

ANORA

Market leader | Growth ambition | Forerunner

Introducing Anora's wine business

Pekka Tennilä, CEO
Janne Halttunen, SVP, Wine
15 June 2022 @SEB

Today's agenda and speakers

- 03** Introduction
- 07** The Nordic wine market and trends
- 12** The leading wine and spirits brand house in the Nordics: Anora's position in the wine market
- 21** Anora's success stories
- 27** Why invest in Anora

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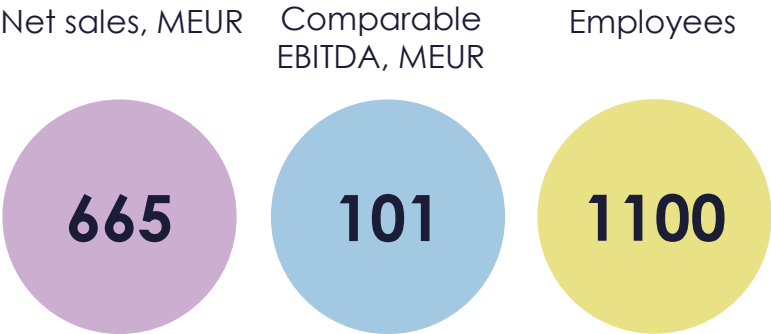
Pekka Tennilä
CEO



Janne Halttunen
SVP, Wine

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

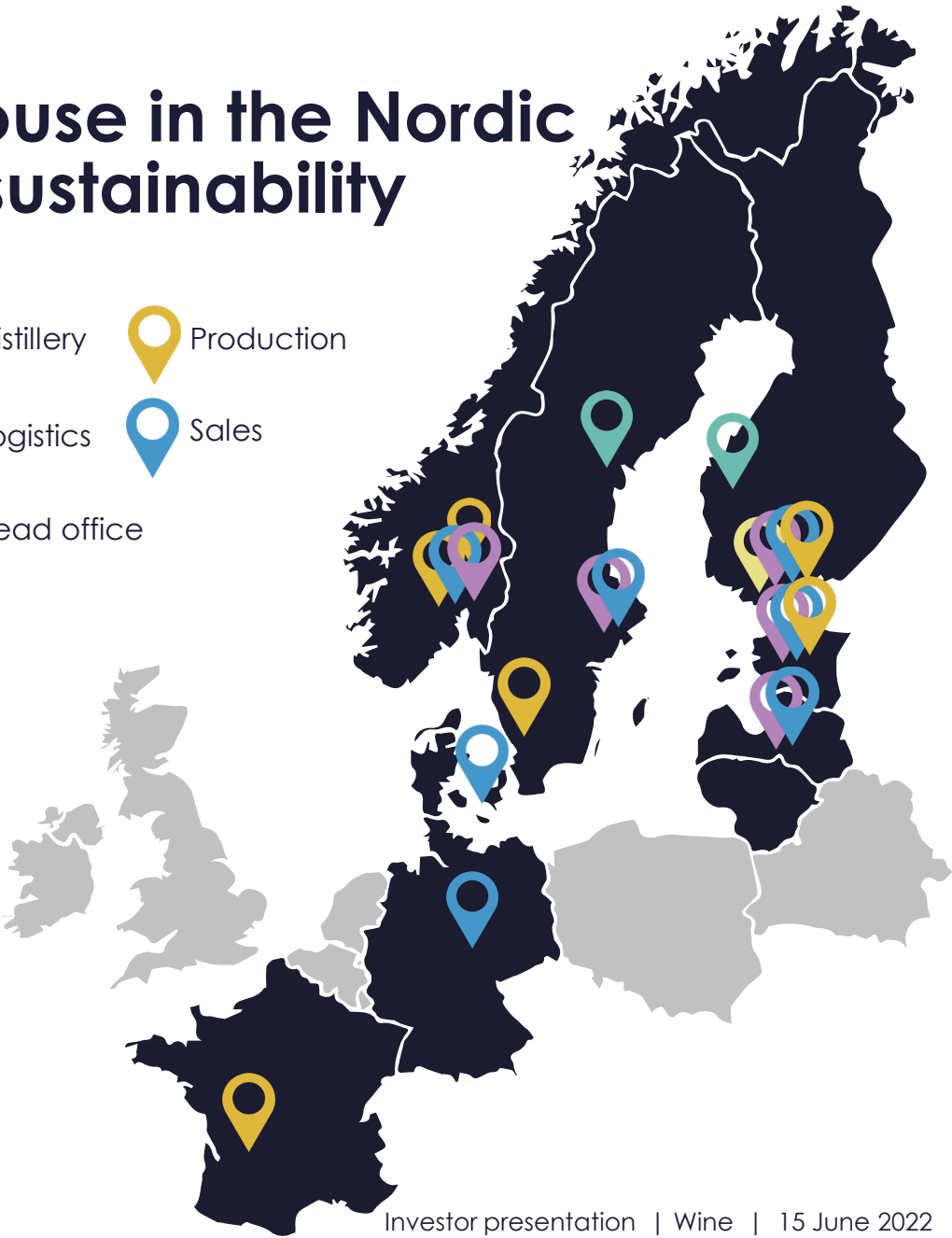
Key figures 2021, pro forma



The leading player in the Nordic region



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Unique portfolio of own and partner brands

