



## Capital Markets Day 2019 Atria Denmark

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### Atria Denmark & Estonia 1 January - 30 September 2019

EUR million	Q3	Q3	Q1-Q3	Q1-Q3	2018
	2019	2018	2019	2018	
Net sales	24.7	24.7	70.0	72.0	97.4
EBIT	1.7	1.6	3.3	4.3	5.3
EBIT %	6.9 %	6.7 %	4.8 %	6.0 %	5.5 %

- Atria Denmark & Estonia's EBIT improved year-on-year.
- In Denmark, increases in sales prices and a more favourable sales structure strengthened net sales and EBIT compared to the beginning of the year.
- In Estonia, Atria's sales to retail increased by approximately 12% compared to the previous year.
- In Denmark, competition has continued to be intense. Private label products have been gaining market share.
- Atria Estonia's market share strengthened significantly during the summer period. In grill sausages, Atria's market share was 40 per cent, and in meat products, approximately 17 per cent. (Source: ACNielsen)

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## Atria Denmark - short overview

- Atria Denmark is a leading manufacturer of cold cut products in Denmark with 3 production facilities in Horsens and Farre.
- Parts of Atria Denmark's products are produced in Sweden at other Atria plants.
- Atria Denmark is offering two strong consumer brands - 3-Stjernet and Aalbæk Specialiteter.

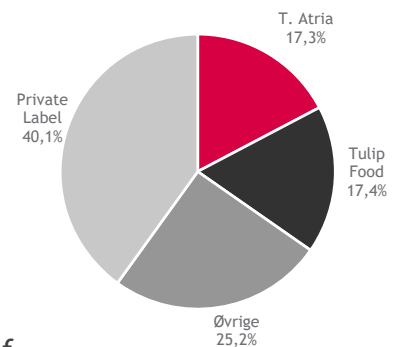


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## Denmark Market Update - cold cut market

- ATRIA Denmark is holding a **strong position in the Danish cold cut market** with 17.3% market share.
- Value of **total cold cut market is up by +1,8%** in 2019 mainly driven by higher prices and PL.
- Atria and Tulip remain the two most important **branded players in Denmark** with more than 1/3 of the total market.
- **Private label market continue to grow** its share of the market and now occupy 40% of the total market.

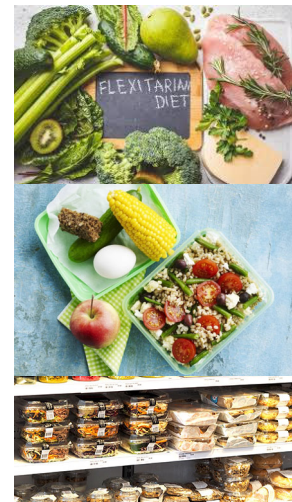


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## Denmark Market Update - Consumer Trends

- Lunchbox remain the **biggest occasion for cold cut** and +11 million lunchboxes are prepared every week.
- Consumption moving from **home-prepared lunchboxes to foodservice channels** such as schools and canteens as well as to **convenience stores**.
- **CSR is very high on the agenda** in Denmark and reducing meat-consumption and use of plastic a significant trend.
- **Flexitarian consumers have doubled** from 6% to 12%.



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## Denmark Market Update - Retail

- Atria Denmark has a **very broad distribution** and is listed across all major retailers in Denmark.
- The Danish retail market is dominated by **4 big retailers** Salling Group, COOP, Reitan and Dagrofa plus the German discounters Lidl and Aldi.
- **The discount sector in Denmark account for more than 40%** - the highest shares of total retail in the Nordic countries.
- Salling Group (35%) and Reitan continue to perform well, while COOP and Dagrofa have suffered and losing share.



## Denmark Market Update - Foodservice & Export

- The Foodservice business is growing steadily and Atria has delivered strong growth rates in 2019.
- High focus on penetrating all major foodservice players with current range of products plus selected group products.
- Despite ongoing uncertainty on Brexit, Atria Denmark have managed to grow the UK export.
- Export to China is still in the early stages. New partnership with a leading Chinese distributor expected to build sales further.
- Focus on near-by-markets such as Finland, Sweden and Norway.



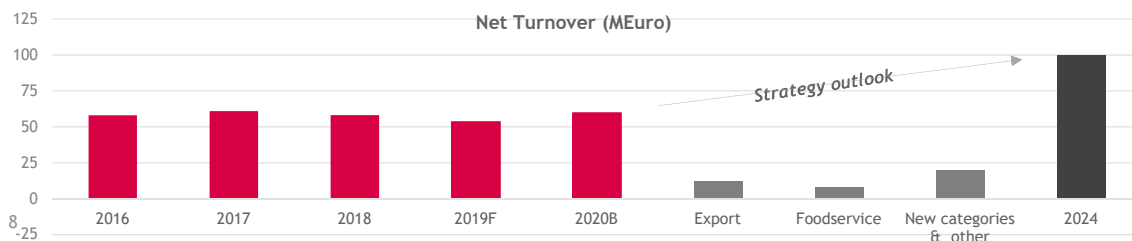
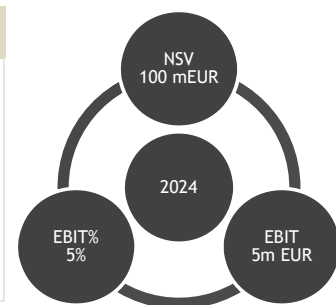
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## Atria Denmark - strategy outlook 2024

### Strategic ambition 2024

- **Build critical mass** to minimize risk of becoming obsolete and to secure long term future of company.
- **Growth strategy** based on both organic and acquisitional growth.
- Sustain a **market leading position** within the Danish cold cut category.
- Diversification of channel mix through **expansion of export and foodservice**.
- Diversification of **category mix** to expand product portfolio.



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