

ANORA

Q1 2024



Interim Report

JANUARY–MARCH 2024

7 May 2024



About this report

Anora Group Plc was formed when the merger of Altia and Arcus was completed on 1 September 2021.

The figures in brackets refer to the comparison period, i.e., the same period in the previous year, unless otherwise stated.

This interim report has been prepared in accordance with the International Financial Reporting Standards (IFRS) and IAS 34 Interim Financial Reporting as approved by the EU. The figures in the report are unaudited. A reconciliation of alternative key ratios to IFRS figures is presented in appendix 1.

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Anora's Interim Report January–March 2024

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

Q1 2024 in brief

- Net sales were EUR 146.9 (159.5) million, down by 7.9%.
- Comparable EBITDA was EUR 8.9 (7.9) million, or 6.1% (5.0%) of net sales, up by 12.1%.
- EBITDA was 7.8 (6.9) million, or 5.3% (4.3%) of net sales, up by 12.9%.
- Net cash flow from operating activities was EUR -44.6 (3.6) million.
- Earnings per share was EUR-0.03 (-0.08).

Key figures

EUR million	Q1 24	Q1 23	Change	2023
Net sales	146.9	159.5	-7.9%	726.5
Comparable EBITDA	8.9	7.9	12.1%	68.2
% of net sales	6.1	5.0		9.4
EBITDA	7.8	6.9	12.9%	67.5
Comparable operating result	2.0	-0.7		34.8
% of net sales	1.3	-0.4		4.8
Operating result	0.8	-1.7		-31.3
Result for the period	-2.2	-5.6		-39.9
Earnings per share, EUR	-0.03	-0.08		-0.59
Net cash flow from operating activities	-44.6	3.6		135.3
Net working capital	-31.7	53.7		-79.2
Net debt/comparable EBITDA, rolling 12 months	2.6	4.0		2.0
Personnel end of period	1,220	1,284	-5.0%	1,219

Guidance

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

Short-term risks and uncertainties, including volatility in currencies, price elasticity, such as risks related to significant price increases, and the big seasonal impact of the last quarter of the year have been discussed in the risk section of this report.

CEO Jacek Pastuszka:

“During the first quarter, we continued with our intensified focus on improving the profitability of our Wine and Spirits segments and on strengthening our cash position and balance sheet. This has been accomplished both by increasing the share of margin accretive businesses and by price increases and cost reductions initiated already last year. Also lower raw material prices and currency hedging supported our performance during the period.

As a result, our **comparable EBITDA** grew by 12.1 percent, and amounted to EUR 8.9 (7.9) million or 6.1 percent of net sales in the first quarter. Both Wine and Spirits segments delivered notable EBITDA growth and significant margin enhancements. The performance of our Spirits segment continues its positive development of 2023, with comparable EBITDA up by over 17 percent and gross margin up by 240bps from the previous year. We are also satisfied with the continued turnaround in the profitability of the Wine segment following the challenges of last year, underscored by its gross margin improvement of 270bps. The performance of Industrial was a drag on the overall Group results, due to lower production volumes and price erosion in side-product sales.

Net sales in the first quarter declined by 7.9 percent to EUR 146.9 million, mainly due to a decrease in Wine and Industrial net sales. In Spirits, all our four Nordic markets delivered net sales growth in Q1, whereas the performance of our international sales was weaker, partly due to the harbour strike in Finland that disrupted export deliveries with limited gross profit effect. Important to note, the early Easter impact was marginal due to fewer delivery days in March. In the Industrial segment, net sales were negatively impacted by lower sales prices due to the lower price of barley combined with reduced production volumes.

Overall, the monopoly markets showed a stable environment, albeit shoppers are still trading down and volumes are eroding slowly. Against this backdrop, our lower-mainstream wine and spirit offerings saw good growth in sales, demonstrating the breadth and flexibility of our product portfolio. Also, our own wine brands continue gaining momentum following the actions taken in the second half of 2023. In this market environment, our gross margin improved, while our gross profit was EUR 1.0 million (-1.6%) lower due to lower net sales.

Our efforts to **reduce leverage** also progressed well. At the end of the quarter our cash balance was high, supported by lower working capital due to inventory reduction and the Larsen divestment. Our cash and cash equivalents reached EUR 165.8 million. This resulted in lower net debt of EUR 176.6 million, while our net interest-bearing debt / comparable EBITDA ratio was 2.6x.

At the end of last year, we left our science-based emission reduction targets to be validated by the Science Based Targets initiative. This continues our ambitious sustainability work as the forerunners of the industry.

Looking ahead to the balance of 2024, we remain committed to our near-term actions to halt profitability decline through active mix and revenue management and to strengthen our cash position and balance sheet via reduced working capital and improved inventory turns. We are also intensifying our efforts to restore organic net sales growth in the Wine and Spirits business by investing in focused commercial agenda built around the largest brands and partnerships.

I am convinced that our current effective measures to markedly strengthen the Group’s financial fundamentals will allow us to get back on track in delivering on Anora’s long-term targets and strategy.”





Business Review

Anora has three reportable segments: Wine, Spirits, and Industrial.

Wine segment

The Wine segment develops, markets and sells Anora's own wine brands as well as partner wines to customers in the Nordic monopoly markets and Denmark. Wine segment in Denmark also include contract manufacturing and logistics services on behalf of other group companies. During 2023 the Group initiated a Center of Excellence program in order to improve production efficiency, which mean that contract manufacturing for wine will be concentrated in Globus Wine in Denmark during the years to come.

Spirits segment

The Spirits segment develops, markets and sells both Anora's own spirits brands and partner brands to customers in Finland, Sweden, Norway, Estonia, Latvia, Denmark, and Germany. The Spirits segment also includes global duty free and travel retail sales and exports to markets not listed here.

Industrial segment

The Industrial segment comprises Anora's industrial business – industrial products and services, the logistics company Vectura, and internal supply chain operations. Of the total net sales of the Industrial segment, approximately 40-60 per cent is typically internal sales.

Seasonality

There are substantial seasonal fluctuations in the consumption of alcoholic beverages impacting the net sales and cash flow of Anora. The company typically generates large amounts of its revenue and cash flow during the fourth quarter of the year, whereas the first quarter of the year is significantly lower. In addition, excise taxes related to the high season at the end of the year are paid in Q1, resulting in large cash outflows. Also, the timing of Easter fluctuating between Q1 and Q2 impacts quarterly sales and profitability.

Anora Group

	Q1 24	Q1 23	Change,%	2023
Net sales (external), EUR million	146.9	159.5	-7.9%	726.5
Gross profit, EUR million	63.6	64.6	-1.6%	305.4
Gross margin, % of net sales	43.3	40.5		42.0
Comparable EBITDA, EUR million	8.9	7.9	12.1%	68.2
Comparable EBITDA margin, % of net sales	6.1	5.0		9.4

Group net sales

In Q1, Anora Group's net sales were EUR 146.9 million. Net sales were 7.9% below the Q1 2023 net sales (EUR 159.5 million).

Net sales declined mainly due to a decrease in Wine and Industrial net sales. In Spirits, all the four Nordic markets delivered net sales growth in Q1, whereas the performance of international sales was weaker, partly due to the harbour strike in Finland that disrupted export deliveries with limited gross profit effect.

In the Industrial segment, the net sales was negatively impacted by lower sales prices due to the lower price of barley combined with lower production volumes.

The consolidated income statement includes the income statement of the divested business of Larsen until 29 September 2023.

Profitability

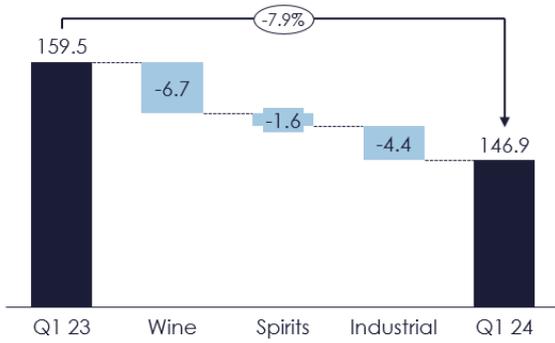
In Q1, Anora Group's comparable EBITDA was higher than last year and amounted to EUR 8.9 (7.9) million or 6.1% (5.0%) of net sales. Results were visible from the cost cuts and price increases made last year, supported by lower raw material prices and more stabilised currencies. Gross margin improved, while the gross profit was EUR 1.0 million (-1.6%) lower due to lower net sales.

