

# Q4

## YEAR-END REPORT

### JANUARY–DECEMBER 2021

## Strong year with successful IPO and major acquisition

#### SIGNIFICANT EVENTS DURING THE QUARTER

- Net sales increased by 28.6% to SEK 1,031 (802) million.
- Operating profit increased by 247.1% to SEK 298 (86) million. The operating margin was 28.9% (10.7).
- EBITA, adjusted, increased to SEK 144 (90) million. The EBITA margin, adjusted, was 13.9% (11.3).
- Market share increased in Sweden to 25.6% (25.4) and in Finland to 16.8% (15.9).
- The company was listed on Nasdaq First North Premier Growth Market on 14 December 2021. The allocation option was fully exercised. In connection with the IPO, a gross amount of SEK 1,200 million was raised, which was used to strengthen the cash position, pay off loans and finance minority buyouts and the acquisition of Vicampo.de GmbH and Norwegian Beverage Group.

#### SIGNIFICANT EVENTS DURING THE YEAR

- Net sales increased by 17.1% to SEK 3,331 (2,845) million.
- Operating profit increased by 85.4% to SEK 521 (281) million. The operating margin was 54.0% (9.9).
- EBITA, adjusted, increased to SEK 399 (292) million. EBITA margin, adjusted, was 12.0% (10.3).
- Market share increased in Sweden to 25.3% (24.8) and in Finland to 15.9% (14.5).
- Vicampo.de GmbH was acquired in August 2021. With the acquisition, Viva Wine Group became one of the five leading wine online retailers in Europe.
- An option programme was established for the Board, management and selected senior employees where a long-term commitment is deemed to be beneficial to the company's development.

#### SIGNIFICANT EVENTS AFTER THE END OF THE YEAR

- The Board of Directors proposes to the Annual General Meeting an ordinary dividend of SEK 1.50 per share.

#### CONSOLIDATED FINANCIAL STATEMENTS

SEK million	Oct–Dec		Change %	Jan–Dec		Change %
	2021	2020		2021	2020	
Net sales	1,031	802	28.6	3,331	2,845	17.1
Gross margin (%) <sup>1)</sup>	26.8	20.7		23.7	18.8	
EBITA <sup>1)</sup>	320	89	258.3	564	291	93.4
EBITA margin (%) <sup>1)</sup>	31.1	11.1		16.9	10.2	
EBITA, adjusted <sup>1)</sup>	144	90	58.8	399	292	36.4
EBITA margin, adjusted (%) <sup>1)</sup>	13.9	11.3		12.0	10.3	
Operating profit (EBIT) <sup>1)</sup>	298	86	247.1	521	281	85.4
Operating margin (%) <sup>1)</sup>	28.9	10.7		15.6	9.9	
Net debt <sup>1)</sup>				545	133	308.9
Equity ratio (%) <sup>1)</sup>				45.5	28.3	
Earnings per share	8.46	7.69		34.51	33.64	
Average number of employees				344	130	

<sup>1)</sup> APM, Alternative Performance Measure, see Key ratio definitions page 22.

This report is a translation of the Swedish report. In the event of any differences between this translation and the Swedish original, the Swedish report shall have precedence.



# Strong year with successful IPO and major acquisition

## EVENTFUL AND SUCCESSFUL QUARTER

The fourth quarter and the full year 2021 were very eventful and successful for us. Growth for the Group reached 28.6 percent in the quarter and 17.1 percent for the year, with underlying organic growth positive for the full year but negative in the quarter compared to last year's pandemic-affected record quarter. Operating profit was impacted by large non-recurring items related to acquisitions and listing preparations, but was stable measured as adjusted EBITA at 13.9 (11.3) percent in the quarter.

## STRONG TREND IN SWEDEN AND THE NORDICS

Net sales in the Swedish market in the quarter were at approximately the same level as the previous year. We faced high comparison figures in the quarter as sales through Systembolaget in 2020 and early 2021 were exceptional due to the coronavirus pandemic. We maintained our leading position and increased our market share to 25.6 (25.4) percent in the quarter. During the year, we saw a shift in product mix towards higher-priced products and increased activity among our restaurant customers, a natural consequence of the gradual opening-up of Swedish society after a long period of pandemic-related restrictions.

We increased our sales and strengthened our position in Finland with a market share of 16.8 (15.9) percent in the quarter. This is evidence of strength as total Finnish monopoly sales decreased as a result of the previous alcohol tax increase and relaxed pandemic restrictions in society. The Nordics segment increased its net sales significantly during the quarter as a result of the acquisition of the former associated company Norwegian Beverage Group.

## ACQUISITION STRENGTHENS POSITION IN WINE E-COMMERCE IN EUROPE

In August 2021, we made our largest acquisition ever when we bought the German e-commerce company Vicampo. Following the acquisition of Vicampo, we are now in a good position to become one of the leading and most profitable players in wine e-commerce in Europe. Synergies have been identified, and we will work intensively in the coming months to further strengthen our cost-effective e-commerce operations.

Based in Germany, we will continue to develop our eCom segment and have already launched in several new markets in the fourth quarter, including Italy, the Czech Republic and Slovakia. Wine e-commerce penetration is still relatively low in Europe, and we see great potential to grow through new purchasing patterns driven in part by the coronavirus pandemic. At the same time, we are aware that the comparative figures will be high in the first half of 2022.

Viva eCom grew in the quarter from SEK 52 million to SEK 237 million, an increase of 353 percent. We have consolidated Vicampo from August 2021.



Viva eCom is now Viva Wine Group's second largest segment and the segment with the highest long-term growth potential.

## RAISED ASPIRATIONS IN SUSTAINABILITY

Viva Wine Group has a very clear sustainability agenda, and in September 2021 we adopted a new sustainability policy where we are raising the bar further by, among other things, aiming to further develop our future climate reporting in accordance with the Task Force on Climate Related Financial Disclosures (TCFD).

## VIVA WINE GROUP BECAME A LISTED COMPANY

On 14 December 2021, Viva Wine Group was listed on the Nasdaq First North Premier Growth Market, an important milestone in our development journey. As part of the preparations for the IPO, we established a clear structure to become a cohesive and professional company. At the same time, we decided on new financial targets. An important part has also been to find a good incentive structure for our entrepreneurs, partners and other key staff.

Finally, I would like to thank all our employees for delivering superb results, boosting our market share despite a challenging and unpredictable pandemic. Together we create the wonderful business that is Viva Wine Group!

**Emil Sallnäs, CEO Viva Wine Group**  
Stockholm, February 2022

# Development of the Group

## MARKET

In the fourth quarter, market volumes in the Nordic monopolies were lower than the previous year's pandemic-affected record quarter. The pandemic and the accompanying restrictions had an impact on consumer purchasing patterns in 2020 and the beginning of 2021, and retail monopoly sales volumes increased significantly. With the gradual lifting of restrictions in 2021, there was some channel shift from retail monopolies back to travel retail and restaurants.

In contrast, the Swedish and Nordic monopoly markets are showing good underlying strength and stability, and market volumes remained above the levels seen before the pandemic. The Group's Swedish and Nordic subsidiaries as a whole are continuing to strengthen their position, gain market share and grow faster than the market as a whole.

The lifting of pandemic restrictions has also slowed the development of European e-commerce significantly, but the underlying trend of a shift from retail to e-commerce remains and is still at a higher level than before the pandemic.

## NET SALES

### Quarter

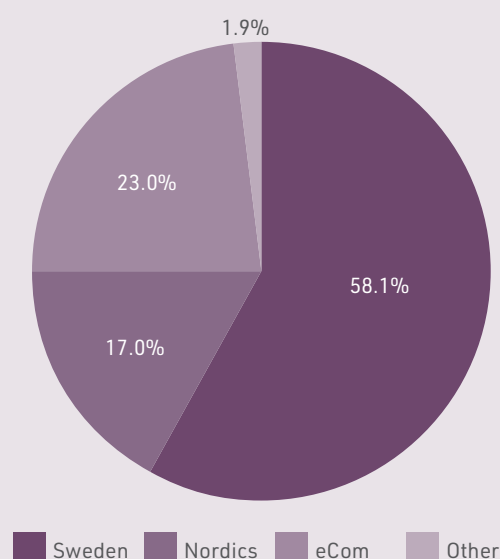
In the fourth quarter, Viva Wine Group's net sales increased by 28.6 percent to SEK 1,031 (802) million, compared to the corresponding quarter of 2020. A significant part of the net sales increase can be attributed to the acquisition of the e-commerce

business Vicampo, which contributed SEK 185 million, and the acquisition of Norwegian Beverage Group, which contributed SEK 65 million. Organic sales growth was slightly negative, mainly due to lower net sales in business outside Europe (the Other segment) during the quarter.

