

Q2

INTERIM REPORT APRIL-JUNE 2023

Continued organic growth and further strengthened market position in the Nordics

APRIL - JUNE 2023

- Net sales increased by 4.8% to SEK 1,047 (999) million.
- EBITA, adjusted, decreased to SEK 77 (96) million. EBITA margin, adjusted, was 7.4% (9.6). The change is mainly explained by negative currency effects.
- Cash flow from operating activities decreased to SEK 21 (53) million.
- Operating profit decreased by 30.9% to SEK 47 (68) million. Operating margin was 4.5% (6.8).
- Market share in volume terms increased in all the Nordic monopoly markets. Market share increased to 26.0% (25.2) in Sweden, 18.7% (15.7) in Finland and 5.6% (5.2) in Norway.
- Earnings per share was SEK 0.46 (0.82).

SIGNIFICANT EVENTS DURING THE QUARTER

- The operating segments Sweden and Nordics was merged during the quarter in the segment reporting. As of the interim report for Q2 2023 the operations in the three monopoly markets will be reported as one operating segment, the Nordics.

- A dividend of SEK 1.55 per share was approved by the Annual General Meeting on 16 May and paid out on 24 May.

JANUARY - JUNE 2023

- Net sales increased by 3.2% to SEK 1,930 (1,870) million.
- EBITA, adjusted, decreased to SEK 145 (191) million. EBITA margin, adjusted, was 7.5% (10.2). The change is mainly explained by negative currency effects.
- Cash flow from operating activities decreased to SEK 105 (153) million.
- Operating profit decreased to SEK 84 (133) million. Operating margin was 4.4% (7.1).
- Market share in volume terms increased in all the Nordic monopoly markets. Market share increased to 26.3% (25.4) in Sweden, 18.7% (16.2) in Finland and 5.8% (5.3) in Norway.
- Earnings per share was SEK 0.76 (1.38).

CONSOLIDATED FINANCIAL SUMMARY

SEK million	Quarter			Period			Full year	
	Apr-Jun	2022	Change %	2023	2022	Change %	RTM	2022
Net sales	1,047	999	4.8	1,930	1,870	3.2	3,884	3,825
Gross margin (%) ¹⁾	19.6	23.4		20.4	24.2		22.2	23.0
EBITA ¹⁾	73	94	-22.2	137	184	-25.5	386	433
EBITA margin (%) ¹⁾	7.0	9.4		7.1	9.8		9.9	11.3
EBITA, adjusted ¹⁾	77	96	-19.3	145	191	-24.2	330	377
EBITA margin, adjusted (%) ¹⁾	7.4	9.6		7.5	10.2		8.5	9.8
Operating profit (EBIT) ¹⁾	47	68	-30.9	84	133	-36.6	262	310
Operating margin (%) ¹⁾	4.5	6.8		4.4	7.1		6.7	8.1
Net profit	42	79	-46.9	70	133	-47.3	215	278
Net debt ¹⁾	595	696						491
Equity ratio (%) ¹⁾	44.5	45.8						47.7
Basic/diluted earnings per share (SEK)	0.46	0.82		0.76	1.38		2.24	2.86
Average number of employees				306	340			333

¹⁾ APM, Alternative Performance Measure, see Key Performance Indicator definitions on page 24.



Strong growth and strengthened market position in the Nordic monopoly markets

The Nordic segment delivers yet another quarter with organic growth and strengthened market shares in the monopoly markets of Sweden, Finland and Norway. Growth in the quarter was well above target and far better than the underlying market. Development in Viva eCom is stabilizing and delivering good gross margins.

CONTINUED GROWTH DESPITE A WEAK MARKET

Viva Wine Group had a strong second quarter with growth of 4.8 percent in a market where conditions continue to be challenging. Our Nordic operations, which we report as one segment with effect from this quarter, delivered organic growth of as much as 7.1 percent, which is more than double the local market growth. At the same time, we are seeing signs of improvement in European e-commerce markets.

Adjusted EBITA margin for the second quarter was 7.4 percent, despite EUR exchange rates that continue to be challenging.

GROWTH WELL ABOVE TARGET IN THE NORDICS

The Nordic segment delivered very strong sales in the second quarter. An important reason is our long-term work to improve the product mix in Norway and Finland, where we have invested in strengthening our range of white wines, rosé wines and sparkling wines. The strategy was very successful in the favorable weather and both countries exceeded their sales targets. The greatest growth was in Finland, where we increased our sales volume by as much as 15.6 percent in a market that declined by 2.8 percent. In Norway, volume increased by 6.0 percent, while the underlying market declined by 2.1 percent.

CONTINUED PRESSURE ON MARGINS FROM FX

Currency effects were again significant in the Swedish and Norwegian operations in this quarter, while distribution and material prices have stabilized. We work actively to balance the currency effects with strict cost control and balanced price adjustments.

GROSS MARGINS IN E-COMMERCE REMAIN STABLE

Our European e-commerce business is continuing to deliver a stable gross margin, largely thanks to active efforts to optimise the product mix. Consumer sentiment remains low in the wake of inflation and high interest rates, impacting the e-commerce market as a whole. Our sales volumes therefore decreased in the second quarter, but not as much as previously, and there are signs of an emerging recovery in the European e-commerce market.

The launch in new Central European markets is going according to plan. Our consolidation and efficiency improvement efforts are also continuing as planned, and we look forward to the opening of the new e-commerce warehouse in time for the Christmas sales.



INDUSTRY LEADING CLIMATE PERFORMANCE

In the second quarter, we released our fifth sustainability report, which once again followed the latest version of the GRI standards and was reviewed and approved by our auditors. We saw further improvement in our climate performance compared to previous years, with a 3 percent reduction per litre sold. With this reduction we strengthen our industry-leading position. According to the latest report from the Swedish Beverage Industry's Climate Initiative, our Swedish companies have on average a climate impact per litre sold which is 28 percent below the industry average for wine and spirits companies.

GREATER REGULATORY CLARITY

On 7 July, the Supreme Court ruled on Systembolaget's case against Winefinder. The Court clarified that distance selling from other European countries to Sweden is legal under the current Alcohol Act. We do not believe this will have any significant impact on the market or the monopoly as distance selling to Sweden has already been established for many years. Viva Wine Group does not currently engage in any e-commerce on the Swedish market, but we welcome clarification on this issue and monitor closely the development.

STABLE BUSINESS MODEL CREATES OPPORTUNITIES

Despite challenging market conditions, we have delivered a strong quarter, with successful product launches, good sales in the Nordics and stable profitability within our European e-commerce. Our robust business model, flexible ways of working, continuous innovation work and unique consumer knowledge allows us to quickly adapt to prevailing market conditions and trends, while creating synergies and maintaining tight cost control. We are constantly reviewing the landscape to find suitable acquisition candidates that can strengthen our e-commerce business, but we are picky and price-conscious at the same time.

In other words, Viva Wine Group has a solid foundation to build on, no matter which way the wind blows.

Emil Sallnäs, CEO Viva Wine Group
Stockholm, August 2023

Group performance

MARKET

In the quarter, the market was notable for continued high inflation, rising costs and interest rates and negative currency effects.

The challenging market conditions affected consumer sentiment and led many consumers, both in Europe and the Nordics, to review their spending. In the second quarter and the first half of the year, the total sales volume in the Nordic monopoly markets decreased in comparison to 2022. Despite this, Viva Wine Group's sales increased in all the monopoly markets, meaning that we outperformed the market in each country and increased our market share in all countries. Both our Finnish and Norwegian operations showed strong growth in declining markets.

The European e-commerce sector remains weaker than during the e-commerce boom of the pandemic. At the same time, inflation in the quarter affected consumer sentiment and purchasing power, albeit with somewhat reduced intensity. This led to a decrease in net sales in Viva eCom compared to the same quarter of 2022.

FINANCIAL TARGETS

Viva Wine Group has financial targets for growth, profitability and indebtedness. The targets are set for the medium term.

- **Growth:** For the Nordics segment, average annual organic growth is to be at least 4 percent in the medium term. For the Viva eCom segment, average organic growth is to be 10-15 percent over the medium term. In addition, Viva Wine Group intends to grow through acquisitions.
- **Profitability:** Adjusted EBITA margin is to be 10-12 percent in the medium term.
- **Indebtedness:** Net debt in relation to EBITDA is not to exceed a multiple of 2.5. However, net debt in relation to EBITDA may exceed a multiple of 2.5 temporarily, for example in conjunction with acquisitions.
- **Dividend policy:** Taking into account the company's long-term financial stability, opportunities for growth and strategic initiatives, the intention is to distribute 50-70 percent of annual net profit to the Parent Company shareholders.

