistics.



Industrial products: Finnish barley is the focus of our operations and the products include barley starch, grain sprits, technical ethanols and feed components.

Industrial services: Contract manufacturing and logistics services for leading wine and spirits companies.

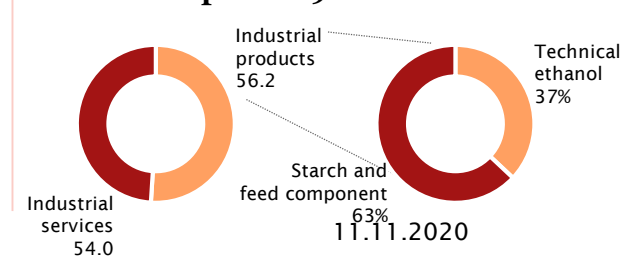
Key focus areas:

- Customer relationships and sales growth of industrial products
- Enhancing work safety culture and implementing minimum requirements of work safety practices across all sites
- Capability improvements of wine packaging and production of low- and non-alcohol products inhouse
- Professional procurement activities across all sourcing categories
- Continuation of ERP renewal

Key figures 2019:

- Net sales EUR 110 million
- Comparable EBITDA margin 11.4%
- Average number of personnel 426

Net sales split 2019¹:



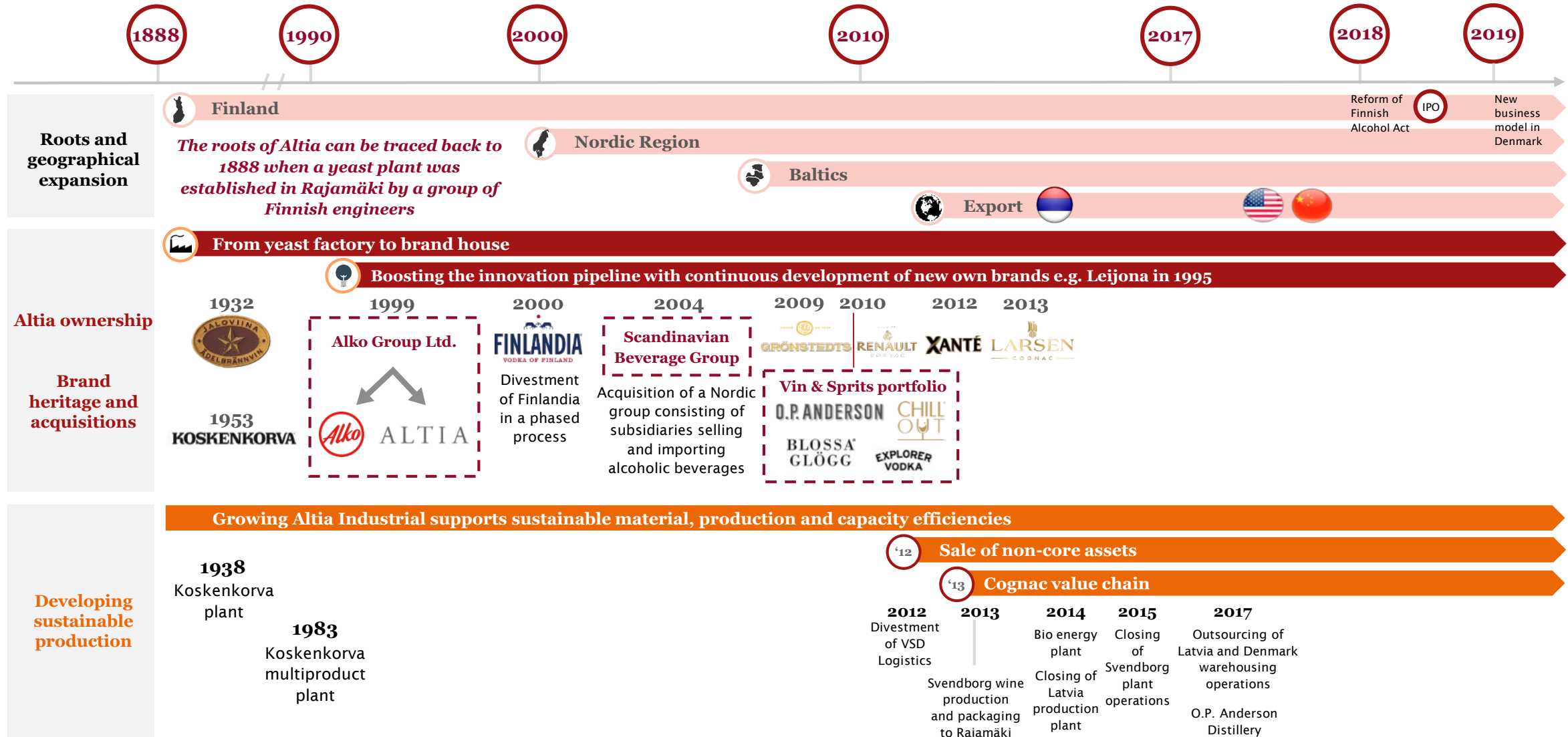
Key exports contracts

HIGH-QUALITY DISTRIBUTION AGREEMENTS HAVE BEEN SIGNIFICANT MILESTONES FOR OUR EXPORT AMBITIONS

Key export contracts

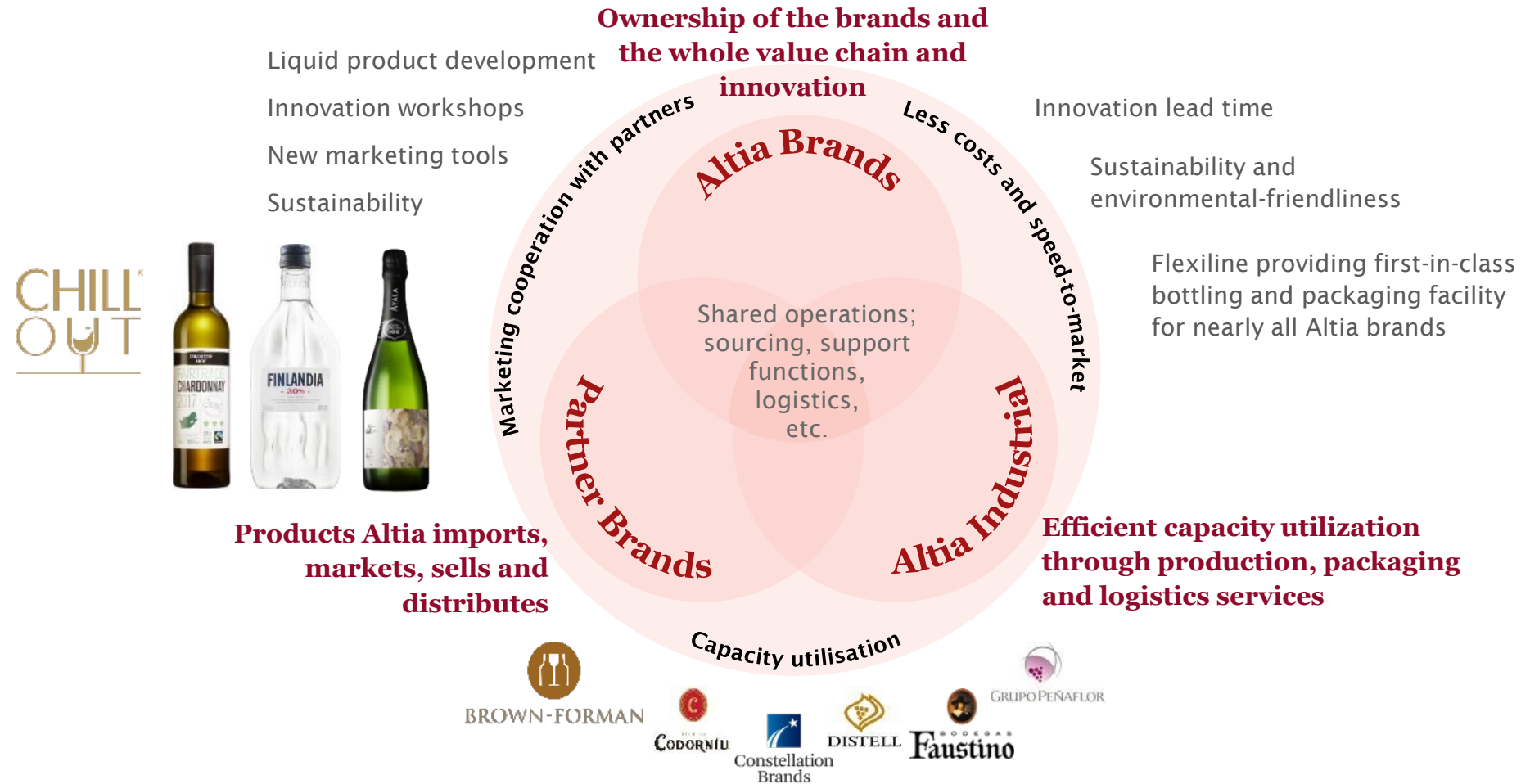


Our journey to being the Nordic powerhouse and market leader



Our integrated operating model creates synergies and economies of scale

ONE SHARED PLATFORM FOR OUR OWN BRANDS, PARTNER BRANDS AND INDUSTRIAL SERVICES



Summary of key benefits of the integrated operating model

- Full capacity utilisation
- Deeper cooperation with partners
- Agility and capability for local solutions

Barley reports and publications

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February: Forecast of area sown for the coming harvest period (VYR, TNS Gallup)