### Full year 2021

For the full year 2021, net sales increased by 17.1 percent to SEK 3,331 (2,845) million. Organic sales grew by 2.6 percent year-on-year.

### SHARE OF NET SALES %, MOST RECENT QUARTER



### NET SALES (SEK MILLION)

	Oct-Dec		Change	Jan-Dec		Change
	2021	2020	%	2021	2020	%
Sweden	599	596	0.5	2,350	2,268	3.6
Nordics	175	116	50.9	426	353	20.7
eCom	237	52	353.1	486	137	254.2
Other	21	37	-44.4	73	93	-21.5
Eliminations	-1	0	-394.2	-4	-6	-34.8
<b>Total</b>	<b>1,031</b>	<b>802</b>	<b>28.6</b>	<b>3,331</b>	<b>2,845</b>	<b>17.1</b>

### ORGANIC SALES GROWTH (SEK MILLION)

	Oct-Dec		Jan-Dec	
	2021	2020	2021	2020
<b>Net sales</b>	<b>1,031</b>	<b>802</b>	<b>3,331</b>	<b>2,845</b>
Acquired net sales	-264	-47	-431	-100
Currency effect from translation at the exchange rate of the comparison period	5	31	17	32
<b>Organic net sales</b>	<b>773</b>	<b>787</b>	<b>2,918</b>	<b>2,778</b>
Turnover for the comparison period	802		2,845	
<b>Organic sales growth (%)</b>	<b>-3.7</b>		<b>2.6</b>	

## OPERATING PROFIT

### Quarter

The Group's profit in the fourth quarter of 2021 was positively impacted by the acquired businesses Vicampo and Norwegian Beverage Group.

Operating profit increased to SEK 298 (86) million, largely due to non-recurring items. Items affecting comparability include the gains on revaluation of existing holdings at fair value on acquisition of Norwegian Beverage Group, + SEK 213 million. In addition, listing costs of SEK -24 million, bonuses to staff in the acquired online retailing business of SEK -6 million, restructuring costs in the existing e-commerce business of SEK -5 million and impairment of our overseas business of SEK -2 million.

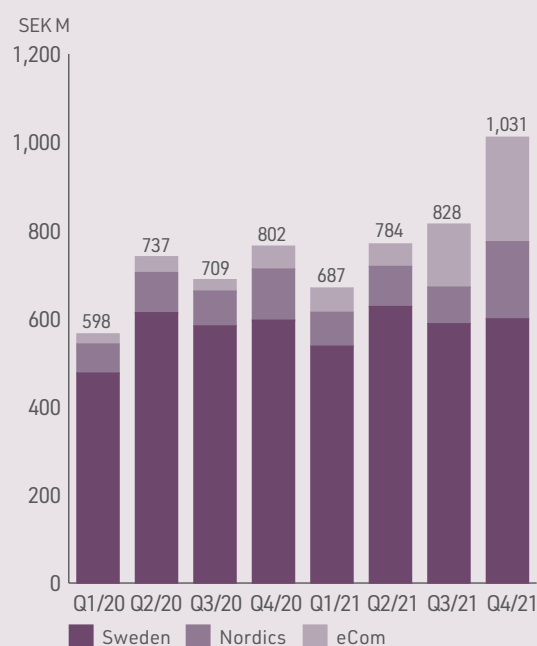
Adjusted EBITA was SEK 144 (90) million, with the acquired businesses, Vicampo, contributing SEK +26 million before amortisation of surplus values and the business in Norway contributing SEK +10 million before amortisation of surplus values. The Swedish business increased its profit by SEK 15 million due to an improved operating margin.

### Full year 2021

Operating profit for the full year 2021 increased to SEK 521 (281) million. Non-recurring items affecting comparability in the period, in addition to those affecting the quarter, include additional listing costs of SEK -8 million and bonuses to staff in acquired e-commerce business of SEK -4 million.

Adjusted EBITA was SEK 399 (292) million, which is explained by a positive contribution from the acquired businesses. Vicampo contributed SEK +40 million before amortisation of surplus values, and the business in Norway contributed

## NET SALES PER SEGMENT



SEK +10 million before amortisation of surplus values during the quarter. The Swedish business increased its operating profit for the full year 2021 by SEK 51 million due to an improved operating margin.

## OPERATING PROFIT (EBIT)

SEK million	Oct-Dec		Change %	Jan-Dec		Change %
	2021	2020		2021	2020	
Sweden	87	71	21.4	291	240	21.5
Nordics	22	16	35.0	49	45	9.9
eCom	3	-6	145.7	-13	-14	3.9
Other	186	5	3,659.9	193	9	2,014.8
Eliminations	0	-1	100.0	0	1	100.0
<b>Total</b>	<b>298</b>	<b>86</b>	<b>247.1</b>	<b>521</b>	<b>281</b>	<b>85.4</b>

## EBITA, ADJUSTED

SEK million	Oct-Dec		Change %	Jan-Dec		Change %
	2021	2020		2021	2020	
Sweden	87	72	21.4	292	241	21.4
Nordics	26	17	49.2	53	46	15.9
eCom	30	-4	842.9	33	-5	783.8
Other	1	6	-81.7	21	10	104.9
Eliminations	0	-1	100.0	0	1	100.0
<b>Total</b>	<b>144</b>	<b>90</b>	<b>59.8</b>	<b>399</b>	<b>292</b>	<b>36.4</b>

## NET PROFIT

### Quarter

Net profit for the fourth quarter of 2021 was SEK 284 (52) million and was positively impacted by the acquired businesses Vicampo and Norwegian Beverage Group and by the revaluation of existing holdings at fair value in Norwegian Beverage Group. This entire revaluation effect, and a large part of the costs related to listing preparations, impacted the fourth quarter.

### Full year 2021

Net profit for the full year 2021 was SEK 465 (219) million and was positively impacted by the acquisition and revaluation of existing holdings at fair value in Norwegian Beverage Group. The majority of costs, including acquisition costs and costs related to listing preparations, were of a non-recurring nature.

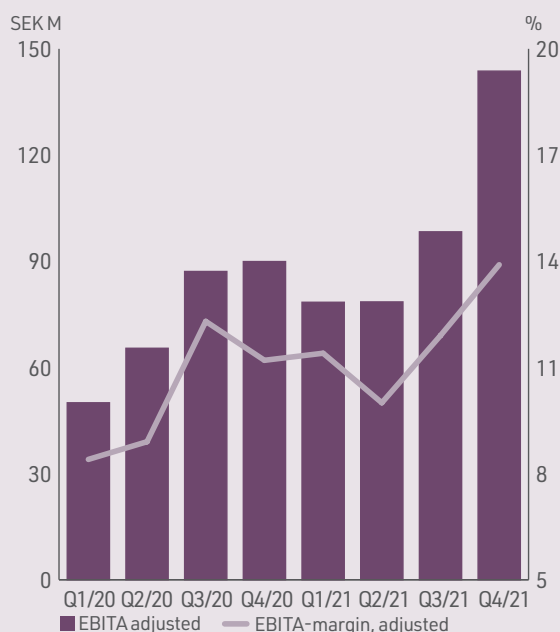
## FINANCIAL POSITION AND LIQUIDITY

Total equity for the Group at 31 December 2021 was SEK 1,736 (404) million, and the equity ratio was 46 (28) percent. On 1 November 2021, Viva Wine Group acquired an additional 40 percent of Norwegian Beverage Group AS, subsequently owning 89 percent of the company. Following the acquisition, Norwegian Beverage Group forms part of the Nordics segment. Payment for the shares was made partly in cash and partly through the issue of shares in Viva Wine Group. Viva Wine Group decided on 30 November 2021 on a new issue of shares in which the sellers of Norwegian Beverage Group subscribed to and were allotted a total of 105,759 shares in Viva Wine Group. The remaining part of the payment for the shares in Norwegian Beverage Group was settled in cash in the amount of SEK 187 million. The acquisition of Norwegian Beverage Group is what is known as a step-up acquisition, where the transaction is recognised in two steps: firstly as an accounting disposal of associated companies, and secondly as an acquisition of subsidiaries.

In order to ensure a more appropriate group structure in a listed environment, Viva Wine Group acquired shares in a number of subsidiaries from minority shareholders. Payment was made in the form of cash and the issuance of shares in Viva Wine Group, where Viva Wine Group decided on 30 November 2021 on a new share issue in which the selling minority shareholders have subscribed for and been allotted a total of 4,342,089 shares in Viva Wine Group. The remaining part of the payment of SEK 265 million was settled by Viva Wine Group with cash.