NET SALES

The quarter

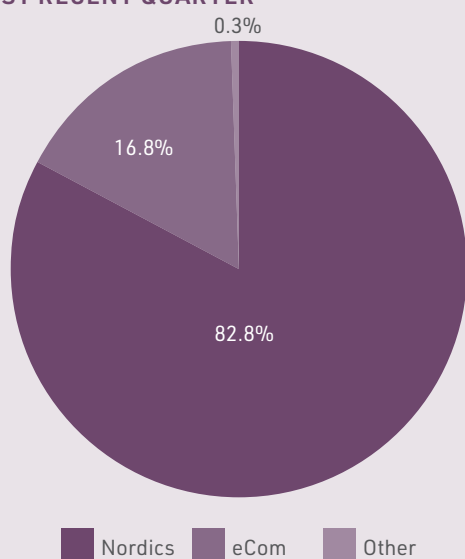
In the second quarter, Viva Wine Group's net sales increased by SEK 48 million to SEK 1,047 (999) million, compared to the same quarter of 2022. The monopoly markets in the Nordics accounted for the entire increase. The increase is explained by price increases and successful product launches. Sales in the eCom segment decreased by 6.9 percent to SEK 176 million.

Organic sales growth was 3.9 percent in the quarter, compared to the decrease of 2.3 percent in 2022. The Nordics segment is continuing to increase its organic growth and gain market shares.

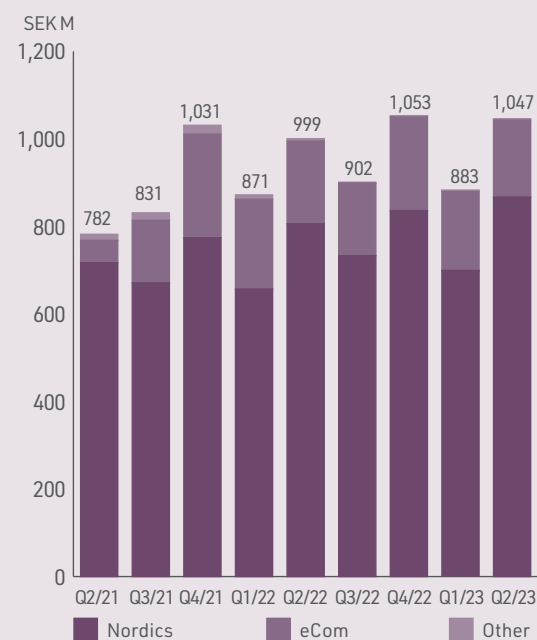
The period

In the first half of 2023, net sales increased by 3.2 percent to SEK 1,930 (1,870) million. Organic sales growth was 2.5 (-5.0) percent, mainly due to increased net sales in the Nordics.

SHARE OF NET SALES %, MOST RECENT QUARTER



NET SALES PER SEGMENT



NET SALES (SEK MILLION)	Quarter			Period			Full year	
	Apr-Jun	2022	Change %	Jan-Jun	2022	Change %	RTM	2022
Nordics	867	805	7.7	1,565	1,461	7.1	3,133	3,029
eCom	176	189	-6.9	358	394	-9.1	739	775
Other	4	5	-15.1	8	16	-47.7	16	24
Eliminations	-1	-1	-2.4	-1	-1	2.6	-3	-3
Total	1,047	999	4.8	1,930	1,870	3.2	3,885	3,825

ORGANIC SALES GROWTH (SEK MILLION)	Apr-Jun		Jan-Jun		Full year	
	2023	2022	2023	2022	RTM	2022
Net sales	1,047	999	1,930	1,870	3,885	3,825
Acquisitions/disposals net sales	9	-230	21	-465	-90	-575
Currency effect from translation at the exchange rate of the comparison period	-18	-4	-34	-9	-66	-41
Organic net sales	1,038	764	1,916	1,396	3,728	3,208
Sales for the comparison period	999	782	1,870	1,469	3,732	3,331
Organic sales growth (%)	3.9	-2.3	2.5	-5.0	-0.1	-3.7

OPERATING PROFIT

The quarter

Operating profit for the second quarter was SEK 47 (68) million. Adjusted EBITA totalled SEK 77 (96) million. The decrease compared to the previous year is mainly due to an unfavourable EUR exchange rate in the Swedish and Norwegian operations. The eCom segment had lower adjusted EBITA than in the previous year, reflecting the decrease in net sales.

The period

Operating profit for the first half of 2023 fell to SEK 84 (133) million. Adjusted EBITA totalled SEK 145 (191) million, most of which, as in the quarter, is due to an unfavourable exchange rate against EUR in the Swedish and Norwegian operations.

NET PROFIT

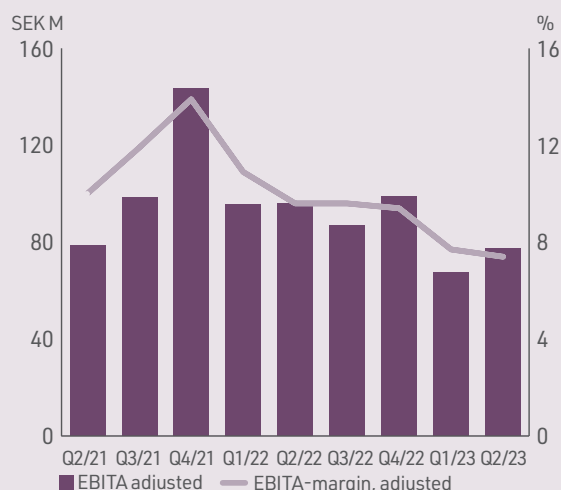
The quarter

Net profit for the second quarter of 2023 was SEK 42 (79) million. Net financial items totalled SEK 5 million, compared to SEK 32 million in 2022. Exchange rate effects had a highly positive impact in the previous year. From 1 October 2022, the Group applies hedge accounting, cash flow hedging, of foreign currency purchases. Changes in the value of the effective portion of forward exchange contracts are recognised in other comprehensive income and accumulated in the hedging reserve in equity. Amounts in the hedging reserve are subsequently included in the cost of inventories and thus affect the profit and loss item Goods for resale. In 2023, interest expenses of SEK 10 (4) million have been charged to the quarter.

The period

Net profit for the first half of 2023 was SEK 70 (133) million. Net financial items totalled SEK 2 million, compared to SEK 36 million in 2022.

ADJUSTED EBITA FOR THE PERIOD (SEK MILLION)



FINANCIAL POSITION AND LIQUIDITY

Group equity at 30 June 2023 totalled SEK 1,700 (1,704) million. Equity ratio was 44.5 (45.8) percent. Cash and cash equivalents at 30 June 2023 totalled SEK 219 (169) million. In addition, at the end of the quarter there were unused credit lines of SEK 155 million. Group net debt, including lease liabilities under IFRS 16, fell in comparison to the second quarter of the previous year by SEK 101 million to SEK 595 million. Net debt/EBITDA, for the last twelve-month period, was 1.5 (1.1).

OPERATING PROFIT (EBIT)	Quarter			Period			Full year	
	Apr-Jun		Change	Jan-Jun		Change	RTM	2022
	2023	2022	%	2023	2022	%		
SEK million								
Nordics	55	70	-21.4	96	142	-32.5	230	276
eCom	-6	-2	-288.3	-8	-5	-77.8	43	47
Other	-2	-1	-181.4	-4	-5	23.6	-11	-12
Eliminations	-	-	-	-	-	-	-	-
Total	47	68	-30.9	84	133	-36.6	262	310

EBITA, ADJUSTED	Quarter			Period			Full year	
	Apr-Jun		Change	Jan-Jun		Change	RTM	2022
	2023	2022	%	2023	2022	%		
SEK million								
Nordics	62	78	-20.1	110	155	-29.2	258	304
eCom	16	17	-9.3	35	37	-5.5	76	78
Other	-0	1	-131.2	-0	-2	77.0	-4	-5
Eliminations	-	-	-	-	-	-	-	-
Total	77	96	-19.3	145	191	-24.2	330	377

CASH FLOW

The quarter

Cash flow for the second quarter was SEK -174 (-229) million. Cash flow from operating activities before changes in working capital in the second quarter was SEK 33 (80) million. Cash flow from change in working capital was SEK -12 (-27) million.

