



Olvi Group’s interim report for January–March 2024 – Profitability improved markedly; net sales and sales volume at the previous year’s level.

January–March 2024

- Sales volume increased by 0.9% to 205.1 (203.2) million litres.
- Net sales increased by 0.7% and were EUR 130.4 (129.5) million.
- Profitability improved significantly based on the performance of the Finland and Baltic Sea segments: the adjusted operating result increased by 12.6% to EUR 11.2 (10.0) million.
- The equity ratio was 55.1% (50.7%).

Near-term outlook for 2024 (unchanged)

Olvi Group’s adjusted operating result for the 2024 financial year is expected to be EUR 71–80 million.

The Group’s key figures

	1–3/2024	1–3/2023	Change, % / pp	1–12/2023
Sales volume, Mltr	205.1	203.2	0.9	975.8
Net sales, MEUR	130.4	129.5	0.7	630.6
Gross profit, MEUR	50.2	46.9	7.0	235.6
% of net sales	38.5	36.3		37.4
Adjusted operating result, MEUR	11.2	10.0	12.6	67.1
% of net sales	8.6	7.7		10.6
Items affecting the comparability of the operating result, MEUR	0.0	-12.2		-12.2
Operating result, MEUR	11.2	-2.2	605.7	54.9
% of net sales	8.6	-1.7		8.7
Adjusted profit for the period, MEUR	9.0	4.5	98.4	50.7
% of net sales	6.9	3.5		8.0
Profit for the period, MEUR	9.0	-7.7	216.8	38.5
% of net sales	6.9	-5.9		6.1
Earnings per share, EUR	0.43	-0.35	221.0	1.85
Investments, MEUR	5.5	6.9	-20.2	24.9
Equity per share, EUR	13.20	11.75	12.3	13.95
Equity ratio, %	55.1	50.7	4.4	59.0
Gearing, %	-3.9	-8.5	-4.6	-8.5

Olvi presents the adjusted operating result (EBIT) 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.

CEO Patrik Lundell comments on business operations in the first quarter:

Our performance in the first quarter was good and in line with expectations. Our extensive portfolio and strong brands again ensured good consumer demand, and we maintained our market shares despite household financial pressures. Our sales volume and net sales increased despite general market conditions. We managed to improve our profitability markedly: our adjusted operating result increased by 12.6% through pricing and portfolio optimisation. The improvement in the adjusted operating result was also affected by the weak profitability in Finland in the comparison period.



Impacts of the planned EU Packaging and Packaging Waste Regulation on the industry

If implemented, the EU Packaging and Packaging Waste Regulation means that 10% of beverage packaging must be reused by 2030, for example. In Northern Europe, the reuse of materials has been ensured through highly effective deposit-return systems, in which returned beverage packaging are crushed, and the resulting material is reused. For example, the recycling rate of all beverage packaging (plastic bottle, glass bottle, can) in Finland is 90% or more.

In our view, if the regulation were to be implemented using the model now proposed, it would be more environmentally burdensome than supportive for Northern Europe. Washing refillable beverage packaging increases energy and water consumption and the amount of wastewater, and the weight of empty packaging and their transport in countries with long distances between locations significantly increases emissions. In our view, the manufacture of the equipment and the energy and materials required for the manufacture of packaging also burden the environment unnecessarily – especially in Northern Europe, where the recycling rate of beverage packaging is already the highest in the world.

Strategy implementation is progressing

In December 2023, we launched our updated strategy for profitable growth and sustainable shareholder value growth, along with our new long-term targets. Our vision is to be the preferred multi-local beverage company.

The implementation of our strategy has now started. Olvi seeks to provide consumers with 10 million moments of enjoyment every day. This is made possible by our extensive product selection, which meets a diverse range of consumer demand in both the alcoholic and non-alcoholic product categories. One of the cornerstones of our strategy is to improve the profitability of our core business operations. This means increasing the value of our strong core business operations by focusing on identifying and responding to local customer and consumer needs through new products and price and selection optimisation. In the first quarter, the implementation of this part of our strategy was most strongly reflected in the Finnish segment as profitability continued to improve.