The Spirits segment continued to improve its performance. Especially the Global Travel Retail performed extremely well compared to last year. The Wine segment also continued to improve its performance following the challenges of last year.

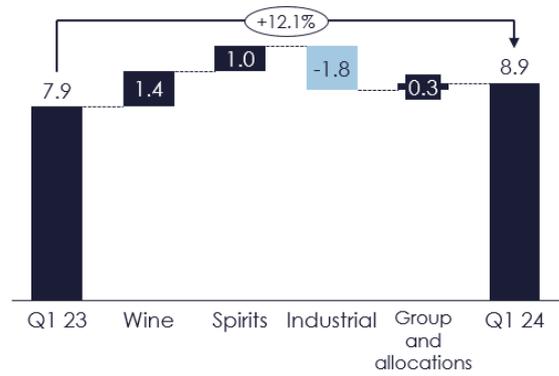
The performance of the Industrial segment was negatively impacted by lower volume and price erosion due to barley value based side product sales.

Items affecting comparability have been presented in appendix 1.

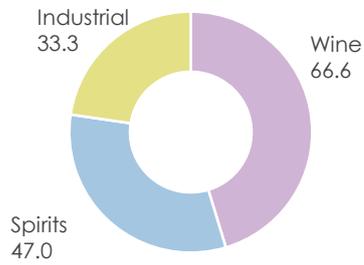
Q1 NET SALES (EXTERNAL), EUR MILLION



Q1 COMPARABLE EBITDA, EUR MILLION



Q1 NET SALES (EXTERNAL), EUR MILLION



Q1 COMPARABLE EBITDA, EUR MILLION



Wine

	Q1 24	Q1 23	Change,%	2023
Net sales, EUR million	66.6	73.3	-9.1%	334.3
Gross profit, EUR million	20.2	20.2	0.0%	89.9
Gross margin, % of net sales	30.3	27.6		26.9
Comparable EBITDA, EUR million	2.6	1.2	119.9%	12.4
Comparable EBITDA margin, % of net sales	4.0	1.6		3.7

Net sales

In Q1 2024, net sales in the Wine segment decreased by 9.1% to EUR 66.6 (73.3) million compared to last year due to Francois Lurton resignation in Sweden in March 2023 and discontinuation of low margin third party filling contracts in Denmark. The impact of exchange rate fluctuation was not significant on net sales due to hedging.

In Norway, net sales increased by 3.4% despite small decline in volumes. The overall wine monopoly market volumes declined by 1.3% for the period.

In Finland, net sales increased by 2.7% due to price increases and new listings. The overall wine monopoly market grew by 0.7% for the period in Finland due to Easter.

In Denmark Anora continued to increase its market share significantly, and strengthened its position as the leading wine company in Denmark. Net sales was impacted by discontinuation of low margin filling contracts.

In Sweden, Anora's net sales declined by 14.9% mainly due to the partner loss mentioned above. The overall wine monopoly market volumes grew by 0.9% in Sweden due to Easter.

Profitability

In Q1, the comparable EBITDA increased to EUR 2.6 (1.2) million, or 4.0% (1.6%) of net sales, due to price increases, improved gross margins and lower operating expenses.

Especially own wines contributed positively. Gross margin improved, while the gross profit remained stable.

In Sweden, the implemented price increases impacted gross profit and comparable EBITDA positively despite the lower net sales. In Norway, price increases delivered positively to the gross profit and comparable EBITDA. In Finland, the gross profit developed positively due to price increases and new listings. Also in Denmark the gross profit improved.

Events and new products

During the period, Anora has had successful launches, including with its important partner, AdVini, whose wine Laroche Pinot Noir Pouch was a successful launch in the customer order range at Vinmonopolet in Norway. In Sweden, Anora won two tender wins with the South African wine house Arniston Bay together with its partner AdVini. The white wine is in a sustainable frugal bottle (paper bottle with BIB inside), and will be the first one in Systembolaget. In Finland Anora started to work with new big partners Pasqua and Gisselbrecht. Also, the two new launches for the leading US white wine brand Kung Fu Girl exceeded expectations by directly gaining allocation to over 70 stores.

The market share comments are based on value data. Internal net sales, see page 25.

Spirits

	Q1 24	Q1 23	Change, %	2023
Net sales, EUR million	47.0	48.9	-3.3%	237.0
Gross profit, EUR million	20.7	20.3	1.8%	99.7
Gross margin, % of net sales	44.0	41.6		42.1
Comparable EBITDA, EUR million	6.8	5.8	17.3%	40.3
Comparable EBITDA margin, % of net sales	14.5	12.0		17.0

Net sales

In Q1 2024, net sales of the Spirits segment decreased by 3.3% from the previous year and amounted to EUR 47.0 (48.9) million. In the Spirits segment, all four Nordic markets delivered net sales growth in Q1, whereas the performance of the international sales was weaker, partly due to the harbour strike in Finland that disrupted export deliveries with limited gross profit effect. The impact of exchange rate fluctuation was not significant on net sales due to hedging.

International sales represented 32.3% of the Spirits segment net sales. Koskenkorva net sales grew from the previous year and represented over 15% of the total Spirits sales.

In Sweden, net sales increased by 6.8%. Anora's market share increased slightly in a growing market, especially in gin and rum categories, while enjoying a strong position in the vodka category.

In Norway, net sales increased by 1.0%. Anora's market share was flat in a declining market, with somewhat weaker demand for aquavits.

In Finland net sales increased by 1.2%, driven by price increases in all channels. Anora's market share increased slightly in a declining market.

In the international markets, net sales declined due to a drop in travel retail, as instead of travelling abroad, the Norwegians preferred travelling to Sweden due to weaker home currency. Net sales still continued to increase in Denmark and was up by 6.1%.

Profitability

In Q1, the comparable EBITDA of Spirits increased to EUR 6.8 (5.8) million, or 14.5% (12.0%) of net sales. The improvement of comparable EBITDA was mainly due to the price increases and additional cost control. The impacts of the price increases in the monopolies implemented as of September became clearly visible. Global Travel Retail performed extremely well compared to last year despite the drop in net sales.

Both gross margin and gross profit improved.

Events

Anora Spirits started the year with several new innovations. O.P. Anderson Dill and Explorer Organic Vodka in Sweden market were met with great consumer acceptance. In Finland Anora launched Leijona Namu Raspberry Sour, Leijona Bangkok Pineapple, Koskenkorva Tropical Spirit Drink and Corona Spanish Brandy. Koskenkorva Strawberry liqueur and Passionfruit Caipiroska were the novelties launched in the Baltics and Global Travel Retail. The Finnish grocery retail portfolio got two new ready-to-drink additions from Koskenkorva – Koskenkorva Pure Peach Raspberry and Koskenkorva Vichy Strawberry & Kiwi.

Koskenkorva brand attended the annual Bartenders Choice Awards, further strengthening the brand recognition in the Nordic restaurant scene. Linie on the other hand was the main sponsor of Bocus D'Or generating significant PR in Norway. Linie was also featured in Broadway in the Enemy of the State show starring Jeremy Strong.

The market share comments are based on value data. Net sales including internal sales, see page 25.

Industrial

	Q1 24	Q1 23	Change,%	2023
Net sales external, EUR million	33.3	37.7	-11.6%	155.1
Net sales internal, EUR million	21.9	29.9	-26.7%	114.3
Net sales (total), EUR million	55.2	67.5	-18.3%	269.5
Gross profit, EUR million	25.8	29.2	-11.6%	119.0
Gross margin, % of net sales	46.7	43.2		44.2
Comparable EBITDA, EUR million	0.8	2.5	-68.9%	17.5
Comparable EBITDA margin, % of net sales	1.5	3.7		6.5

Net sales

In Q1 2024, the Industrial segment's total net sales decreased to EUR 55.2 (67.5) million. External net sales decreased by 11.6 % to EUR 33.3 (37.7) million.

In the Industrial segment, net sales were negatively impacted by lower sales prices due to the lower price of barley combined with lower production volumes.