March: Crop Production Statistics and the quality of the grain harvest, previous year (Luke)

June: Utilised Agricultural Area, preliminary data, current year (Luke)

July: Utilised Agricultural Area regional preliminary data, current year (Luke)

July: First advance estimate of the harvest, current year (Luke)

August: Second advance estimate of the harvest, current year (Luke)

November: Crop Production Statistics and the quality of the grain harvest, advance information, current year (Luke)

Q1

Q2

Q3

Q4

Other monthly publications

- Grain market report (International Grain council, IGC)
- World Agricultural Supply and Demand Estimates (WASDE) (USDA)
- MARS bulletins - crop monitoring in Europe (European Commission)

Macro indicators

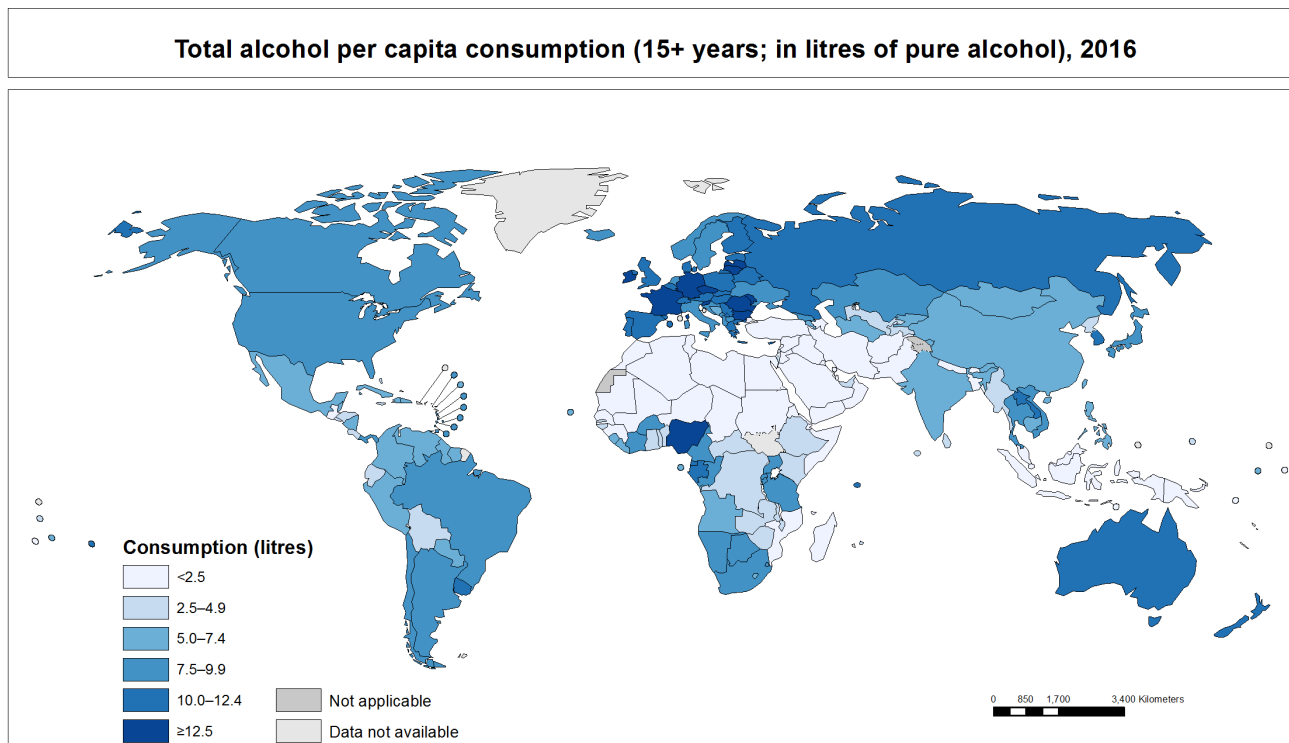
ALCOHOL CONSUMPTION (WHO)

