



## Olvi Group's interim report January–March 2023

### Net sales increased driven by strong demand, but purchase costs remained high

- Net sales were EUR 129.5 (103.9) million. The sales volume increased by 7.6%, and net sales grew by 24.6%.
- The adjusted operating result was EUR 10.0 (6.4) million, and the operating result was EUR -2.2 (6.4) million. The operating result includes an expense of EUR 12.2 million related to a fine imposed on the subsidiary in Belarus.
- A strong balance sheet and a solid financial position, with no net debt, enable investments.

### Near-term outlook

Olvi cancelled its guidance by means of a press release on 20 February 2023 because of the uncertainty related to Belarus. The Belarusian company and its operating environment continue to be subject to significant uncertainty. It is therefore not possible to issue reliable guidance at Group level at the time of the interim report.

Business performance is expected to continue at a good level in Finland and the Baltic Sea region. However, expenses will remain high in all Olvi's business segments in 2023. Thanks to Olvi's diverse product portfolio, demand has remained strong in the current market situation, and growth potential can be seen in an increasing number of product categories in current and new markets.

### The Group's key ratios

	1–3/2023	1–3/2022	Change, % / pp	1–12/2022
Sales volume, Mltr	203.2	188.8	7.6	956.1
Net sales, MEUR	129.5	103.9	24.6	583.7
Gross profit, MEUR	46.9	39.0	20.3	219.9
% of net sales	36.3	37.5		37.7
Adjusted operating result, MEUR	10.0	6.4	55.4	59.8
% of net sales	7.7	6.2		10.2
Items affecting the comparability of the operating result, MEUR	-12.2	0.0		-37.4
Operating result, MEUR	-2.2	6.4	-134.6	22.4
% of net sales	-1.7	6.2		3.8
Adjusted profit for the period, MEUR	4.5	5.5	-17.7	44.9
% of net sales	3.5	5.3		7.7
Profit for the period, MEUR	-7.7	5.5	-239.8	7.5
% of net sales	-5.9	5.3		1.3
Earnings per share, EUR	-0.35	0.26	-233.2	0.39
Investments, MEUR	6.9	8.5	-19.2	37.1
Equity per share, EUR	11.75	12.90	-8.9	13.49
Equity to total assets, %	50.7	56.3	-5.6	57.5
Gearing, %	-8.5	-12.4	-3.9	-20.3

Olvi presents the adjusted operating result and the adjusted profit for the period as alternative performance measures to improve comparability between reporting periods. In January–March 2023, the items affecting comparability not included in the adjusted operating result and the profit for the period totalled EUR 12.2 million and were related to the fine imposed on the Belarusian subsidiary.



## **Business development**

### **CEO Patrik Lundell:**

#### **Q1/2023: Demand was strong, but the cost level remained high**

Olvi Group's sales volume increased by 7.6% in the first quarter, and its net sales grew by 24.6%. The sales volume increased markedly in HoReCa (hotel, restaurant, catering), where the comparison period was burdened by restrictions related to the coronavirus pandemic. Good retail growth continued. However, exports decreased year-on-year because of the end of Russian exports.

Purchase prices continued to increase at the beginning of the year, particularly in packaging materials. The prices of raw materials remained at the high level reached in late 2022. Salary increases have been implemented in several markets, and the next significant increases will take place in Finland in the second quarter. Logistics costs remained record high, although the increase in fuel prices stabilised. The cost of sales increased by 27.1%, markedly more than the sales volume. Cost increases could not yet be fully transferred to prices in all markets because of country-, product- and customer-specific contract structures.

The Group's adjusted operating result increased by 55.4% to EUR 10.0 million. There were significant differences between business segments in the development of the operating result. Because of items affecting comparability, the operating result showed a loss of EUR 2.2 million. Comparability was affected by a EUR 12.2 million fine imposed on the Belarusian subsidiary based on an inspection by the Belarusian government.

Olvi's balance sheet continues to be strong, and the company has no net debt. This gives Olvi good opportunities to develop its business operations, invest in Finland and the Baltic Sea region, and seek growth and develop in new markets. The company maintains its plants' good competitiveness by investing in new technologies to ensure production efficiency and environmental friendliness.

Sustainability work is guided by a Group-wide sustainability programme. Sustainability is one of Olvi Group's values and a key part of its strategic and operational decision-making and day-to-day operations. In the future, we will also report on the progress of our sustainability work in our interim reports.

I would also like to thank Olvi's personnel and partners for the warm welcome and good cooperation.

#### **Segment-specific business development: Q1/2023**

##### ***Sales grew in Finland, but profitability was burdened by cost inflation***

The sales volume of Finnish operations increased by 5.8%. The growth was strongest in HoReCa, as sales in the comparison period suffered from restrictions on restaurant operations. Retail sales also continued to increase. Net sales increased by 16.2%. At the beginning of the year, price increases were implemented in those sales channels, customers and products in which it was possible. Changes in the price periods of the most significant retail positions took place at the end of March and will not affect net sales until the second quarter.

Costs increased significantly from the first quarter of last year and even from the end of 2022. Costs will continue to increase in 2023 because of salary increases, among other factors. The Finnish operations' operating result was EUR 1.7 million, with a decrease of 36.2% year-on-year. The plan is to continue price increases within the limits of contractual terms and conditions and price periods to restore profitability over the long term.