Cash flow from investing activities was SEK -15 (-111) million. The quarter was charged with tax of SEK 12 million on the sale of the warehouse that was divested in Germany in 2022.

Cash flow from financing activities is related to the dividend of SEK -156 (-148) million and repayments of loans from credit institutions of SEK -20 (-21) million. Cash flow from financing activities totalling SEK -180 (-171) million.

The period

Cash flow for the period totalled SEK -121 (-166) million. Cash flow from operating activities before changes in working capital for the first half of 2023 was SEK 68 (146) million. Cash flow from change in working capital was SEK 38 (7) million.

Cash flow from investing activities was SEK -15 (-112) million. The first half of 2023 was charged with tax of SEK 12 million on the sale of the warehouse that was divested in Germany in 2022.

Cash flow from financing activities is related to the dividend of SEK -160 (-155) million and repayments of loans from credit institutions of SEK -43 (-43) million. Cash flow from financing activities totalling SEK -211 (-207) million.

EQUITY

Viva Wine Group's equity decreased during the quarter by SEK 100 million to SEK 1,700 million. The change consisted of profit for the period and dividend of SEK 153 million, of which SEK 138 million was paid to the parent company's shareholders.

SEGMENTS

Nordics

In the quarter, we again outperformed the market in all the Nordic countries – further strengthening our position, despite continued weaker consumer sentiment driven by rising inflation.

The total sales volume of the Nordic monopolies decreased by 0.8 percent compared to the same quarter of 2022. At the same time, Viva Wine Group increased sales by 5.0 percent in volume terms. As a result, our total market share in the Nordic monopoly markets at the end of the quarter was 20.4 percent, an increase of 1.1 percent on the second quarter of 2022.

In Sweden, Viva Wine Group's sales developed better than the market as a whole, with an increase in sales volume of 3.4 percent. Market share increased to 26.0 (25.2) percent, up 0.8 percentage points on the previous year. This further strengthens our position as the largest supplier.

In Finland, sales volumes increased by as much as 15.6 percent, significantly better than the Finnish market, which declined by 2.8 percent. Viva Wine Group's market share consequently increased by 3 percentage points to a record high of 18.7 (15.7) percent.

In Norway, Viva Wine Group's sales volume increased by 6.0 percent in the quarter, while the Norwegian monopoly market declined by 2.1 percent, resulting in an increase in market share of 5.6 (5.2) percent.

SALES

Net sales for the Nordics segment increased in the second quarter by 7.7 percent to SEK 867 (805) million, and organic growth was 7.1 (0.8) percent. The increase in sales is due to a successful pricing strategy, a successful product mix and favourable weather in the last two months of the quarter, where we mainly saw strong sales in the white, rosé and sparkling wine categories.

SEK million	Apr-Jun		Change %	Jan-Jun		Change	Full year	
	2023	2022		2023	2022		RTM	2022
Net sales	867	805	7.7	1,565	1,461	7.1	3,133	3,029
EBITA	62	78	-20.1	110	155	-29.2	258	304
EBITA adjusted	62	78	-20.1	110	155	-29.2	258	304
EBITA margin, adjusted (%)	7.1	9.6		7.0	10.6		8.2	10.0
Operating profit (EBIT)	55	70	-21.4	96	142	-32.5	230	276
Operating margin (%)	6.3	8.7		6.1	9.7		7.3	9.1

Organic sales growth (SEK million)	Apr-Jun		Jan-Jun		Full year	
	2023	2022	2023	2022	RTM	2022
Net sales	867	805	1,565	1,461	3,133	3,029
Acquisitions/disposals net sales	-	-79	-2	-146	-93	-237
Currency effect from translation at the exchange rate of the comparison period	-5	-3	-8	-6	-23	-21
Organic net sales	862	723	1,555	1,310	3,016	2,771
Sales for the comparison period	805	717	1,461	1,329	2,908	2,776
Organic sales growth (%)	7.1	0.8	6.4	-1.5	3.7	-0.2

NORDICS SEGMENT SHARE OF NET SALES IN THE QUARTER

82.8%

VIVA WINE GROUP MARKET SHARE IN SWEDEN IN THE QUARTER

26.0%

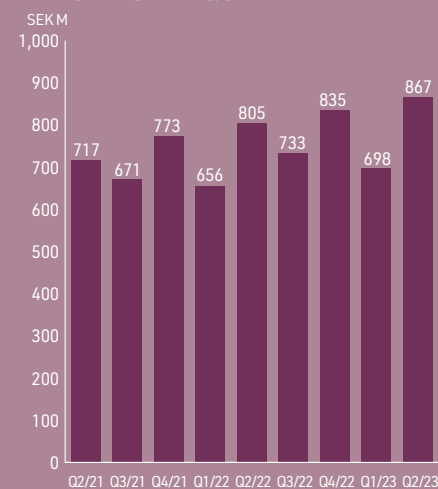
VIVA WINE GROUP MARKET SHARE IN FINLAND IN THE QUARTER

18.7%

VIVA WINE GROUP MARKET SHARE IN NORWAY IN THE QUARTER

5.6%

NET SALES PER QUARTER



SEGMENTS

Nordics (cont.)

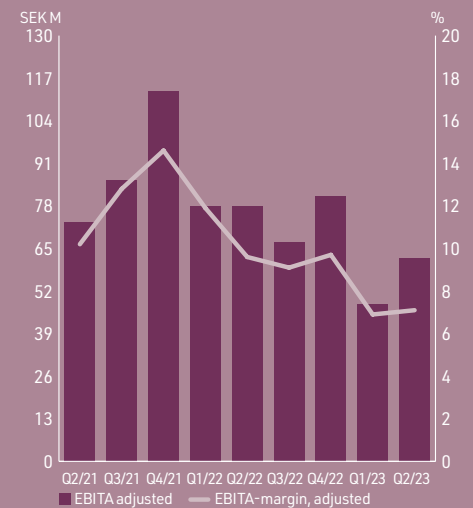
PROFIT

Adjusted EBITA was SEK 62 (78) million in the second quarter, and the adjusted EBITA margin was 7.1 (9.6) percent. Our Nordic operations were negatively affected in the quarter by currency effects and cost increases, to some extent mitigated by good cost control.

Our Swedish and Norwegian operations are greatly impacted by the unfavourable EUR exchange rate. In Sweden, adjusted EBITA decreased by SEK 10 million in the quarter, which is mainly explained by an unfavourable EUR exchange rate but also by increased shipping and distribution costs. In Norway, adjusted EBITA declined by SEK 9 million.

In our Finnish operation, adjusted EBITA in the quarter strengthened by SEK 3 million compared to the previous year, mainly due to increased sales.

ADJUSTED EBITA AND ADJUSTED EBITA MARGIN



SEGMENTS

Viva eCom

The European e-commerce market remains weak compared to the peak in the pandemic years. However, we see signs of a future normalisation of the market.

In the second quarter of the year, inflation has had a negative impact on both consumer sentiment and purchasing power. However, the slowdown is continuing to abate, and there are signs that the market has stabilised.

To meet the challenging market conditions, Viva eCom is following its strategy of balancing growth and profitability. Sales decreased in the quarter, but the segment's gross margin increased at the same time due to active efforts to address average order value and product mix.

SALES

In the second quarter, Viva eCom's net sales decreased by 6.9 percent to SEK 176 (189) million. This follows the trend in the entire e-commerce market as a whole, which is affected by lower customer sentiment and weaker purchasing power, mainly due to inflation. Organic growth for the quarter increased with 24,9 percentage points, -9.7 (-34.6) percent.

