



Olvi Group's Half-Year Report, 1 January to 30 June 2020 (6 months)

OLVI PLC

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OLVI GROUP'S HALF-YEAR REPORT, 1 JANUARY TO 30 JUNE 2020 (6 MONTHS)

Half-year report in brief

Olvi Group's sales volume, net sales and operating profit improved during the review period. Thanks to a strong market position, sales volume and operating profit increased also in the second quarter despite the impacts of the corona pandemic. The financial standing and cash at hand remain at the previous year's good level.

Reinstating the earnings guidance

The corona pandemic caused a sudden change in business operations, and on 30 April 2020 Olvi withdrew its earnings guidance for the current year. As the business situation has stabilised, Olvi reinstates the guidance presented in the financial statements bulletin of 27 February 2020, stating that operating profit for fiscal year 2020 is expected to remain on the previous year's good level.

Consolidated key ratios

	4-6 / 2020	4-6 / 2019	Change % /pp	1-6 / 2020	1-6 / 2019	Change % /pp	1-12 / 2019
Sales volume, Mltr	229.7	227.6	0.9	382.9	365.0	4.9	718.3
Net sales, MEUR	121.0	124.5	-2.8	205.6	201.5	2.0	408.7
Gross margin, MEUR	26.3	25.7	2.6	40.4	37.4	8.2	76.7
% of net sales	21.8	20.6		19.7	18.6		18.8
Operating profit, MEUR	20.2	19.8	2.0	28.0	25.8	8.6	52.5
% of net sales	16.7	15.9		13.6	12.8		12.8
Net profit for the period, MEUR	14.5	13.2	10.2	19.9	18.3	9.1	42.2
% of net sales	12.0	10.6		9.7	9.1		10.3
Earnings per share, EUR	0.69	0.62	11.3	0.95	0.87	9.2	2.02
Investments, MEUR	9.8	11.3	-13.4	19.0	18.1	4.5	31.0
Equity per share, EUR				12.20	11.49	6.2	12.58
Equity to total assets, %				57.8	58.8	-1.0	66.4
Gearing, %				-8.6	-9.5	-0.9	-11.6

Business development

Lasse Aho, Managing Director:

Olvi Group's business development in the first half of the year has been excellent in spite of the corona pandemic. Sales volume, net sales and operating profit improved in all of the main markets in Finland, the Baltic states and Belarus. We are particularly delighted to see how our strong market position has been reflected in the challenging second quarter as increased retail sales. Sales volume increased during the corona pandemic, thanks to strong retail sales and warm weather in the beginning of the season. Rapid response with cost saving measures and production optimisation at the first stages of the corona crisis enabled good performance development in spite of a temporary decline in average price.

Business in Finland developed strongly during the entire first half. Sales volume, net sales and operating profit have clearly increased on the previous year, also in the second quarter. The focus of consumer demand has shifted from cross-border and on-trade sales to retail sales. This has boosted sales in Finland and further strengthened Olvi's market position. Towards the end of the review period, signs of consumption patterns returning to normal and an increase in average price could also be seen.

Development in the Estonian market has remained positive during the first half of the year measured by sales volume, net sales and operating profit alike. Operating profit turned to a positive trend in the second quarter, thanks to intense business adaptation measures, increased export sales and warm weather in June. The corona pandemic imposed restrictions on travel in particular, and this impacted the sales volume for on-board and harbour sales in Tallinn in particular. As corona restrictions are eased, however, recovery of sales volumes can be seen both in domestic demand as well as cross-border sales.

In Latvia, the market share has improved in all main product categories. However, the corona pandemic and declined cross-border sales had a negative effect on development over the entire period under review. Amendments to alcohol legislation enacted in the current and previous year have also impacted consumer demand as well as profitability. Latvia cancelled the corona pandemic-related emergency powers only in mid-June, and after that, the restaurant business in the country has started to recover gradually.

In Lithuania, business development has been strong for the entire first half of the year and continued also in the second quarter. Demand for Volfas Engelman branded products has been good both domestically and abroad. Exports have increased strongly also in the second quarter. Domestic consumer demand in Lithuania has remained on a better level during the crisis compared to the other Baltic states. However, corona restrictions had an impact particularly on domestic on-trade sales.