New shares issued as part of the Company's IPO on Nasdaq First North Premier Growth Market generated proceeds of SEK 1,162 million after costs.

## NET PROFIT FOR THE PERIOD (SEK MILLION)



Cash and cash equivalents at 31 December 2021 totalled SEK 331 (42) million. In addition, at the end of the year there were unused credit lines of SEK 155 million. The Group's net debt, including lease liabilities under IFRS 16, decreased during the quarter by SEK 739 million to SEK 545 million at 31 December 2021. Net debt/EBITDA, for the last 12-month period, was 0.9.

## CASH FLOW

Cash flow from operating activities before changes in working capital increased to SEK 97 million (76) in the fourth quarter. Cash flow from investing activities for the year was SEK -445 million (-65) as a result of the acquisition of Norwegian Beverage Group, which had a cash flow impact of SEK 176 million, and the buy-out of minority shareholders, which had a cash flow impact of SEK 265 million. Cash flow from financing activities was positive, with a new share issue providing SEK 1,152 million in cash flow effect, and a debt repayment of SEK 682 million was made during the quarter.

## SHAREHOLDER'S EQUITY

Viva Wine Group's equity increased during the year to SEK 1,736 million (404), an increase due to the completed issues which have produced a total increase of SEK 1,374 million. During the quarter, the acquisition of shares in subsidiaries from minority shareholders had an impact on equity of SEK -485 million.

## SEGMENT

# Sweden

The Swedish market was stable in the fourth quarter, but retail monopoly sales were down on the previous year's record quarter. Retail monopoly sales were negatively impacted by relaxed pandemic restrictions, with the reintroduction of restrictions in the latter part of the quarter having a marginal effect.

Viva Wine Group's Swedish sales in litres developed more strongly than the market in the fourth quarter (-3.8 percent compared to -4.4 percent). In the full year 2021, we increased our sales by 1.4 percent while the market fell by -0.6 percent. Our market share in volume was stable and slightly increasing to 25.6 (25.4) percent for the quarter and 25.3 (24.8) percent for the year. We are thereby consolidating our position as the largest supplier in the Swedish market. A well thought-out pricing strategy, an attractive product mix, favourable currency effects and a change in the calculation of obsolescence contributed to the good sales and profit for the quarter and the year.

### SALES

Net sales increased marginally in the fourth quarter to SEK 599 (596) million, beating the previous year's pandemic-affected quarter. Similarly, organic sales growth (0.5 percent) increased during the quarter. Net sales and organic sales growth also increased for the year as a whole. The increase is due to continued increased distribution of existing products and successful new product launches.

### PROFIT

Operating profit increased to SEK 87 (71) million in the quarter and to SEK 291 (240) million for the year. The increase in earnings can be attributed to increased market share, improved margin, a good product mix and favourable currency effects. The improved margin was partly the result of good cost control and a change in obsolescence calculation, which contributed SEK +8 million in the quarter.

Operating margin developed positively during the quarter and the year. Adjusted EBITA margin landed above the target level of 10–12 percent and was 12.4 percent for the full year 2021, an improvement of 1.8 percentage points compared to the previous year.

SEK million	Oct-Dec		Change %	Jan-Dec		Change %
	2021	2020		2021	2020	
Net sales	599	596	0.5	2,350	2,268	3.6
EBITA	87	72	21.4	292	241	21.4
EBITA, adjusted	87	72	21.4	292	241	21.4
EBITA margin, adjusted (%)	14.5	12.0		12.4	10.6	
Operating profit (EBIT)	87	71	21.4	291	240	21.5
Operating margin (%)	14.5	12.0		12.4	10.6	

Organic sales growth (SEK million)	Oct-Dec		Jan-Dec	
	2021	2020	2021	2020
Net sales	599	596	2,350	2,268
Acquired net sales	0	-36	-5	-89
Currency effect from translation at the exchange rate of the comparative period	0	0	0	0
<b>Organic net sales</b>	<b>599</b>	<b>560</b>	<b>2,345</b>	<b>2,179</b>
Turnover for the comparison period	596		2,268	
<b>Organic sales growth (%)</b>	<b>0.5</b>		<b>3.4</b>	

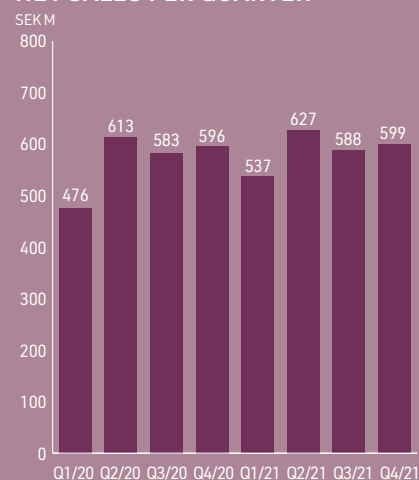
## SWEDEN SEGMENT SHARE OF NET SALES IN THE QUARTER

# 58.1%

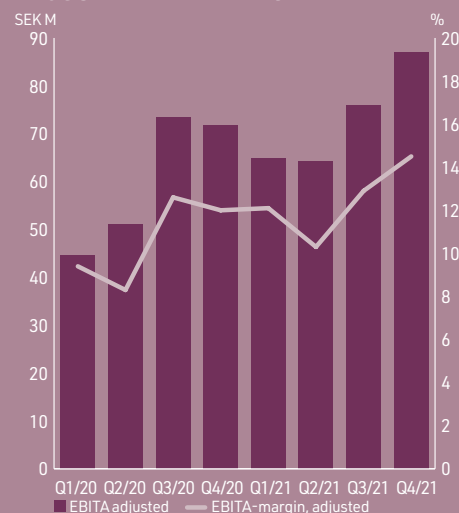
## VIVA WINE GROUP MARKET SHARE IN SWEDEN

# 25.6%

### NET SALES PER QUARTER



### ADJUSTED EBITA AND ADJUSTED EBITA MARGIN



## SEGMENT

# Nordics

The Nordic market declined in the fourth quarter, with sales of the Finnish retail monopoly in particular negatively affected by eased pandemic restrictions. The changes affected purchasing patterns and resulted in increased travel imports and some channel shift back to hotels and restaurants. Viva Wine Group's net sales and operating profit were positively impacted by the additional investment in the former associated company Norwegian Beverage Group in November.

Viva Wine Group's sales measured in litres in Finland decreased by little more than 5 percent in the fourth quarter. However, we increased our market share, from 15.9 to 16.8 percent, as the Finnish retail monopoly's total sales in the quarter fell by 10 percent compared to the previous year's pandemic-affected record sales. Compared to 2019, however, the Finnish market has grown by more than 11 percent on a full-year basis.

The Norwegian market showed slowing growth in the fourth quarter but has developed very strongly over the full year, partly influenced by pandemic restrictions, but also by the lowering of excise duty on alcohol introduced by the Norwegian government in order to keep Norwegian consumption in Norway and reduce cross-border trade with Sweden.

### SALES

Net sales increased during the quarter to SEK 175 (116) million, and for the full year 2021 to SEK 426 (353) million, an increase mainly related to the acquisition in the fourth quarter of Norwegian Beverage Group. Organic growth in the Finnish business was minus 2.1 percent in the quarter, which is less than the volume decline and better than the market trend as a whole. Organic growth for the full year was 5.6 percent, which is higher than the change in volume. Organic sales were positively impacted by translation differences of SEK 4 million and SEK 12 million during the quarter and full year respectively.

### PROFIT

Operating profit increased during the quarter to SEK 22 (16) million and for the full year 2021 to SEK 49 (45) million. The acquired business in Norway contributed SEK 7 million during the quarter and the year. The operating profit of the Finnish operations was slightly weaker than in the previous year but with a gross margin in line with the previous year.