##### ***Net sales increased in the Baltic Sea region***

The sales volume in the Baltic Sea region decreased by 1.9%, mainly because of the impact of the end of Russian exports. However, net sales increased by 20.4%. Sales grew in HoReCa in particular and also in retail.

The operating result increased by 6.6% to EUR 2.5 million. Price increases have largely been sufficient to cover significant cost increases, meaning that profitability has improved. The new CEO of the Danish company is off



to a good start with the company's development, aiming for improved profitability and business development towards a more diversified product selection.

### ***A fine of EUR 12.2 million imposed in Belarus burdened the operating result***

The State Control Committee of the Republic of Belarus imposed a BYN 35.8 million (EUR 12.2 million) fine on Olvi's subsidiary Lidskoe Pivo. Olvi announced this on 20 February 2023. Lidskoe Pivo has appealed against the fine. The Leninsky District Court in Minsk rejected the appeal on 29 March 2023 and ordered the fine to be paid. Based on this decision, the fine has been recognised as an expense in the first quarter of 2023. Lidskoe Pivo has appealed to a higher court. The process is still in progress. The payment of the fine is expected to take place in the second quarter. The fine has a significant cash flow impact. Olvi has stated to the local authorities that it complies with local and international laws, and has stressed the importance of local operational capability and the maintenance of owners' rights in the current operating environment.

The sales volume increased by 21.6%, and net sales grew by 49.6%. The sales volume increased because of higher market shares in beer in particular. The increase in net sales was driven by price increases and higher sales volumes. The operating result showed a loss of EUR 6.1 million, burdened by the fine imposed by the Belarusian government. The adjusted operating result was EUR 6.1 million, with an increase of 233.3%. The growth was driven by higher sales margins. In addition, the operating result in the comparison period does not include depreciation, which was not recognised during the time that the segment was classified as an asset held for sale. These had an impact of EUR 0.4 million. Net sales in the local currency increased by 39.8%, and the adjusted operating result grew by 192.0%.

### **Investments**

Olvi Group's investments in extensions and replacements were EUR 6.9 (8.5) million in January–March, of which EUR 3.4 million were related to Finland and EUR 3.2 million to subsidiaries in the Baltic Sea region. Replacement investments necessary for the continuity of production have been made in Belarus through income financing, totalling EUR 0.3 million.

Olvi has invested in the production and storage capacity required for business growth especially in Finland, where the collection and storage capacity was improved for the season. The brewhouse investment to increase beer production capacity in Lithuania was completed during the first quarter. The implementation of a new filling line was finalised in Denmark.

Olvi is increasingly focusing on environmental friendliness, improved working conditions and safety. The installation of the carbon dioxide capture and storage equipment at the Iisalmi plant progressed during the first quarter. The company is aiming to achieve carbon-neutral operations at its Iisalmi plant during 2023 and at its other plants in the coming years.

### **Sustainability**

Sustainability is one of Olvi Group's values and a key part of its strategic and operational decision-making and day-to-day operations. Sustainability work is guided by a Group-wide sustainability programme.

#### *Environmental sustainability*

In environmental sustainability, Olvi Group focuses on reducing climate emissions in particular. In February, Olvi Group joined the international Science Based Targets initiative (SBTi). Through the initiative, the Group is committed to setting science-based emissions reduction targets, which are currently being prepared for approval by the SBTi in the autumn of 2023. To measure its climate emissions in 2022, Olvi Group is currently collecting annual climate emissions reporting data for the Carbon Disclosure Project (CDP) throughout the value chain (Scopes 1, 2 and 3). To promote these efforts, carbon dioxide capture equipment is currently under construction for Olvi, the parent company, to reduce the need for purchased carbon dioxide. This makes it possible to reduce emissions from both transport and production.



Olvi Group continues to develop its own criteria for sustainable products. One of the parameters is the circular economy, to which Olvi, the parent company, has contributed by launching products containing excess materials.

These products are KevytOlo Apple-Lime + surplus fruits and KevytOlo Natural Energy Drink Strawberry-Banana & surplus fruits.

### *Social sustainability*

In social sustainability, Olvi Group is focusing on its occupational safety culture. The Group's occupational safety team and its leader, who was appointed at the beginning of 2023, are creating the Group's shared vision for safety at work and its development and the definition of occupational accidents. In addition, Olvi Group has started to create an operating model to identify human rights impacts throughout the value chain. To support this work, Olvi Group has joined the UN Global Compact Business & Human Rights programme, which began in February.

### *Corporate governance*

To promote corporate governance, Olvi Group works to ensure its partners' commitment to compliance with its Code of Conduct for Partners. The Group has focused on updating the Code of Conduct and other guiding principles during the first quarter of the year.

Olvi Group continues to develop sustainability through a broad-based approach in cooperation with stakeholders and by investing in the digitalisation and reporting of sustainability data. During the first quarter, the Group has been implementing a supplier data management tool, which also collects information related to sustainability.