Total per capita (15+) consumption (in litres of pure alcohol)

	2010	2016
Finland	12.6	10.7
Sweden	9.5	9.2
Norway	9.0	7.5
Denmark	10.9	10.4

	2010	2016
France	12.2	12.6
Germany	13.0	13.4
Netherlands	10.4	8.7
UK	12.3	11.5

	2010	2016
Canada	10.2	8.9
US	9.3	9.8



The boundaries and names shown and the designations used on this map do not imply the expression of any opinion whatsoever on the part of the World Health Organization concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries. Dotted and dashed lines on maps represent approximate border lines for which there may not yet be full agreement.

Data Source: World Health Organization
Map Production: Information Evidence and Research (IER)
World Health Organization



	2010	2016
WHO European Region	10.2	8.9
WHO Region of the Americas	9.3	9.8

Consumption of pure alcohol by type of beverage, %





	Beer	Wine	Spirits	Other
Finland	48.8	20.6	21.5	9.1
Sweden	36.4	47.8	14.1	1.7
Norway	43.9	36.7	16.7	2.7
Denmark	37.4	44.7	17.1	0.8

	Beer	Wine	Spirits	Other
France	18.8	58.8	20.7	1.7
Germany	52.6	28.4	18.9	0.0
Netherlands	47.8	35.8	16.4	0.0
UK	35.0	35.7	22.5	6.7

	Beer	Wine	Spirits	Other
Canada	45.1	25.6	25.6	3.7
US	47.0	18.1	34.9	0.0

Our sales channels provide stable and predictable sales

APPROXIMATELY TWO THIRDS OF OUR CONSUMER PRODUCT SALES COME FROM RETAIL MONOPOLIES

Consumer sales ¹⁾	Examples	Description	How Altia operates in the channel
70%	<p>Monopoly</p> 	<ul style="list-style-type: none"> State retail monopolies in Finland, Sweden and Norway are the largest channels and constitute together approximately two thirds of the Company's consumer product sales Retail monopolies have extensive geographic presence and wide assortment supported by pick-and-collect online services 	<ul style="list-style-type: none"> Several years of experience in operating in the highly regulated Nordic monopoly market Understanding of Nordic consumer habits and trends provides strong position in the tender processes
9%	<p>Grocery trade</p> 	<ul style="list-style-type: none"> Grocery stores, supermarkets and kiosks especially in Denmark and the Baltics Low/non-alcoholic beverages in monopoly markets 	<ul style="list-style-type: none"> With the change in the Finnish Alcohol Act in January 2018, the grocery trade opened up for ethanol-based beverages of up to 5.5% ABV
9%	<p>Wholesale & HoReCa</p> 	<ul style="list-style-type: none"> Hotels, restaurants and cafés Plays important role in brand building and in trend-setting 	<ul style="list-style-type: none"> Access to HoReCa goes usually through wholesale customers Important marketing channel
12%	<p>Travel retail & Exports</p> 	<ul style="list-style-type: none"> Exports consists of consumer product sale outside Altia's home market Price differences between countries drive border trade and travel retail 	<ul style="list-style-type: none"> Exports through distribution partnerships Key export countries are Russia, China and the US

¹⁾ Consumer sales by customer segment in 2019. Consumer sales is defined as the total of net sales of Finland & Exports and Scandinavia segments. The consumer sales breakdown is based on unaudited internal sales reporting.

Two thirds of Altia's consumer product sales from monopolies¹⁾



Travel retail Exports Wholesale HoReCa Grocery trade Monopolies in Finland, Sweden and Norway

1) Consumer sales by customer segment in 2019. Consumer sales is defined as the total of net sales of Finland & Exports and Scandinavia segments. The consumer sales breakdown is based on unaudited internal sales reporting.