In Belarus, the impact of the corona pandemic became apparent later than in Olvi's other market areas, and sales volume declined in the second quarter due to a change in consumption patterns caused by the coronavirus. The weather was also very warm in the beginning of the respective season last year. However, aggregate sales volume for the first half of the year has increased by 1.3 percent. The decline in net sales and operating profit was substantially affected by the weakened exchange rate. Measured in the local currency, the company's net sales increased by 4 percent and operating profit improved by 9 percent.

The Group's strategic growth investments have proceeded according to plan. The commissioning of a new production line and juicing facility has continued in Finland, and construction of a new production line started in Belarus.

Seasonal nature of the operations

The Group's business operations are characterised by seasonal variation. The net sales and operating profit from the reported geographical segments do not accumulate evenly but vary according to the time of the year and the characteristics of each season.

Sales development

Olvi Group's sales volume in January-June increased by 4.9 percent to 382.9 (365.0) million litres. The sales volume in April-June increased by 0.9 percent to 229.7 (227.6) million litres.

In the first half of the year, sales volume has increased in all other operating countries except Latvia. Even though the corona pandemic had a substantial impact on consumer demand in the second quarter, the Group's sales volume increased by almost one percent. The growth in sales volume was particularly attributable to good performance in Finnish retail sales. Strong growth continued also in Lithuania.

Sales volume, million litres	4-6/ 2020	4-6/ 2019	Change %	1-6/ 2020	1-6/ 2019	Change %
Finland	70.3	62.1	13.2	118.5	106.6	11.2
Estonia	32.1	32.7	-1.8	55.0	54.4	1.1
Latvia	21.5	23.1	-7.0	36.0	36.7	-1.9
Lithuania	35.1	32.3	8.6	60.4	52.5	14.9
Belarus	79.8	83.9	-4.9	127.1	125.5	1.3
Eliminations	-9.0	-6.5		-14.0	-10.6	
Total	229.7	227.6	0.9	382.9	365.0	4.9

The Group's net sales in January-June increased by 2.0 percent and amounted to 205.6 (201.5) million euro. The slight decline in net sales in the second quarter was substantially attributable to lower average price due to sales channel restrictions and changes in consumer demand.

Net sales, million euro	4-6/ 2020	4-6/ 2019	Change %	1-6/ 2020	1-6/ 2019	Change %
Finland	50.7	48.0	5.8	86.7	81.8	5.9
Estonia	20.5	21.1	-2.6	35.4	34.8	1.7
Latvia	11.2	12.5	-9.7	19.0	19.9	-4.6
Lithuania	15.8	14.8	7.2	27.0	23.9	13.3
Belarus	26.6	31.3	-15.0	43.8	46.4	-5.5
Eliminations	-3.9	-3.0		-6.3	-5.2	
Total	121.0	124.5	-2.8	205.6	201.5	2.0

Earnings development

The Group's operating profit in January-June stood at 28.0 (25.8) million euro, or 13.6 (12.8) percent of net sales. Operating profit in April-June stood at 20.2 (19.8) million euro, which was 16.7 (15.9) percent of net sales. Operating profit has improved by 8.6 percent from the beginning of the year, and even in the second quarter there was an improvement of 2.0 percent. Profitability has improved through a reduction in other operating expenses, attributable to rapid business adaptation measures.

Operating profit, million euro	4-6/ 2020	4-6/ 2019	Change %	1-6/ 2020	1-6/ 2019	Change %
Finland	7.7	6.3	22.4	10.6	8.9	19.8
Estonia	4.8	4.1	15.4	6.8	6.3	8.9
Latvia	1.4	1.6	-15.0	1.9	2.2	-12.8
Lithuania	1.5	1.2	22.0	2.0	1.5	30.3
Belarus	5.2	6.8	-24.0	7.3	7.5	-2.7
Eliminations	-0.3	-0.2		-0.6	-0.5	
Total	20.2	19.8	2.0	28.0	25.8	8.6

The Group's January-June profit after taxes amounted to 19.9 (18.3) million euro. Profit for April to June stood at 14.5 (13.2) million euro.