## **Seasonal nature of operations**

The nature of the Group's business operations involves seasonal fluctuation. The net sales and operating result of the geographical reporting segments are not accumulated steadily. Instead, they fluctuate in accordance with the special characteristics of the seasons of the year and product seasons.

## **Sales development**

Olvi Group's sales volume grew by 7.6% in January–March, totalling 203.2 (188.8) million litres.

Sales volume, Mltr	1–3/2023	1–3/2022	Change, %
Finland	58.8	55.6	5.8
Baltic Sea region	88.3	90.0	-1.9
Belarus	65.9	54.1	21.6
Eliminations	-9.7	-10.9	
<b>Total</b>	<b>203.2</b>	<b>188.8</b>	<b>7.6</b>

The Group's net sales in January–March increased by 24.6% and were EUR 129.5 (103.9) million.

Net sales, MEUR	1–3/2023	1–3/2022	Change, %
Finland	48.3	41.6	16.2
Baltic Sea region	58.6	48.7	20.4
Belarus	28.8	19.2	49.6
Eliminations	-6.2	-5.6	
<b>Total</b>	<b>129.5</b>	<b>103.9</b>	<b>24.6</b>



## Financial performance

The Group's operating result in January–March was EUR -2.2 (6.4) million, or -1.7% (6.2%) of net sales. The adjusted operating result increased by 55.4% and was EUR 10.0 million. This was mainly due to higher profitability in the Belarusian segment.

	1–3/2023	1–3/2022	Change, %
<b>Adjusted operating result, MEUR</b>			
Finland	1.7	2.6	-36.2
Baltic Sea region	2.5	2.3	6.6
Belarus	6.1	1.8	233.3
Eliminations	-0.3	-0.3	
<b>Total</b>	<b>10.0</b>	<b>6.4</b>	<b>55.4</b>

	1–3/2023	1–3/2022	Change, %
<b>Operating result, MEUR</b>			
Finland	1.7	2.6	-36.2
Baltic Sea region	2.5	2.3	6.6
Belarus	-6.1	1.8	-431.0
Eliminations	-0.3	-0.3	
<b>Total</b>	<b>-2.2</b>	<b>6.4</b>	<b>-134.6</b>

The Group's profit after taxes in January–March was EUR -7.7 (5.5) million.

Earnings per share calculated from the profit attributable to the owners of the parent company were EUR -0.35 (0.26) in January–March.

## Financial position and the balance sheet

Olvi Group's balance sheet total at the end of March 2023 was EUR 482.8 (480.4) million. Equity per share at the end of March 2023 was EUR 11.75 (12.90). The equity ratio was 50.7% (56.3%), and gearing was -8.5% (-12.4%). The Group's liquidity indicator, the current ratio, remained at the same level as before, at 1.1 (1.1). Interest-bearing liabilities amounted to EUR 4.1 (6.7) million at the end of March. Of the interest-bearing liabilities, current liabilities accounted for EUR 2.2 (4.9) million.

Olvi Group's balance sheet and financial position are strong. The company has no net debt. The company's ability to invest has remained good.

Cash assets stood at EUR 24.8 million at the end of the review period, with a decrease of EUR 15.4 million year-on-year. Cash flow from operating activities was EUR -27.6 (-13.5) million. The decrease was due to the parent company's decision to discontinue factoring. During the first quarter, the company prepares for the season, meaning that cash assets are tied up in stock and purchases for production. Cash flow from investing activities was EUR -6.9 (-8.8) million, and cash flow from financing activities was EUR -0.8 (4.3) million.

## Personnel

In the first quarter, Olvi Group had an average of 2,302 (2,240) employees, with an increase of 2.8%.

Olvi Group's average number of personnel by country:

	1–3/2023	1–3/2022	Change, %
Finland	412	407	1.2
Baltic Sea region	1,042	986	5.7
Belarus	848	847	0.1
<b>Total</b>	<b>2,302</b>	<b>2,240</b>	<b>2.8</b>



## **Board of Directors and management**

The Annual General Meeting of Olvi plc was held on 29 March 2023. Its decisions and impacts on the composition of the Board are discussed below.

The CEO of Olvi plc changed on 1 January 2023. The new CEO is Patrik Lundell. The CEO of the Danish subsidiary changed on 27 February 2023. The new CEO is Jette Andersen. Tomi Vuorinen started as Olvi plc's Production Director and a member of the Management Team, with Lauri Multanen becoming the Group Production Director.

## **Other events during the review period**

### **Annual General Meeting**

Olvi plc's Annual General Meeting (AGM) on 29 March 2023 adopted the financial statements and discharged the members of the Board and the CEO from liability for the financial year that ended on 31 December 2022.

In accordance with the Board's proposal, the AGM decided to pay a dividend of EUR 1.20 (1.20) for Series A and Series K shares for the 2022 financial year. This dividend is 311.4% (51.9%) of Olvi Group's earnings per share. The dividend will be paid in two instalments. The first instalment (EUR 0.60 per share) will be paid on 20 April 2023 to shareholders registered in the list of shareholders maintained by Euroclear Finland on the record date (31 March 2023). The second instalment (EUR 0.60 per share) will be paid on 5 September 2023 to shareholders registered in the list of shareholders maintained by Euroclear Finland on the record date (29 August 2023). The AGM decided that the Board of Directors will consist of five (5) members. Lasse Heinonen, Nora Hortling, Juho Nummela and Päivi Paltola were re-elected as the members of the Board. Christian Ståhlberg was elected as a new member of the Board. The authorised public accounting firm Ernst & Young Oy was re-elected as the company's auditor, with Elina Laitinen, Authorised Public Accountant, as the auditor in charge. The AGM's decisions were published in a stock exchange release on 29 March 2023.