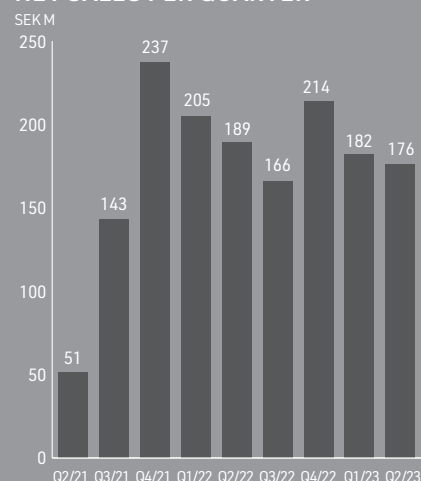
SEK million	Apr-Jun		Change %	Jan-Jun		Change %	Full year	
	2023	2022		2023	2022		RTM	2022
Net sales	176	189	-6.9	358	394	-9.1	739	775
EBITA	12	16	-25.6	27	30	-8.7	132	134
EBITA adjusted	16	17	-9.1	35	37	-5.4	76	78
EBITA margin, adjusted (%)	8.9	9.1		9.8	9.4		10.3	10.1
Operating profit (EBIT)	-6	-2	-288.3	-8	-5	-77.8	43	47
Operating margin (%)	-3.6	-0.9		-2.2	-1.1		5.9	6.0

Organic sales growth (SEK million)	Apr-Jun		Jan-Jun		Full year	
	2023	2022	2023	2022	RTM	2022
Net sales	176	189	358	394	739	775
Acquisitions/disposals net sales	8	-155	14	-321	-36	-371
Currency effect from translation at the exchange rate of the comparison period	-13	-1	-26	-2	-42	-18
Organic net sales	171	33	346	71	661	385
Sales for the comparison period	189	51	394	106	774	486
Organic sales growth (%)	-9.7	-34.6	-12.2	-33.4	-14.7	-20.7

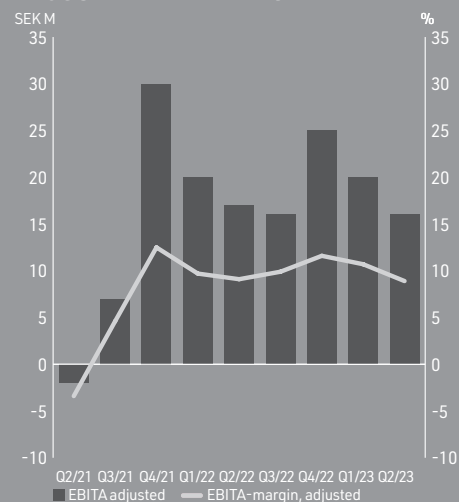
SEGMENT E-COMMERCE SHARE OF NET SALES IN THE QUARTER

16.8%

NET SALES PER QUARTER



ADJUSTED EBITA AND ADJUSTED EBITA MARGIN



SEGMENTS

Viva eCom (cont.)

PROFIT

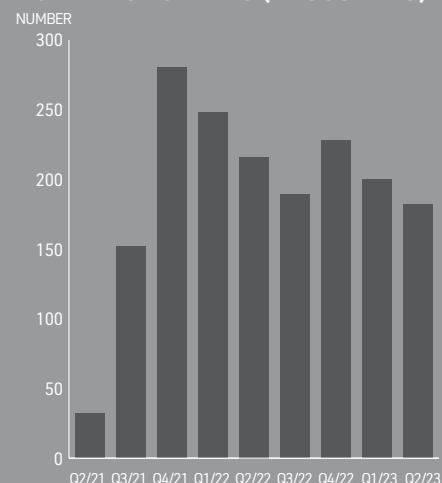
Viva eCom's adjusted EBITA for the second quarter was SEK 16 (17) million. Profit was negatively affected by lower net sales, but the effect was mitigated by stable gross margins, efficiency improvements in stock management and good cost control. Adjusted EBITA margin for the eCom segment was 8.9 (9.1) percent in the quarter.

The number of orders and the number of first-time orders (i.e. the number of new customers) decreased compared to the same quarter of 2022 as a result of the external conditions mentioned above. However, sales to repeat customers continued to increase. The number of active customers declined compared to the previous year, while the number of orders per active customer remained stable. Average order value increased by 10.1 percent, as a result of successful strategic work.

Order summary eCom	Apr-Jun			Jan-Jun			Full year	
	2023	2022	Change %	2023	2022	Change %	RTM	2022
Number of orders (thousands)	182	216	-15.8	382	464	-17.8	799	882
Number of first-time orders (thousands)	38	54	-30.4	75	118	-36.4	175	217
Number of active customers* (thousands)	399	479	-16.7	399	479	-16.7	399	451
Number of orders per active customer	2.0	2.0	-1.5	2.0	2.0	-1.5	2.0	2.0
Share of sales from repeat customers (%)	84.7	81.0		85.0	80.3		82.3	80.9
Average order value, SEK	932	847	10.1	915	832	9.9	917	853

*Number of customers who have placed at least one order in the last 12 months

NUMBER OF ORDERS (THOUSANDS)



SEASONAL VARIATIONS

There are significant seasonal variations in the consumption of alcoholic beverages that affect the net sales and cash flow of Viva Wine Group. Typically, the highest revenue is generated in the second and fourth quarters, while revenue in the first and third quarters of the year is usually lower. Sales in the summer months are also partly dependent on weather, with fine sunny summer weather driving sales in the Nordic monopoly markets, especially for the rosé product segment. In contrast, European e-commerce is negatively impacted by particularly good summer weather, as consumers turn to outdoor cafés and restaurants.

RISKS AND UNCERTAINTIES

The business is also affected during the year by currency risks, related to exchange rates, and commodity risks, related to harvesting. The Group is also exposed to various types of financial risks through its operations: credit risk, interest-rate risk, liquidity risk and refinancing risk. There are also political and fiscal risks, with occasional rises in excise duties over the years. The effects of rises in excise duties are often temporary, with sales recovering within a few quarters and continuing to grow thereafter. For a full description of risks, see the Viva Wine Group Annual Report and Sustainability Report 2022.

RELATED-PARTY TRANSACTIONS

Related-party transactions included transactions with associated companies and joint ventures and remuneration of senior executives and partners in the form of salary and pension. See more in Note 7.

SIGNIFICANT EVENTS DURING THE SECOND QUARTER AND AFTER THE END OF THE QUARTER

Viva Wine Group announced during the quarter that the Sweden and Nordics operating segments are being merged in the segment reporting. The operations in the three monopoly markets will be reported as one operating segment, the Nordics. The change will come into effect with the interim report for the second quarter of 2023. The merger is taking place in order to report the operating segments in a way that is more consistent with the company's internal governance and the breakdown of the company's financial targets by segment.

A dividend of SEK 1.55 per share was approved by the AGM.

SUSTAINABILITY

Sustainability is one of Viva Wine Group's main drivers and success factors. The Group is the Nordic market leader in organically and ethically certified wine and develops carbon-efficient transport and packaging together with its partners.

The roll-out of our Group-wide sustainability platform continued throughout our Nordics business segment in the quarter. As part of this roll-out and preparations for the forthcoming Corporate Sustainability Reporting Directive (CSRD), an upgraded software solution for efficient CO₂ and sustainability data collection is being implemented.

After the end of the quarter, the Swedish Beverage Industry's Climate Initiative published its report for 2022. The report shows that Viva Wine Group's companies are leaders in climate efficiency for the fifth consecutive year with a climate impact per liter of wine sold that is 28 percent below the industry average. Viva Wine Group's companies are also reducing their climate impact for the fifth year in a row, while the majority of industry peers importing wine to Sweden are increasing their climate impact per liter sold.

EMPLOYEES

At 30 June, the average number of employees was 306, down from 340 in the first half of the previous year. The decrease is mainly due to the divestment of the business in China and the restructuring in the eCom segment.

PARENT COMPANY

The Parent Company balance sheet increased slightly in the first half, with equity rising by SEK 65 million to SEK 1,810 million, which is attributable to net profit for the period. Liabilities to credit institutions were repaid in an amount of SEK 41 million during the first half of the year; with total assets increasing by SEK 59 million during the first half and totalling SEK 2,658 million.

PUBLICATION AND PRESENTATION

Viva Wine Group's interim report for the second quarter of 2023 will be published at 8.00 am on 29 August 2023. At 11:00 a.m. on the same day, a videoconference will be held with CEO Emil Sallnäs and CFO Linn Gäfvert. The video conference can be accessed at the following link:

<https://financialhearings.com/event/45872>. The presentation will also be made available at <https://investors.vivagroup.se/>.

2023 FINANCIAL CALENDAR

Interim report Q1 2023, published 17 May 2023

Interim report Q2 2023, published 29 August 2023

Interim report Q3 2023, to be published 22 November 2023

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This information is information that Viva Wine Group AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, on 29 August 2023 at 8:00 a.m. CET.