Earnings per share calculated from the profit belonging to parent company shareholders in January-June was 0.95 (0.87) euro, and the April-June figure was 0.69 (0.62) euro.

Balance sheet, financing and investments

Olvi Group's balance sheet total at the end of June 2020 was 442.6 (410.5) million euro. Equity per share at the end of June 2020 stood at 12.20 (11.49) euro. The equity ratio was 57.8 (58.8) percent and the gearing ratio was -8.6 (-9.5) percent. The current ratio, which represents the Group's liquidity, remained at the previous year's healthy level at 1.1 (1.1). The most substantial factor affecting the change in consolidated working capital is the parent company's partial discontinuation of receivables factoring at the beginning of the year.

The amount of interest-bearing liabilities amounted to 3.4 (3.1) million euro at the end of June. Current liabilities made up 0.8 (0.9) million euro of all interest-bearing liabilities.

Olvi Group's investments in extensions and replacements from January to June amounted to 19.0 (18.1) million euro. The companies in Finland accounted for 9.7 million euro, the Baltic subsidiaries for 4.0 million euro and Lidskoe Pivo in Belarus for 5.3 million euro of the total. Olvi Group has invested in increasing and diversifying its production capacity, as well as the modernisation of production facilities.

Personnel

Olvi Group's average number of personnel in January-June was 1,859 (1,836). The Group's average number of personnel increased by 23 people or 1.3 percent.

Olvi Group's average number of personnel by country:

	4-6/ 2020	4-6/ 2019	Change %	1-6/ 2020	1-6/ 2019	Change %
Finland	409	415	-1.4	382	386	-1.0
Estonia	329	318	3.5	324	306	5.9
Latvia	190	208	-8.7	195	197	-1.0
Lithuania	244	231	5.6	241	232	3.9
Belarus	717	714	0.4	717	715	0.3
Total	1,889	1,886	0.2	1,859	1,836	1.3

Board of Directors and management

There have been no changes in Olvi plc's Board of Directors or management during the review period.

Other events during the review period

Changes in corporate structure

There were no changes in Olvi's holdings in subsidiaries in January-June 2020.

Share-based payments

At the beginning of 2019, Olvi plc initiated a share-based incentive plan for key personnel, the performance period of which is from 1 February 2019 to 31 January 2021. Detailed information on the incentive plan is provided in Table 5, Section 4 of the tables attached to this half-year report.

Business risks and their management

The corona pandemic still has an impact on business operations through risks and predictability. However, Olvi has drafted a variety of scenarios and made preparations for responding to changing situations also if the crisis is prolonged.

The availability of raw materials and labour has been good; however, prolongation of the corona pandemic or substantial numbers of personnel falling ill may impact the production process. Olvi has made preparations for production disruptions and drafted contingency plans concerning the availability of personnel and raw materials, among other things. Furthermore, the unstable political situation and substantial weakening of the currency exchange rate bring more uncertainty to Belarus.

A more detailed description of normal business-related risks is provided in the Board of Directors' report and the notes to the financial statements, as well as in the Investors/Corporate Governance section of the company's Web site.

Events after the review period

There have been no significant reportable events after the review period.

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Board of Directors

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TABLES:

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DISTRIBUTION:
NASDAQ OMX Helsinki Ltd
Key media
www.olvi.fi

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TABLE 1

STATEMENT OF COMPREHENSIVE INCOME

EUR 1,000

	4-6 / 2020	4-6 / 2019	1-6 / 2020	1-6 / 2019	1-12 / 2019
Net sales	120,991	124,516	205,579	201,540	408,706
Other operating income	167	440	406	927	1,417
Operating expenses	-94,827	-99,298	-165,540	-165,071	-333,423
Depreciation and impairment	-6,141	-5,863	-12,410	-11,576	-24,186
Operating profit	20,190	19,795	28,035	25,820	52,514
Financial income	36	282	110	602	1488
Financial expenses	255	-137	-1,346	-267	-492
Share of profit in associates	0	0	0	0	13
Earnings before tax	20,481	19,940	26,799	26,155	53,523
Income taxes *)	-5,940	-6,750	-6,878	-7,891	-11,293
NET PROFIT FOR THE PERIOD	14,541	13,190	19,921	18,264	42,230
Other comprehensive income items that may be subsequently reclassified to profit and loss:					
Translation differences related to foreign subsidiaries	3,019	1,624	-7,606	4,205	2,887