Key Anora brands

Key partner brands

CHILL
OUT

BLOSSA
GLÖGG

Wongraven

MASI[®]
AGRICOLA

Penfolds[®]

LOUIS ROEDERER
CHAMPAGNE

RubyZin

Falling
FEATHER[®]

L A R O C H E

fumées
blanches

Wine

KOSKENKORVA[®]

LINIE
AQUAVIT

LARSEN
COGNAC

FIREBALL
RED HOT
CINNAMON WHISKY

Underberg[®]

Jose
Cuervo

D.P. ANDERSON

SKAGERRAK
NORDIC DRY GIN

JACK DANIEL'S
Old No. 7
BRAND

FERNET-BRANCA

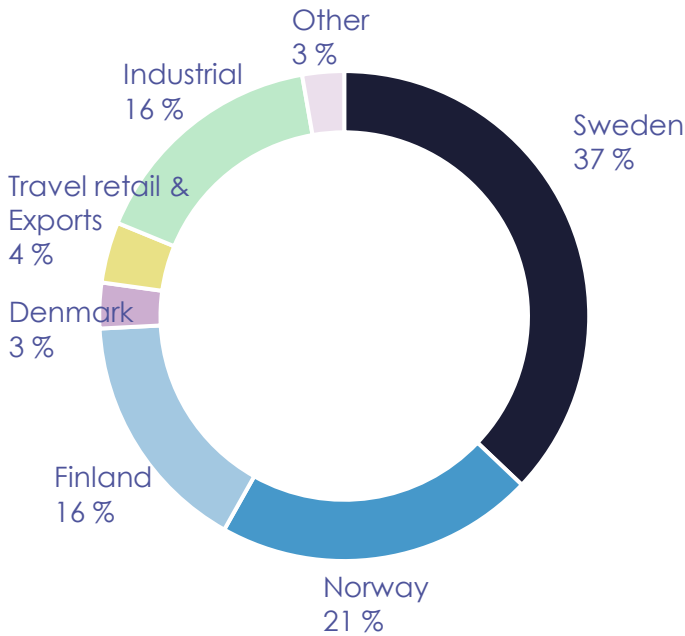
Spirits

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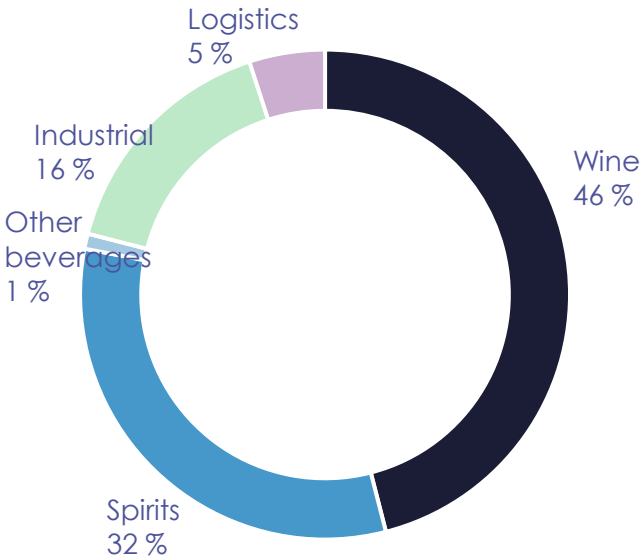
A well-balanced and stable business

Consumer beverage products account for 79% of Anora net sales

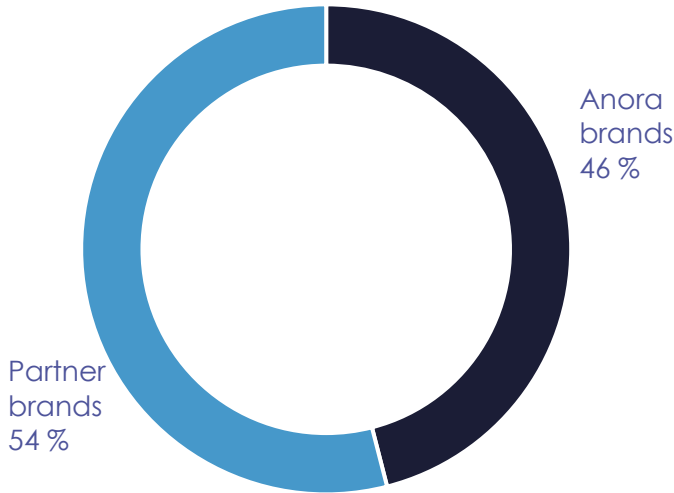
Aggregate net sales by country, MEUR



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.

Our new reporting segments

Wine is Anora's biggest segment



Wine

The Wine segment develops, markets and sells partner wines and Anora's own wine brands to customers in the Nordic monopoly markets.



Spirits

The Spirits segment consists of the business areas Spirits and International. The Spirits business area develops, markets and sells both Anora's own spirits brands and partner brands to customers in the Nordic monopoly markets. The International business area consists of Anora's own operations in Estonia, Latvia, Denmark and Germany, as well as global duty free and travel retail, and exports.