Profitability

In Q1, the comparable EBITDA of the Industrial segment was EUR 0.8 (2.5) million, or 1.5% (3.7%) of net sales. The performance of the Industrial segment was negatively impacted by lower volume and price erosion due to barley value based side product sales. Most of the decline came from Industrial Business as well as volume transfers from Gjelleråsen to Köge and Rajamäki.

Production

The record-high cost of grain seen in 2022 has now declined and the prices were below the corresponding period previous year.

Market environment in Q1/2024

The overall sales volume in the Nordic markets* declined by 0.8 % in the first quarter of 2024 compared to the corresponding period in the previous year. Spirits declined by 1.1% and wine by 0.7% in the first quarter of 2024 compared to the corresponding period in the previous year. Most of the decline in the first quarter is coming from the wine market decline in Denmark (4.6%) as well as the spirits market decline in Finland (4.3%). Growth was seen in the wine market in Finland (+0.7%) and the total market in Sweden +1.0% (spirits +1.6% and wines +0.9%).

In Denmark, the traffic is still moving toward the discount sector and the discount retailers, such as Netto and REMA 1000, are gaining market shares. Anora has continued to gain market share, which is a mix of increasing sales of the established Globus Wine products, the products launched last year picking up even better and new product launches.

After Covid-19 the consumption has shifted back from monopolies to on-trade, travel retail and border trade. Compared to pre-pandemic levels in 2019, the first quarter monopoly volumes in Norway and Sweden have grown by 20.5% and 8.4%, respectively, while in Finland the volumes are 3.6% below the corresponding level in 2019.

The availability and cost of raw materials, labour, energy and fuel have already partly impacted the operating environment. Also wage inflation has gradually increased. The impact of the price increases made last year due to higher input costs are visible in the fact that the overall sales has slowed down, resulting in consumers partly trading down.

In the Industrial segment, there was uncertainty in the market development of both industrial products and services. The barley and feed prices declined from the previous years' record-high levels. The demand for starch decreased, driven by lower demand from pulp and paper industry. Volumes in industrial services decreased compared to the previous year.

*The Nordic market sales volumes include overall monopoly sales in Finland, Sweden and Norway, and sales in Denmark. On-trade is excluded. Sales volume change in percent calculated from the change in sales volumes in millions of litres. Sources: Alko, Systembolaget, Vinmonopolet, Nielsen IQ.

Financial review

Financial items, result for the period and cash flow

In Q1, other operating income amounted to EUR 2.3 (2.2) million, mainly including income from the sales of steam, energy and water of EUR 1.2 (1.0) million, rental income of EUR 0.4 (0.3) million and fixed asset gain EUR 0.0 (0.3) million.

In Q1, employee benefit expenses totalled EUR 26.3 (25.5) million, including EUR 21.1 (20.0) million in wages and salaries. Other operating expenses amounted to EUR 29.5 (32.3) million.

Net financial expenses amounted to EUR 4.5 (5.3) million in Q1. The earnings per share amounted to EUR -0.03 (-0.08) in Q1.

The net cash flow from operations totalled EUR -44.6 (3.6) million in Q1, explained by the seasonal increase in working capital of EUR -44.3 (8.8) million. This seasonal increase in working capital compared to year-end of 2023 was mitigated by further progress in reducing inventories on a comparable basis, which in addition to the impact of the Larsen divestiture resulted in working capital being significantly lower than last year, amounting to EUR -31.7 (53.7) million at the end of March. The receivables sold amounted to EUR 125.3 (92.8) million at the end of the reporting period.

In January–March, gross capital expenditure totalled EUR 2.8 (2.2) million. During the period, the capital expenditure was allocated mainly to replacement investments and to improve work safety and energy efficiency.

Financing and balance sheet

At the end of the reporting period, the Group's net debt amounted to EUR 176.6 (285.5) million. The decrease in net debt was due primarily to the sale of Larsen business. The reported net debt to comparable EBITDA was 2.6 (4.0) times.

ABF has exercised their call option to acquire all of Anora Group Plc's shares in Roal Oy at a fixed purchase price of EUR 7.6 million. The transaction was closed on 28 March 2024.

Anora Group's liquidity position was strong throughout the period. Cash and cash equivalents amounted to EUR 165.8 (111.4) million, while the interest-bearing debt including lease liabilities amounted to EUR 342.4 (397.0) million. The Group has a revolving credit facility of EUR 150.0 (150.0) million of which EUR 0.0 (0.0) million was in use at the end of the reporting period. In December 2023 Anora exercised its first extension option in relation to its credit facilities agreement, thus extending the term loan and revolving credit facilities maturity by one year to December 2026.

The gearing ratio at the end of the reporting period was 44.1% (62.2%), while the equity ratio was 37.5% (37.8%).

BALANCE SHEET KEY FIGURES

	Q1 24	Q1 23	2023
Reported net debt / comparable EBITDA (rolling 12 months)	2.6	4.0	2.0
Borrowings, EUR million	215.5	265.7	216.3
Interest-bearing net debt, EUR million	176.6	285.5	137.5
Equity ratio, %	37.5	37.8	36.0
Gearing, %	44.1	62.2	33.6
Capital expenditure, EUR million	2.8	2.2	12.6
Total assets, EUR million	1,069.1	1,213.2	1,135.7



Sustainability

Improved ESG ratings

In February 2024, Anora was awarded the Gold Medal in **EcoVadis'** Corporate Social Responsibility Rating for the fourth time in a row. The score of 74/100 (68/100) improved from the previous year, and places Anora in the top 5% of all companies assessed. Anora also received its first **CDP** Climate Change rating of B for coordinated action on climate issues during Q1 2024. The score is higher than the food and beverage processing sector average of B-. From **S&P Global** Anora received an ESG score of 49 (39), an improvement of 10 points compared to our 2022 score. The average score in Anora's peer group of 98 beverage companies was 29 points and Anora performed in the top quartile in the beverages industry.

Milestones in our climate work

In 2023 Anora made significant progress in reducing emissions: the total scope 1 and 2 emissions decreased by 21%, thanks to the transition to renewable wind electricity at Koskenkorva Distillery. In 2024 Anora continued its journey towards carbon neutral production, without compensations, by 2030, and at Koskenkorva Distillery already during 2026.

Anora submitted science-based targets on emission reduction to Science Based Targets initiative in December 2023 and is waiting for SBTi to start the review in Q2 2024 and validate the targets during 2024.

Building of safety culture

During Q1, Anora's **total sickness absence rate** was 4.7* (5.9) percent and lost time injury frequency **LTIF** was 4.6 (7.5). Both KPIs are for Anora's own employees; LTIF does not include commuting.

* = Globus Wine information not included

ESG KPIS DURING THE PERIOD

	Q1 24	Q1 23	2023
Total water use (m3)			
Gjelleråsen, Norway	7,486	10,243	39,036
Rajamäki, Finland	29,636	30,645	288,820
Globus Wine, Denmark	6,814	7,134	28,703
Koskenkorva, Finland	126,848	123,940	507,700
Total	163,970	171,962	864,259
Total energy (MWh)			
Gjelleråsen, Norway	3,284	3,230	10,891
Rajamäki, Finland	8,817	8,395	28,859
Globus Wine, Køge Denmark	1,070	1,156	3,626
Koskenkorva, Finland	32,891	32,698	124,071
Total	44,992	45,479	167,447

The KPI's above include Anora's four biggest production plants: Gjelleråsen, Koskenkorva, Rajamäki and Køge.

Personnel

Anora Group employed 1,220 (1,284) persons at the end of the period and on average 1,214 (1,281) persons during January-March 2024.

PERSONNEL BY COUNTRY AT THE END OF THE PERIOD

	31 March 2024	31 March 2023	31 December 2023
Finland	431	434	416
Norway	354	376	360
Sweden	163	172	171
Denmark	170	168	171
Estonia	63	69	61
Latvia	31	33	31
France	0	22	0
Germany	8	9	9
Total	1,220	1,284	1,219

Key events in Q1

Changes in Anora's Executive Management Team

Anora announced on 8 March 2024 that Stein Eriksen (49), M.Sc. (Econ.), has been appointed as CFO and a member of the Executive Management Team of Anora Group from the beginning of August 2024. He will report to Jacek Pastuszka, CEO. Stein Eriksen's latest position has been CFO of the Norwegian stock-listed company XXL ASA, the largest sports retailer in the Nordic countries. He has also acted in a combined role as the Interim CEO and CFO of XXL ASA. Prior to that, he has had a long career at the Norwegian stock-listed blue-chip company Orkla, a leading industrial investment company focused on brands and consumer-oriented companies. At Orkla, Stein's most recent positions were CFO at Orkla Care and SVP Finance at Orkla ASA. Anora announced the resignation of its CFO Sigmund Toth on 8 January 2024. He will continue in his current position until 1 August 2024, at the latest.