Change in fair value, other investments	0	0	0	0	369
Income taxes related to these items	-73	-77	141	-172	-130
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	17,487	14,737	12,456	22,297	45,356
Distribution of profit:					
- parent company shareholders	14,341	12,915	19,766	17,991	41,760
- non-controlling interests	200	275	155	273	470
Distribution of comprehensive income:					
- parent company shareholders	17,201	14,417	12,526	21,927	44,814
- non-controlling interests	286	320	-70	370	542
Earnings per share calculated from the profit belonging to parent company shareholders, EUR					
- undiluted	0.69	0.62	0.95	0.87	2.02
- diluted	0.69	0.62	0.95	0.87	2.02

*) Income taxes calculated from the profit for the review period.

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TABLE 2

BALANCE SHEET EUR 1,000	30 June 2020	30 June 2019	31 Dec 2019
ASSETS			
Non-current assets			
Tangible assets	209,347	205,102	208,701
Goodwill	25,761	26,414	26,360
Other intangible assets	10,313	11,003	10,598
Shares in associates	1,016	1,016	1,016
Other investments	836	542	836
Loans receivable and other non-current receivables	2,313	235	967
Deferred tax receivables	664	364	475
Total non-current assets	250,250	244,676	248,953
Current assets			
Inventories	46,337	46,848	43,056
Accounts receivable and other receivables	120,566	93,311	70,685
Income tax receivable	365	109	871
Liquid assets	25,119	25,560	33,832
Total current assets	192,387	165,828	148,444
TOTAL ASSETS	442,637	410,504	397,397
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity held by parent company shareholders			
Share capital	20,759	20,759	20,759
Other reserves	1,387	1,092	1,387
Treasury shares	-503	-503	-503
Translation differences	-51,227	-42,810	-43,987
Retained earnings	282,244	259,460	282,895
	252,660	237,998	260,551
Share belonging to non-controlling interests	3,210	3,506	3,318
Total shareholders' equity	255,870	241,504	263,869
Non-current liabilities			
Financial liabilities	2,655	2,194	2,337
Other liabilities	4,264	4,763	4,777
Deferred tax liabilities	7,759	7,419	7,859
Current liabilities			
Financial liabilities	755	904	1,325
Accounts payable and other liabilities	166,672	147,770	117,100

Income tax liability	4,662	5,950	130
Total liabilities	186,767	169,000	133,528
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	442,637	410,504	397,397

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TABLE 3

CHANGES IN SHAREHOLDERS' EQUITY

EUR 1,000	Share capital	Other reserves	Treasury shares reserve	Fair value reserve	Translation differences	Retained earnings	Share of non-controlling interests	Total
Shareholders' equity								
1 Jan 2020	20,759	1,092	-503	295	-43,987	282,895	3,318	263,869
Comprehensive income:								
Net profit for the period						19,766	155	19,921
Other comprehensive income items:								
Translation differences					-7,240		-225	-7,465
Total comprehensive income for the period					-7,240	19,766	-70	12,456
Transactions with shareholders:								
Payment of dividends						-20,710	-38	-20,748
Share-based incentives, value of work performed						293		293
Total transactions with shareholders						-20,417	-38	-20,455
Shareholders' equity								
30 June 2020	20,759	1,092	-503	295	-51,227	282,244	3,210	255,870