### **Organisation of the Board of Directors**

At its organising meeting on 29 March 2023, Olvi plc's Board of Directors elected Nora Hortling as Chair and Lasse Heinonen as Vice Chair of the Board. Lasse Heinonen, Nora Hortling and Juho Nummela were elected as the members of the Audit Committee. Nora Hortling, Päivi Paltola and Christian Ståhlberg were elected as the members of the Personnel and Sustainability Committee.

### **Changes in the Group structure**

No changes took place in Olvi's subsidiary holdings during the first quarter of 2023.

### **Share-based payments**

A share-based incentive plan for key personnel has ended at Olvi Group. The performance period ran from 15 February 2021 to 14 February 2023. The incentive plan was part of the incentive plan for the Group's key personnel approved for 2021–2025. The earning criteria were the Group's cumulative operating result in euros for 2021–2022 and growth in the Group's sales volume of non-alcoholic products in 2021–2022. In accordance with the terms and conditions of the plan, the rewards were paid in both Series A shares in Olvi and in cash. A total of 5,900 Series A shares were transferred as rewards. The target group of the incentive plan consisted of 12 people, including the CEO and the other members of Olvi's Management Team.

Following the end of the previous CEO's employment obligation on 31 December 2022, a net amount of 3,317 Series A shares in Olvi fell due to be paid to the CEO for the 2021–2023 and 2022–2024 performance periods of the share-based incentive plans in accordance with the rules of the incentive plans and by the decision of the Board of Directors. In accordance with the terms and conditions of the plan, the rewards were paid in Series A shares in Olvi and partly in cash. The amount of the share reward was based on the time passed since the beginning of the performance period and the estimated level of achievement of the earning criteria of the performance-based plan.



The incentive plans and the related acquisition of the company's own shares are explained in more detail in items 4 and 5 of Table 5 in the table section of the interim report bulletin.

## **Business risks and their management**

### **Impacts of the war in Ukraine**

The war in Ukraine has significantly increased business risks. There were challenges in the availability of raw materials and packaging materials because of the coronavirus pandemic, and the war in Ukraine has worsened the situation, especially with regard to cans and glass bottles. The prices of packaging materials have continued to increase after the coronavirus pandemic. The prices of raw materials – especially barley malt, sugar and carbon dioxide – are high, and their availability on the market has been more uncertain than normal. The prices of electricity and gas have fluctuated greatly, particularly in the Baltic Sea region segment, which affects production costs. The price of oil has increased fuel prices, which are directly reflected in logistics costs. Olvi will respond to the increase in costs by continuing price increases as far as possible. The company is actively seeking alternative suppliers and improving the efficiency of its production operations.

Consumer prices have risen rapidly, especially in Europe, as a result of the war in Ukraine. General cost inflation may reduce consumers' purchasing power and thereby affect consumer behaviour. Changes in consumer behaviour are already being reflected in a shift in consumption to more affordable product options, and overall consumption may decrease. This may have an impact on the preconditions for business growth and profitability over the long term.

Because of the war in Ukraine, uncertainty is related to the Belarusian business segment and the stability and predictability of the operating environment. Olvi's subsidiary Lidskoe Pivo has been subject to a special inspection, and the related process is still in progress. By the time of this interim report, the process has resulted in a significant fine that undermines business conditions. In addition, the company's shares are subject to a sales ban, as a result of which Olvi has discontinued the process to sell Lidskoe Pivo. Olvi has stated to the local authorities that it complies with local and international laws, and has stressed the importance of local operational capability and the maintenance of owners' rights in the current operating environment. Other uncertainties are related to the development of exchange rates, new sanctions and the functioning of financial transactions with Western countries. Olvi's Belarusian subsidiary operates independently of the parent company's financial support, based on cash flow financing. The fine imposed on Lidskoe Pivo will be paid from local assets. The fine will significantly reduce the company's cash assets, but its operations are expected to continue despite the fine.

### **Preparedness**

Olvi Group has prepared several scenarios related to the development of the business environment and is prepared to respond to changing situations. Preparations have been made for production disruptions and continuity plans have been drawn up related to the availability of labour, raw materials and energy, for example. Investments have been made to secure energy availability. The company has also made efforts to ensure the availability of raw materials and packaging materials.

A more detailed description of the normal risks related to business operations is provided in Olvi Group's Board of Directors' report and the notes to the financial statements and on the company website (Investors > Olvi as an investment > Risks and risk management).

### **Events after the review period**

There are no significant events to report after the review period.

OLVI PLC  
Board of Directors



## Webcast

Olvi plc and its CEO will hold a press conference, which can be followed at <https://olvi.videosync.fi/q1-2023> . The press conference will be held in Finnish.