Anora share

Anora's shares are listed on the Nasdaq Helsinki with the trading code "ANORA" and the ISIN code FI4000292438. All shares carry one vote and have equal voting rights. At the end of the reporting period, Anora Group Plc's share capital amounted to EUR 61,500,000 and the number of issued shares was 67,553,624.

SHARE PERFORMANCE, NASDAQ HELSINKI

	Q1 2024	Q1 2023	2023
Closing price on the last day of trading, EUR	5.36	5.54	4.36
Highest price, EUR	5.39	7.69	7.69
Lowest price, EUR	4.18	5.16	3.98
Volume	3,747,663	4,179,800	19,221,711
Market capitalisation, EUR million	362	374	294.5

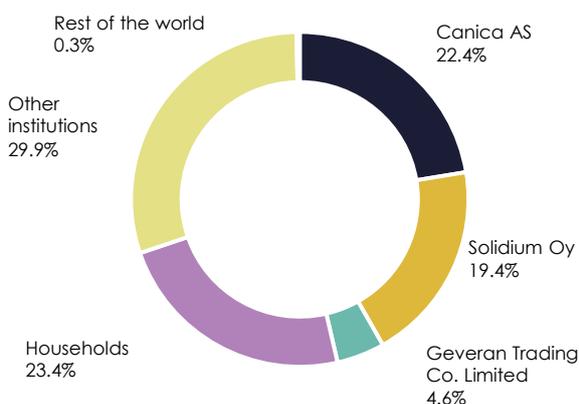
LARGEST SHAREHOLDERS REGISTERED IN EUROCLEAR FINLAND ON 28 MARCH 2024

Shareholder	Number of shares	% of shares
1 Solidium Oy	13,097,481	19.4
2 Varma Mutual Pension Insurance Company	2,031,240	3.0
3 Ilmarinen Mutual Pension Insurance Company	1,290,000	1.9
4 WestStar Oy	1,199,705	1.8
5 Elo Mutual Pension Insurance Company	641,000	0.9
6 Veritas Pension Insurance Company Ltd.	460,000	0.7
7 Savolainen Heikki Antero	367,571	0.5
8 OP Life Assurance Company Ltd	289,495	0.4
9 Eriksson Trygve	200,000	0.3
10 Rantalainen-Yhtiöt Oy	190,000	0.3
10 biggest owners in total	19,766,492	29.3

Shareholders

At the end of the period, Anora had 28,430 (28,381) registered shareholders in Euroclear Finland. The share of nominee-registered shares was 41.1 (43.2) %.

The chart provides an illustration of Anora's ownership structure including the largest shareholders based on information provided to the company. In the Euroclear Finland data, the shareholdings of Canica AS and Geveran Trading Co. Limited are included in the nominee-registered shares.



Flagging notifications

There were no flagging notifications during January-March 2024.

>>> Visit our website for updated information about the Anora share and shareholders: www.anora.com/en/investors

Short-term risks and uncertainties

There have been no material changes in Anora's short-term risks and uncertainties and risk management reported in the Report by the Board of Directors presented in the Annual Report of 2023. Those risks and uncertainties are still valid.

The most significant short term risks and uncertainties relate to the overall economic development, impact of regulatory changes, the geopolitical environment, disruptions in supply chains, price and availability of raw materials and cyber threats. In addition, the short-term risks relate also to the integration of acquired businesses, as well as related finance processes.

Significant uncertainties relate to the overall economic development and its impacts on consumption, to the competitive environment, and to the effects on consumer behaviour due to potential regulatory changes in areas such as alcohol taxation, excise taxation and alcohol legislation. The elevated inflation levels in Anora's operating countries pose several risks and may lead to a recession within the operating area and also more widely as a result of the weakening economic sentiment and consumer spending. Also wage inflation has gradually increased. Availability of funding, foreign exchange rates and interest rates may be affected significantly by the volatile situation on the global capital markets.

Unexpected and unforeseen disruptions in the supply chain, production and deliveries are significant short-term risks related to operations, as well as sudden and significant changes in the prices of raw materials. Risks can be caused by internal or external events.

The increasingly unstable geopolitical environment, particularly in the Middle East, could also negatively affect Anora's business, profitability and operating environment. Significant risks and uncertainties relate to an escalation of the already existing global supply chain disruptions with also potential threats to shipping routes, to the supply of grain, and to further price increases across all input costs. The risk of rising energy and fuel prices and volatility in production volumes continue. Strikes as well as possible problems with the availability and cost of raw materials, labour, energy and fuel may impact the operating environment and Anora's business and profitability in the near future.

Cyber risk threat levels have also increased lately and government authorities have warned of an increasing threat and number of cyber-attacks. There have been reported cases of cyber-attacks on business enterprises and government authorities with severe impacts. Anora continuously improves its cyber security operations and technologies. It cannot be excluded that also Anora or its business partners could face cyber-attacks with potentially significant impact on Anora's business, profitability and operations.

Certain risks have already partly materialised.

Annual General Meeting and decisions by the Board

Anora Group Plc's Annual General Meeting (AGM) was held in Helsinki on 17 April 2024.

The AGM adopted the financial statements and discharged the members of the Board of Directors and the CEO from liability for the financial year 2023. The AGM approved the proposal by the Board of Directors to pay a dividend of EUR 0.22 per share for the financial year 2023. The AGM adopted the Remuneration Report and Remuneration Policy of the governing bodies.

The AGM decided on the remuneration of the members of the Board of Directors elected by the AGM. The AGM approved the number of members of the Board of Directors elected by the AGM to be seven. In addition to the Board members elected by the AGM, Anora's employees have, in accordance with the agreement on employee participation between Anora and the special negotiating body of the employees, elected one member and a deputy to the Board of Directors.

The AGM re-elected PricewaterhouseCoopers Oy as the company's auditor for a term that ends at the close of the next AGM. PricewaterhouseCoopers Oy was also selected as a sustainability auditor for the same term.

The AGM authorized the Board of Directors to resolve on the repurchase of the company's own shares. In addition, the AGM authorized the Board of Directors to resolve on the issuance of shares for the purposes of financing or carrying out corporate acquisitions or other arrangements as well as to resolve on the issuance of shares for remuneration purposes.

Anora's Board of Directors have elected the members of the Audit Committee and Human Resources Committees.

The decisions of the AGM and the members of the Board Committees are presented in the stock exchange release published on 17 April 2024.

Dividend payment

The Annual General Meeting approved the proposal by the Board of Directors to pay a dividend of EUR 0.22 per share for the financial year 2023. The dividend was paid on 26 April 2024 to a shareholder who were registered in the shareholders' register held by Euroclear Finland Oy on the record date of the payment, i.e. 19 April 2024.

Outlook for 2024

Market outlook

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

Guidance

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

Events after the period

Anora Group Plc's Annual General Meeting (AGM) was held in Helsinki on 17 April 2024. The decisions of the AGM and the members of the Board Committees are presented in the stock exchange release published on 17 April 2024 and also described in this Interim Report under "Annual General Meeting and decisions by the Board".

Contacts

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Conference call

CEO Jacek Pastuszka and CFO Sigmund Toth will present the report on the same day at 11:00 am EEST.

Link

The presentation will be held as a Microsoft Teams Meeting. We recommend that participants join the event using the online meeting option: [Join meeting here](#).

It is also possible to dial-in to the meeting about 5 minutes earlier at the following numbers:

- FI: +358 9 2310 6678
- NO: +47 21 40 41 04
- SE: +46 8 502 428 54
- DK: + 45 32 72 56 80
- UK: +44 20 7660 8309
- US: +1 917-781-4622
- Conference ID 727 749 663#

Q&A

Questions to the management can be sent through the Teams chat.