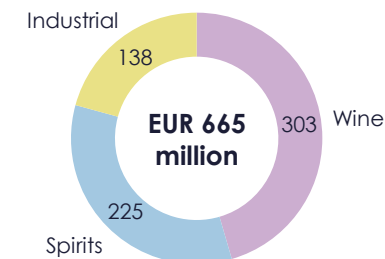


Industrial

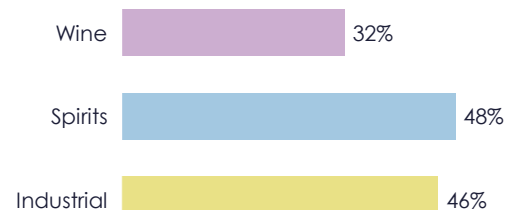
The Industrial segment comprises Anora's industrial business – industrial products and contract manufacturing, the logistics company Vectura and supply chain operations.

Key figures (pro forma) 2021

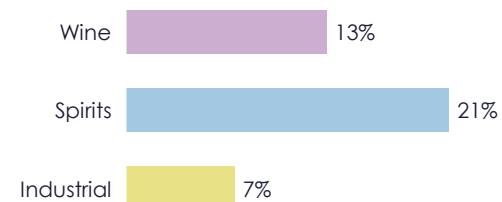
NET SALES (EXTERNAL)