The summer and our busiest season of the year are approaching, and we are even better prepared than before. We have a buffer of products in stock to ensure reliable deliveries to our customers.

The results of a personnel satisfaction survey conducted throughout Olvi Group in January show that our personnel also feel that the company has developed in the right direction, and their level of commitment to the company is higher than it is in peer companies.

Financial development

January–March 2024

Our sales volume increased by 0.9% to 205.1 (203.2) million litres, despite the weak development of consumers' purchasing power. This year, Easter sales took place in March, bringing volume to an otherwise slow quarter. Our market shares have remained strong despite intensified price competition. Our net sales increased by 0.7% to EUR 130.4 (129.5) million as a result of the Finland segment's good performance. Our adjusted operating result increased by 12.6% year-on-year and was EUR 11.2 (10.0) million. Our performance improved as cost inflation subsided, and price increases were implemented.

Segment-specific business development: January–March 2024

Profitability continued to improve in Finland during the first quarter

The net sales of our business operations in Finland grew by 5.3%, but the sales volume decreased by 1.4%, during the first quarter. The development of the sales volume was affected by product portfolio changes in the retail sector. In terms of product categories, the sales of water and other non-alcoholic products increased, while the sales of beer decreased.



In our Finnish operations, the operating result was EUR 3.5 (1.7) million, with an increase of 108.9% year-on-year. The operating result increased significantly as a result of product positioning and price increases, among other factors. The strikes caused interruptions in production, but major additional costs were avoided. Significant price increases had not yet been made in the comparison period, as their implementation was not started until the second quarter of 2023. The most significant price increases have now been implemented, but in terms of portfolio development and individual products, measures to improve profitability and achieve the targets set out in the strategy will continue.

The operating result increased in the Baltic Sea region

Our sales volume in the Baltic Sea region decreased by 0.5%, and our net sales by 0.4% during the first quarter. Consumer demand and exports decreased in Estonia. In other respects, the segment's retail and hotel, restaurant and catering channel (HoReCa) sales improved year-on-year. The operating result increased by 13.4% to EUR 2.8 (2.5) million. Profitability improved as costs no longer increased, measures were taken to improve the efficiency of production operations, and targeted price increases were implemented. Profitability improved in all countries of operation.

The weaker exchange rate caused the operating result to decrease in Belarus

Net sales in the Belarusian segment decreased by 5.4%, while sales volume grew by 4.5%. Sales volume increased because of more extensive campaigns to improve off-season sales compared with the corresponding period in the previous year. Euro-denominated net sales were significantly affected by the weaker exchange rate, as net sales in the local currency grew by 11.4%. The operating result decreased by 14.2% compared with the previous period's adjusted operating result and was EUR 5.2 (6.1) million. In the local currency, the operating result grew by 1.1%.

Investments

Olvi Group's expansion and replacement investments were EUR 5.5 (6.9) million in January–March. Investments decreased especially because investments in Finland in 2024 will mainly take place in the second half of the year. Of the investments, EUR 1.4 million were related to Finland, and EUR 3.6 million to subsidiaries in the Baltic Sea region. Only replacement investments necessary for the continuity of production have been made in Belarus through the subsidiary's income financing, totalling EUR 0.5 million.

Sustainability

Environmental sustainability

The company has completed its calculation of emissions from its own operations and purchased energy (Scopes 1 and 2) for 2023. Compared with the previous year, these emissions have decreased by 2.4%. In addition, the emission intensity (emissions in relation to litres produced) has decreased considerably (4.0%) as a result of the development of operations. The calculation of emissions from the value chain (Scope 3) for 2023 will be completed during the second quarter of 2024.

In the company's own operations, the Vestfyen brewery in Denmark switched to renewable electricity at the beginning of 2024. The other companies in the Baltic Sea region and Finland business area already use renewable electricity.