Monopoly facts⁶⁾

	Sales volumes 2019 ¹⁾	Off-trade share ²⁾	Monopoly's share of consumption ³⁾	Sale outlets			Extent of assortment ⁴⁾	Monopoly support in 2019 ⁵⁾	Share of BIB of wine sales, %	Marketing restrictions	
				Monopoly	Pick-up	Grocery trade					
		90%	37.7%	361	100	5740 ⁷⁾ ≤5.5%	5130	2974	62%	34%	Under 22% ABV brands allowed with certain restrictions
		90%	81.4%	445	486	6587 ≤2.25% (≤3.5% beer)	2543	12156	78%	51%	Alcohol marketing is in general allowed, however certain restrictions apply
		90%	45.7%	334	0	4500 ≤4.7%	1765	23302	60%	52%	All marketing of alcoholic beverages prohibited

1) Million litres excl. beer

2) Aggregated volume data for spirits and wine in 2016 (Euromonitor 2017)

3) Share of recorded alcohol consumption calculated in litres of 100% alcohol, Vinmonopolet 2018

4) Number of beverage brands. In Systembolaget additional 2282 product in temporarily assortment.

5) Results are not comparable

6) Unless otherwise stated, source: Information on the Nordic Alcohol Market 2020 (Alko)

7) Including on-premise outlets with alcohol retail sale permit.

8) Price revisions informed to monopolies about 2-3 months ahead

Transparent pricing - fixed and predetermined gross margins for monopoly





	Annual windows for price revisions ⁸⁾			Price lock-up period after a initial listing
	I	II	III	
	1 Feb	1 Jun	1 Oct	8 months
	1 Mar	1 Sep	-	9 months
	1 Jan	1 May	1 Sep	6 months

Alcohol taxation

Changes in Finnish alcohol taxation

- **January 2019**
 - Tax increase of EUR 30 million
 - Even split on different categories, on average 2.5%
 - Spirits +2%; wine +3.7%, beer and cider 2.7% and 2.1% resp.
 - Consumer price impact about 32 cent on vodka and 13 cent on wine
- **January 2018**
 - Tax increase of EUR 100 million
 - Spirits +5%; wine +13%; other categories 7.2-12.9%
 - Consumer price impact about 70 cent on vodka and 30 cent on wine

Alcohol excise duty rates and value-added tax rates in the Nordics^{1)*}

As at 1 Jan 2019	Spirits	Wine ⁽²⁾	VAT, %
	48.8	36.1	24.0
	50.0	23.0	25.0
	81.4	53.0	25.0
	20.1	14.2	25.0

1) Euro per litre of 100% alcohol

2) Excise duty is calculated on the basis of a beverage containing 11% ethyl alcohol by volume for wines.

Alcohol excise duties in Europe*

As at 1 Jan 2019	Spirits	Wine
France	18	0
Germany	13	0
Netherlands	17	8
UK	32	30

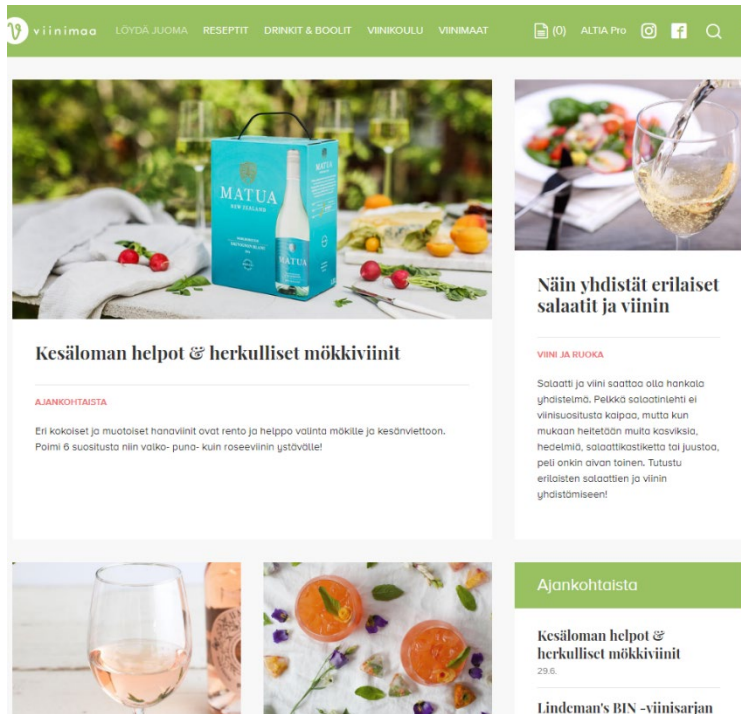
Alcoholic beverages imported by travellers*