A recording of the webcast will become available on the company's website at <https://www.olvigroup.fi/en/releases-and-publications/financial-releases/>

More information:

Patrik Lundell, CEO, Olvi plc, tel. +358 290 00 1050

Tiina-Liisa Liukkonen, CFO, Olvi plc, tel. +358 29 000 1050

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**CONSOLIDATED STATEMENT OF  
COMPREHENSIVE INCOME**

EUR 1,000

	1–3/2023	1–3/2022	1–12/2022
<b>Gross sales</b>	<b>278,853</b>	<b>233,755</b>	<b>1,253,782</b>
Excise taxes and other adjustments	-149,389	-129,847	-670,079
<b>Net sales</b>	<b>129,463</b>	<b>103,908</b>	<b>583,703</b>
Cost of sales	-82,515	-64,898	-363,816
<b>Gross profit</b>	<b>46,948</b>	<b>39,011</b>	<b>219,887</b>
Logistics, sales and marketing expenses	-26,941	-24,052	-120,997
Administrative expenses	-10,182	-8,803	-42,415
Other operating income and expenses	-12,043	256	-34,111
<b>Operating result</b>	<b>-2,218</b>	<b>6,412</b>	<b>22,364</b>
Financial income	42	444	1,593
Financial expenses	-337	-303	-5,628
Share of the profit of associated companies and joint ventures	0	0	45
<b>Profit before tax</b>	<b>-2,513</b>	<b>6,553</b>	<b>18,374</b>
Income taxes	-5,154	-1,068	-10,848
<b>PROFIT FOR THE PERIOD</b>	<b>-7,667</b>	<b>5,485</b>	<b>7,526</b>
Other items of comprehensive income that may be later reclassified to profit or loss:			
Translation differences related to foreign subsidiaries	-3,827	-8,049	1,638
Income taxes related to items	0	122	0
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>-11,494</b>	<b>-2,442</b>	<b>9,164</b>
Distribution of the profit for the period:			
- Owners of the parent company	-7,299	5,484	7,977
- Non-controlling interest	-368	1	-451
Distribution of comprehensive income for the period:			
- Owners of the parent company	-10,979	-2,190	9,674
- Non-controlling interest	-515	-252	-510
<b>Earnings per share calculated from profit attributable to owners of the parent company, EUR</b>			
- Undiluted	-0.35	0.26	0.39
- Diluted	-0.35	0.26	0.39



<b>BALANCE SHEET</b>			
EUR 1,000	31 Mar 2023	31 Mar 2022	31 Dec 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Tangible assets	205,418	226,978	208,165
Goodwill	22,204	25,482	22,204
Other intangible assets	11,184	12,440	10,972
Holdings in associated companies and joint ventures	1,028	980	1,025
Other investments	1,042	888	1,046
Loans receivable and other long-term receivables	1,870	2,067	1,377
Deferred tax assets	2,461	1,509	2,569
<b>Total non-current assets</b>	<b>245,208</b>	<b>270,344</b>	<b>247,358</b>
<b>Current assets</b>			
Inventories	80,704	67,549	70,891
Accounts receivable and other receivables	130,196	101,982	109,712
Income tax receivables	1,863	319	506
Cash and cash equivalents	24,815	40,179	61,207
<b>Total current assets</b>	<b>237,577</b>	<b>210,029</b>	<b>242,316</b>
<b>TOTAL ASSETS</b>	<b>482,785</b>	<b>480,373</b>	<b>489,674</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the parent company</b>			
Share capital	20,759	20,759	20,759
Other reserves	1,092	1,092	1,092
Fair value reserve	295	295	295
Treasury shares	-1,255	-438	-1,079
Translation differences	-55,627	-61,402	-52,030
Retained earnings	277,687	306,804	310,194
	242,951	267,110	279,231
Non-controlling interest	1,816	3,137	2,514
<b>Total equity</b>	<b>244,767</b>	<b>270,247</b>	<b>281,745</b>
<b>Non-current liabilities</b>			
Financial liabilities	1,968	1,813	1,983
Other liabilities	3,714	3,980	3,667
Deferred tax liabilities	13,203	13,818	13,466
<b>Current liabilities</b>			
Financial liabilities	2,155	4,881	2,164
Accounts payable and other payables	216,814	185,138	186,362
Income tax liability	163	496	287
<b>Total liabilities</b>	<b>238,018</b>	<b>210,126</b>	<b>207,929</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>482,785</b>	<b>480,373</b>	<b>489,674</b>