EUR 1,000	Share capital	Other reserves	Treasury shares reserve	Fair value reserve	Translation differences	Retained earnings	Share of non-controlling interests	Total
Shareholders' equity								
1 Jan 2019	20,759	1,092	-956	0	-46,746	259,864	3,165	237,178
Comprehensive income:								
Net profit for the period						17,991	273	18,264
Other comprehensive income items:								
Translation differences					3,936		97	4,033
Total comprehensive income for the period					3,936	17,991	370	22,297
Transactions with shareholders:								
Payment of dividends						-18,640	-29	-18,669
Acquisition of treasury shares			-726					-726
Sales of treasury shares to employees			1,179					1,179
Share-based incentives, value of work performed						245		245
Total transactions with shareholders			453			-18,395	-29	-17,971
Shareholders' equity								
30 June 2019	20,759	1,092	-503	0	-42,810	259,460	3,506	241,504

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TABLE 4

CASH FLOW STATEMENT

EUR 1,000

	6. / 2020	1-6 / 2019	1-12 / 2019
Net profit for the period	19,921	18,264	42,230
Adjustments to profit for the period	21,204	19,322	34,859
Change in net working capital	-18,742	-304	1,548
Interest paid	-261	-138	-288
Interest received	24	16	258
Dividends received	2	2	3
Taxes paid	-1,986	-2,381	-11,298
Cash flow from operations (A)	20,162	34,781	67,312

Investments in tangible and intangible assets	-17,906	-16,888	-31,347
Capital gains on disposal of tangible and intangible assets	790	830	1,815
Acquisition of shares from non-controlling interests	0	0	-213
Acquired shares in subsidiaries, associates and joint ventures	0	0	-50
Dividends received	0	0	63
Cash flow from investments (B)	-17,116	-16,058	-29,732
Withdrawals of loans	15,475	2,865	2,445
Repayments of loans	-16,194	-5,894	-6,522
Acquisition of treasury shares	0	-726	-726
Sales of treasury shares to employees	0	1,179	1,179
Dividends paid	-10,399	-9,360	-18,787
Increase (-) / decrease (+) in current interest- bearing business receivables	2	0	-1
Cash flow from financing (C)	-11,116	-11,936	-22,412
Increase (+)/decrease (-) in liquid assets (A+B+C)	-8,070	6,787	15,168
Liquid assets 1 January	33,832	18,520	18,520
Effect of exchange rate changes	-643	253	144
Liquid assets 30 June/31 December	25,119	25,560	33,832

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TABLE 5

NOTES TO THE HALF-YEAR REPORT

The half-year report has been prepared in accordance with IAS 34, applying the same accounting policies as for the financial statements of 31 December 2019.

The information in the half-year report is presented in thousands of euros (EUR 1,000). For the sake of presentation, individual figures and totals have been rounded to full thousands, which causes rounding differences in additions. The ratios are calculated from exact amounts in euros. The information disclosed in the half-year report is unaudited.

1. SEGMENT INFORMATION

NET SALES BY SEGMENT 1-6/2020

EUR 1,000	Finland	Estonia	Latvia	Lithuania	Belarus	Elimi-nations	Group
INCOME							
External sales	86,174	32,211	17,819	25,659	43,716	0	205,579
Beverage sales	85,675	32,211	17,819	25,659	43,716	0	205,080
Equipment services	499	0	0	0	0	0	499
Internal sales	504	3,185	1,142	1,384	98	-6,313	0
Total net sales	86,678	35,396	18,961	27,043	43,814	-6,313	205,579

NET SALES BY SEGMENT 1-6/2019

EUR 1,000	Finland	Estonia	Latvia	Lithuania	Belarus	Elimi-nations	Group
INCOME							
External sales	80,986	32,783	19,056	22,498	46,217	0	201,540
Beverage sales	80,212	32,783	19,056	22,498	46,217	0	200,766
Equipment services	774	0	0	0	0	0	774
Internal sales	859	2,037	829	1,374	141	-5,240	0
Total net sales	81,845	34,820	19,885	23,872	46,358	-5,240	201,540

2. RELATED PARTY TRANSACTIONS

Employee benefits to management

Salaries and other short-term employee benefits to the Board of Directors and Managing Director

EUR 1,000	1-6 / 2020	1-6 / 2019	1-12 / 2019
Managing Director	370	589	766
Chairman of the Board	37	36	71
Other members of the Board	90	86	171
Total	497	711	1,008

3. SHARES AND SHARE CAPITAL

	30 June 2020	%
Number of A shares	16,989,976	82.0
Number of K shares	3,732,256	18.0

Total	20,722,232	100.0
Total votes carried by A shares	16,989,976	18.5
Total votes carried by 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 on 30 June 2020 totalled 20,759 thousand euro.