GROSS MARGIN, %



COMPARABLE EBITDA MARGIN, %

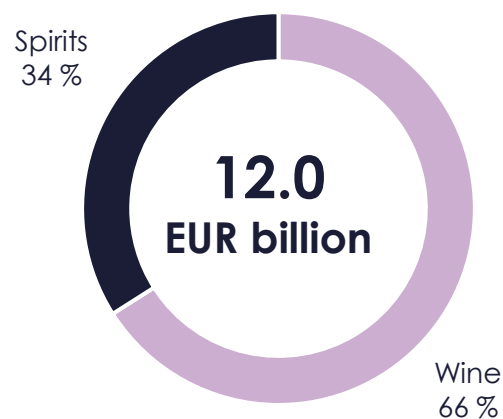


The Nordic wine market and trends

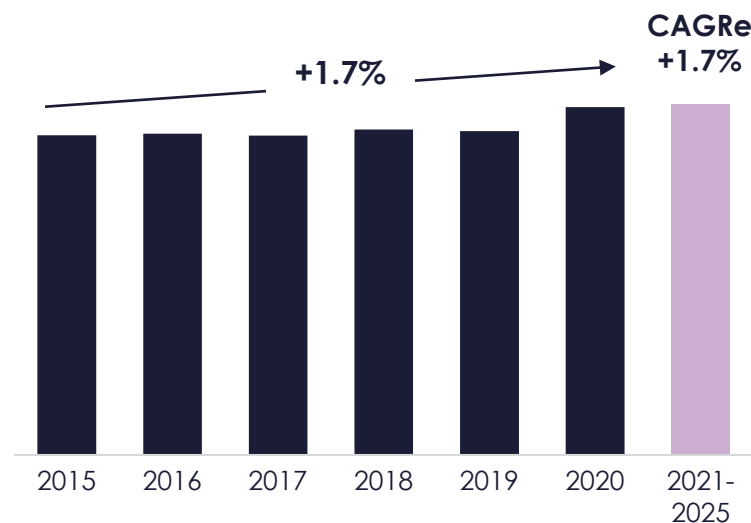


The Nordic wine and spirits market is large and non-cyclical

Value of the Nordic wine and spirits market¹

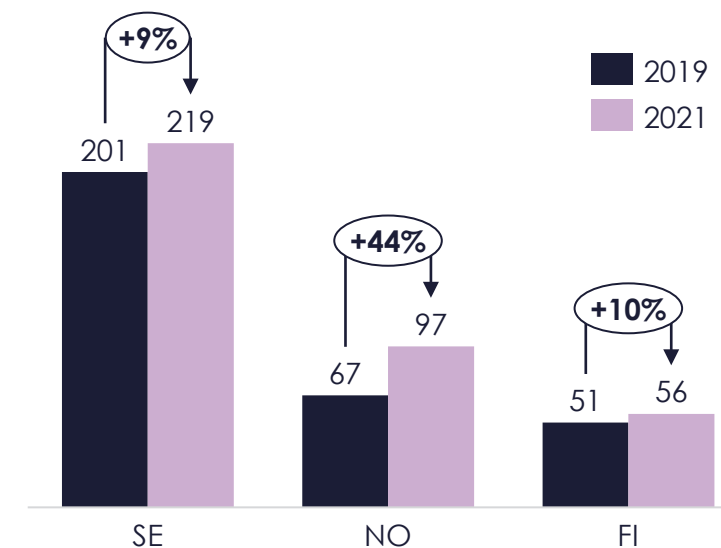


Wine: Volume development and growth forecast¹



Total wine volume 556 million litres (2020)¹

During the pandemic, the monopoly volumes were extraordinarily strong²

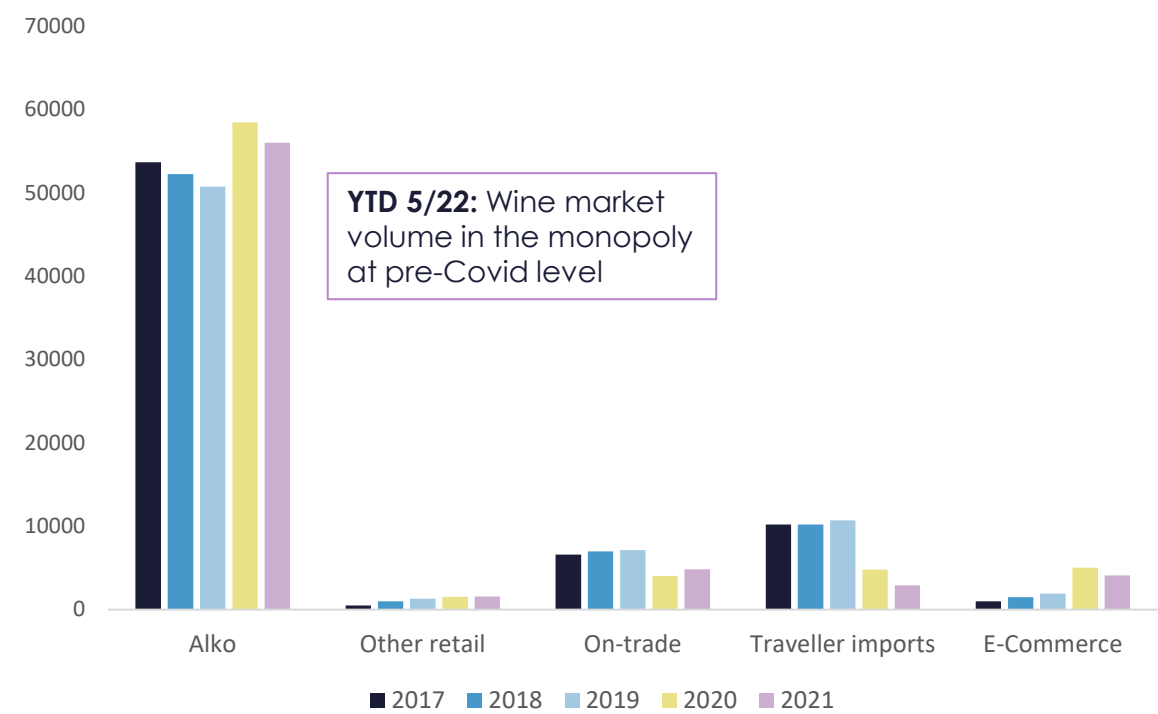


The Covid boost was especially strong in Norway

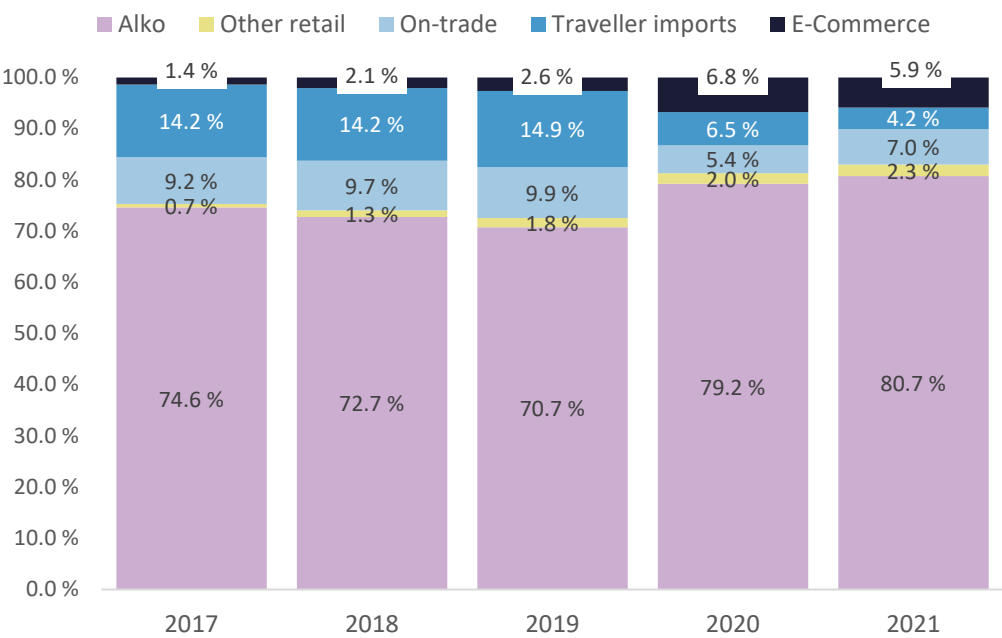
Channel mix on the Finnish wine market

Channel development 2017-2021

Finland: Wine market development by sales channel (1,000 litres)



Finland: Wine market channel mix



General trends in Finland (2021)

Consumer trends and taste preferences vary from market to market

Regular wine population is ageing

The biggest majority of regular wine drinkers are 55+, Millennials reduce consumption

Decrease of the drinking population

Wine drinkers at 1.5 million (2018: 1.9m)

New World wine countries losing share

Old World wines increasingly popular, in particular Italy, Germany and Portugal

Changes in consumers' wine preferences

Developing a taste for lighter, fresher and dryer styles of white wines, particularly Riesling

Off-premise wine spend rises

A higher proportion of regular wine drinkers are 'highly involved' in the wine category

Strong market for bag-in-box format

Even more pushed by Covid-19

Covid-19 influenced shift from social to informal occasions and impacted travel retail shopping