To achieve the science-based climate targets, a project to identify measures to reduce climate emissions in the value chain was launched at the beginning of 2024. The work focuses on the main sources of emissions: raw materials, packaging and logistics. The monitoring and impact assessment of water use in the company's own operations have been enhanced. Later this year, we will further develop the monitoring and impact assessment of water use in the value chain, especially in terms of the manufacture of raw materials and packaging.

Social sustainability

In early 2024, a People Power personnel survey was conducted across the Group. The response rate was very good (89%), and the overall People Power rating was AA+. Compared with the previous survey in 2022, the index increased by 3.1, and the overall index is markedly higher than the benchmark value for the Baltic Sea region. The respondents felt that the company had developed favourably, and that well-organised work ensured



efficiency. Open and clear communication and feedback on good performance, as well as opportunities for employees to participate in development measures, support long-term success.

The self-assessment of suppliers has been updated by deepening the area of social sustainability in line with future EU legislative requirements.

Good governance

Olvi Group is preparing for the requirements of the Corporate Sustainability Reporting Directive (CSRD). Olvi Group's double materiality analysis has been completed, and material topics have been identified and preliminary data points determined based on the analysis. Sustainability data collection and readiness for future sustainability reporting will be developed based on the results. In addition, the company is monitoring and preparing for other changes to EU sustainability legislation, such as regulations related to environmental claims and packaging, as well as other increasing reporting requirements.

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 0.9% in January–March, totalling 205.1 (203.2) million litres.

Sales volume, Mltr	1–3/2024	1–3/2023	Change, %
Finland	57.9	58.8	-1.4
Baltic Sea region	79.1	79.5	-0.5
Belarus	68.8	65.9	4.5
Eliminations	-0.7	-1.0	
Total	205.1	203.2	0.9

The Group's net sales in January–March increased by 0.7% and were EUR 130.4 (129.5) million.

Net sales, MEUR	1–3/2024	1–3/2023	Change, %
Finland	50.7	48.1	5.3
Baltic Sea region	53.0	53.2	-0.4
Belarus	27.2	28.7	-5.4
Eliminations	-0.5	-0.5	
Total	130.4	129.5	0.7

Olvi Group has changed the presentation of the segments to correspond to the monitoring carried out by the management. In future, intra-segment business transactions will be eliminated from the segments' sales volumes and net sales in their presentation. The comparison information has been changed accordingly.

Financial performance

The Group's operating result in January–March was EUR 11.2 (-2.2) million, or 8.6% (-1.7%) of net sales. The adjusted operating result increased by 12.6% and was EUR 11.2 (10.0) million. The improvement in the adjusted operating result was mainly caused by improved profitability in Finland, compared with the corresponding period in the previous year.

Adjusted operating result, MEUR	1–3/2024	1–3/2023	Change, %
Finland	3.5	1.7	108.9
Baltic Sea region	2.8	2.5	13.4
Belarus	5.2	6.1	-14.2
Eliminations	-0.3	-0.3	
Total	11.2	10.0	12.6



Operating result, MEUR	1–3/2024	1–3/2023	Change, %
Finland	3.5	1.7	108.9
Baltic Sea region	2.8	2.5	13.4
Belarus	5.2	-6.1	186.5
Eliminations	-0.3	-0.3	
Total	11.2	-2.2	605.7

The Group's profit after taxes in January–March was EUR 9.0 (-7.7) million.

Earnings per share calculated from the profit attributable to the owners of the parent company were EUR 0.43 (-0.35) in January–March.

Financial position and the balance sheet

Olvi Group's balance sheet total at the end of March 2024 was EUR 496.7 (482.8) million. Equity per share at the end of March 2024 was EUR 13.20 (11.75). The equity ratio was 55.1% (50.7%), and gearing was -3.9% (-8.5%). The Group's liquidity indicator, the current ratio, remained at the same level as in the comparison period, at 1.2 (1.1). Interest-bearing liabilities amounted to EUR 6.9 (4.1) million at the end of March. Of the interest-bearing liabilities, current liabilities accounted for EUR 2.2 (2.2) 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.