SEK million	Oct-Dec		Change %	Jan-Dec		Change %
	2021	2020		2021	2020	
Net sales	175	116	50.9	426	353	20.7
EBITA	26	17	49.2	53	46	15.9
EBITA, adjusted	26	17	49.2	53	46	15.9
EBITA margin, adjusted (%)	14.6	14.8		12.4	12.9	
Operating profit (EBIT)	22	16	35.0	49	45	9.9
Operating margin (%)	12.7	14.2		11.6	12.7	

Organic sales growth (SEK million)	Oct-Dec		Jan-Dec	
	2021	2020	2021	2020
Net sales	175	116	426	353
Whereof acquired net sales	-65	0	-65	0
Whereof currency effect from translation at the exchange rate of the comparative period	4	20	12	20
Organic net sales	114	136	373	373
Turnover for the comparison period	116		353	
Organic sales growth (%)	-2.1		5.6	

## NORDICS SEGMENT SHARE OF NET SALES IN THE QUARTER

# 17.0%

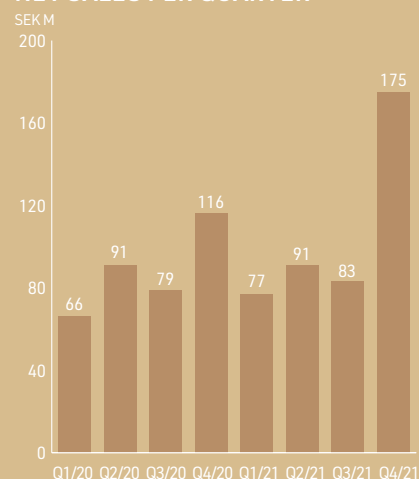
## VIVA WINE GROUP MARKET SHARE IN FINLAND

# 16.8%

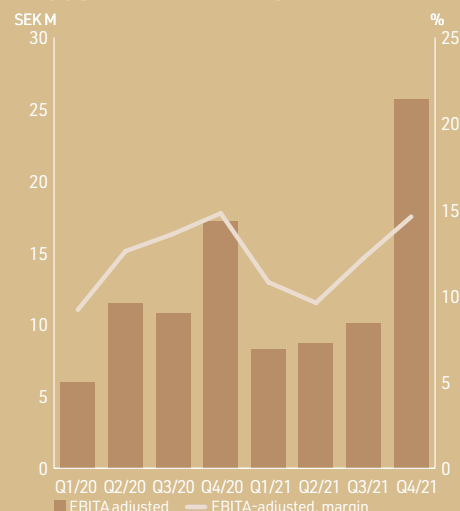
## VIVA WINE GROUP MARKET SHARE IN NORWAY

# 5.5%

## NET SALES PER QUARTER



## ADJUSTED EBITA AND ADJUSTED EBITA MARGIN



## SEGMENT

# Viva eCom

The European e-commerce market for wine slowed in the fourth quarter. The lifting of pandemic restrictions and the reopening of restaurants led to some channel shifting and an upturn in traditional shopping patterns, an effect that is expected to continue into 2022, after which the comparative figures will be more accurate. The underlying trend of a shift from retail to e-commerce persists and remains at a higher level than before the pandemic. Viva eCom's net sales and operating profit increased significantly during the quarter and year as a result of the August acquisition of the German e-commerce company Vicampo.de GmbH.

Vicampo operates two e-commerce platforms for wine, Vicampo and Weinfürst, which are expanding in Europe from a main market in Germany. As a result of this and previous acquisitions, Viva eCom is now one of the leading wine online retailers in Europe. The acquisition significantly increased the Group's net sales, and the profitable Vicampo business also had a positive impact on operating profit and operating margin, helping us to deliver growth and profitability in our e-commerce business.

### SALES

Net sales increased significantly during the quarter and the year as a result of the acquisition of Vicampo. Net sales reached SEK 237 (52) million in the quarter and SEK 486 (137) million in the year, of which SEK 185 million in the quarter and SEK 287 million in the year are attributable to Vicampo.

### PROFIT

Operating profit for the quarter was SEK 3 (-6) million, with the acquired Vicampo business contributing SEK +11 million before amortisation of surplus values of SEK -15 million. The quarter has been charged with costs of just under SEK 5 million for the restructuring of the existing e-commerce business, where we see significant future synergies and cost efficiencies. The segment reported EBITA adjusted for non-recurring items affecting comparability of SEK 30 million, an improvement of SEK 34 million on the corresponding period of the previous year.

Operating profit for the full year 2021 was SEK -13 (-14) million, with the acquired Vicampo business contributing SEK +40 million before amortisation of surplus values of SEK -25 million. In addition to restructuring costs, the full year 2021 has been charged with acquisition costs of SEK -11 million. The segment reports EBITA adjusted for non-recurring items affecting comparability of SEK 33 million, an improvement of SEK 38 million on the previous year. The items affecting comparability of SEK 14 million consist of bonuses to staff in acquired businesses and restructuring costs.

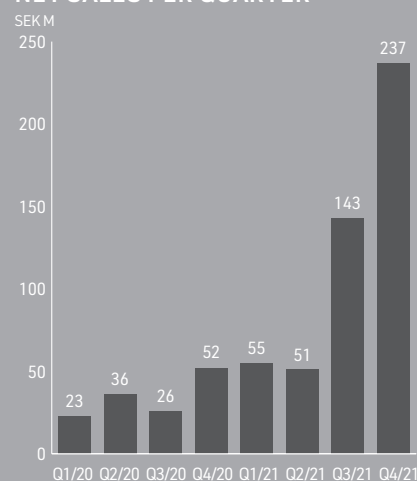
SEK million	Oct-Dec		Change %	Jan-Dec		Change %
	2021	2020		2021	2020	
Net sales	237	52	353.1	486	137	254.2
EBITA	20	-4	588.0	19	-5	493.6
EBITA, adjusted	30	-4	842.9	33	-5	783.8
EBITA margin, adjusted (%)	12.5	-7.7		6.8	-3.5	
Operating profit (EBIT)	3	-6	145.7	-13	-14	3.9
Operating margin (%)	1.2	-11.6		-2.7	-10.1	

Organic sales growth (SEK million)	Oct-Dec		Jan-Dec	
	2021	2020	2021	2020
Net sales	237	52	486	137
Acquired net sales	-197	-11	-353	-11
Currency effect from translation at the exchange rate of the comparative period	1	8	4	8
<b>Organic net sales</b>	<b>41</b>	<b>49</b>	<b>138</b>	<b>134</b>
Turnover for the comparison period	52		137	
<b>Organic sales growth (%)</b>	<b>-20.9</b>		<b>0.3</b>	

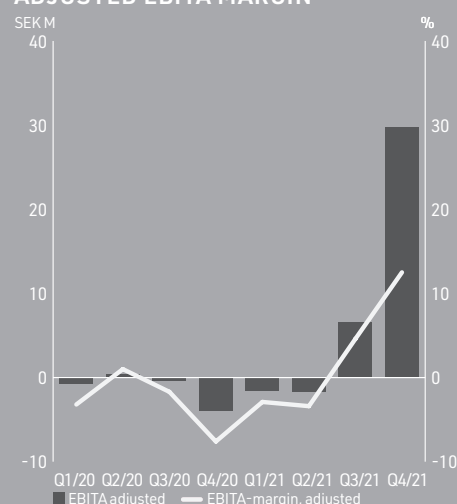
## SEGMENT E-COMMERCE SHARE OF NET SALES IN THE QUARTER

# 23.0%

### NET SALES PER QUARTER



### ADJUSTED EBITA AND ADJUSTED EBITA MARGIN





## SEGMENT

# Viva eCom (cont.)

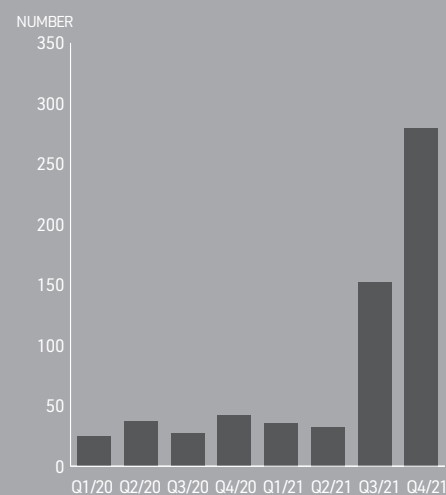
The quarter showed a slowdown in organic growth compared to the previous year's pandemic-affected record quarter, when extensive restrictions on movement and lockdowns in Europe made e-commerce particularly attractive to consumers. Despite some slowdown in e-commerce in general, the shift in wine consumers' buying patterns towards e-commerce is continuing as e-commerce penetration in the European market accelerates.

The number of orders, the number of first-time orders (i.e. the number of new customers) and the number of active customers increased during the quarter and the year. The share of sales from repeat customers also increased, but the number of orders per active customer decreased during the quarter, which had a negative impact on organic growth. Average order value also decreased, which is, however, an effect of our broadening of customer segments through the acquisition of Vicampo.de GmbH. As a result of the acquisition of Vicampo.de GmbH and its Vicampo and Weinfürst platforms, we are reaching a larger customer base and offering wines in more price segments, complementing Wine in Black's focus on the more expensive price segments.