Reaching future consumers

Year 2030, 70% of consumers are Millennials and Z-generations

WELLBEING AND RESPONSIBILITY

Organic, ethical, no/Low Alc% small/ light weight bottles

AUTHENSITY AND CRAFT

Small producers around the world

CONSUMPTION AS A PART OF EVERYDAY LIFE

Tetra's/pouches/BIBs, Cans, concepts

RISING STARS

Hybrid drinks, sparkling, rosé wines, premiumization

Viinimaa.fi

New strategy to engage and attract new consumer types

Global trends and insights

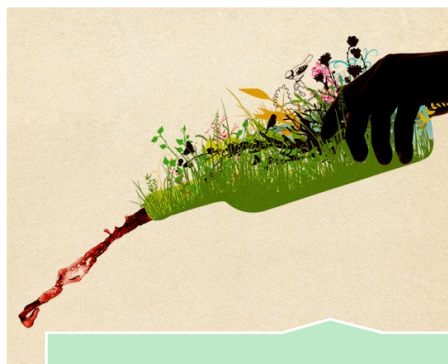
Focus to Anora through portfolio strategy across all companies



- Hybrid drinks
- Familiar tastes in new forms
- Different and original
- Innovations



New



Green



Festive

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- Corporate responsibility
- Local beverages
- Low and non-alcoholic drinks
- Low sugar
- Packaging



- Sparkling Wines
- Rosé Wines



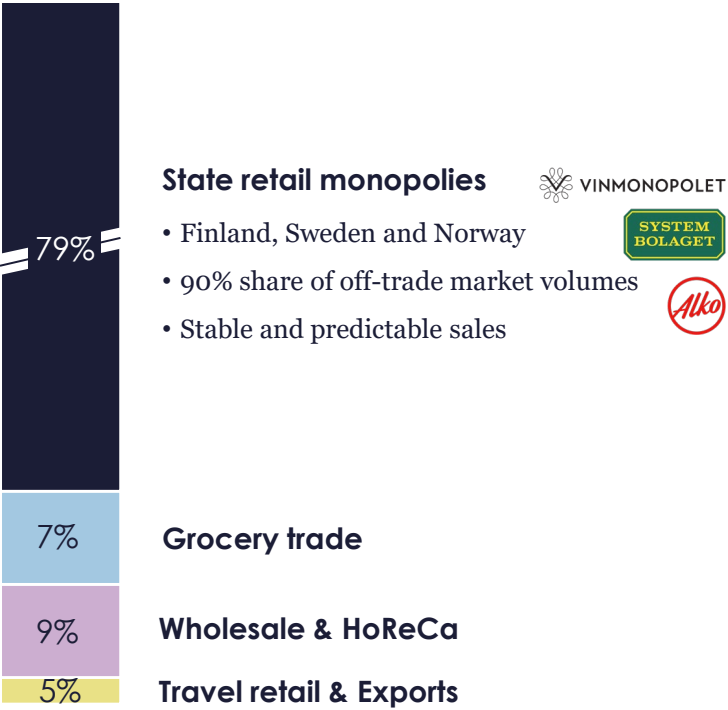
The leading wine and spirits brand house in the Nordics: Anora's position in the wine market

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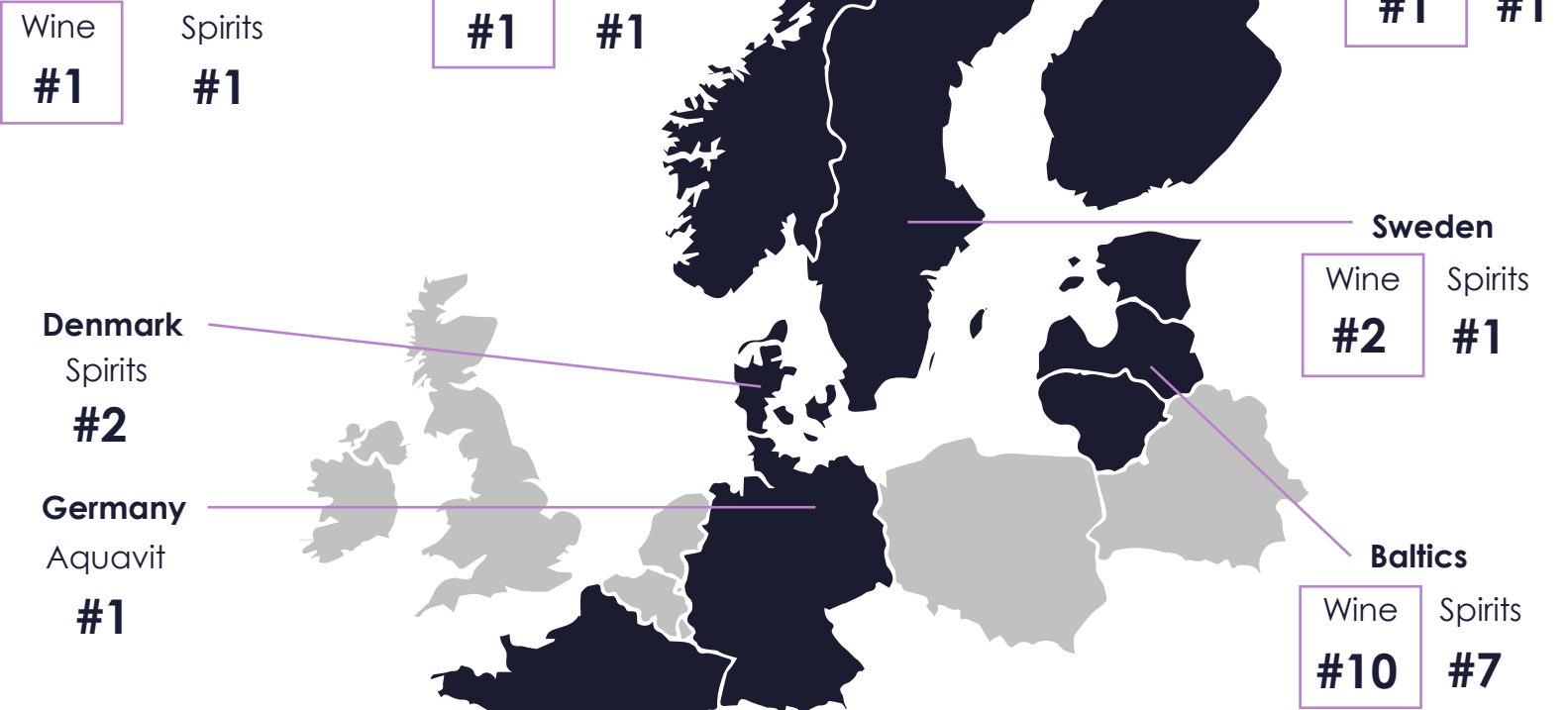