The Group's cash and cash equivalents totalled EUR 17.6 (24.8) million at the end of the review period, with a decrease of EUR 7.2 million year-on-year. Olvi has credit facilities for liquidity management. Cash flow from operating activities was EUR -8.1 (-27.6) million. 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 -4.9 (-6.9) million, and cash flow from financing activities was EUR -1.0 (-0.8) million.

Personnel

In the first quarter, Olvi Group had an average of 2,352 (2,302) employees, with an increase of 2.2%.

Olvi Group's average number of personnel by segment:

	1–3/2024	1–3/2023	Change, %
Finland	416	412	1.0
Baltic Sea region	1,059	1,042	1.6
Belarus	877	848	3.4
Total	2,352	2,302	2.2

Board of Directors and management

Esa Hyttinen, LL.M., has been appointed as Olvi plc's Group General Counsel and a member of Olvi Group's Management Team as of 29 February 2024. The Group General Counsel has overall responsibility for the Group's legal affairs and serves as secretary to the Board of Directors of the parent company. The position is new in the company, and Esa Hyttinen reports to CEO Patrik Lundell.

Olvi plc's Annual General Meeting was held on 26 March 2024. Its decisions and impacts on the composition of the Board are discussed below.



Other events during the review period

Annual General Meeting

Olvi plc's Annual General Meeting (AGM) on 26 March 2024 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 2023.

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 2023 financial year. This dividend is 64.9% (311.4%) 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 18 April 2024 to shareholders registered in the list of shareholders maintained by Euroclear Finland on the record date (28 March 2024). The second instalment (EUR 0.60 per share) will be paid on 3 September 2024 to shareholders registered in the list of shareholders maintained by Euroclear Finland on the record date (27 August 2024). The AGM decided that the Board of Directors will consist of six (6) members. Lasse Heinonen, Nora Hortling, Juho Nummela, Päivi Paltola and Christian Ståhlberg were re-elected as members of the Board. Tarmo Noop was elected as a new member of the Board. KPMG Oy Ab, Authorised Public Accountants, was elected as the company's auditor, with Heidi Hyry, Authorised Public Accountant, as the principal auditor. KPMG Oy Ab was also elected as the verifier of the company's sustainability reporting, with Heidi Hyry, APA, Sustainability Reporting Auditor, in charge of the verification. Ernst & Young Oy, Authorised Public Accountants, served as the company's auditor until the Annual General Meeting, with Elina Laitinen, APA, as the principal auditor. The AGM's decisions were published in a stock exchange release on 26 March 2024.

Organisation of the Board of Directors

At its constitutive meeting on 26 March 2024, Olvi plc's Board of Directors elected Nora Hortling as Chair and Lasse Heinonen as Vice Chair of the Board. Lasse Heinonen, Tarmo Noop 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 People and Sustainability Committee.

Changes in the Group structure

No changes took place in Olvi's subsidiary holdings during the first quarter of 2024.

Business risks and their management

Geopolitical situation

The geopolitical situation has affected Olvi's operating environment. The war in Ukraine has significantly increased business risks. The coronavirus pandemic caused problems in the availability of raw materials and packaging materials, and the war in Ukraine has further complicated the procurement of materials. The increase in the costs of packaging materials, which started during the pandemic and continued in 2023, levelled out as a whole in early 2024 compared with the previous year. However, the costs of some production batches continued to increase at the beginning of 2024. In addition, the prices of raw materials, especially barley malt, sugar and carbon dioxide, continue to be at a historically high level. Uncertainty in prices and availability has continued in the market because of the war and weather events caused by climate change. The considerable fluctuations in energy prices continue. Logistics costs remain at a high level because of rising fuel prices. Olvi is responding to the increase in costs by improving operational productivity and assessing the adequacy of sales prices to maintain profitability.

Consumer behaviour

Despite the recent easing of the overall cost level, high consumer prices continue to weaken consumers' purchasing power and affect consumer behaviour. This change can already be seen as a shift in consumption towards cheaper product options. In addition, overall consumption can decrease, and the premiumisation trend may stop. There are differences between markets. Olvi Group is responding to the change by developing its product portfolio in line with consumer demand and by maintaining and strengthening market shares.