**STATEMENT OF CHANGES IN EQUITY**

EUR 1,000	Share capital	Other reserves	Fair value reserve	Reserve for treasury shares	Translation differences	Earnings	Attributable to non-controlling interest	Total
<b>Equity 1 Jan 2023</b>	<b>20,759</b>	<b>1,092</b>	<b>295</b>	<b>-1,079</b>	<b>-52,030</b>	<b>310,194</b>	<b>2,514</b>	<b>281,745</b>
Comprehensive income:								
Profit for the period						-7,299	-368	-7,667
Other items of comprehensive income:								
Translation differences					-3,680		-147	-3,827
Total comprehensive income for the period					-3,680	-7,299	-515	-11,494
Business transactions with shareholders:								
Dividend payment						-24,818	-160	-24,978
Share-based incentives, value of work performance						274		274
Acquisition of treasury shares				-604				-604
Issue of treasury shares to personnel				428		-723		-295
Adjustment for previous periods					83	59	-23	119
Business transactions with shareholders, total				-176	83	-25,208	-183	-25,484
<b>Equity 31 Mar 2023</b>	<b>20,759</b>	<b>1,092</b>	<b>295</b>	<b>-1,255</b>	<b>-55,627</b>	<b>277,687</b>	<b>1,816</b>	<b>244,767</b>
EUR 1,000	Share capital	Other reserves	Fair value reserve	Reserve for treasury shares	Translation differences	Earnings	Attributable to non-controlling interest	Total
<b>Equity 1 Jan 2022</b>	<b>20,759</b>	<b>1,092</b>	<b>295</b>	<b>-438</b>	<b>-53,728</b>	<b>326,016</b>	<b>3,627</b>	<b>297,624</b>
Comprehensive income:								
Profit for the period						5,484	1	5,485
Other items of comprehensive income:								
Translation differences					-7,796		-252	8,049
Income taxes related to items					122			122
Total comprehensive income for the period					-7,674	5,484	-251	-2,442
Business transactions with shareholders:								
Dividend payment						-24,855	-7	-24,862
Share-based incentives, value of work performance						244		244
Adjustment for previous periods						-85		-85
Business transactions with shareholders, total						-24,696	-7	-24,703
Changes in holdings in subsidiaries:								
Acquisition of shares from non-controlling interest						-232		-232
Change in non-controlling interest						232	-232	0
Changes in holdings in subsidiaries, total						0	-232	-232
<b>Equity 31 Mar 2022</b>	<b>20,759</b>	<b>1,092</b>	<b>295</b>	<b>-438</b>	<b>-61,402</b>	<b>306,804</b>	<b>3,137</b>	<b>270,247</b>



**CASH FLOW STATEMENT**

EUR 1,000

	1–3/2023	1–3/2022	1–12/2022
Profit for the period	-7,667	5,485	7,526
Adjustments:			
Depreciation and impairment	7,245	6,690	64,532
Other adjustments	5,417	2,080	14,509
Change in net working capital:			
Change in accounts receivable and other receivables	-21,857	-5,324	-9,578
Change in inventories	-10,677	-10,912	-12,349
Change in accounts payable and other liabilities	3,216	-9,650	16,536
Interest paid	-65	-161	-449
Interest received	32	28	292
Dividends received	0	0	5
Taxes paid	-3,266	-1,772	-13,861
<b>Cash flow from operating activities (A)</b>	<b>-27,622</b>	<b>-13,536</b>	<b>67,163</b>
Investments in tangible and intangible assets	-7,033	-8,633	-37,392
Proceeds from the sale of tangible and intangible assets	179	141	976
Acquisition of shares from non-controlling interest	0	-378	-378
Expenditure on other investments	0	0	-163
Dividends received	0	38	38
<b>Cash flow from investing activities (B)</b>	<b>-6,854</b>	<b>-8,832</b>	<b>-36,919</b>
Loan withdrawals	1,398	4,708	11,351
Repayment of loans	-1,574	-380	-11,674
Acquisition of treasury shares	-604	0	-641
Dividends paid	0	-2	-25,268
<b>Cash flow from financing activities (C)</b>	<b>-780</b>	<b>4,326</b>	<b>-26,232</b>
Increase (+) / decrease (-) in cash and cash equivalents (A+B+C)	-35,256	-18,042	4,012
Cash and cash equivalents 1 Jan	61,207	58,741	58,741
Impact of exchange rate changes	-1,136	-520	-1,546
<b>Cash and cash equivalents 31 Mar / 31 Dec</b>	<b>24,815</b>	<b>40,179</b>	<b>61,207</b>



**NOTES TO THE INTERIM REPORT**

The interim report has been prepared in accordance with IAS 34 *Interim Financial Reporting*, applying the same accounting principles that were applied to the 2022 financial statements (31 December 2022).

The information in the interim report is presented in thousands (1,000) of euros. For presentation, individual figures and totals have been rounded up to full thousands, which causes rounding differences in the totals. Exchange rates obtained from the Central Bank of Belarus have been used as the exchange rate for the Belarusian rouble. The key ratios have been calculated by using accurate euro-denominated figures. The information published in the interim report has not been audited.