Leading positions across the Nordics & Baltics

Anora beverage sales channels¹



Nordic overall market position



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 302.5
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

folkfolk



VINGRUPPEN I NORDEN

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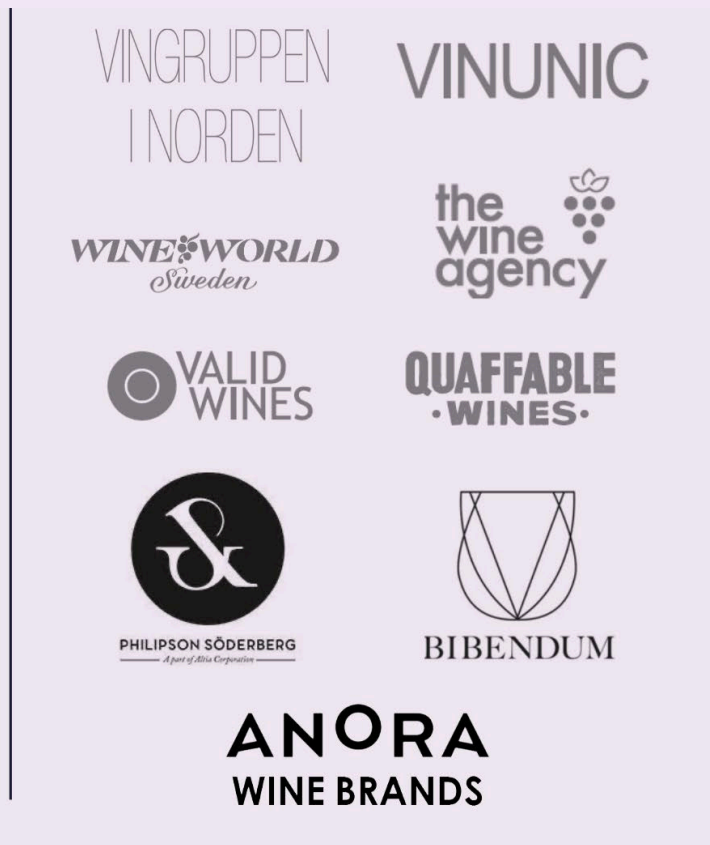
1) Wine segment's pro forma net sales 2021.

Partner wine needs scale that can only be provided by an independent wine company model

FINLAND



SWEDEN



NORWAY



Market-leading wine team in Finland

Vingruppen, Wennerco, Anora own wines are the leading wine importers in the Finnish market.

We are organised in an **entrepreneurial model** with small agile teams.

Strong and **experienced teams** with extensive contact networks.

In-house **packaging capabilities** (glass and PET bottles, BIB) with organic and Fairtrade certifications. We are additionally working on registration of bottling Fair for Life products at Rajamäki.

WINES FINLAND



The leading wine and spirits brand house in the Nordics

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



We are an agile player in on-trade thanks to our wide wine selection

Portfolio is key for success.

Bigger chains focus purchases to selected partners.

The importance of sustainability is constantly growing.

We have the right people.

We understand our customer's and consumers' needs and are able to provide solutions not only products.

One stop shop – ability to provide all product categories (spirits, wines, low/no ALC, waters etc.)

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

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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

1) Source: Information on the Nordic Alcohol Market 2020, Alko

Anora has the leading digital platforms in Finland and Sweden

Extensive consumer reach through websites, social media and newsletters

2 leading W&S platforms in SE & FI after monopoly websites

Reliable and professional sources of information that inspire, inform and educate



Nr 1 on search Outperforming all, including **Systembolaget**



Awareness: 45% of Finnish consumers are familiar with Viinimaa

(Kantar TNS Q1 2022)

Success stories Finland



Successful partnerships

4 times most sold sparkling wine in Finland 2018-2021



Rosé wine of the year 2020



Red wine of the year 2021



Champagne of the year 2022



Successful partnerships: 19 Crimes (TWE)

19 Crimes is a hybrid/conceptual product family covering celebrity life-style trend targeted to Millennials.

With living labels.

Celebrity wines – Snoop Dog



Own wines – successful sale-to-order launch

Consumer-demand based concept and taste with unique selling points.