Operating environment in Belarus

The business operations and financial forecasting in Belarus continue to involve considerable uncertainty. For example, the uncertainty concerns the development of exchange rates, the unpredictability of the operating environment, local legislation and taxation, trade sanctions, and the functioning of financial transactions with Western countries. Olvi's Belarusian subsidiary operates by means of its own cash flow financing. Cash and cash equivalents stood at EUR 8.8 million at the end of the review period. Despite the amendments made to the legislation preventing the sale of foreign-owned companies in Belarus in 2024, the prohibition of selling shares in Olvi's subsidiary remains in force, and Olvi does not have permission to sell shares.

Other current risks

As political strikes continue in Finland, Olvi may suffer significant financial losses. These financial risks are related to the functionality of production and the supply chain in particular, as well as to customers' ability to operate. Significant direct costs have been avoided so far.

Cybersecurity threats have increased because of the escalation of the global geopolitical situation, among other reasons. Olvi Group has prepared for the increasing information security threats in many ways. Personnel are provided with training, information about threats is provided regularly, and cybersecurity guidelines are reviewed during induction training. Olvi's information systems are protected through regular updates, backups, firewalls, anti-malware software, content filters and threat detection programs.

If the EU Packaging and Packaging Waste Regulation were to be implemented using the model now proposed, it would create needs for Olvi to invest in the filling and handling of products and would increase climate emissions from product manufacturing and logistics.

Our operations involve several risks related to sustainability. The identification and assessment of and preparation for these risks have become a significant part of risk management. We have identified these as part of strategic, business, financial and compliance risks. Sustainability risks are identified in connection with several different risk assessments, such as human rights and climate change assessments.

Preparedness

Olvi Group has prepared several scenarios related to the development of the business environment and is prepared to respond to changing situations. The company is prepared for production disruptions and has drawn up continuity plans related to the availability of labour, raw materials and energy, for example. The company has made investments to secure energy supply and has also made efforts to ensure the availability of raw materials and packaging materials. Particular attention has been paid to the adequacy of risk management plans in accordance with risk assessments and the introduction of new risk assessment methods in terms of information and sustainability risks, for example. The separation of the Belarusian operations from the Group has been carried out with determination, and the company has prepared for the uncertainties mentioned above based on various scenarios.

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/q1-2024> from 11 am onwards on the date of publication of this interim report. The press conference will be held in English.

A recording of the webcast can be viewed later on the company's website at <https://www.olvigroup.fi/en/releases-and-publications/financial-releases/>

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**CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME**

EUR 1,000

	1–3/2024	1–3/2023	1–12/2023
Gross sales	276,953	278,853	1,326,568
Excise taxes and other adjustments	-146,569	-149,389	-695,963
Net sales	130,384	129,463	630,605
Cost of sales	-80,167	-82,515	-394,977
Gross profit	50,217	46,948	235,628
Logistics, sales and marketing expenses	-28,372	-26,941	-126,605
Administrative expenses	-11,200	-10,182	-41,472
Other operating income and expenses	571	-12,043	-12,633
Operating result	11,216	-2,218	54,918
Financial income	391	42	990
Financial expenses	-285	-337	-1,682
Share of the profit of associated companies and joint ventures	0	0	45
Profit before tax	11,322	-2,513	54,271
Income taxes	-2,367	-5,154	-15,798
PROFIT FOR THE PERIOD	8,955	-7,667	38,473
Other items of comprehensive income that may be later reclassified as profit or loss: Translation differences related to foreign subsidiaries	228	-3,827	-5,003
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	9,183	-11,494	33,470
Distribution of the profit for the period:			
- Owners of the parent company	8,834	-7,299	38,251
- Non-controlling interest	121	-368	222
Distribution of comprehensive income for the period:			
- Owners of the parent company	9,054	-10,979	33,430
- Non-controlling interest	129	-515	40
Earnings per share calculated from profit attributable to owners of the parent company, EUR			
- Undiluted	0.43	-0.35	1.85
- Diluted	0.43	-0.35	1.85