DECLARATION OF THE BOARD OF DIRECTORS

The Board of Directors and the Chief Executive Officer declare that this interim report gives a true and fair view of the Parent Company's and the Group's operations, financial position and results, and describes the principal risks and uncertainties that the Parent Company and the Group face.

Stockholm, 29 August 2023

Anders Moberg

Chairman of the Board

Mikael Aru

Member of the Board

Lars Ljungälv

Member of the Board

Emil Sallnäs

CEO

Anne Thorstvedt Sjöberg

Member of the Board

John Wistedt

Member of the Board

The interim report has not been reviewed by the company's auditors.

Condensed consolidated income statement

AMOUNTS IN SEK MILLION	NOTE	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	Full year 2022
Operating income						
Net sales	3,4	1,047	999	1,930	1,870	3,825
Other operating income		2	2	4	5	81
Total income		1,049	1,001	1,934	1,875	3,905
Operating expenses						
Goods for resale		-842	-765	-1,536	-1,417	-2,945
Other external expenses		-66	-81	-124	-142	-271
Personnel expenses		-65	-62	-132	-128	-243
Depreciation, amortisation and impairment		-31	-32	-62	-61	-143
Profit from participations in associated companies and joint ventures		3	6	5	6	8
Other operating expenses		-0	-	0	-	-0
Operating profit	4	47	68	84	133	310
Financial income		36	46	52	73	128
Financial expenses		-31	-14	-51	-37	-79
Profit after financial items	4	52	100	86	169	359
Tax		-9	-21	-16	-36	-81
Net profit for the period		42	79	70	133	278
Profit for the period attributable to						
Parent Company shareholders		41	73	68	123	254
Non-controlling interests		1	6	3	11	24
Earnings per share						
Basic/diluted earnings per share (SEK)	5	0.46	0.82	0.76	1.38	2.86

Condensed consolidated statement of comprehensive income

AMOUNTS IN SEK MILLION	NOTE	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	Full year 2022
Net profit for the period		42	79	70	133	278
<i>Items that will be reclassified to profit or loss</i>						
Translation difference		13	-18	-17	8	22
Cash flow hedges, net of tax		7	-	9	-	6
Other comprehensive income for the period		20	-18	-8	8	28
Comprehensive income for the period		62	61	63	141	305
Comprehensive income for the period attributable to						
Parent Company shareholders		47	50	47	121	264
Non-controlling interests		15	10	15	19	41

Condensed consolidated statement of financial position

AMOUNTS IN SEK MILLION	NOTE	30 Jun 2023	30 Jun 2022	31 Dec 2022
ASSETS				
Non-current assets				
Goodwill		979	924	951
Other intangible assets		1,165	1,216	1,186
Tangible assets		9	50	10
Right-of-use assets		51	54	53
Financial assets		91	81	82
Deferred tax assets		9	11	8
Total non-current assets		2,304	2,336	2,290
Current assets				
Inventories		547	492	535
Trade receivables		640	617	670
Current tax assets		20	12	0
Derivative instruments	5	9	26	8
Other current receivables	7	83	69	62
Cash and cash equivalents		219	169	339
Total current assets		1,518	1,385	1,616
TOTAL ASSETS		3,822	3,722	3,905
EQUITY AND LIABILITIES				
Equity				
Equity attributable to Parent Company shareholders	6	1,615	1,631	1,770
Non-controlling interests		85	73	95
Total equity		1,700	1,704	1,865
Non-current liabilities				
Deferred tax liabilities		305	320	310
Other provisions		-	18	19
Non-current non-interest-bearing liabilities		56	1	3
Non-current interest-bearing liabilities	5	684	722	689
Lease liabilities		35	39	37
Total non-current liabilities		1,080	1,099	1,057
Current liabilities				
Current interest-bearing liabilities	5	92	89	89
Trade payables		460	466	427
Current tax liabilities		6	12	33
Lease liabilities		17	15	16
Derivative instruments	5	1	0	1
Other current liabilities and provisions	7	465	335	418
Total current liabilities		1,041	918	984
TOTAL EQUITY AND LIABILITIES		3,822	3,722	3,905

Condensed consolidated cash flow statement

AMOUNTS IN SEK MILLION	NOTE	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	Full year 2022
Operating activities						
Profit after financial items		51	100	86	169	359
Adjustment for non-cash items		5	3	45	51	107
Dividends from associated companies		1	0	1	0	2
Tax paid		-24	-24	-65	-74	-106
Cash flow from operating activities before changes in working capital		33	80	68	146	362
Cash flow from change in working capital						
Change in inventories		-7	-19	-6	-42	-63
Changes in operating receivables		-102	-154	16	53	54
Changes in operating liabilities		97	147	27	-5	-67
Cash flow from operating activities		21	53	105	153	286
Investing activities						
Business combinations		-	-119	-	-119	-119
Divestment of subsidiaries		-	9	-	9	9
Investments in/divestments of intangible assets		-0	-0	-1	-1	-1
Investments in/divestments of tangible assets		-12	-0	-12	-0	107
Change in other financial assets		-3	-0	-3	-0	-0
Cash flow from investing activities		-15	-111	-15	-112	-5
Financing activities						
Dividend paid to Parent Company shareholders		-138	-133	-138	-133	-133
Dividend paid to non-controlling interests		-18	-15	-23	-21	-21
Transactions with non-controlling interests		-	-	-	-	-1
Change in overdraft facility		-	2	-	1	-1
Repayment of debt		-20	-21	-43	-43	-105
Repayment of lease liability		-4	-4	-8	-10	-18
Cash flow from financing activities		-180	-171	-211	-207	-281
Cash flow for the period		-174	-229	-121	-166	1
Cash and cash equivalents at the beginning of the period		390	398	339	331	331
Cash flow for the period		-174	-229	-121	-166	1
Exchange rate differences in cash and cash equivalents		2	1	0	4	7
Cash and cash equivalents at the end of the year		219	169	219	169	339
Interest received		2	0	4	0	2
Interest paid		-10	-4	-18	-9	-19
Non-cash items						
Depreciation, amortisation and impairment		31	32	62	61	143
Gain/loss on sale of non-current assets		0	-	0	-	-70
Exchange-rate effects		-25	25	-17	34	63
Change in market value of derivatives		-2	-21	-3	-17	1
Change in provisions		4	1	7	7	6
Share of profit in associated companies		-3	-6	-5	-6	-8
Other		1	-28	1	-27	-29
TOTAL		5	3	45	51	107

Condensed consolidated statement of changes in equity

AMOUNTS IN SEK MILLION	Share capital	Other contributed capital	Hedging reserve	Translation reserve	Retained earnings incl. net profit for the year	Equity attributable to Parent Company shareholders	Non-controlling interests	Total equity
OPENING EQUITY, 1 JAN 2022	1	1,376	-	4	281	1,662	75	1,736
Net profit for the period	-	-	-	-	123	123	11	133
Other comprehensive income for the period	-	-	-	-1	-	-1	9	8
Comprehensive income for the period	-	-	-	-1	123	121	19	141
Transactions with the Group's owners								
Dividend	-	-	-	-	-133	-133	-21	-155
Transactions with non-controlling interests	-	-0	-	-	-19	-19	1	-18
Total	-	-0	-	-	-152	-152	-21	-173
CLOSING EQUITY, 30 JUN 2022	1	1,376	-	2	252	1,631	73	1,704
OPENING EQUITY, 1 JAN 2023	1	1,376	4	8	382	1,770	95	1,865
Net profit for the period	-	-	-	-	68	68	3	70
Other comprehensive income for the period	-	-	9	-30	-	-20	13	-8
Comprehensive income for the period	-	-	9	-30	68	47	15	63
Transfer of cash flow hedge reserve to inventories and tax reversed to profit or loss	-	-	-11	-	-	-11	-1	-12
Transactions with the Group's owners								
Dividend	-	-	-	-	-138	-138	-23	-160
Transactions with non-controlling interests	-	-0	-	-	-54	-54	-2	-56
Total	-	-0	-	-	-192	-192	-25	-216
CLOSING EQUITY, 30 JUN 2023	1	1,376	2	-22	258	1,615	85	1,700