Order summary eCom	Oct-Dec		Change %	Jan-Dec		Change %
	2021	2020		2021	2020	
Number of orders	279,792	41,789	569.5	500,123	130,450	283.4
Number of first orders	83,422	12,304	578.0	139,515	35,824	289.4
Number of active customers	536,507	51,685	938.0	536,507	51,685	938.0
Number of orders per active customer	1	3	-64.0	1	3	-64.0
Number of orders per active customer proforma*	2	2	0.0	2	2	0.0
Share of sales from repeat customers (%)	77.7	72.3	7.5	78.2	73.9	5.8
Average order value	834	1,273	-34.5	897	1,274	-29.6

\* The active customers are counted from 30.09.2021 (including Vicampo and Weinfürst). However, orders from Vicampo and Weinfürst are counted from August onwards.

## 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 are usually lower. Sales in the summer months are also partly dependent on weather, with fine and sunny summer weather driving sales, particularly for the rosé wine product segment.

## RISKS AND UNCERTAINTIES

The business is also affected during the year by currency risks, related to exchange rates, and commodity risks, related to harvesting. There are also political and fiscal risks, with occasional rises in excise duties over the years. A rise in excise duty of 6% on wine was implemented in Finland in the first half of 2021, which had the effect of squeezing the overall sales trend of the Finnish retail monopoly during the year. 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.

## 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. For further details, see Note 7.

## SUSTAINABILITY

Sustainability is one of Viva Wine Group's main drivers and success factors. The Group is the Swedish and Nordic market leader in organic and ethically certified wine and develops carbon-efficient transport and packaging together with partners. New long-term sustainability targets were adopted during the year, including an ambition to halve the carbon footprint of transport and packaging per litre of beverage sold by 2030. In addition, a new Sustainability Policy was adopted. The new Sustainability Policy sets out the Group's ambitions and commitments in the areas of environmental, social and economic sustainability, and identifies focus areas, clarifying guidelines and approaches.

During the year, the sustainability performance of the Swedish business further improved, with the share of organically certified volume increasing to 39 (38) percent and the share of organically and/or ethically certified volume increasing to 49 (48) percent.

## EMPLOYEES

At 31 December, the average number of employees was 239, up from 130 in the previous year. The increase is partly due to organic growth but is mainly attributable to acquired companies, in particular Vicampo in Germany. Vicampo manages its own logistics and therefore has its own warehouse staff.

## PARENT COMPANY

The Parent Company's balance sheet was strengthened during the fourth quarter, with equity increasing to SEK 1,718 (327) million as a result of share issues. Debts to credit institutions totalling SEK 680 million were repaid during the quarter, with total assets at the end of the quarter amounting to SEK 2,592 (520) million.

## FINANCIAL CALENDAR

Viva Wine Group's year-end report for 2021 will be published on 24 February 2022 at 8:00 am. On the same day at 09:45-10:45 am a videoconference call will be held with CEO Emil Sallnäs and CFO Linn Gäfvert. The videoconference call can be accessed on the following [Microsoft Teams link](#). The presentation will be available at [www.vivagroup.se](http://www.vivagroup.se).

The Annual General Meeting for the financial year 2021 will be held in Stockholm on Friday 20 May 2022. Time and venue will be announced later. Shareholders wishing to have a matter addressed at the AGM are requested to send proposals by e-mail to [info@vivagroup.se](mailto:info@vivagroup.se) or by post to: Viva Wine Group AB, Bolagsstämman  
Blasieholmsgatan 4a  
111 48 Stockholm.

Viva Wine Group has not appointed a nomination committee. It is the company's intention to do so at the next Annual General Meeting.

## DIVIDEND

The Board of Directors has decided to propose a dividend of SEK 1.50 per share to the Annual General Meeting in May.

## CONTACT

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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 24 February 2022 at 8:00 am 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, 24 February 2022

**Anders Moberg**  
Chairman of the Board

**Anne Thorstvedt Sjöberg**  
Member of the Board

**Helen Fast Gillstedt**  
Member of the Board

**John Wistedt**  
Member of the Board

**Mikael Aru**  
Member of the Board

**Emil Sallnäs**  
CEO

The year-end report has not been reviewed by the company's auditors.

## Condensed consolidated statement of profit or loss

AMOUNTS IN SEK MILLION	NOTE	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
<b>Operating revenue</b>					
Net sales	3, 4	1,031	802	3,331	2,845
Other operating income		3	3	8	9
<b>Total revenue</b>		<b>1,035</b>	<b>805</b>	<b>3,339</b>	<b>2,854</b>
<b>Operating expenses</b>					
Goods for resale		-755	-667	-2,543	-2,310
Other external expenses		-97	-20	-261	-151
Personnel expenses		-70	-30	-185	-101
Depreciation and amortisation		-27	-7	-59	-22
Profit from participations in associated companies and joint ventures		215	6	233	11
Other operating expenses		-2	0	-3	0
<b>Operating profit</b>	4	<b>298</b>	<b>86</b>	<b>521</b>	<b>281</b>
Financial income		16	-14	40	5
Financial expenses		-7	-5	-22	-9
<b>Profit after financial items</b>		<b>307</b>	<b>66</b>	<b>539</b>	<b>276</b>
Tax		-23	-14	-74	-57
<b>Net profit for the period</b>		<b>284</b>	<b>52</b>	<b>465</b>	<b>219</b>
<b>Profit for the period attributable to</b>					
Parent Company shareholders		279	38	414	168
Non-controlling interests		5	14	51	51
<b>Earnings per share</b>					
Earnings per share before dilution (SEK)	5	8.46	7.69	34.51	33.64
Earnings per share after dilution (SEK)	5	8.46	7.69	34.51	33.64

## Condensed consolidated statement of comprehensive income

AMOUNTS IN SEK MILLION	NOTE	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
Net profit for the period		284	52	465	219
<i>Items that may be reclassified to profit or loss</i>					
Translation difference		7	-6	7	-5
<b>Other comprehensive income for the period</b>		<b>7</b>	<b>-6</b>	<b>7</b>	<b>-5</b>
<b>Comprehensive income for the period</b>		<b>291</b>	<b>46</b>	<b>472</b>	<b>214</b>
<b>Comprehensive income for the period attributable to</b>					
Parent Company shareholders		288	33	420	164
Non-controlling interests		6	13	52	50

# Condensed consolidated statement of financial position

AMOUNTS IN SEK MILLION	NOTE	31 Dec 2021	31 Dec 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill		821	19
Intangible assets		1,170	50
Tangible assets		50	44
Right-of-use assets		57	37
Participations in associated companies and joint ventures		54	71
Other securities held as non-current assets		0	1
Other non-current receivables		19	16
Deferred tax assets		11	17
<b>Total non-current assets</b>		<b>2,183</b>	<b>255</b>
<b>Current assets</b>			
Inventories		477	424
Trade receivables		730	616
Receivables from associated companies		12	15
Current tax assets		2	3
Other receivables		20	30
Derivative instruments		10	7
Prepaid expenses and accrued income		46	33
Cash and cash equivalents		331	42
<b>Total current assets</b>		<b>1,630</b>	<b>1,171</b>
<b>TOTAL ASSETS</b>		<b>3,813</b>	<b>1,426</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
	4		
Share capital		1	0
Reserves		4	-3
Retained earnings including net profit for the year		1,657	341
<b>Total equity attributable to Parent Company shareholders</b>		<b>1,662</b>	<b>338</b>
Non-controlling interests		75	66
<b>Total equity</b>		<b>1,736</b>	<b>404</b>
<b>Non-current liabilities</b>			
Overdraft facility		0	61
Other liabilities to credit institutions		732	47
Lease liabilities		41	29
Deferred tax liabilities		309	12
Other provisions		10	0
Other non-current liabilities		0	2
<b>Total non-current liabilities</b>		<b>1,092</b>	<b>152</b>
<b>Current liabilities</b>			
Liabilities to credit institutions		86	29
Trade payables		443	398
Advances from costumers		6	9
Liabilities to associated companies		23	2
Current tax liabilities		29	20
Lease liabilities		17	9
Current provisions		5	0
Derivative instruments		1	27
Other current liabilities		333	346
Accrued expenses and prepaid income		41	29
<b>Total current liabilities</b>		<b>985</b>	<b>870</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,813</b>	<b>1,426</b>