BALANCE SHEET			
EUR 1,000	31 Mar 2024	31 Mar 2023	31 Dec 2023
ASSETS			
Non-current assets			
Intangible assets	10,233	11,184	10,518
Goodwill	22,204	22,204	22,204
Tangible assets	213,279	205,418	213,182
Holdings in associated companies and joint ventures	1,032	1,028	1,032
Other investments	785	1,042	1,042
Loans receivable and other long-term receivables	5,966	1,870	5,544
Deferred tax assets	3,846	2,461	4,370
Total non-current assets	257,345	245,208	257,892
Current assets			
Inventories	83,156	80,704	74,190
Accounts receivable and other receivables	137,879	130,196	125,815
Income tax receivables	734	1,863	645
Cash and cash equivalents	17,596	24,815	31,458
Total current assets	239,365	237,577	232,108
TOTAL ASSETS	496,710	482,785	490,000
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent company			
Share capital	20,759	20,759	20,759
Other reserves	1,092	1,092	1,092
Fair value reserve	295	295	295
Treasury shares	-881	-1,255	-881
Translation differences	-56,548	-55,627	-56,768
Retained earnings	308,343	277,687	324,120
	273,060	242,951	288,617
Non-controlling interest	845	1,816	721
Total equity	273,905	244,767	289,338
Non-current liabilities			
Financial liabilities	4,714	1,968	4,098
Other liabilities	761	3,714	782
Deferred tax liabilities	13,712	13,203	14,100
Current liabilities			
Financial liabilities	2,168	2,155	2,908
Accounts payable and other payables	200,746	216,814	178,751
Income tax liability	704	163	23
Total liabilities	222,805	238,018	200,662
TOTAL EQUITY AND LIABILITIES	496,710	482,785	490,000



STATEMENT OF CHANGES IN EQUITY

EUR 1,000	Share capital	Other reserves	Fair value reserve	Treasury shares reserve	Translation differences	Earnings	Attributable to non-controlling interest	Total
Equity 1 Jan 2024	20,759	1,092	295	-881	-56,768	324,120	721	289,338
Comprehensive income:								
Profit for the period						8,834	121	8,955
Other items of comprehensive income:								
Translation differences					220		8	228
Total comprehensive income for the period					220	8,834	129	9,183
Business transactions with shareholders:								
Dividend payment						-24,826	-5	-24,831
Share-based incentives, value of work performance						215		215
Business transactions with shareholders, total						-24,611	-5	-24,616
Equity 31 Mar 2024	20,759	1,092	295	-881	-56,548	308,343	845	273,905
EUR 1,000	Share capital	Other reserves	Fair value reserve	Treasury shares reserve	Translation differences	Earnings	Attributable to non-controlling interest	Total
Equity 1 Jan 2023	20,759	1,092	295	-1,079	-52,030	310,194	2,514	281,745
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
Equity 31 Mar 2023	20,759	1,092	295	-1,255	-55,627	277,687	1,816	244,767



CASH FLOW STATEMENT

EUR 1,000

	1–3/2024	1–3/2023	1–12/2023
Profit for the period	8,955	-7,667	38,473
Adjustments:			
Depreciation and impairment	6,442	7,245	24,779
Other adjustments	2,422	5,417	11,778
Change in net working capital:			
Change in accounts receivable and other receivables	-12,593	-21,857	-20,279
Change in inventories	-8,793	-10,677	-6,377
Change in accounts payable and other payables	-3,081	3,216	-4,789
Interest paid	-104	-65	-408
Interest received	303	32	531
Dividends received	1	0	10
Taxes paid	-1,636	-3,266	-15,764
Cash flow from operating activities (A)	-8,084	-27,622	27,954
Investments in tangible and intangible assets	-5,098	-7,033	-25,550
Proceeds from the sale of tangible and intangible assets	244	179	591
Acquisition of shares from non-controlling interest	0	0	-2,737
Dividends received	0	0	41
Cash flow from investing activities (B)	-4,854	-6,854	-27,655
Loan withdrawals	821	1,398	4,577
Repayment of loans	-1,748	-1,574	-6,165
Acquisition of treasury shares	0	-604	-604
Dividends paid	-52	0	-25,339
Cash flow from financing activities (C)	-979	-780	-27,531
Increase (+) / decrease (-) in cash and cash equivalents (A+B+C)	-13,917	-35,256	-27,232
Cash and cash equivalents 1 Jan	31,458	61,207	61,207
Impact of exchange rate changes	55	-1,136	-2,517
Cash and cash equivalents 31 Mar / 31 Dec	17,596	24,815	31,458