Condensed Parent Company income statement

AMOUNTS IN SEK MILLION	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	Full year 2022
OPERATING INCOME					
Net sales	0	-	0	-	-
Other operating income	3	1	5	3	7
Total income	3	1	5	3	7
Other external expenses	-5	-4	-10	-9	-18
Personnel expenses	-2	-2	-4	-4	-7
Operating profit	-4	-5	-8	-10	-19
Financial income and expenses	164	116	220	165	188
Profit before tax	159	111	211	155	170
Appropriations	-1	-	-1	-	-6
Tax	-6	-2	-7	-2	-4
Net profit for the period	153	109	203	153	161

Condensed Parent Company balance sheet

AMOUNTS IN SEK MILLION	30 Jun 2023	30 Jun 2022	31 Dec 2022
ASSETS			
Non-current assets	933	988	989
Current assets	1,553	1,483	1,366
Cash and cash equivalents	171	98	245
TOTAL ASSETS	2,658	2,568	2,599
EQUITY AND LIABILITIES			
Equity	1,810	1,737	1,745
Untaxed reserves	6	-	6
Non-current liabilities	684	703	689
Current liabilities	158	128	160
TOTAL EQUITY AND LIABILITIES	2,658	2,568	2,599

Notes

Note 1 Significant accounting policies

This interim report encompasses the Swedish parent company Viva Wine Group AB, corporate registration number 559178-4953, and its subsidiaries. The Group's principal activity is to trade in alcoholic beverages. Viva Wine Group develops, imports, markets and sells both own and partner brands in more than ten growing markets worldwide. The parent company is a limited liability company registered in and with its registered office in Stockholm, Sweden. The address of the head office is Blasieholmsgatan 4A, SE-111 48 Stockholm, Sweden.

Viva Wine Group applies International Financial Reporting Standards (IFRS) as adopted by the EU. The Group's interim report was prepared in accordance with IAS 34 Interim Financial Reporting and applicable parts of the Swedish Annual Accounts Act (1995:1554). The Parent Company applies the Swedish Annual Accounts Act and Recommendation RFR 2 Financial Reporting for Legal Entities. The same accounting policies, basis for calculations and assessments were applied by the Group and the parent company as those applied in the most recent annual report. A more detailed description of the Group's accounting policies, as well as new and upcoming standards, can be found in the latest published Annual Report.

Disclosures in accordance with IAS 34.16A are presented in the financial statements and related notes as well as in other parts of the interim report.

All amounts in this report are presented in millions of Swedish kronor (SEK million) unless otherwise stated. Rounding differences may occur.

Note 3 Revenue from customers

The Group's net sales are specified according to the following geographic markets, based on where the customer is located:

NET SALES PER GEOGRAPHIC MARKET;	Apr-Jun		Jan-Jun		Full year
	2023	2022	2023	2022	2022
Sweden	670	636	1,209	1,148	2,343
Germany	137	150	283	316	619
Finland	119	91	204	167	374
Norway	77	76	149	143	304
Other	44	45	85	95	184
Total	1,047	999	1,930	1,870	3,825

All revenue is recognised at a point in time when the goods have been delivered to the customer.

Note 2 Risks and uncertainties

Viva Wine Group is an international Group with wide geographical spread, which involves exposure to political, regulatory and financial risks of various kinds. The alcohol market, especially in the Nordics, is regulated and taxed. Predictability, equivalence and consistency in regulation and taxation are crucial to a market that works well. As with all international trade, there is also a significant currency risk, where the volatile SEK in particular can have a significant impact on Group earnings. The Group regularly hedges purchases in foreign currencies, mainly in EUR, with the aim of minimising volatility in the cost of highly likely purchases of goods.

The Group's risk profile has not changed significantly from the Annual and Sustainability Report published on 25 April 2023.

Note 4 Operating segments

For accounting and monitoring purposes, the Group has divided its operations into three segments. The segments are Nordics, eCom and Other. This division is based on geographic domicile and revenue stream. Segment reporting is based on the structure followed by management. Transactions between segments are carried out on the same terms as for external customers. The Group has three customers that account for more than 10 percent of sales: Systembolaget in Sweden, its counterpart in Finland, Alko, and Vinmonopolet in Norway.

As of 1 April 2023, Sweden and Nordics have been merged in segment reporting. Historical figures are recalculated as if the change took place on 1 January 2022. The change has not had any impact on the consolidated financial statements.

Apr-Jun 2023	Nordics	eCom	Other	Total segments	Eliminations	Group
Net sales, external	867	176	3	1,047	-	1,047
Net sales, intra-Group	0	-	1	1	-1	-
Net sales	867	176	4	1,048	-1	1,047
<i>Organic growth (%)</i>	<i>7.1</i>	<i>-9.7</i>				<i>3.9%</i>
Gross profit	131	71	3	205	-	205
<i>Gross margin (%)</i>	<i>15.1</i>	<i>40.0</i>	<i>85.8</i>	<i>19.6</i>		<i>19.6</i>
Operating profit (EBIT)	55	-6	-2	47	-	47
EBITDA	63	13	2	78	-	78
EBITA	62	12	-0	73	-	73
Bonus eCom acquisition	-	4	-	4	-	4
Adjusted EBITA	62	16	-0	77	-	77
<i>Adjusted EBITA margin</i>	<i>7.1</i>	<i>8.9</i>	<i>-7.6</i>	<i>7.4</i>		<i>7.4</i>
Profit after financial items	44	-24	31	51	-	51
Goodwill	308	671	-	979	-	979
Total assets	1,047	1,580	2,772	5,399	-1,577	3,822
Total liabilities	1,113	1,654	932	3,699	-1,577	2,122

2023 Jan-Mar	Nordics	eCom	Other	Total segments	Eliminations	Group
Net sales, external	698	182	4	883	-	883
Net sales, intra-Group	0	-	1	1	-1	-
Net sales	698	182	4	884	-1	883
<i>Organic growth (%)</i>	<i>5.6%</i>	<i>-13.7%</i>				<i>1.0%</i>
Gross profit	113	73	3	189	-	189
<i>Gross margin (%)</i>	<i>16.2%</i>	<i>40.1%</i>	<i>-74.5%</i>	<i>21.4%</i>		<i>21.4%</i>
Operating profit (EBIT)	41	-2	-2	38	-	38
EBITDA	49	17	2	68	-	68
EBITA	48	16	-0	64	-	64
Bonus eCom acquisition	-	4	-	4	-	4
Adjusted EBITA	48	20	-0	68	-	68
<i>Adjusted EBITA margin</i>	<i>6.9%</i>	<i>10.7%</i>	<i>-0.9%</i>	<i>7.7%</i>		<i>7.7%</i>
Profit after financial items	39	-13	9	35	-	35
Goodwill	304	642	-	946	-	946
Total assets	1,001	1,512	2,725	5,237	-1,434	3,803
Total liabilities	917	1,568	953	3,437	-1,434	2,003

Note 4 Operating segments (cont.)

Oct-Dec 2022	Nordics	eCom	Other	Total segments	Eliminations	Group
Net sales, external	835	214	4	1,053	-	1,053
Net sales, intra-Group	0	-	1	1	-1	-
Net sales	835	214	4	1,054	-1	1,053
<i>Organic growth (%)</i>	3.7	-13.9				-0.4
Gross profit	144	87	3	235	-	235
<i>Gross margin (%)</i>	17.2	40.8	73.6	22.3		22.3
Operating profit (EBIT)	74	-3	-9	62	-	62
EBITDA	83	28	-5	105	-	105
EBITA	81	26	-7	99	-	99
Bonus eCom acquisition	-	-0	-	-0	-	-0
Adjusted EBITA	81	25	-7	99	-	99
<i>Adjusted EBITA margin</i>	9.7	11.6	-164.0	9.4		9.4
Profit after financial items	74	-9	4	68	-	68
Goodwill	318	633	-	951	-	951
Total assets	1,116	1,533	2,660	5,309	-1,403	3,906
Total liabilities	978	1,581	885	3,444	-1,403	2,041

Jul-Sep 2022	Nordics	eCom	Other	Total segments	Eliminations	Group
Net sales, external	733	166	3	902	-	902
Net sales, intra-Group	-0	-	1	1	-1	-
Net sales	733	166	4	902	-1	902
<i>Organic growth (%)</i>	-1.0	-21.2				-4.9
Gross profit	122	67	3	192	-	192
<i>Gross margin (%)</i>	16.7	40.2	85.2	21.3		21.3
Operating profit (EBIT)	59	55	2	116	-	116
EBITDA	68	82	5	155	-	155
EBITA	67	79	3	150	-	150
Disposal of warehouse property	-	-65	-	-65	-	-65
Bonus eCom acquisition	-	2	-	2	-	2
Adjusted EBITA	67	16	3	87*	-	87*
<i>Adjusted EBITA margin</i>	9.1	9.9	90.7	9.6*		9.6*
Profit after financial items	65	49	8	122	-	122
Goodwill	315	626	-	940	-	940
Total assets	923	1,603	2,669	5,195	-1,494	3,700
Total liabilities	854	1,639	896	3,389	-1,494	1,895

* The totalling is updated from the pro forma attached to the press release of 27 June 2023. No other changes.