**1. SEGMENT INFORMATION**

**SEGMENTS' NET SALES AND PROFIT FOR THE PERIOD 1-3/2023**

EUR 1,000	Finland	Baltic Sea region	Belarus	Eliminations	Group
<b>INCOME</b>					
External sales	48,115	52,627	28,721		129,463
Beverage sales	47,647	52,627	28,721		128,996
Equipment services	468	0	0		468
Internal sales	191	5,983	43	-6,218	0
Total net sales	48,306	58,611	28,765	-6,218	129,463
Total profit for the period	5,989	1,750	-10,666	-4,740	-7,667

**SEGMENTS' NET SALES AND PROFIT FOR THE PERIOD 1-3/2022**

EUR 1,000	Finland	Baltic Sea region	Belarus	Eliminations	Group
<b>INCOME</b>					
External sales	41,281	43,452	19,175		130,908
Beverage sales	40,914	43,452	19,175		103,541
Equipment services	367	0	0		367
Internal sales	293	5,215	51	-5,559	0
Total net sales	41,574	48,667	19,226	-5,559	103,908
Total profit for the period	2,527	1,963	1,120	-125	5,485

**2. RELATED PARTY TRANSACTIONS**

Management's employee benefits

Board members' and the CEO's salaries and other short-term employee benefits

EUR 1,000	1-3/2023	1-3/2022	1-12/2022
CEO	87	311	594
Chair of the Board	16	18	73
Other Board members	35	43	172
Total	138	372	839



### 3. SHARES AND SHARE CAPITAL

	31 Mar 2023	%
Series A shares, number of shares	16,989,976	82.0
Series K shares, number of shares	3,732,256	18.0
Total	20,722,232	100.0
Total number of votes, Series A shares	16,989,976	18.5
Total number of votes, Series K shares	74,645,120	81.5
Total number of votes	91,635,096	100.0
Votes per Series A share	1	
Votes per Series K share	20	

The registered share capital totalled EUR 20,759 thousand on 31 March 2023.

A dividend of EUR 1.20 per share for 2022 (EUR 1.20 per share for 2021), totalling EUR 24.8 (24.9) million, will be paid on shares in Olvi plc. The dividend will be paid in two instalments. The first instalment, EUR 0.60 per share, will be paid on 20 April 2023. The second instalment, EUR 0.60 per share, will be paid on 5 September 2023. Series K shares and Series A shares provide their holders with equal rights to dividends. The Articles of Association include a redemption clause concerning Series K shares.

### 4. SHARE-BASED PAYMENTS

A share-based incentive plan for key personnel has ended at Olvi Group. The performance period ran from 15 February 2021 to 14 February 2023. The target group of the share plan consisted of 12 people. In accordance with the terms and conditions of the plan, the rewards were paid in Series A shares in Olvi and partly in cash. A total of 5,900 Series A shares were transferred as rewards.

Following the end of the CEO's employment obligation on 31 December 2022, a net amount of 3,317 Series A shares in Olvi fell due to be paid to the CEO for the 2021–2023 and 2022–2024 performance periods of the share-based incentive plans in accordance with the rules of the incentive plans and by the decision of the Board of Directors. In accordance with the terms and conditions of the plan, the rewards were paid in Series A shares in Olvi and partly in cash. The amount of the share reward was based on the time passed since the beginning of the performance period and the estimated level of achievement of the earning criteria of the performance-based plan.

By means of a stock exchange release on 2 March 2023, Olvi plc's Board of Directors announced the terms and conditions and target group of the 2023–2025 performance period of the performance share plan. The 2023–2025 performance period is part of the Group's performance-based incentive plan for key personnel approved by the Board of Directors for 2021–2025. The aim of long-term incentive plans is to support the achievement of Olvi's targets, retain key employees in the company and provide them with incentive plans that are based on earning and accumulating shares.

The 2023–2025 performance share plan consists of one performance period. During the 2023–2025 performance period, the rewards are based on the Group's cumulative operating result in euros, the Group's cumulative sales volume of non-alcoholic products and the reduction of CO<sub>2</sub> emissions in the Group's entire value chain compared with the 2021 level. The net amount of rewards to be paid based on the performance period will amount to a maximum of 10,600 Olvi plc Series A shares. During the 2023–2025 performance period, the plan covers 16 people, including the CEO and the other members of Olvi's Management Team.

The costs related to these plans totalled EUR 273.6 thousand in the review period. Olvi Group has no other share or option arrangements in place.



## 5. TREASURY SHARES

At the beginning of January 2023, Olvi plc held 29,404 treasury shares. At its meeting on 28 February 2023, the Board of Directors of Olvi plc decided to initiate a scheme to acquire treasury shares based on the authorisation issued by the Annual General Meeting on 30 March 2022. On this basis, the Board will repurchase a maximum of 20,000 Series A shares. The acquisition of shares began on 2 March 2023 and ended on 14 March 2023. The shares were acquired for financing or implementing possible acquisitions or other arrangements, for implementing the company's incentive schemes or for other purposes determined by the Board of Directors.

At the end of the review period, Olvi plc held a total of 40,187 of its own Series A shares as treasury shares. The total acquisition price of treasury shares was EUR 1,254.8 thousand. The treasury shares do not provide the company with voting rights. The Series A shares held by Olvi plc represent 0.19% of all shares in the company and 0.04% of all votes provided by the shares in the company. The treasury shares account for 0.24% of all Series A shares in the company and 0.17% of the votes provided by all Series A shares in the company.