Presentation material

The presentation material will be shared in the online meeting and it can be downloaded on Anora's website at: www.anora.com/investors

On-demand recording

A recording of the presentation will be available on Anora's website.

Financial calendar

- 20 August 2024: Half-year report for January-June 2024
- 7 November 2024: Interim report for January-September 2024

Financial statements and notes

CONSOLIDATED INCOME STATEMENT

EUR million	Q1 24	Q1 23	2023
Net sales	146.9	159.5	726.5
Other operating income	2.3	2.2	20.3
Materials and services	-85.6	-97.1	-441.4
Employee benefit expenses	-26.3	-25.5	-103.8
Other operating expenses	-29.5	-32.3	-134.1
Depreciation, amortisation and impairment	-6.9	-8.6	-98.8
Operating result	0.8	-1.7	-31.3
Finance income	4.7	4.2	24.6
Finance expenses	-9.2	-9.5	-47.4
Share of profit in associates and joint ventures and income from interests in joint operations	0.7	1.1	0.2
Result before taxes	-3.0	-5.9	-53.9
Income tax expense	0.8	0.3	13.9
Result for the period	-2.2	-5.6	-39.9
Result for the period attributable to:			
Owners of the parent	-2.3	-5.6	-39.9
Non-controlling interests	0.0	0.0	0.0
Earnings per share for the result attributable to owners of the parent, EUR			
Basic	-0.03	-0.08	-0.59
Diluted	-0.03	-0.08	-0.58

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR million	Q1 24	Q1 23	2023
Result for the period	-2.2	-5.6	-39.9
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations	-	-	-0.1
Related income tax	-	-	0.0
Total	-	-	-0.1
Items that may be reclassified to profit or loss			
Cash flow hedges	2.2	-3.9	-6.7
Translation differences	-6.9	-13.9	-12.8
Income tax related to these items	-0.4	0.7	1.0
Total	-5.1	-17.1	-18.5
Other comprehensive income for the period, net of tax	-5.1	-17.1	-18.6
Total comprehensive income for the period	-7.4	-22.7	-58.5
Total comprehensive income attributable to:			
Owners of the parent	-7.4	-22.7	-58.4
Non-controlling interests	0.0	0.0	-0.1

CONSOLIDATED BALANCE SHEET

EUR million	31 March 2024	31 March 2023	31 Dec 2023
ASSETS			
Non-current assets			
Goodwill	299.0	305.0	304.3
Other intangible assets	199.6	213.8	206.3
Property, plant and equipment	62.6	74.9	62.7
Right-of-use assets	64.2	123.2	67.9
Investments in associates and joint ventures and interests in joint operations	12.1	20.8	12.3
Financial assets at fair value through other comprehensive income	0.7	0.7	0.7
Other receivables	0.0	0.0	0.0
Deferred tax assets	0.0	0.6	0.0
Total non-current assets	638.3	739.0	654.1
Current assets			
Inventories	158.5	214.7	144.2
Trade and other receivables	95.4	137.9	110.1
Derivatives receivables	2.6	2.8	0.8
Current tax assets	8.5	7.3	6.1
Cash and cash equivalents	165.8	111.4	212.7
Assets held for sale	-	-	7.6
Total current assets	430.8	474.1	481.6
Total assets	1,069.1	1,213.2	1,135.7
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	61.5	61.5	61.5
Invested unrestricted equity fund	336.8	336.8	336.8
Legal reserve	0.0	0.5	0.0
Hedge reserve	0.3	0.9	-1.5
Translation differences	-50.9	-46.9	-44.0
Retained earnings	52.2	105.4	54.5
Equity attributable to owners of the parent	399.8	458.2	407.3
Non-controlling interests	0.6	0.7	0.5
Total equity	400.4	458.9	407.8
Non-current liabilities			
Deferred tax liabilities	35.8	53.8	36.5
Borrowings	214.0	215.3	214.8
Non-current liabilities at fair value through profit or loss	0.1	0.6	0.1
Lease liabilities	114.1	119.4	120.7
Other liabilities	0.0	0.0	0.0
Employee benefit obligations	2.4	2.5	2.4
Total non-current liabilities	366.4	391.5	374.5
Current liabilities			
Borrowings	1.5	50.4	1.5
Current liabilities at fair value through profit or loss	0.7	-	0.6
Lease liabilities	12.8	11.9	13.3
Provisions	3.1	-	3.9
Trade and other payables	282.5	298.9	329.6
Derivatives liabilities	0.0	0.3	2.2
Current tax liabilities	1.6	1.3	2.2
Total current liabilities	302.3	362.7	353.4
Total liabilities	668.7	754.3	727.9
Total equity and liabilities	1,069.1	1,213.2	1,135.7

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR million	Q1 24	Q1 23	2023
Cash flow from operating activities			
Result before taxes	-3.0	-5.9	-53.9
Adjustments			
Depreciation, amortisation and impairment	6.9	8.6	98.8
Share of profit in associates and joint ventures income from investments in joint operations	-0.7	-1.1	-0.2
Net gain on sale of non-current assets	-0.0	-0.3	-12.2
Finance income and costs	4.5	5.3	22.8
Other adjustments	-0.4	-0.7	0.2
Adjustments total	10.3	11.7	109.3
Change in working capital			
Change in inventories, increase (-) / decrease (+)	-16.8	-33.6	8.3
Change in trade and other receivables, increase (-) / decrease (+)	12.8	92.8	119.8
Change in trade and other payables, increase (+) / decrease (-)	-40.3	-50.4	-18.9
Change in working capital	-44.3	8.8	109.2
Interest paid	-6.5	-5.3	-28.2
Interest received	3.0	1.5	12.0
Other finance income and expenses paid	-0.9	-2.4	-8.0
Income taxes paid	-3.3	-4.9	-5.2
Financial items and taxes	-7.7	-11.0	-29.4
Net cash flow from operating activities	-44.6	3.6	135.3
Cash flow from investing activities			
Payments for property, plant and equipment and intangible assets	-2.8	-2.2	-12.6
Proceeds from sale of property, plant and equipment and intangible assets	0.1	0.3	0.9
Proceeds from financial assets at fair value through other comprehensive income	-	-	0.0
Proceeds received from disposals of subsidiaries and business operations (net of cash)	-	-	52.3
Proceeds received from assets held for sale	7.6	-	-
Acquisitions of subsidiaries and business operations	-	-	-0.1
Interest received from investments in joint operations	0.9	0.9	0.9
Dividends received	-	-	0.2
Net cash flow from investing activities	5.8	-0.9	41.6
Cash flow from financing activities			
Changes in commercial paper program	-	18.9	-30.0
Repayment of borrowings	-0.7	-0.8	-1.5
Repayment of lease liabilities	-3.2	-2.9	-11.1
Dividends paid and other distributions of profits	-	-	-15.1
Net cash flow from financing activities	-3.9	15.3	-57.7
Change in cash and cash equivalents	-42.8	18.0	119.2
Cash and cash equivalents at the beginning of the period	212.7	91.4	91.4
Translation differences on cash and cash equivalents	-4.1	2.1	2.1
Change in cash and cash equivalents	-42.8	18.0	119.2
Cash and cash equivalents at the end of the period	165.8	111.4	212.7

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR million	Share capital	Invested un-restricted equity fund	Legal reserve	Hedge reserve	Translation differences	Retained earnings	Equity attributable to owners of the parent company	Non-controlling interests	Total equity
Equity at 1 January 2023	61.5	336.8	0.5	4.2	-33.0	110.7	480.5	0.9	481.4
Total comprehensive income									
Result for the period	-	-	-	-	-	-5.6	-5.6	0.0	-5.6
Other comprehensive income (net of tax)									
Cash flow hedges	-	-	-	-3.2	-	-	-3.2	-	-3.2
Translation differences	-	-	-	-	-13.9	0.0	-13.9	-0.0	-13.9
Total comprehensive income for the period	-	-	-	-3.2	-13.9	-5.6	-22.7	0.0	-22.7
Transactions with owners									
Dividend distribution	-	-	-	-	-	-	-	-0.1	-0.1
Share based payment	-	-	-	-	-	0.3	0.3	-	0.3
Total transactions with owners	-	-	-	-	-	0.3	0.3	-0.1	0.2
Equity at 31 March 2023	61.5	336.8	0.5	0.9	-46.9	105.4	458.2	0.7	458.9
Equity at 1 January 2024	61.5	336.8	0.0	-1.5	-44.0	54.5	407.3	0.5	407.8
Total comprehensive income									
Result for the period	-	-	-	-	-	-2.3	-2.3	0.0	-2.2
Other comprehensive income (net of tax)									
Cash flow hedges	-	-	-	1.8	-	-	1.8	0.0	1.8
Translation differences	-	-	-	-	-6.9	0.0	-6.9	-0.0	-6.9
Total comprehensive income for the period	-	-	-	1.8	-6.9	-2.3	-7.4	0.0	-7.4
Transactions with owners									
Share-based payments	-	-	-	-	-	-0.1	-0.1	-	-0.1
Total transactions with owners	-	-	-	-	-	-0.1	-0.1	-	-0.1
Equity at 31 March 2024	61.5	336.8	0.0	0.3	-50.9	52.2	399.8	0.6	400.4

Accounting principles

The Interim Report has been prepared in accordance with the International Financial Reporting Standards (IFRS) and IAS 34 Interim Financial Reporting as approved by the EU.