## Condensed consolidated cash flow statement

AMOUNTS IN SEK MILLION	NOTE	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
<b>Operating activities</b>					
Profit after financial items		307	66	539	276
Adjustment for non-cash items		-189	26	-180	30
Dividends from associated companies		2	-	10	-
Tax paid		-23	-15	-73	-54
<b>Cash flow from operating activities before changes in working capital</b>		<b>97</b>	<b>76</b>	<b>297</b>	<b>252</b>
<b>Cash flow from change in working capital</b>					
Change in inventories		18	51	23	-98
Changes in operating receivables		-211	-90	-55	-94
Changes in operating liabilities		130	136	-106	157
<b>Net cash from operating activities</b>		<b>33</b>	<b>174</b>	<b>158</b>	<b>217</b>
<b>Investing activities</b>					
Business combinations	9	-174	-2	-1,217	-13
Acquisition of intangible assets		-	-1	-105	-1
Acquisition of tangible assets		-1	-43	-4	-48
Redemption of shares, purchase of minority interests		-265	-	-265	-
Change in other financial assets		-4	-19	1	-3
<b>Cash flow from investing activities</b>		<b>-445</b>	<b>-65</b>	<b>-1,589</b>	<b>-64</b>
<b>Financing activities</b>					
New share issue*		1,152	-	1,152	-
Issue of warrants		2	-	2	-
Dividend paid to shareholders of the Parent company		-	-	-31	-20
Dividend paid to non-controlling interests		-	-	-52	-31
Change in overdraft facility		-10	-83	-60	-125
Borrowings		-	3	1570	6
Repayment of loans		-682	-1	-854	-27
Repayment of lease liability		-4	-2	-13	-8
<b>Net cash from financing activities</b>		<b>458</b>	<b>-83</b>	<b>1,714</b>	<b>-205</b>
<b>Cash flow for the period</b>		<b>46</b>	<b>25</b>	<b>283</b>	<b>-52</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>280</b>	<b>19</b>	<b>42</b>	<b>97</b>
Cash flow for the period		46	25	283	-52
Exchange rate differences in cash and cash equivalents		5	-2	6	-2
<b>Cash and cash equivalents at the end of the year</b>		<b>331</b>	<b>42</b>	<b>331</b>	<b>42</b>
Interest paid		1	1	2	2
Interest received		-11	0	-14	-3
<b>Non-cash items</b>					
Depreciation/amortisation		27	7	59	22
Change in market value of derivatives		-15	18	-28	4
Change in provisions		11	-	15	-
Change in accrued interest		-3	-	1	-
Share of profit in associated companies		-215	-1	-233	-4
Exchange-rate effects		4	1	4	7
Expected credit loss on trade receivables		1	-	3	0
Other		-1	1	0	1
<b>Total</b>		<b>-189</b>	<b>26</b>	<b>-180</b>	<b>30</b>

\* New share issue includes issue expenses of SEK -48 million.

## Condensed consolidated statement of changes in equity

AMOUNTS IN SEK MILLION	Share capital	Other contributed capital	Translation reserve	Retained earnings including net profit for the year	Equity attributable to Parent Company shareholders	Non-controlling interests	Total equity
<b>OPENING EQUITY, 1 JAN 2020</b>	<b>0</b>		<b>1</b>	<b>203</b>	<b>205</b>	<b>40</b>	<b>245</b>
Net profit for the period				168	168	51	219
Other comprehensive income for the period			-4		-4	-1	-5
<b>Comprehensive income for the period</b>	<b>0</b>		<b>-4</b>	<b>168</b>	<b>164</b>	<b>50</b>	<b>214</b>
<b>Transactions with the Group's owners</b>							
Dividend				-20	-20	-31	-51
Changed participating interest in subsidiaries				-10	-10	7	-3
<b>Total</b>	<b>0</b>		<b>0</b>	<b>-30</b>	<b>-30</b>	<b>-24</b>	<b>-55</b>
<b>CLOSING EQUITY, 31 DEC 2020</b>	<b>0</b>		<b>-3</b>	<b>341</b>	<b>338</b>	<b>66</b>	<b>404</b>
<b>OPENING EQUITY, 1 JAN 2021</b>	<b>0</b>		<b>-3</b>	<b>341</b>	<b>338</b>	<b>66</b>	<b>404</b>
Net profit for the period				414	414	51	465
Other comprehensive income for the period			6		6	1	7
<b>Comprehensive income for the period</b>	<b>0</b>		<b>6</b>	<b>414</b>	<b>420</b>	<b>52</b>	<b>472</b>
<b>Transactions with the Group's owners</b>							
New share issue net of transactions costs and tax *	0	1,374			1,374		1,374
Bonus issue	0			0	0		0
Issue of warrants		2			2		2
Non-controlling interests arising from the acquisition of subsidiaries					0	53	53
Transactions with minority holdings				-442	-442	-45	-487
Dividend				-31	-31	-52	-83
<b>Total</b>	<b>1</b>	<b>1,376</b>	<b>0</b>	<b>-473</b>	<b>903</b>	<b>-43</b>	<b>860</b>
<b>CLOSING EQUITY, 31 DEC 2021</b>	<b>1</b>	<b>1,376</b>	<b>4</b>	<b>281</b>	<b>1,662</b>	<b>75</b>	<b>1,736</b>

\* New share issue includes issue expenses of SEK -48 million and tax effect of the issue expenses of SEK 10 million.

## Condensed income statement of the Parent Company

AMOUNTS IN SEK MILLION	NOTE	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
<b>OPERATING REVENUE</b>					
Net sales		0	-	0	-
Other operating income		1	-	5	-
<b>TOTAL REVENUE</b>		<b>1</b>	<b>-</b>	<b>5</b>	<b>-</b>
Other external expenses		-26	-2	-39	-2
Personnel expenses		-1	-	-4	0
<b>Operating profit</b>		<b>-27</b>	<b>-2</b>	<b>-38</b>	<b>-2</b>
Financial income and expenses		3	180	14	181
<b>Profit before tax</b>		<b>-24</b>	<b>178</b>	<b>-24</b>	<b>178</b>
Appropriations		79	-	79	-
Tax		-10	-	-10	-
<b>Net profit for the period</b>		<b>45</b>	<b>178</b>	<b>45</b>	<b>178</b>

## Condensed balance sheet of the Parent Company

AMOUNTS IN SEK MILLION	NOTE	31 Dec 2021	31 Dec 2020
<b>ASSETS</b>			
Non-current assets		866	81
Current assets		1,494	439
Cash and cash equivalents		232	-
<b>TOTAL ASSETS</b>		<b>2,592</b>	<b>520</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity and liabilities</b>			
Equity		1,718	327
Non-current liabilities		713	61
Current liabilities		161	131
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,592</b>	<b>520</b>



## Notes

### Note 1 Significant accounting policies

This interim report relates to 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 Sweden 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 the 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 2 Estimates and judgements

The preparation of financial statements requires that company management and the Board of Directors make certain judgements and assumptions that impact the carrying amounts of asset and liability items, and revenue and cost items, as well as other information submitted. These judgements are based on experience and the assumptions that management and the Board of Directors deem reasonable under the prevailing circumstances. The actual outcome may then differ from these judgements if other conditions arise. The estimates and assumptions are routinely evaluated and are deemed not to involve any significant risk for material adjustments in the carrying amounts of assets and liabilities during the next periods. Changes in estimates are recognised in the period when the change is made if the change affects that period only, or in the period when the change is made and in future periods if the change affects the period in question as well as future periods. A description of key estimates and judgements was provided in the 2020 Annual Report and no significant changes have occurred since then.

### 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;	2021	2020	2021	2020
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Sweden	602	600	2,339	2,239
Finland	133	116	383	353
Germany	171	65	361	121
Norway	66	0	66	0
Other	60	21	182	133
<b>Total</b>	<b>1,031</b>	<b>802</b>	<b>3,331</b>	<b>2,845</b>

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

## Note 4 Operating segments

For accounting and monitoring, the Group has divided its operations into four operating segments. Sweden, Nordics, E-commerce 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.