Olvi plc's shares will receive a dividend of 1.00 euro per share for 2019 (0.90 euro per share for 2018), totalling 20.7 (18.6) million euro. The dividend will be paid in two instalments. The first instalment of 0,50 euro per share was paid on 8 May 2020. The second instalment of 0,50 euro per share will be paid on 8 September 2020. The Series K and Series A shares entitle to equal dividend. The Articles of Association include a redemption clause concerning Series K shares.

4. SHARE-BASED PAYMENTS

The aim of Olvi plc's share-based incentive plan is to combine the objectives of the shareholders and the key employees in order to increase the value of the company, to make the key employees committed to the company, and to offer them a competitive reward plan based on earning the company's shares.

In 2019, Olvi plc initiated a new share-based incentive plan for key personnel, the performance period of which is from 1 February 2019 to 31 January 2021. The prerequisite for receiving reward is that a key employee purchases the company's Series A shares up to the maximum number determined by the Board of Directors and that employment or service continues upon reward payment. Rewards will be paid partly in the company's Series A shares and partly in cash in 2021. The cash proportion is intended to cover taxes and tax-related costs arising from the rewards to the key employees. The plan is directed to approximately 60 people.

In accordance with the share-based incentive plan, Olvi plc sold a total of 36,450 treasury shares to the target group members in 2019 for a price of 1,179,330.37 euro. From January to June 2020, costs associated with the plan were recognised for a total of 671.6 thousand euro. Olvi Group does not have any other share-based plans or option plans.

5. TREASURY SHARES

Olvi plc holds a total of 11,549 of its own Series A shares. The total purchase price of treasury shares was 502,956.28 euro. Treasury shares held by the company itself are ineligible for voting. Series A shares held by Olvi plc as treasury shares represent 0.06 percent of all shares and 0.01 percent of the aggregate number of votes. The treasury shares represent 0.07 percent of all Series A shares and associated votes.

On 8 April 2020, the General Meeting of Shareholders of Olvi plc decided to revoke any unused authorisations to acquire treasury shares and authorise the Board of Directors of Olvi plc to decide on the acquisition of the company's own shares using distributable funds. The authorisation is valid for one year starting from the General Meeting and covers a maximum of 500,000 Series A shares.

The Annual General Meeting also decided to revoke all existing unused authorisations for the transfer of own shares and authorise the Board of Directors to decide on the issue of a maximum of 1,000,000 new Series A shares and the transfer of a maximum of 500,000 Series A shares held as treasury shares.

6. NUMBER OF SHARES *)	1-6 / 2020	1-6 / 2019	1-12 / 2019
- average	20,710,683	20,705,683	20,708,204
- at end of period	20,710,683	20,710,683	20,710,683

*) Treasury shares deducted.

7. TRADING OF SERIES A SHARES ON THE HELSINKI STOCK EXCHANGE

	1-6 / 2020	1-6 / 2019	1-12 / 2019
Trading volume of Olvi A shares	904,556	733,070	1,575,876
Total trading volume, EUR 1,000	35,390	24,075	56,680
Traded shares in proportion to all Series A shares, %	5.3	4.3	9.3
Average share price, EUR	39.15	32.84	36.01
Price on the closing date, EUR	42.20	34.20	41.20
Highest quote, EUR	43.00	36.00	42.60
Lowest quote, EUR	30.25	31.20	31.20