Note 4 Operating segments (cont.)

Apr-Jun 2022	Nordics	eCom	Other	Total segments	Eliminations	Group
Net sales, external	805	189	4	999	-	999
Net sales, intra-Group	-	-	1	1	-1	-
Net sales	805	189	5	999	-1	999
<i>Organic growth (%)</i>	<i>0.8</i>	<i>-34.6</i>				<i>-2.3</i>
Gross profit	155	75	3	234	-	234
<i>Gross margin (%)</i>	<i>19.3</i>	<i>39.6</i>	<i>65.1</i>	<i>23.4</i>		<i>23.4</i>
Operating profit (EBIT)	70	-2	-1	68	-	68
EBITDA	79	18	3	99	-	99
EBITA	78	16	1	94	-	94
Bonus eCom acquisition	-	2	-	2	-	2
Adjusted EBITA	78	17	1	96	-	96
<i>Adjusted EBITA margin</i>	<i>9.6</i>	<i>9.1</i>	<i>20.7</i>	<i>9.6</i>		<i>9.6</i>
Profit after financial items	87	-7	19	100	-	100
Goodwill	312	612	-	924	-	924
Total assets	1,014	1,573	2,629	5,216	-1,494	3,722
Total liabilities	1,002	1,647	863	3,512	-1,494	2,018

Jan-Mar 2022	Nordics	eCom	Other	Total segments	Eliminations	Group
Net sales, external	656	205	10	871	-	871
Net sales, intra-Group	0	-	1	1	-1	-
Net sales	656	205	11	872	-1	871
<i>Organic growth (%)</i>	<i>-4.2%</i>	<i>-32.5%</i>				<i>-8.0%</i>
Gross profit	135	80	4	220	-	220
<i>Gross margin (%)</i>	<i>20.5%</i>	<i>39.2%</i>	<i>40.6%</i>	<i>25.2%</i>		<i>25.2%</i>
Operating profit (EBIT)	72	-3	-4	65	-	65
EBITDA	79	16	-1	95	-	95
EBITA	78	14	-2	89	-	89
Bonus eCom acquisition	-	6	-	6	-	6
Adjusted EBITA	78	20	-2	95	-	95
<i>Adjusted EBITA margin</i>	<i>11.9%</i>	<i>9.7%</i>	<i>-22.7%</i>	<i>10.9%</i>		<i>10.9%</i>
Profit after financial items	79	-8	-2	69	-	69
Goodwill	246	592	-	838	-	838
Total assets	976	1,539	2,708	5,223	-1,490	3,733
Total liabilities	874	1,608	931	3,413	-1,490	1,923

Note 4 Operating segments (cont.)

Jan-Jun 2023	Nordics	eCom	Other	Total segments	Eliminations	Group
Net sales, external	1,565	358	7	1,930	-	1,930
Net sales, intra-Group	0	-	1	1	-1	-
Net sales	1,565	358	8	1,931	-1	1,930
<i>Organic growth (%)</i>	6.4	-12.2				2.5
Gross profit	244	144	7	394	-	394
<i>Gross margin (%)</i>	15.6	40.1	80.1	20.4		20.4
Operating profit (EBIT)	96	-8	-4	84	-	84
EBITDA	113	30	4	146	-	146
EBITA	110	27	-0	137	-	137
Bonus eCom acquisition	-	8	-	8	-	8
Adjusted EBITA	110	35	-0	145	-	145
<i>Adjusted EBITA margin</i>	7.0	9.8	-4.2	7.5		7.5
Profit after financial items	83	-37	40	86	-	86
Jan-Jun 2022	Nordics	eCom	Other	Total segments	Eliminations	Group
Net sales, external	1,461	394	14	1,870	-	1,870
Net sales, intra-Group	-	-	1	1	-1	-
Net sales	1,461	394	16	1,871	-1	1,870
<i>Organic growth (%)</i>	-1.5	-33.4				-5.0
Gross profit	290	155	8	453	-	453
<i>Gross margin (%)</i>	19.9	39.4	48.0	24.2		24.2
Operating profit (EBIT)	142	-5	-5	133	-	133
EBITDA	158	34	2	194	-	194
EBITA	155	30	-2	184	-	184
Bonus eCom acquisition	-	8	-	8	-	8
Adjusted EBITA	155	37	-2	191	-	191
<i>Adjusted EBITA margin</i>	10.6	9.4	-9.5	10.2		10.2
Profit after financial items	166	-15	17	169	-	169
Jan-Dec 2022	Nordics	eCom	Other	Total segments	Eliminations	Group
Net sales, external	3,029	775	21	3,825	-	3,825
Net sales, intra-Group	-	-	3	3	-3	-
Net sales	3,029	775	24	3,827	-3	3,825
<i>Organic growth (%)</i>	-0.2	-20.7				-3.7
Gross profit	556	309	14	880	-	880
<i>Gross margin (%)</i>	18.4	39.9	58.5	23.0		23.0
Operating profit (EBIT)	276	47	-12	310	-	310
EBITDA	308	144	2	454	-	454
EBITA	304	134	-5	433	-	433
Disposal of warehouse property	-	-65	-	-65	-	-65
Bonus eCom acquisition	-	9	-	9	-	9
Adjusted EBITA	304	78	-5	377*	-	377*
<i>Adjusted EBITA margin</i>	10.0	10.1	-22.9	11.5*		11.6*
Profit after financial items	305	25	29	359	-	359
Goodwill	318	633	-	951	-	951
Total assets	1,116	1,533	2,660	5,309	-1,403	3,905
Total liabilities	978	1,581	885	3,444	-1,403	2,041

* The totalling is updated from the pro forma attached to the press release of 27 June 2023. No other changes.

Note 5 Fair value of financial instruments

The valuation principles and classification of the Group's financial instruments, as described in the Annual and Sustainability Report 2022 in Note 16, have been applied consistently during the reporting period. Financial instruments measured at fair value through other comprehensive income consist of currency derivatives where hedge accounting is applied in accordance with IFRS 9. If hedge accounting is not applied, changes in the fair value of derivatives are recognised in financial items in the income statement. Derivative contracts with positive fair values totalled SEK 9 (26) million and derivative contracts with negative fair values totalled SEK 1 (0) million as of 30 June 2023. Derivative transactions entered into are recognised gross. Financial liabilities measured at amortised cost, recognised as non-current and current liabilities to credit institutions, totalled SEK 776 (811) million in carrying amount, which corresponded to fair value.

Note 6 Number of shares and Earnings per share

	Apr-Jun		Jan-Jun		Full year
	2023	2022	2023	2022	2022
EARNINGS PER SHARE					
Parent Company shareholders					
Basic earnings per share (SEK)	0.46	0.82	0.76	1.38	2.86
Diluted earnings per share (SEK)	0.46	0.82	0.76	1.38	2.86
Profit/loss for the period (SEK million)	41	73	68	123	254
Average number of shares, before dilution (thousands)	88,832	88,832	88,832	88,832	88,832
Average number of shares, after dilution (thousands)	88,832	88,832	88,832	88,832	88,832

Note 7 Related party transactions

The Group's related-party transactions comprise purchases from and sales to associated companies and joint ventures as well as costs of salaries and pensions for senior executives, partners and the Board of Directors.

ASSOCIATED COMPANIES AND JOINT VENTURES	Apr-Jun		Jan-Jun		Full year
	2023	2022	2023	2022	2022
Sale of goods/services	1	0	2	1	2
Purchase of goods/services	93	63	173	128	283

ASSOCIATED COMPANIES AND JOINT VENTURES	30 Jun 2023	30 Jun 2022	31 Dec 2022
Receivables on balance-sheet date	14	13	5
Liabilities on balance-sheet date	67	12	44

Key Performance Indicator definitions

In accordance with the ESMA (European Securities and Markets Authority) guidelines regarding the disclosure of alternative performance measures, the definition and reconciliation of alternative performance measures for Viva Wine Group AB are presented here. The guidelines provide enhanced disclosures regarding the financial performance indicators not defined by IFRS. The Key Performance Indicators shown below are presented in the interim report. They are used for internal control and monitoring. As not all companies calculate financial performance indicators in the same way, they are not always comparable with measures used by other companies.