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 2023 financial statements (31 December 2023). Olvi Group has changed the presentation of the segments to correspond to the monitoring carried out by the management. In future, intra-segment business transactions will be eliminated from the segments' sales volumes and net sales in their presentation. The comparison information has been changed accordingly.

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 1–3/2024

EUR 1,000	Finland	Baltic Sea region	Belarus	Eliminations	Group
INCOME					
External sales	50,576	52,648	27,160		130,384
Beverage sales	50,052	52,648	27,160		129,860
Equipment services	524	0	0		524
Internal sales	104	395	0	-499	0
Total net sales	50,680	53,043	27,160	-499	130,384
Total profit for the period	3,661	1,986	3,260	48	8,955

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

EUR 1,000	Finland	Baltic Sea region	Belarus	Eliminations	Group
INCOME					
External sales	48,115	52,627	28,721		129,463
Beverage sales	47,647	52,627	28,721		128,995
Equipment services	468	0	0		468
Internal sales	12	617	0	-629	0
Total net sales	48,127	53,244	28,721	-629	129,463
Total profit for the period	5,989	1,750	-10,666	-4,740	-7,667

2 RELATED PARTY TRANSACTIONS

Management's employee benefits

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

EUR 1,000	1–3/2024	1–3/2023	1–12/2023
CEO	329	87	358
Chair of the Board	27	16	93
Other Board members	54	35	165
Total	410	138	616



3 SHARES AND SHARE CAPITAL

	31 Mar 2024	%
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 2024.

A dividend of EUR 1.20 per share for 2023 (EUR 1.20 per share for 2022), totalling EUR 24.8 (24.8) 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 18 April 2024. The second instalment, EUR 0.60 per share, will be paid on 3 September 2024. 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 REWARDS

On 19 December 2023, Olvi plc's Board of Directors decided to establish two new long-term incentive plans for the Group's key people. The incentive plans and their objectives were announced in a stock exchange release on 19 December 2023.

The first performance period of the 2024–2028 Performance Share Plan (financial years 2024–2026) has started. The target group of the performance period includes 36 key people, including the members of the Group Management Team and the CEO of the company. The plan enables the members of the target group to earn Series A shares in Olvi plc based on performance. The earning criteria for the first performance period (2024–2026) are the cumulative operating results of the Baltic Sea segment and the Finland segment, the sales of non-alcoholic products and carbon neutrality in the company's own production operations. The rewards to be paid from the plan may amount to a maximum of 43,021 Olvi plc's Series A shares and a cash portion to cover taxes and tax-like payments arising from the share-based reward.

The costs related to incentive plans totalled EUR 215.2 thousand in the review period. Olvi Group has no other share or option arrangements in place.