8. FOREIGN AND NOMINEE-REGISTERED HOLDINGS ON 30 JUNE 2020

	Book entries		Votes		Shareholders	
	qty	%	qty	%	qty	%
Finnish total	15,676,634	75.65	86,589,498	94.49	13,488	99.59
Foreign total	724,255	3.50	724,255	0.79	45	0.33
Nominee-registered (foreign) total	124,316	0.60	124,316	0.14	5	0.04
Nominee-registered (Finnish) total	4,197,027	20.25	4,197,027	4.58	6	0.04
Total	20,722,232	100.00	91,635,096	100.00	13,544	100.00

9. LARGEST SHAREHOLDERS ON 30 JUNE 2020

	Series K	Series A	Total	%	Votes	%
1. Olvi Foundation	2,363,904	890,613	3,254,517	15.71	48,168,693	52.57
2. The Estate of Hortling Heikki *)	903,488	103,280	1,006,768	4.86	18,173,040	19.83
3. Hortling Timo Einari	212,600	49,257	261,857	1.26	4,301,257	4.69
4. Hortling-Rinne Marit	149,064	14,699	163,763	0.79	2,995,979	3.27
5. OP Custody Ltd, nominee register		2,318,801	2,318,801	11.19	2,318,801	2.53
6. Nordea Bank Abp, nominee register		1,396,332	1,396,332	6.74	1,396,332	1.52
7. Varma Mutual Pension Insurance Company		828,075	828,075	4.00	828,075	0.90
8. Ilmarinen Mutual Pension Insurance Company		675,000	675,000	3.26	675,000	0.74
9. Odin Norden		661,878	661,878	3.19	661,878	0.72
10. Hortling Pia Johanna	23,388	23,566	46,954	0.23	491,326	0.54
Others	79,812	10,028,475	10,108,287	48.77	11,624,715	12.69
Total	3,732,256	16,989,976	20,722,232	100.00	91,635,096	100.00

*) The figures include the shareholder's own holdings and shares held by parties in his control.

During January-June 2020, Olvi has not received any flagging notices in accordance with Chapter 2, Section 10 of the Securities Markets Act.

10. PROPERTY, PLANT AND EQUIPMENT

EUR 1,000	1-6 / 2020	1-6 / 2019	1-12 / 2019
Opening balance	208,701	196,540	196,540
Additions	18,660	17,552	34,197
Deductions and transfers	-1,074	-1,195	-2,286
Depreciation	-11,268	-10,510	-21,978
Exchange rate differences	-5,672	2,715	2,228
Total	209,347	205,102	208,701

11. CONTINGENT LIABILITIES

EUR 1,000	30 June 2020	30 June 2019	31 Dec 2019
Pledges and contingent liabilities			
For own commitments	1,938	2,114	1,938
Leasing and rental liabilities:			
Due within one year	775	848	804
Due within 1 to 5 years	326	453	306
Due in more than 5 years	0	1	0
Leasing and rental liabilities total	1,101	1,302	1,110
Other liabilities	60	60	60

12. CALCULATION OF FINANCIAL RATIOS

In the summary of financial indicators (page 1), the Group presents figures directly derived from the consolidated income statement: net sales, operating profit and profit for the period, the corresponding percentages in proportion to net sales, as well as the earnings per share ratio. (Earnings per share = Profit belonging to parent company shareholders / Average number of shares during the period, adjusted for share issues.)

In addition to the consolidated financial statements prepared in accordance with IFRS, Olvi Group presents Alternative Performance Measures that describe the financial development of its business and provide a commensurate overall view of the company's profitability, financial position and liquidity.

The Group has applied the ESMA (European Securities and Markets Authority) new guidelines on Alternative Performance Measures that entered into force on 3 July 2016 and defined APIMs as described below.

As an APM supporting net sales, the Group presents sales volumes in millions of litres. Sales volume is an important indicator of the extent of operations generally used in the industry.

The definition of gross margin is operating profit plus depreciation and impairment.

Equity per share = Shareholders' equity held by parent company shareholders / Number of shares at end of period, adjusted for share issues.

Equity to total assets, % = 100 * (Shareholders' equity held by parent company shareholders + non-controlling interests) / (Balance sheet total).

Gearing, % = 100 * (Interest-bearing debt – cash in hand and at bank) / (Shareholders' equity held by parent company shareholders + non-controlling interests).