In-house concept and liquid development.

Packaging in Rajamäki.

With focused marketing, we have reached extensive distribution coverage in the monopoly.

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Great collaborations and re-thinking on-trade



A man and a woman are sitting at an outdoor table, smiling and holding glasses of red wine. The man is in the foreground, wearing glasses and a denim jacket. The woman is behind him, wearing a white shirt. They are surrounded by lush greenery, string lights, and colorful bunting flags, creating a warm and festive atmosphere.

Q&A

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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

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Thank you!

Our next scheduled events:

1 Sep
23 Nov

Half-Year Report
Q3 Interim Report



More information: www.anora.com/investors
Investor Relations: tua.stenius-ornhjelm@anora.com

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Appendix

Integration work and synergy capture progressing as planned

Progress

Focus on people processes:

- New operating model; required negotiations completed by year-end 2021; new organisation structures and teams in place as of Jan 22.
- Established teams engaged to build future Anora culture.
- Organisations merged into one office location in Norway and Finland.

Wine:

- Build and expand on the entrepreneurial-driven business model
- Work started to create joint on-trade and digital teams to serve all wine companies across all markets

Spirits and International:

- Innovation, product development and marketing and sales organisations to support growth of independent commercial units in monopoly markets
- Portfolio strategy work on-going for combined spirits portfolio

Industrial:

- Insourcing logistics in Finland and Norway completed in Q1 22.
- Sweden expected to be completed in Q3 22.

Update at Q1 22

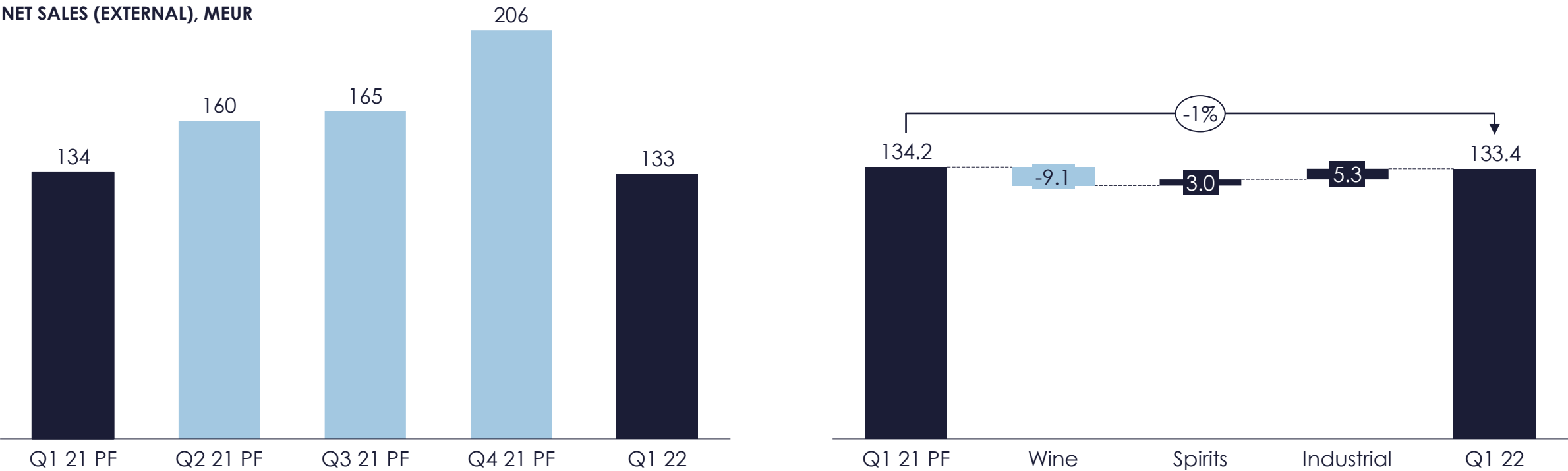
- Annualized net EBITDA synergies were EUR 1.9 million, including EUR 4.6 million annual impact of merger-related divestments of brands
- Post-closing integration costs estimated to be EUR 7-9 million in 2021-2022



Solid net sales development in Q1

Normalisation of markets and the late timing of Easter sales impacted beverage sales. Price increase supported industrial sales development.