6. NUMBER OF SHARES	1–3/2023	1–3/2022	1–12/2022
- Average	20,689,066	20,712,828	20,700,783
- At the end of the period	20,682,045	20,712,828	20,692,828

## 7. TRADING IN SERIES A SHARES ON THE NASDAQ HELSINKI

	1–3/2023	1–3/2022	1–12/2022
Trading in Series A shares in Olvi, number of shares	462,846	875,076	2,351,044
Total value of trading, EUR 1,000	14,297	34,582	82,916
Proportion of the trading out of the total number of Series A shares, %	2.7	5.2	13.8
Average share price, EUR	30.89	39.51	35.31
Closing price, EUR	29.90	35.65	33.15
Highest price, EUR	34.95	52.00	52.00
Lowest price, EUR	28.30	29.50	29.40

## 8. FOREIGN AND NOMINEE-REGISTERED HOLDINGS 31 Mar 2023

	Book-entry shares		Number of votes		Shareholders	
	number	%	number	%	number	%
Finnish, total	16,652,797	80.37	87,565,661	95.56	22,202	99.59
Foreign, total	66,832	0.32	66,832	0.07	80	0.36
Nominee-registered (foreign), total	448,229	2.16	448,229	0.49	6	0.03
Nominee-registered (Finnish), total	3,554,374	17.15	3,554,374	3.88	4	0.02
Total	20,722,232	100.00	91,635,096	100.00	22,292	100.00



## 9. LARGEST SHAREHOLDERS 31 Mar 2023

	Series K	Series A	Total	%	Number of votes	%
1 Olvi Foundation	2,363,904	890,613	3,254,517	15.71	48,168,693	52.57
2 The estate of Heikki Hortling*	903,488	103,280	1,006,768	4.86	18,173,040	19.83
3 Timo Einari Hortling	212,600	49,152	261,752	1.26	4,301,152	4.69
4 Marit Hortling-Rinne	149,064	14,234	163,298	0.79	2,995,514	3.27
5 Nordea Bank Abp, nominee-registered		2,003,490	2,003,490	9.67	2,003,490	2.19
6 Skandinaviska Enskilda Banken Ab (publ), Helsinki branch, nominee-registered		1,496,015	1,496,015	7.22	1,496,015	1.63
7 Varma Mutual Pension Insurance Company		828,075	828,075	4.00	828,075	0.90
8 Ilmarinen Mutual Pension Insurance Company		683,000	683,000	3.30	683,000	0.75
9 Pia Johanna Hortling	23,388	25,716	49,104	0.24	493,476	0.54
10 Jens Einari Hortling	23,388	16,216	39,604	0.19	483,976	0.53
Other	56,424	10,880,185	10,936,609	52.76	12,008,665	13.10
Total	3,732,256	16,989,976	20,722,232	100.00	91,635,096	100.00

\* The shareholding includes shares held by the shareholder and the entities controlled by them.

Olvi did not receive any flagging notifications under chapter 2, section 10 of the Securities Markets Act in January–March 2023.

## 10. PROPERTY, PLANT AND EQUIPMENT

EUR 1,000	1–3/2023	1–3/2022	1–12/2022
Opening balance	208,165	229,356	229,356
Additions	6,255	8,118	37,286
Deductions and transfers	-391	388	-152
Depreciation and impairment	-6,611	-6,010	-58,206
Exchange rate differences	-2,000	-4,874	-119
Total	205,418	226,978	208,165

## 11. CONTINGENT LIABILITIES

EUR 1000	31 Mar 2023	31 Mar 2022	31 Dec 2022
Pledged assets and contingent liabilities			
On the company's own behalf	2,945	10,004	2,608
Lease and rental liabilities:			
Maturing in less than a year	1,304	1,322	1,337
Maturing within 1–5 years	1,236	1,438	1,283
Total lease and rental liabilities	2,540	2,760	2,620
Other liabilities	67	60	67





## 12. CALCULATION PRINCIPLES FOR KEY RATIOS

In its summary of key ratios (page 1), the Group presents key ratios directly derived from the consolidated income statement (net sales, operating result, profit for the period and their proportions of net sales, as well as earnings per share). (Earnings per share = Profit for the period attributable to owners of the parent company / Average number of shares during the period, adjusted for share issues).

In addition to its IFRS-based consolidated financial statements, Olvi plc presents Alternative Performance Measures that describe the financial performance of its business operations and provide a comparable overview of the company's profitability, solvency and liquidity.

The Group has applied the European Securities and Markets Authority's (ESMA) new guidelines (effective since 3 July 2016) on Alternative Performance Measures and has determined such measures as follows:

The Group presents sales volume data in millions of litres as an Alternative Performance Measure that supports net sales. Sales volume is an important and widely used indicator in the industry that describes the scope of operations. To improve comparability between reporting periods, the Group also presents the adjusted operating result and the adjusted profit for the period as Alternative Performance Measures. The adjusted operating result is calculated by deducting significant items affecting comparability from net sales. The corresponding items have been deducted from the profit for the period when calculating the adjusted profit for the period.

Investments consist of increases in fixed assets, excluding increases under IFRS 16.

Equity per share = Equity attributable to owners of the parent company / Number of shares at the end of the period, adjusted for share issues.

Equity to total assets, % =  $100 * (\text{Equity attributable to owners of the parent company} + \text{non-controlling interest}) / (\text{Balance sheet total})$ .

Gearing, % =  $100 * (\text{Interest-bearing liabilities} - \text{Cash in hand and at bank}) / (\text{Equity attributable to owners of the parent company} + \text{Non-controlling interest})$ .