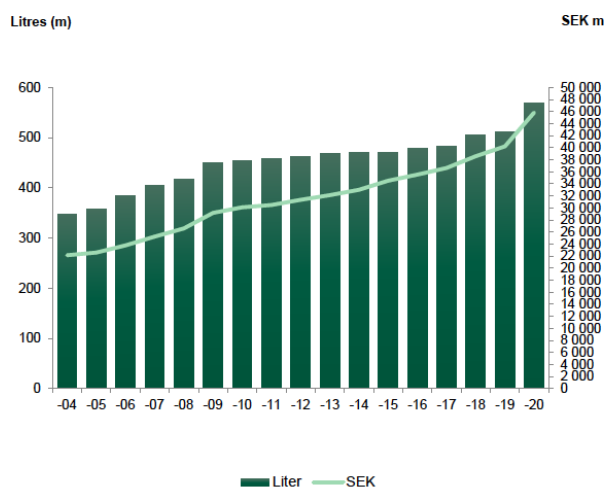


Systembolaget 2020 product report summary

Based on the Systembolaget product range report, this document aims to highlight the main trends and information given by the monopoly.

2020 has been an unusual year, and we should take into account Covid crisis before drawing conclusions.

Total sales, 2020



(source: "Product range report, 2021" p.6 SystemBolaget)

General Trends

All products

- Significant growth of top price range
- **Premiumization** trend

The monopoly expects the market to continue in this direction.

Organic products

Gaining market shares in terms of value and volume;

- Increase of organic beer sales by 9,7%
- Increase of organic wine sales by 16%

This year was also marked by an **increase in demand of 84% for "temporary listings"**, and **48% for "online order" listings**. This phenomenon will lead the monopoly to publish more tenders for products for a temporary period of time.

Beer

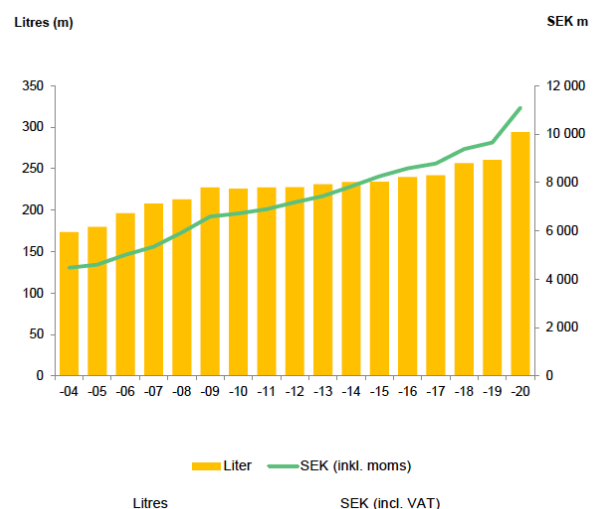
Sales represents 294 million liters in 2020 :

- A value of SEK 11 billion
- An increase of 12,9% in volume
- An increase of 15% in value

This positive evolution is linked to a warm summer and pandemic restrictions. NEIPA, sour beer and local beers are trendy products in this segment. We can observe that **cans are slowly taking shares to bottles**.

(source: "Product range report, 2021" p.10 SystemBolaget)

Sales trend, Beer

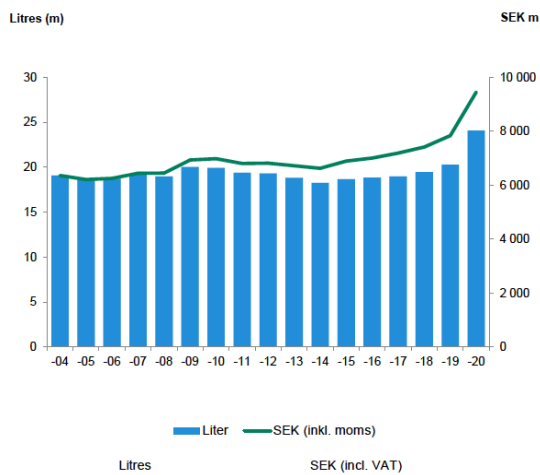


Cider and mixed drinks

- A retail value of SEK 1.27 billion
- An increase of 7,3% in volume
- 10,5% in value

In contrast to the beer sector, the market demonstrated **a shift from can to bottles**. Moreover, Systembolaget decided to target young adults, looking for lower prices, lower alcohol and smaller packaging. The monopoly is also looking for sweet sider and new original flavours for the summer period.

Sales trend, Spirits



Spirits

2020 was the year with the highest sales volume since 1996 :

- 24 million liters
- A retail value of SEK 9.4 billion
- An increase in volume of 19% and 21% in value

(source: "Product range report, 2021" p.17 SystemBolaget)

Cocktails

- An increase in demand for Gins
- Trend for Whisky is towards large bottles

Liqueurs

- Consumers Fruit and berry flavours oriented
- With an alcohol content of less than 30%

Digestifs segment showed a general increase, more focused on grappa in Stockholm.



Wine sales trends

- An increase of 11.2% in value
- 9.2% in volume
- Organic wines increased by 16.2%

Red Wine

Developments | Red wine remains the most represented wine category. The sales have increased by 10% in value and 7% in volume when compared with previous year.

Trends | SB will continue to ask for **more sustainable packaging** (such as PET, Tetra Packs, Cans and lighter bottles) as well as organic and ethical products.

White Wine

Developments | White wine comes second in sales inside the wine category, but is taking some shares from red wine. Sales have increased by 11.6% in value and 10% in volume.

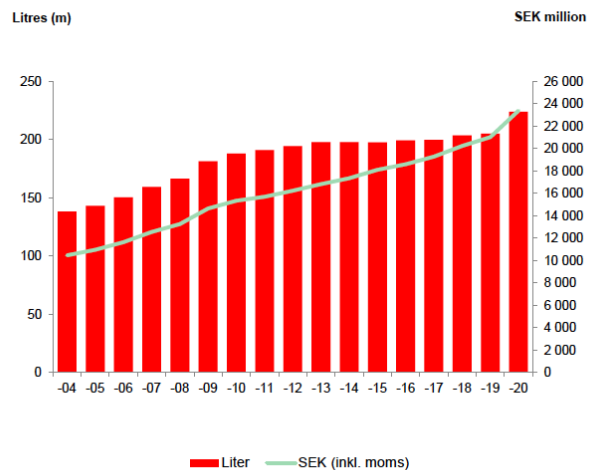
Trends | SB will be looking for an **increasing supply of smaller boxes** (1.5 - 2L). Country-of-origin is not as important for the category as in red.



Dessert and Aperitif Wines

Trends | SB will be looking for more **organic** options

Sales trend, Wine



(source: "Product range report, 2021" p.24 SystemBolaget)

Rosé Wine

Developments | Rosé has had the biggest growth, with sales increasing by 23% in value and 22% in volume.

Sparkling Wine

Developments | Sales have increased by 11% in value and 9% in volume since the previous year.

Trends | SB will continue to demand that producers **lower the weight of their bottles** (under 800g).

Alcohol-free Wine

Developments | Steadily increasing over the past years but due to covid have experienced a decrease of 13% in value and 15% in volume due to people staying home more often.

Trends | Wines with a **specific grape variety focus** that maintains the taste & style of conventional wine.

New “Sustainable Choice” seal

New label created by Systembolaget that will be given to products that meet certain criteria: environmental certifications, climate friendly packaging and traceability of value chain.



Summary of “Product range report, 2021” published by Systembolaget in February 2021, done by Concealed Wines.

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Link to current tenders: <https://www.concealedwines.com/current-tenders/>