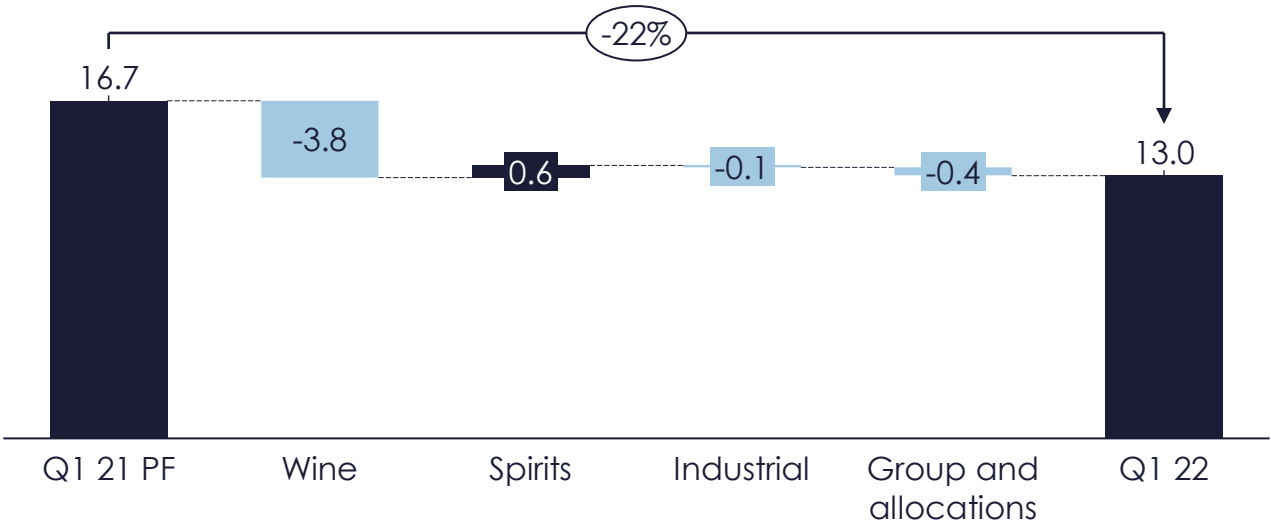
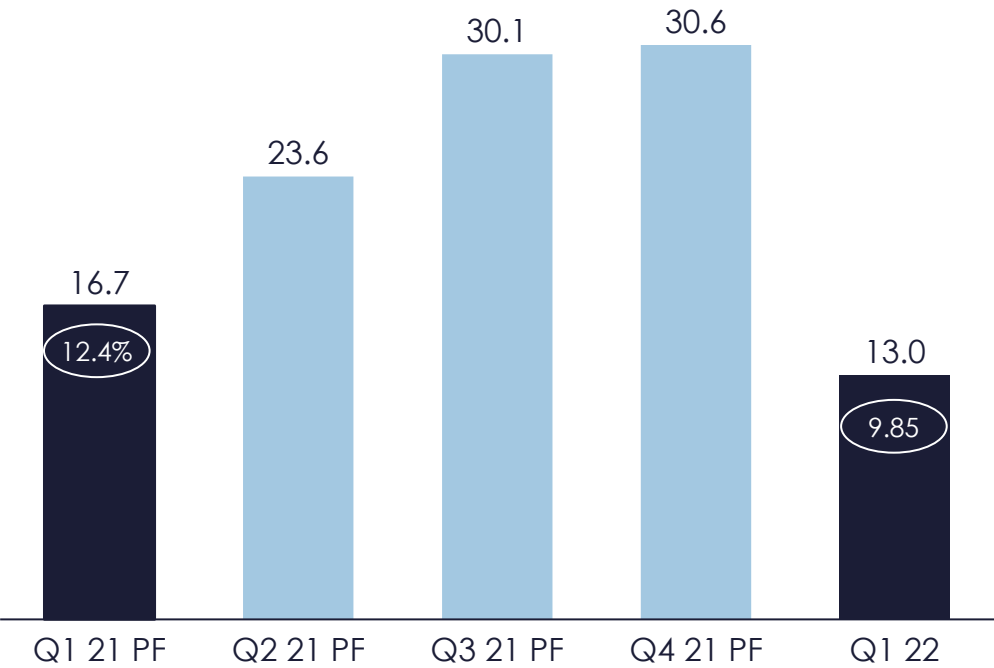
NET SALES (EXTERNAL), MEUR



Profitability weakened during Q1

Price increases only partly offset the high input costs and lower wine sales. Annual impact of brand divestments EUR 4.6 million.

COMPARABLE EBITDA, MEUR



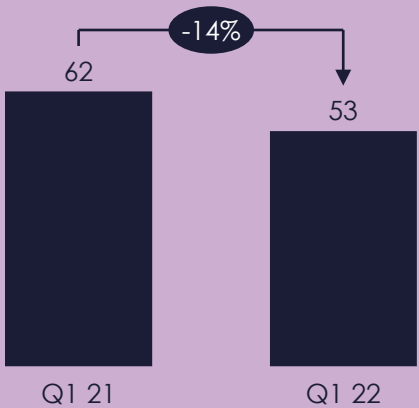
Wine

Q1 Highlights

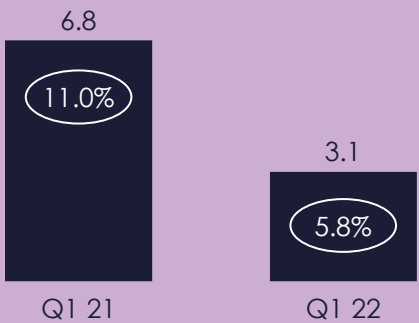
- **Net sales** declined by 14.5% to EUR 53.2 (62.2) million
- Monopoly volumes down from previous year
- Normalisation of channel mix and timing of Easter
- Anora market shares declined, while on-trade recovered in all markets
- **Profitability** impacted by lower sales and higher marketing costs
- Gross margin at last year's level

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NET SALES (TOTAL), MEUR



COMP. EBITDA, MEUR AND MARGIN %



Pro forma figures for Q1 21. Margin calculated as % of net sales (total).



Product launches in Q1



Outlook 2022

Guidance remains unchanged

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



The leading wine and spirits brand house in the Nordics

Growth opportunities in travel retail and exports

Attractive and versatile brand portfolio

- We seek to strengthen our international footprint outside the monopoly markets
- Leading positions with own and partner brands, both wine and spirits, and access to all major Nordic travel retail operators - airports as well a 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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