5 TREASURY SHARES

At the beginning of January 2024, Olvi plc held a total of 28,692 Series A shares in the company. No changes took place in the number of treasury shares during the review period. The total acquisition price of treasury shares was EUR 880.8 thousand. The treasury shares do not provide the company with voting rights. The Series A shares held by Olvi plc represent 0.14% of all shares in the company and 0.03% of all votes provided by the shares in the company. The treasury shares account for 0.17% 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 OUTSTANDING

	1–3/2024	1–3/2023	1–12/2023
- Average	20,693,540	20,689,066	20,690,905
- At the end of the period	20,693,540	20,682,045	20,693,540



7 TRADING IN SERIES A SHARES ON THE NASDAQ HELSINKI

	1–3/2024	1–3/2023	1–12/2023
Trading in Series A shares in Olvi, number of shares	578,680	462,846	1,608,889
Total value of trading, EUR 1,000	17,775	14,297	48,077
Proportion of the trading out of the total number of Series A shares, %	3.4	2.7	9.5
Average share price, EUR	30.72	30.89	29.88
Closing price, EUR	30.80	29.90	28.05
Highest price, EUR	33.80	34.95	34.95
Lowest price, EUR	28.35	28.30	26.80

8 FOREIGN AND NOMINEE-REGISTERED HOLDINGS 31 Mar 2024

	Book-entry shares		Number of votes		Shareholders	
	number	%	number	%	number	%
Finnish, total	16,959,168	81.84	87,872,032	95.89	22,929	99.65
Foreign, total	39,232	0.19	39,232	0.04	69	0.30
Nominee-registered (foreign), total	464,506	2.24	464,506	0.51	6	0.03
Nominee-registered (Finnish), total	3,259,326	15.73	3,259,326	3.56	5	0.02
Total	20,722,232	100.00	91,635,096	100.00	23,009	100.00

9 LARGEST SHAREHOLDERS 31 Mar 2024

	Series K		Series A		Total	%	Number of votes	
	number	%	number	%			number	%
1 Olvi Foundation	2,363,904		990,613		3,354,517	16.19	48,268,693	52.67
2 The estate of Heikki Hortling*	903,488		103,280		1,006,768	4.86	18,173,040	19.83
3 Timo Einari Hortling	212,888		49,152		262,040	1.26	4,306,912	4.70
4 Marit Hortling-Rinne	149,064		14,234		163,298	0.79	2,995,514	3.27
5 Nordea Bank Abp, nominee-registered			1,868,386		1 868,386	9.02	1 868,386	2.04
6 Skandinaviska Enskilda Banken Ab (publ), Helsinki branch, nominee-registered			1,327,395		1,327,395	6.41	1,327,395	1.45
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		28,244		51,632	0.25	496,004	0.54
10 Jens Einari Hortling	23,388		18,444		41,832	0.20	486,204	0.53
Other	56,136		11,079,153		11,135,289	53.72	12,201,873	13.32
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 they control.

Olvi did not receive any flagging notifications under chapter 9, section 5 of the Securities Markets Act in January–March 2024.



10 PROPERTY, PLANT AND EQUIPMENT

EUR 1,000	1–3/2024	1–3/2023	1–12/2023
Opening balance	213,182	208,165	208,165
Additions	6,224	6,255	26,643
Deductions and transfers	-327	-391	1,311
Depreciation and impairment	-5,788	-6,611	-22,709
Exchange rate differences	-12	-2,000	-228
Total	213,279	205,418	213,182

11 COMMITMENTS

EUR 1,000	31 Mar 2024	31 Mar 2023	31 Dec 2023
Pledged assets and commitments			
For own commitments	2,464	2,945	3,268
Lease and rental liabilities:			
Maturing in less than a year	1,344	1,304	1,300
Maturing within 1–5 years	2,023	1,236	1,254
Total lease and rental liabilities	3,367	2,540	2,554
Other liabilities	567	67	567

12 VALUATION OF THE BELARUSIAN BUSINESS SEGMENT

For the 2022 financial statements (31 December 2022), the management assessed the book value of the Belarusian business segment in a changed operating environment. An impairment of EUR 35.0 million was recognised based on the assessment. Based on the management's assessment and testing, the balance sheet valuation of the Belarusian business segment on 31 March 2024 is materially at the right level, and there is no need to change the impairment recognised. The Belarusian business segment's balance sheet value was EUR 33.4 million on 31 March 2024. The valuation has been carried out in accordance with the previous year's model.

13 CALCULATION PRINCIPLES FOR KEY FIGURES

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) 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.

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

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

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