Total in 100% alcohol	Year	Million litres	Litres per capita
	2019	6.2	1.3
	2018	11.1	1.3
	2018	3.5	0.8
	2010	5.0	1.1

Altia's digital platforms

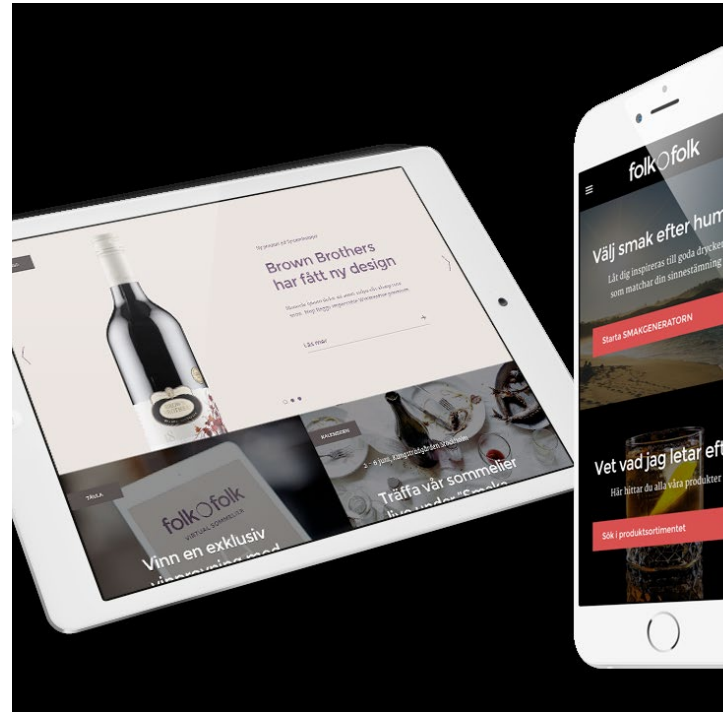
Finland: www.viinimaa.fi

- A leading consumer channel for alcoholic beverages in Finland
- Website, newsletter and social media channels
- Reliable source of information, entertaining and inspirational



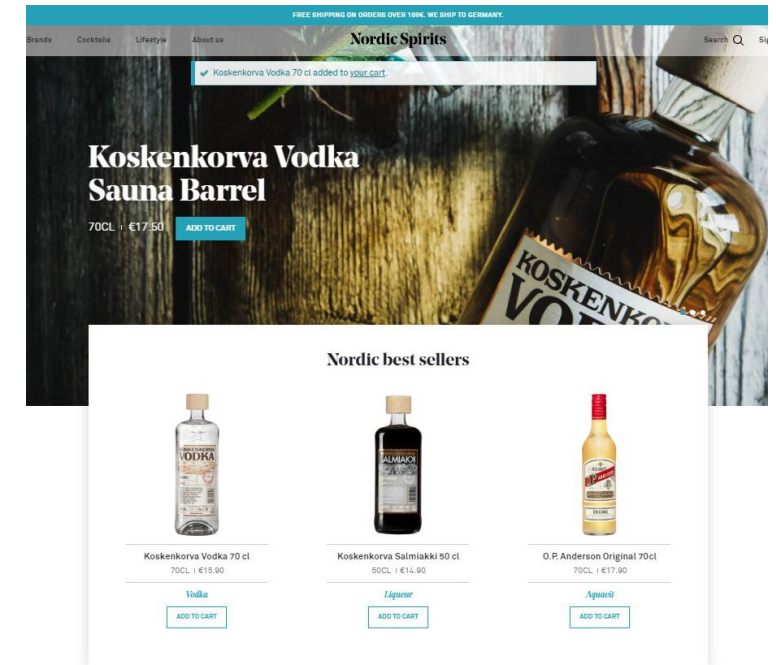
Sweden: www.folkofolk.se

- A unique and unrivaled position in the market for alcoholic beverages
- Website, newsletter, press room and social media channels
- The aim is to inspire, inform and educate the consumer



Germany: www.nordicspirits.com

- Nordic alcohol brand store in Germany since 5/18
- Includes Altia's most popular beverage brands
- Complements traditional exports channels
- Enables us to gather insights about digital consumer sales and online alcohol retail - which we can't do in our home markets



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