October–December 2021	Sweden	Nordics	E-Commerce	Other	Total segments	Eliminations	Group total
Net sales	599	175	237	21	1,033	-1	1,031
Other operating income	2	1	1	14	18	-15	3
<b>Total revenue</b>	<b>600</b>	<b>176</b>	<b>239</b>	<b>35</b>	<b>1,050</b>	<b>-16</b>	<b>1,035</b>
Goods for resale	-457	-138	-147	-15	-757	2	-755
Other external expenses	-44	-6	-31	-29	-111	14	-97
Personnel expenses	-12	-5	-37	-16	-70	0	-70
Depreciation and amortisation	-1	-4	-19	-4	-27	0	-27
Profit from participations in associated companies and joint ventures	0	0	0	215	215	0	215
Other operating expenses	0	0	-2	0	-2	0	-2
<b>Operating profit</b>	<b>87</b>	<b>22</b>	<b>3</b>	<b>186</b>	<b>298</b>	<b>0</b>	<b>298</b>
EBITDA	87	26	22	190	326	0	326
EBITA	87	26	20	188	320	0	320
Goodwill	1	234	586	0	821	0	821
Total assets	563	515	1,554	2,660	5,293	-1,480	3,813
Total liabilities	735	281	1,618	921	3,556	-1,480	2,077
October–December 2020	Sweden	Nordics	E-Commerce	Other	Total	Eliminations	Group total
Net sales	596	116	52	37	802	0	802
Other operating income	2	0	0	0	3	0	3
<b>Total revenue</b>	<b>598</b>	<b>116</b>	<b>53</b>	<b>38</b>	<b>804</b>	<b>0</b>	<b>805</b>
Goods for resale	-467	-97	-39	-31	-634	-2	-636
Other external expenses	-40	0	-7	-5	-52	1	-51
Personnel expenses	-18	-2	-8	-2	-30	0	-30
Depreciation and amortisation	-2	-1	-4	0	-7	0	-7
Profit from participations in associated companies and joint ventures	0	0	0	6	6	0	6
Other operating expenses	0	0	0	0	0	0	0
<b>Operating profit</b>	<b>71</b>	<b>16</b>	<b>-6</b>	<b>5</b>	<b>87</b>	<b>-1</b>	<b>86</b>
EBITDA	73	17	-2	5	94	-1	93
EBITA	72	17	-4	5	90	-1	89
Goodwill	1	6	12	-	19	-	19
Total assets	1,019	198	231	696	2,144	-719	1,426
Total liabilities	803	157	226	313	1,499	-477	1,022

## Note 4 Operating segments (cont.)

January–December 2021	Sweden	Nordics	E-Commerce	Other	Total	Eliminations	Group total
Net sales	2,350	426	486	73	3,335	-4	3,331
Other operating income	4	1	3	56	64	-57	8
<b>Total revenue</b>	<b>2,354</b>	<b>427</b>	<b>489</b>	<b>129</b>	<b>3,400</b>	<b>-61</b>	<b>3,339</b>
Goods for resale	-1,838	-346	-312	-53	-2,549	6	-2,543
Other external expenses	-175	-13	-70	-59	-316	55	-261
Personnel expenses	-48	-12	-81	-43	-185	0	-185
Depreciation and amortisation	-2	-6	-38	-13	-59	0	-59
Profit from participations in associated companies and joint ventures	0	0	0	233	233	0	233
Other operating expenses	0	0	-3	0	-3	0	-3
<b>Operating profit</b>	<b>291</b>	<b>49</b>	<b>-13</b>	<b>193</b>	<b>521</b>	<b>0</b>	<b>521</b>
EBITDA	293	55	25	206	580	0	580
EBITA	292	53	19	200	564	0	564
<b>January–December 2020*</b>	<b>Sweden</b>	<b>Nordics</b>	<b>E-Commerce</b>	<b>Other</b>	<b>Total</b>	<b>Eliminations</b>	<b>Group total</b>
Net sales	2,268	353	137	93	2,851	-6	2,845
Other operating income	7	0	0	1	9	0	9
<b>Total revenue</b>	<b>2,275</b>	<b>353</b>	<b>138</b>	<b>94</b>	<b>2,860</b>	<b>-6</b>	<b>2,854</b>
Goods for resale	-1,843	-290	-105	-78	-2,316	6	-2,310
Other external expenses	-119	-6	-15	-11	-151	1	-151
Personnel expenses	-67	-9	-20	-5	-101	0	-101
Depreciation and amortisation	-7	-2	-12	-1	-22	0	-22
Profit from participations in associated companies and joint ventures	0	0	0	11	11	0	11
Other operating expenses	0	0	0	0	0	0	0
<b>Operating profit</b>	<b>240</b>	<b>45</b>	<b>-14</b>	<b>9</b>	<b>280</b>	<b>1</b>	<b>281</b>
EBITDA	247	47	-2	10	302	1	303
EBITA	241	46	-5	9	291	1	291

\*Due to a change in the assessment of the segments, adjustments have been made for the segments Sweden and Other as well as Eliminations. The adjustments have the following impact on net sales in the Sweden segment: SEK -55 million, Other segment: SEK -44 million and on eliminations: SEK 99 million. The change in assessment does not affect the operating profit or loss of the segments. Nor do they affect the Group as a whole, only between segments.

## Note 5 Number of shares and Earnings per share

EVENT	Number of shares		Share capital (SEK)	
	Change	Total	Change	Total
<b>1 January 2021</b>		<b>5,000,000</b>		<b>50,000</b>
Bonus issue	–	–	450,000	500,000
Split (1:12)	55,000,000	60,000,000	–	–
New share issue	4,342,089	64,342,089	36,184	536,184
New share issue	24,489,795	88,831,884	204,082	740,266
<b>31 December 2021</b>		<b>88,831,884</b>		<b>740,266</b>

EARNINGS PER SHARE	Oct-Dec		Jan-Dec	
	2021	2020	2021	2020
<b>Parent Company shareholders</b>				
Earnings per share before dilution (SEK)	8.46	7.69	34.51	33.64
Earnings per share after dilution (SEK)	8.46	7.69	34.51	33.64
Net profit/loss for the period (SEK million)	278.7	38.4	413.6	168.2
Average number of shares, before dilution (thousands)	32,944	5,000	11,986	5,000
Average number of shares, after dilution (thousands)	32,944	5,000	11,986	5,000

## Note 6 Financial instruments

The Group's financial assets comprise trade receivables, other receivables, securities held as non-current assets, receivables from associated companies, non-current receivables, cash and cash equivalents and derivative instruments. Financial liabilities comprise trade payables, other liabilities, interest-bearing liabilities, liabilities to associated companies, other non-current liabilities and derivative instruments. Derivative instruments are measured at fair value through profit or loss (Level 2), while the Group's other financial assets and liabilities are measured at amortised cost.

For all financial assets and liabilities, the carrying amount corresponds to the fair value.

## 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	Oct-Dec		Jan-Dec	
	2021	2020	2021	2020
Sale of goods/services	1	0	5	2
Purchase of goods/services	67	71	259	243

Associated companies and joint ventures	31 Dec 2021		31 Dec 2020	
	Receivables on balance-sheet date		12	
Liabilities on balance-sheet date		23		43

REMUNERATION OF SENIOR EXECUTIVES AND BOARD OF DIRECTORS	Oct-Dec		Jan-Dec	
	2021	2020	2021	2020
Salaries	5	1	10	4
Pension	0	0	1	0

During the year, the Group has acquired shares in subsidiaries from one member of the Board of Directors. The transfer is considered to have been performed at market value and on the same terms and price as to other selling shareholders.

### Warrants

At an extraordinary general meeting held on 5 December 2021, a resolution was passed to issue warrants as part of the introduction of a series 2021:3 incentive programme for current senior executives and other key employees in the Group and 2021:4 for members of the Board of Directors. Assuming that all the warrants, 469,692 in the series 2021:3 and 232,560 in the series 2021:4 incentive programmes, will be utilised for the subscription of new shares, the Company's share capital will increase by approximately SEK 5,852.10, corresponding to approximately 0.78 percent of the Company's share capital.

The warrants can be exercised immediately after the publication of the quarterly report for the fourth quarter of 2024 until 15 March 2025 at the latest. The exercise price for the warrants will correspond to SEK 63.70.

Of the warrants issued, 302,208 were subscribed for by senior executives and the Board of Directors. They paid market consideration for the warrants.

## Note 8 Pledged assets and contingent liabilities

PLEGGED ASSETS FOR OWN LIABILITIES TO CREDIT INSTITUTIONS	31 Dec 2021		31 Dec 2020	
	Floating charges		1	
Property mortgages		20		29
Guarantees		23		–
		<b>45</b>		<b>217</b>

Contingent liabilities	31 Dec 2021		31 Dec 2020	
			None	

## Note 9 Business combinations

On 3 August 2021, Viva Wine Group AB acquired 100 percent of the shares and votes in the German company Vicampo.de GmbH. The company is an e-commerce actor and operates two e-commerce platforms – Vicampo and Weinfürst – with sales in Germany, Switzerland, Austria, the Netherlands and France. Both of these platforms target the lower price segment and thus complement Viva Wine Group's existing business, which is aimed at a higher price segment. This acquisition also provides Viva Wine Group with a leading market position in Germany. The company expects positive synergistic effects by coordinating the operation of these companies and the platforms. Vicampo.de GmbH has total assets of SEK 199 million. The purchase price was SEK 1,315 million and was paid in cash.