All the figures have been rounded and consequently the sum of individual figures can deviate from the presented aggregate figures.

The Group adopts the guidance on alternative performance measures issued by the European Securities and Market Authority (ESMA). In addition to key ratios, the Group releases other commonly used alternative key ratios mainly derived from the statement of comprehensive income and consolidated balance sheet. In addition to IFRS and alternative key ratios, the adjusted alternative key ratios are used by adding or deducting items affecting comparability.

Critical accounting estimates

The preparation of the financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from the estimates.

KEY EXCHANGE RATES IN EUROS

		Average rate	31 Mar 2024 End rate	Average rate	31 Mar 2023 End rate
Swedish krona	SEK	11.3361	11.5250	11.2355	11.2805
Norwegian krone	NOK	11.5140	11.6990	11.0912	11.3940
Danish krone	DKK	7.4557	7.4580	7.4416	7.4485

SEASONALITY

There are substantial seasonal fluctuations in the consumption of alcoholic beverages impacting the net sales and cash flow of Anora. The company typically generates large amounts of its revenue and cash flow during the fourth quarter of the year, whereas the first quarter of the year is significantly lower. In addition, excise taxes related to the high season at the end of the year are paid in Q1, resulting in large cash outflows at the beginning of the next year. Also, the timing of Easter fluctuating between Q1 and Q2 impacts quarterly sales and profitability.

Changes in Group structure

SALE OF DISPOSAL GROUP

Anora Group sold its Larsen cognac business to International Beverage Holdings limited as at 29th of September 2023. The disposal includes Anora's brands Larsen, Renault, Monopol and ibis as well as the company's subsidiary Larsen S.A.S with its production site in Cognac, France and Anora's eaux-de vie maturation stock. The criteria for a disposal group set in IFRS 5 Non current assets held for sale and discontinued operations was met during Q3 2023.

The following table reflects the net assets sold in 2023, including disposal consideration.

EUR million	31/12/2023
The carrying amounts of assets and liabilities sold as at the date of sale	
Goodwill	2.8
Other intangible assets	2.2
Property, plant and equipment	4.2
Inventory	31.4
Trade and other receivables	1.7
Cash and cash equivalents	4.2
Total Assets	46.4
Deferred tax liabilities	0.1
Employee benefit obligations	0.1
Trade and other payables	1.3
Total Liabilities	1.5
Net Assets sold	44.9
Total disposal consideration in cash	58.5
Transaction costs	-2.0
Total capital gain	11.6

Segment information

The reportable segments of Anora in these consolidated financial statements consist of Wine, Spirits, and Industrial.

The Board of Directors of Anora has been determined as the group's chief operative decision maker being responsible for allocating resources, deciding on strategy and assessing performance of the operating segments. The reportable segments are based on Anora's operating structure and internal reporting to the CODM used to assess the performance of the segments.

For internal reporting purposes, reporting on the segment profit is based on internal measures of gross profit and comparable EBITDA derived as follows:

- Net sales and direct segment expenses including costs of goods sold reported within the Gross Profit and Comparable EBITDA segment profit measures are measured and reported under the same accounting principles as in the consolidated accounts.
- Expenses allocated to the segments related to shared function costs or business support services expenses comprise costs such as centralized marketing costs, IT infrastructure related costs, shared support services, headquarter costs including finance and treasury, communication, legal and human resource related costs as well as certain warehousing and service fees. For internal reporting purposes these cost allocations are based on budgeted amounts and variances from budgeted amounts are presented under column "Group and allocations" and can result in either incurred overruns or savings compared to budgeted amounts. These variances are not allocated to the segments for internal reporting purposes.
- The group and allocations column represents, in addition to the budget variances, certain unallocated headquarter costs.

The reportable segments comprise the following:

Wine

The Wine segment develops, markets and sells Anora's own wine brands as well as partner wines to customers in the Nordic monopoly markets and Denmark. Wine segment in Denmark also include contract manufacturing and logistics services on behalf of other group companies. During 2023 the Group initiated a Center of Excellence program in order to improve production efficiency, which mean that contract manufacturing for wine will be concentrated in Globus Wine in Denmark during the years to come.

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.

EXTERNAL NET SALES BY SEGMENT

EUR million	Q1 24	Q4 23	Q3 23	Q2 23	Q1 23
Wine	66.6	101.4	78.1	81.6	73.3
Spirits	47.0	73.7	57.2	58.7	48.6
Industrial	33.3	37.3	37.8	42.4	37.7
Total	146.9	212.4	173.0	182.7	159.5

COMPARABLE EBITDA BY SEGMENT

EUR million	Q1 24	Q4 23	Q3 23	Q2 23	Q1 23
Wine	2.6	10.2	2.3	-1.3	1.2
Spirits	6.8	16.2	11.8	7.6	5.8
Industrial	0.8	3.1	6.0	5.9	2.5
Group allocation	-1.4	-1.3	0.2	0.8	-1.6
Total	8.9	28.2	20.2	13.0	7.9

A reconciliation of alternative key ratios to IFRS figures is presented in appendix 1.

SEGMENTS Q1 2024

EUR million	Wines	Spirits	Industrial	Group and allocations	Eliminations	Group
Net sales external	66.6	47.0	33.3	0.0	0.0	146.9
Net sales internal	0.0	0.0	21.9	0.0	-21.9	0.0
Total Net Sales	66.6	47.0	55.2	0.0	-21.9	146.9
Other operating income external	0.1	0.0	2.1	0.1	0.0	2.3
Other operating income internal	0.0	0.0	3.2	7.6	-10.7	0.0
Total Other operating income	0.1	0.0	5.3	7.6	-10.7	2.3
Materials and services	-46.5	-26.3	-34.7	0.0	21.9	-85.6
Gross profit	20.2	20.7	25.8	7.6	-10.7	63.6
Other operating expenses	-17.9	-14.0	-25.2	-9.5	10.7	-55.8
EBITDA	2.3	6.7	0.6	-1.9	0.0	7.8
Items affecting comparability	0.4	0.1	0.2	0.5	0.0	1.1
Comparable EBITDA	2.6	6.8	0.8	-1.4	0.0	8.9
EBITDA						7.8
Depreciation, amortisation and impairment						-6.9
Operating result						0.8
Gross margin %	30.3%	44.0%	46.7%			43.3%
Comparable EBITDA margin %	4.0%	14.5%	1.5%			6.1%

SEGMENTS Q1 2023

EUR million	Wines	Spirits	Industrial	Group and allocations	Eliminations	Group
Net sales external	73.3	48.6	37.7	0.0		159.5
Net sales internal		0.3	29.9		-30.2	
Total Net Sales	73.3	48.9	67.5	0.0	-30.2	159.5
Other operating income external			1.7	0.5		
Other operating income internal	0.4	0.0	1.7	10.3	-12.4	2.2
Total Other operating income	0.4	-0.0	3.4	10.8	-12.4	2.2
Materials and services	-53.5	-28.6	-41.8	0.0	26.7	-97.1
Gross profit	20.2	20.3	29.2	10.8	-15.9	64.6
Other operating expenses	-19.6	-14.7	-26.7	-12.6	15.9	-57.8
EBITDA	0.6	5.7	2.4	-1.8		6.9
Items affecting comparability	0.6	0.2	0.1	0.2		1.1
Comparable EBITDA	1.2	5.8	2.5	-1.6		7.9
EBITDA						6.9
Depreciations						-8.6
Operating result						-1.7
Gross margin %	27.6%	41.6%	43.2%			40.5%
Comparable EBITDA margin %	1.6%	12.0%	3.7%			5.0%