GROSS MARGIN

Net sales less costs of goods for resale, in relation to net sales. This measure is used to illustrate profitability in terms of margin on goods sold in the period.

AMOUNTS IN SEK MILLION	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	Full year 2022
Net sales	1,047	999	1,930	1,870	3,825
Goods for resale	-842	-765	-1,536	-1,417	-2,945
Gross profit	205	234	394	453	880
Gross margin (%)	19.6	23.4	20.4	24.2	23.0

EBITDA

Operating profit before depreciation, amortisation and impairment of tangible and intangible assets. This measure is used to analyse the profitability of the business, independently of depreciation and amortisation.

AMOUNTS IN SEK MILLION	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	Full year 2022
Operating profit (EBIT)	47	68	84	133	310
Depreciation, amortisation and impairment	-31	-32	-62	-61	-143
EBITDA	78	99	146	194	454

EBITDA MARGIN, %

EBITDA as a percentage of net sales. EBITDA margin is used to show the profitability of the operating business.

AMOUNTS IN SEK MILLION	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	Full year 2022
EBITDA	78	99	146	194	454
Net sales	1,047	999	1,930	1,870	3,825
EBITDA margin (%)	7.4	9.9	7.6	10.4	11.9

EBITA

Operating profit before amortisation and impairment of intangible assets. This measure is used to analyse the profitability of the business, independently of the amortisation of intangible assets, which mainly consists of the surplus value of acquisitions made.

AMOUNTS IN SEK MILLION	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	Full year 2022
Operating profit (EBIT)	47	68	84	133	310
Amortisation of intangible assets	-26	-26	-52	-51	-122
EBITA	73	94	137	184	433

EBITA MARGIN, %

EBITA as a percentage of net sales. EBITA margin is used to show the profitability of the operational business

AMOUNTS IN SEK MILLION	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	Full year 2022
EBITA	73	94	137	184	433
Net sales	1,047	999	1,930	1,870	3,825
EBITA margin (%)	7.0	9.4	7.1	9.8	11.3

EBITA, ADJUSTED

EBITA adjusted for non-recurring items that are not directly related to planned future operations. Adjusted EBITA is a measure used to maintain transparency and comparability of profit or loss from operating activities excluding items affecting comparability over time.

AMOUNTS IN SEK MILLION	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	Full year 2022
EBITA	73	94	137	184	433
Extraordinary items	4	2	8	8	-56
EBITA, adjusted	77	96	145	191	377

EBITA MARGIN, ADJUSTED %

Adjusted EBITA as a percentage of net sales. Adjusted EBITA margin is used to analyse the profitability of the operational business, excluding items affecting comparability.

AMOUNTS IN SEK MILLION	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	Full year 2022
EBITA, adjusted	77	96	145	191	377
Net sales	1,047	999	1,930	1,870	3,825
EBITA margin, adjusted (%)	7.4	9.6	7.5	10.2	9.8

OPERATING MARGIN (EBIT MARGIN), %

EBIT as a percentage of net sales. Operating margin is used to show the percentage of sales that remains after operating costs and that can be used for other purposes.

AMOUNTS IN SEK MILLION	2023 Apr-Jun	2022 Apr-Jun	2023 Jan-Jun	2022 Jan-Jun	Full year 2022
Operating profit (EBIT)	47	68	84	133	310
Net sales	1,047	999	1,930	1,870	3,825
EBITA margin, adjusted (%)	4.5	6.8	4.4	7.1	8.1

EQUITY RATIO, %

Total equity as a percentage of total assets. Equity ratio is used to analyse financial risk and shows the percentage of assets financed by equity. A high equity ratio is a measure of financial strength.

AMOUNTS IN SEK MILLION	30 Jun 2023	30 Jun 2022	31 Dec 2022
Equity	1,700	1,704	1,865
Assets	3,822	3,722	3,905
Equity ratio (%)	44.5	45.8	47.7

NET DEBT

Interest-bearing liabilities (including lease liabilities) minus cash and cash equivalents at the end of the period excluding put/call on non-controlling interest. Net debt is a key performance indicator showing the company's total net debt.

AMOUNTS IN SEK MILLION	30 Jun 2023	30 Jun 2022	31 Dec 2022
Non-current interest-bearing liabilities	719	761	726
Current interest-bearing liabilities	109	105	105
Current interest-bearing receivables	14	-	-
Cash and cash equivalents	219	169	339
Net debt	595	696	492

EQUITY PER SHARE

Equity attributable to Parent Company shareholders as a percentage of the number of shares at the end of the period. Measures net value per share and shows whether the Company is increasing shareholder wealth over time.

AMOUNTS IN SEK MILLION	30 Jun 2023	30 Jun 2022	31 Dec 2022
Total equity attributable to Parent Company shareholders	1,615	1,631	1,770
Average number of shares, before/after dilution	88,831,884	88,831,884	88,831,884
Equity per share	18.2	18.4	19.9

QUICK RATIO, %

Cash and cash equivalents in relation to current liabilities. Measured as (Current assets – inventories and work in progress) as a percentage of current liabilities. This measure shows the Company's ability to pay in the short term.

AMOUNTS IN SEK MILLION	30 Jun 2023	30 Jun 2022	31 Dec 2022
Current assets	1,518	1,385	1,616
Inventories	547	492	535
Current liabilities	1,041	918	984
Quick ratio (%)	93	97	110

ORGANIC GROWTH

Changes in net sales excluding currency, acquisition and divestment effects, compared to the same period of the previous year. Acquired companies are included in organic growth when they have been part of the Group throughout the comparison period. Organic growth is used to analyse the underlying net sales growth of the company.



Viva Wine Group in brief

Viva Wine Group is a wine group with a leading position in the Nordics and with a strong and growing position in the European e-commerce market for wine. We develop, market and sell both our own and partner brands in more than ten growing markets around the world. The Group consists of several entrepreneurial companies that share a platform for economies of scale and value creation.

OUR BUSINESS

Our brands range from acclaimed consumer favourites to recognised prestige brands, and our producers are among the most prominent in the world, representing everything from large wine groups to member-owned cooperatives and small family producers. We care about how our products are made and are particularly proud of our commitment to sustainability.

OUR MARKETS

We develop, market and sell both our own and partner brands in most growing markets. The company sells affordable quality wines from around the world to consumers in the Nordics, Germany, Switzerland, Austria, France, the Netherlands and the Czech Republic. The company's business is operated by ten entrepreneurial companies based in six countries.

The Nordic market segment, consisting of Sweden, Finland and Norway, is our largest market. The Swedish market is our largest market within the Nordics segment. The Swedish alcohol market is regulated, and sales to consumers are made through the state retail monopoly Systembolaget. In Sweden, our business is conducted through the subsidiaries Giertz Vinimport, Wineteam Global, Chris Wine & Spirits, Iconic Wines, Winemarket Nordic and Tryffelsvinet.

The Finnish and Norwegian alcoholic beverage markets, like the Swedish market, are regulated with state retail monopolies. Our business in Finland is run by Cisa Group and in Norway by Norwegian Beverage Group.

The Viva eCom market segment is our second-largest segment and handles e-commerce with wine for consumers mainly in Germany, Switzerland, Austria, France, the Netherlands and the Czech Republic. The business consists of the Wine in Black, Vicampo and Weinfürst platforms.

OUR RESPONSIBILITY

Sustainability is one of our main drivers and success factors. We integrate sustainability throughout the value chain, focusing on sustainable cultivation and production, sustainable packaging and transport, sustainable local communities and responsible consumption.

We are pioneers and market leaders in organic and ethically certified wine. We co-distribute and have switched most of our transport in Europe to rail. A significant proportion of our products are offered in climate-smart packaging. We carbon-offset emissions from transport and heavy packaging, and all our transport to Sweden is carbon-neutral. We cherish not only our producers but also our consumers, and therefore promote responsible marketing and consumption of our products. We want our activities to contribute to a sustainable planet and to people's quality of life.