On 1 November 2021, Viva Wine Group AB acquired an additional 40 percent of the shares in the associated company Norwegian Beverage Group AS. The Group operates in Norway and consists of five operating companies in addition to the parent company.

The acquisition strengthens Viva Wine Group's position in the Nordic market. Norwegian Beverage Group AS has total assets of SEK 124 million. The purchase price was SEK 193 million and was paid partly in cash and partly through shares in Viva Wine Group.

	Norwegian Beverage Group AS Fair value	Vicampo GmbH Fair value
<b>ACQUIRED NET ASSETS ON THE ACQUISITION DATE (PRELIMINARY)</b>		
Intangible assets	296	756
Tangible assets	0	29
Right-of-use assets	3	2
Financial assets	0	–
Deferred tax assets	–	22
Inventories	29	42
Trade receivables and other receivables	20	30
Other receivables	3	–
Cash and cash equivalents	13	272
Deferred tax liabilities	–64	–262
Trade payables and other operating liabilities	–46	–148
<b>Identified net assets</b>	<b>255</b>	<b>743</b>
Non-controlling interests	–53	–
Goodwill	226	572
<b>Total purchase consideration</b>	<b>428</b>	<b>1315</b>
<b>Purchase consideration</b>		
Cash	187	1315
Issue of equity instruments	5	–
Fair value of shareholdings before business combination	236	–
<b>Total purchase price</b>	<b>428</b>	<b>1315</b>

The acquisition analysis work has not yet been completed, and the above acquisition adjustments are therefore preliminary.

The acquisition of Vicampo.de GmbH gave rise to goodwill of SEK 572 million in the form of a difference between the consideration transferred and the fair value of the acquired net assets. Goodwill primarily pertains to anticipated synergies from the merger of the operations of the acquired company with the operations of the acquirer. Goodwill is not expected to be tax deductible.

Transaction costs related to the acquisition of Vicampo.de GmbH totalled SEK 11 million. The transaction costs were recognised as an expense in profit or loss under Other external expenses.

The acquisition of Norwegian Beverage Group AS gave rise to goodwill of SEK 226 million in the form of a difference between the consideration transferred and the fair value of the acquired net assets. Goodwill primarily pertains to anticipated synergies from the merger of the operations of the acquired company with the operations of the acquirer. Goodwill is not expected to be tax deductible.

	Norwegian Beverage Group AS	Vicampo GmbH
<b>IMPACT OF THE ACQUISITION ON THE GROUP'S CASH FLOW</b>		
Cash portion of purchase consideration	187	1,315
Less:		
Cash (acquired)	13	272
<b>Net cash outflow</b>	<b>174</b>	<b>1,043</b>

During the five months up until 31 December 2021, Vicampo.de GmbH contributed SEK 287 million to the Group's revenue and SEK 9 million to the Group's profit after tax. If the acquisition had taken place at the beginning of the financial year, Viva Wine Group estimates that Vicampo.de GmbH would have contributed SEK 743 million to the Group's revenue and SEK 42 million to the Group's profit after tax.

During the two months up until 31 December 2021, Norwegian Beverage Group contributed SEK 65 million to the Group's net sales and SEK 6 million to the Group's profit after tax. If the acquisition had taken place at the beginning of the financial year, Viva Wine Group estimates that Norwegian Beverage Group would have contributed SEK 261 million to the Group's revenue and SEK 6 million to the Group's profit after tax.

## Key performance indicators and share data

GROUP	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
Return on equity (%)	27.0	17.0	50.0	96.0
Gross margin (%)	26.8	20.7	23.7	18.8
EBITDA (SEK million)	326	93	580	303
EBITDA margin (%)	31.6	11.6	17.4	10.6
EBITA (SEK million)	320	89	564	291
EBITA margin (%)	31.1	11.1	16.9	10.2
EBITA, adjusted (SEK million)	144	90	399	292
EBITA margin, adjusted (%)	13.9	11.3	12.0	10.3
Operating profit (EBIT) (SEK million)	298	86	521	281
Operating margin (EBIT margin) (%)	28.9	10.7	15.6	9.9
Equity ratio (%)			45.5	28.3
Net debt			545	133
Equity per share (SEK)			18.7	67.7
Quick ratio (%)			117.0	86.0
Average number of employees			344	130

## Key performance indicators 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 indicators used by other companies.

KEY PERFORMANCE INDICATORS	DEFINITION	PURPOSE
<b>EBITDA</b>	Operating profit before depreciation and amortisation of tangible and intangible non-current assets.	This measure is used to analyse the profitability of the business, independently of depreciation.
<b>EBITDA margin, %</b>	EBITDA/net sales	The EBITDA margin is used to show the profitability of the operating business.
<b>EBITA</b>	Operating profit before amortisation and impairment of intangible non-current assets.	This measure is used to analyse the profitability of the business, independently of the amortisation of intangible non-current assets, which mainly consists of the surplus value of acquisitions made.
<b>EBITA, adjusted</b>	EBITA adjusted for items affecting comparability.	Adjusted EBITA is a measure used to maintain transparency and comparability of operating results over time.
<b>Adjusted for items affecting comparability</b>	Measure or amount adjusted for costs related to IPO and bonus commitment related to the acquisition of Vicampo and Norwegian Beverage Group.	This measure is used to analyse the profitability of the operating business, excluding items affecting comparability.
<b>EBITA margin, %</b>	EBITA as a percentage of net sales.	EBITA margin is used to show the profitability of operating activities.
<b>EBITA margin, adjusted %</b>	Adjusted EBITA as a percentage of net sales.	Adjusted EBITA margin is used to analyse the profitability of the operating business, excluding items affecting comparability.
<b>Gross margin, %</b>	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 during the period.
<b>Equity per share</b>	Equity attributable to equity holders in the parent company/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.
<b>Quick ratio, %</b>	Cash and cash equivalents in relation to short-term liabilities. Measured as (Current assets - inventories and work in progress) / current liabilities.	This measure shows the company's ability to pay in the short term.
<b>Operating profit (EBIT)</b>	Operating profit before net financial items and tax. Net financial income refers to financial income less financial expenses.	This measure is used to understand the company's profitability potential.
<b>Operating margin, %</b>	EBIT/net sales	Operating margin is used to show the percentage of turnover that remains after operating costs and that can be used for other purposes.
<b>Equity ratio, %</b>	Total equity/total assets	Equity ratio is used to analyse financial risk and shows the proportion of assets financed by equity. A high equity ratio is a measure of financial strength.
<b>Net debt (+)/Net cash (-)</b>	Interest-bearing liabilities minus cash and cash equivalents at the end of the period.	Net debt is a key performance indicator showing the company's total net debt.



# Viva Wine Group in brief

**Viva Wine Group is a wine group with a leading position in the Nordic region 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 OPERATION

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

The Company develops, markets and sells 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 and the Netherlands. The Company's operations are conducted by ten entrepreneurial companies based in six countries.

The Swedish market is our largest. 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 Nordic market segment, consisting of Finland and Norway, is our third largest market. The Finnish and Norwegian alcoholic beverage markets, like the Swedish market, are regulated by state retail monopolies. Our operations are run in Finland by Cisa Group and in Norway by Norwegian Beverage Group.

The Viva eCom market segment is our second largest and fastest growing segment, with consumers mainly in Germany, Switzerland, Austria, France and the Netherlands. The business consists of the Wine in Black, Vicampo and Weinfürst platforms.

## FINANCIAL TARGETS

The Board has adopted new financial targets for growth, profitability and indebtedness.

- **Growth:** For the Swedish and Nordics segments, average annual organic growth is to total at least 4 percent over the medium term. For the Viva eCom segment, average annual organic growth is to be 10–15 percent over the medium term. In addition, Viva Wine Group intends to grow through acquisitions.
- **Profitability:** The adjusted EBITA margin is to be 10–12 percent over the medium term.
- **Debt/equity ratio:** 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.

The Board of Directors has also adopted a dividend policy where the intention is distribute surplus capital to shareholders after considering long-term financial stability, growth opportunities and strategic initiatives. Taking these considerations into account, Viva Wine Group intends to distribute 50–70 percent of the annual profit attributable to the parent company's shareholders as dividends.

## 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 carbon-smart packaging. We carbon-off-set emissions from transport and heavy packaging, and all our transport to Sweden is carbon-neutral. We care not only for our producers but also for 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.