Notes to the financial statements

PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND RIGHT-OF-USE ASSETS

EUR million	Other Intangible assets	Goodwill	Property, plant and equipment	Right- of- use assets	Total
Acquisition cost at 1 January 2024	348.7	339.8	287.1	170.0	1,145.5
Additions	0.5	-	2.3	0.4	3.2
Disposals	-0.4	-	0.3	-0.1	-0.2
Effect of movement in exchange rates	-6.9	-9.3	-1.7	-5.4	-23.4
Acquisition cost at 31 March 2024	341.8	330.5	288.0	164.9	1,125.1
Accumulated depreciation, amortisation and impairment losses at 1 January 2024	-142.3	-35.5	-224.4	102.1	-504.3
Depreciation and amortisation	-2.6	-	-2.1	-2.3	-6.9
Accumulated depreciation and amortisation on disposals and transfers	0.3	-	-0.3	-	0.0
Effect of movement in exchange rates	2.4	4.1	1.5	3.8	11.7
Accumulated depreciation, amortisation and impairment losses at 31 March 2024	-142.2	-31.4	-225.3	100.6	-499.6
Carrying amount at 1 January 2024	206.3	304.3	62.9	67.9	641.4
Carrying amount at 31 March 2024	199.6	299.0	62.6	64.2	625.5
Acquisition cost at 1 January 2023	374.4	353.3	311.7	194.0	1,233.4
Additions	0.3	-	1.9	0.3	2.4
Disposals	-	-	-0.5	-2.1	-2.6
Effect of movement in exchange rates	-13.6	-14.5	-3.4	-11.8	-43.3
Acquisition cost at 31 March 2023	361.2	338.8	309.7	180.3	1,190.0
Accumulated depreciation, amortisation and impairment losses at 1 January 2023	-148.3	-42.8	-235.0	-57.2	-483.4
Depreciation and amortisation	-2.9	-	-2.3	-3.3	-8.6
Accumulated depreciation and amortisation on disposals and transfers	-	-	0.4	-	0.4
Effect of movement in exchange rates	3.8	9.0	2.1	3.5	18.4
Accumulated depreciation, amortisation and impairment losses at 31 March 2023	-147.4	-33.8	-234.8	-57.1	-473.1
Carrying amount at 1 January 2023	226.1	310.5	76.7	136.8	750.1
Carrying amount at 31 March 2023	213.8	305.0	74.9	123.2	716.9

RELATED PARTY TRANSACTIONS

The following transactions have taken place with related parties:

EUR million	Q1 2024	Q1 2023	2023
Sales of goods and services			
Associated companies	0.3	0.3	1.0
Finnish government related entity	18.5	17.9	91.6
Total sales of goods and services	18.7	18.1	92.7
Purchases of goods and services			
Associated companies	1.2	1.5	5.8
Shareholder	0.4	0.6	2.2
Finnish government related entity	0.2	0.3	1.3
Total purchases of goods and services	1.8	2.4	9.3
Receivables			
Associated companies	0.0	0.2	0.1
Finnish government related entity	2.4	8.2	3.0
Total receivables	2.4	8.4	3.1
Payables			
Associated companies	0.0	0.5	0.2
Shareholder	0.1	0.2	0.3
Finnish government related entity	0.0	0.0	0.1
Total payables	0.1	0.8	0.6

The Company's related parties include the subsidiaries, associated companies, joint ventures and joint operations. Related party transactions include such operations that are not eliminated in the Group's consolidated financial statements. Related party also include the Board of Directors, the CEO, the members of the Executive Management Team and their family members as well as entities controlled or jointly controlled by these persons. The transactions with these persons are related to remunerations, presented in the Group's remuneration report for 2023, which will be part of the Group's Annual Report 2023. In addition, entities that are controlled or jointly controlled by, or are associates of the State of Finland, are related parties of Anora. Anora has applied the exemption to report only material transactions with the Finnish government related entities. Transactions with related parties are entered into on market terms. Anora has related party transactions on a continuous basis with its major customer Alko. Transactions with Alko have been presented above under Other companies considered related parties.

ASSOCIATED COMPANIES AND JOINT ARRANGEMENTS

EUR million	31 March 2024	31 March 2023	31 Dec 2023
Investments in associated companies and joint arrangements:			
At the beginning of the reporting period	12.3	20.7	20.7
Acquisition of subsidiaries	-	-	-
Additions	-	-	0.1
Share of result for the period	-0.2	0.2	0.2
Transfer to subsidiary shares	-	-	-
Dividend	-	-	-1.1
Translation differences	-0.0	-0.0	-0.0
Reclassified to assets held for sale	-	-	-7.6
At the end of the reporting period	12.1	20.8	12.3
Financial summary of associated companies:			
Assets	43.2	45.0	43.8
Liabilities	20.5	18.6	20.3
Net assets	22.7	26.3	23.5
Net sales	6.9	6.4	28.7
Result for the period	-0.7	0.4	-3.0

COLLATERALS, COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES

EUR million	31 March 2024	31 March 2023	31 Dec 2023
Collaterals given on behalf of Group companies			
Mortgages	18.5	18.5	18.5
Guarantees	12.4	8.9	13.0
Total collaterals	30.9	27.8	31.5
Commitments			
Short-term and low value lease obligations			
Less than one year	0.3	0.2	0.3
Between one and five years	0.3	0.3	0.3
Other commitments	3.3	18.9	2.3
Total commitments	3.9	19.4	2.9
Assets not recognised in the balance sheet			
Emission allowances, kilotons			
Emission allowances received *	22.6	22.6	22.6
Excess emission allowances from the previous period	1.0	2.0	2.0
Sold emission allowances	-	-	-2.0
Realised emissions	-4.9	-6.5	-21.6
Total emission allowances	18.7	18.1	1.028
Fair value of emission allowances (EUR million)	0.8	1.5	0.1

* Emission allowances for the year 2024 are not yet shown in the account.

An insurance claim relating to the acquisition of Globus Wine

Anora made a claim during Q2 2023 under the warranties and indemnity insurance policy taken in connection with the acquisition of Globus Wine. Anora thus has a contingent asset in the form a potential insurance compensation.

CLASSIFICATION AND FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

EUR million	Derivatives, hedge accounting	Fair value through profit or loss	Amortised cost	Fair value through other comprehensive income	Carrying amounts of items in the balance sheet	Fair value	Level
Financial assets							
Non-current financial assets							
Receivables from interests in joint operations	-	-	7.6	-	7.6	7.6	
Unquoted shares	-	-	-	0.7	0.7	0.7	3
Other non-current receivables	-	-	0.0	-	0.0	0.0	
Current financial assets							
Trade and other receivables	-	-	81.1	-	81.1	81.1	
Derivative instruments/Forward exchange contracts	1.2	1.2	-	-	2.4	2.4	2
Derivative instruments/Commodity derivatives	0.2	-	-	-	0.2	0.2	2
Cash and cash equivalents	-	-	165.8	-	165.8	165.8	
Assets held for sale	-	-	-	-	-	-	
Financial assets at 31 March 2024	1.4	1.2	254.5	0.7	257.7	257.7	
Financial assets at 31 March 2023	2.7	0.3	242.8	0.7	246.5	246.5	
Financial liabilities							
Non-current financial liabilities							
Borrowings	-	-	214.0	-	214.0	214.0	2
Lease liabilities	-	-	114.1	-	114.1	114.1	2
Non-current liabilities at fair value through profit or loss	-	0.1	-	-	0.1	0.1	3
Other non-current liabilities	-	-	0.0	-	0.0	0.0	
Current financial liabilities							
Borrowings	-	-	1.5	-	1.5	1.5	2
Lease liabilities	-	-	12.8	-	12.8	12.8	2
Current liabilities at fair value through profit or loss	-	0.7	-	-	0.7	0.7	3
Trade and other payables	-	-	67.8	-	67.8	67.8	
Derivative instruments/Interest rate derivatives	-	-	-	-	-	-	2
Derivative instruments/Forward exchange contracts	0.0	0.0	-	-	0.0	0.0	2
Financial liabilities at 31 March 2024	0.0	0.9	410.2	-	411.1	411.1	
Financial liabilities at 31 March 2023	0.1	0.6	480.9	-	481.6	481.6	

The levels 1-3 of fair value hierarchy reflect the significance of inputs used in determining the fair values. In level one, fair values are based on public quotations of identical financial instruments. In level two, the inputs used in determining the fair values are based on quoted market rates and prices observable for the asset or liability in question directly (i.e. price) or indirectly on discounted future cash flows. Fair values of other financial assets and liabilities in level two reflect their carrying value. In level three, the fair values of assets and liabilities are based on inputs that are not based on observable market data for all significant variables, and instead are, to a significant extent, based on management estimates and their use in generally accepted valuation techniques. The reported fair value level is based on the lowest level of input information that is significant in determining the fair value.

LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS

EUR million	31 March 2024	31 March 2023	31 Dec 2023
Book value at the beginning of the period	0.8	0.6	0.6
Additions in period	-	-	-
Paid during period	-	-	-
Changes in value during period	0.1	0.0	0.1
Interest during period	0.0	0.0	0.0
Translation differences	-0.0	0.0	0.0
Book value at the end of the period	0.8	0.6	0.8
Non-current liability	0.1	0.6	0.1
Current liability	0.7	-	0.6
Total liabilities through profit and loss	0.8	0.6	0.8

Appendix 1

KEY RATIOS

		Q1 24	Q1 23	2023
Income statement				
Net sales	EUR million	146.9	159.5	726.5
Comparable EBITDA	EUR million	8.9	7.9	68.2
(% of net sales)	%	6.1	5.0	9.4
EBITDA	EUR million	7.8	6.9	67.5
Comparable operating result (EBIT)	EUR million	2.0	-0.7	34.8
(% of net sales)	%	1.3	-0.4	4.8
Operating result	EUR million	0.8	-1.7	-31.3
Result before taxes	EUR million	-3.0	-5.9	-53.9
Result for the period	EUR million	-2.2	-5.6	-39.9
Items affecting comparability (EBITDA)	EUR million	-1.1	-1.1	-0.7
Items affecting comparability (EBIT)	EUR million	-1.1	-1.1	-66.1
Balance sheet				
Cash and cash equivalents	EUR million	165.8	111.4	212.7
Total equity	EUR million	400.4	458.9	407.8
Non-controlling interest	EUR million	0.6	0.7	0.5
Borrowings	EUR million	215.5	265.7	216.3
Invested capital	EUR million	615.9	724.6	624.1
Profitability				
Return on equity (ROE), rolling 12 months	%	-8.5	2.1	-9.0
Return on invested capital (ROI), rolling 12 months	%	-1.0	3.6	-1.7
Financing and financial position				
Net debt	EUR million	176.6	285.5	137.5
Gearing	%	44.1	62.2	33.7
Equity ratio	%	37.5	37.8	35.9
Net cash flow from operating activities	EUR million	-44.6	3.6	135.3
Net debt/comparable EBITDA		2.6	4.0	2.0
Share-based key ratios				
Earnings / share (Basic)	EUR	-0.03	-0.08	-0.59
Earnings / share (Diluted)	EUR	-0.03	-0.08	-0.58
Equity / share	EUR	5.93	6.79	6.04
Number of shares outstanding at the end of period	pcs	67,553,624	67,553,624	67,553,624
Personnel				
Personnel end of period		1,220	1,284	1,219
Average number of personnel		1,214	1,281	1,273

RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES (APM) TO IFRS FIGURES AND ITEMS AFFECTING COMPARABILITY (IAC)

EUR million	Q1 24	Q1 23	2023
Items affecting comparability			
Net gains or losses from business and assets disposals	-	0.3	12.3
Cost for closure of business operations and restructurings	-0.8	-0.2	-7.1
Costs related to the merger of Altia and Arcus	-	-0.2	-1.3
Inventory fair valuation	-	-0.2	-0.3
Other major corporate projects	-0.3	-0.8	-4.3
Total items affecting comparability	-1.1	-1.1	-0.7
Comparable EBITDA			
Operating result	0.8	-1.7	-31.3
Less:			
Depreciation, amortisation and impairment	6.9	8.6	98.8
Total items affecting comparability	1.1	1.1	0.7
Comparable EBITDA	8.9	7.9	68.2
% of net sales	6.1	5.0	9.4
Comparable EBIT			
Operating result	0.8	-1.7	-31.3
Less:			
Total items affecting comparability	1.1	1.1	66.1
Comparable EBIT	2.0	-0.7	34.8
% of net sales	1.3	-0.4	4.8

THE DEFINITIONS AND REASONS FOR THE USE OF FINANCIAL KEY INDICATORS

	Key figures	Definition	Reason for the use
Gross profit	Total net sales + total operating income - material and services		Gross profit is the is the indicator to measure the performance
Gross margin, %	Gross profit/ Total net sales		
EBITDA	Operating result before depreciation and amortization		EBITDA is the indicator to measure the performance of the Group.
EBITDA margin, %	EBITDA / Net sales		
Comparable operating result	Operating result excluding items affecting comparability		Comparable EBITDA, comparable EBITDA margin, comparable operating result and comparable operating margin are presented in addition to EBITDA and operating result to reflect the underlying business performance and to enhance comparability from period to period. Anora believes that these comparable performance measures provide meaningful supplemental information by excluding items outside normal business, which reduce comparability between the periods. Comparable EBITDA is an internal measure to assess performance of Anora and key performance measure at segment level together with Net Sales. Comparable EBITDA is commonly used as a base for valuation purposes outside the Company and therefore important measure to report regularly.
Comparable operating margin, %	Comparable operating result / Net sales		
Comparable EBITDA	EBITDA excluding items affecting comparability		
Comparable EBITDA margin, %	Comparable EBITDA / Net sales		
Items affecting comparability	Material items outside normal business, such as net gains or losses from business and assets disposals, impairment losses, cost for closure of business operations and restructurings, major corporate projects including direct transaction costs related to business acquisitions and the merger, merger related integration costs, expenses arising from the fair valuation of inventories in connection with merger combinations, voluntary pension plan change, and costs related to other corporate development.		
Invested capital	Total equity + Borrowings		Base for ROI measure.
Return on equity (ROE), %	Result for the period (rolling 12 months) / Total equity (average of reporting period and comparison period)		This measure can be used to evaluate how efficiently Anora has been able to generate results in relation to the total equity of the Company.
Return on invested capital (ROI), %	(Result for the period + Interest expenses) (rolling 12 months) / (Total equity + Non-current and current borrowings) (average of reporting period and comparison period)		This measure is used to evaluate how efficiently Anora has been able to generate net results in relation to the total investments made to the Company.
Borrowings	Non-current borrowings + Current borrowings		
Net debt	Borrowings + non-current and current lease liabilities – cash and cash equivalents		Net debt is an indicator to measure the total external debt financing of the Group.
Gearing, %	Net debt / Total equity		Gearing ratio helps to show financial risk level and it is a useful measure for management to monitor the level of Group's indebtedness. Important measure for the loan portfolio.
Equity ratio, %	Total equity / (Total assets – Advances received)		Equity / assets ratio helps to show financial risk level and it is a useful measure for management to monitor the level of Group's capital used in the operations.
Net debt / Comparable EBITDA	Net debt / Comparable EBITDA		
Earnings / share	Result for the period attributable to shareholders of the parent company/Average number of shares during the period		
Equity / share	Equity attributable to shareholders of the parent company / Share- issue adjusted number of shares at the end of period		

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Anora is a leading wine and spirits brand house in the Nordic region and a global industry forerunner in sustainability. Our market-leading portfolio consists of our own iconic Nordic brands and a wide range of prominent international partner wines and spirits. We export to over 30 markets globally. Anora Group also includes Anora Industrial and logistics company Vectura. In 2023, Anora's net sales were EUR 726.5 million and the company employs about 1,200 professionals. Anora's shares are listed on the Nasdaq Helsinki.