

# Q4

## YEAR-END REPORT

JANUARY–DECEMBER 2022

### Strengthened market shares in the Nordics and more efficient e-commerce structure in Europe

#### OCTOBER–DECEMBER 2022

- Net sales rose by 2.1% to SEK 1,053 (1,031) million.
- EBITA, adjusted, dropped to SEK 99 (144) million. The EBITA margin, adjusted, was 9.4% (13.9).
- Cash flow from operating activities increased to SEK 66 (33) million.
- Operating profit dropped to SEK 62 (298) million. The operating margin was 5.9% (28.9). The change is largely attributable to non-recurring items in the comparative figures, which were SEK 176 million higher for the quarter in 2021. Items affecting comparability in 2021 mainly relate to the non-cash effect of the revaluation of existing holdings at fair value on acquisition of Norwegian Beverage Group.
- Earnings per share amounted to SEK 0.52 (4.00), with 2021 strongly impacted by the above-mentioned non-recurring items.
- Market share increased to 26.0% (25.6) in Sweden, 18.8% (16.8) in Finland and 5.6% (5.5) in Norway.

#### SIGNIFICANT EVENTS DURING THE YEAR

- The management team was strengthened with a COO Nordics and CEO at Viva eCom.
- Acquisition of MyTaste & Food AB (Vinklubben), Sweden's largest online community for wine.
- Divestment of Chinese operations through the sale to a related party, Vin och Vind AB.
- Sale of warehouse property in Germany as part of streamlining e-commerce operations in Europe.

#### JANUARY – DECEMBER 2022

- Net sales rose by 14.8% to SEK 3,825 (3,331) million.
- EBITA, adjusted, dropped to SEK 377 (399) million. The EBITA margin, adjusted, was 9.8% (12.0).
- Cash flow from operating activities increased to SEK 286 (158) million.
- Operating profit dropped to SEK 310 (521) million. The operating margin was 8.1% (15.6). The change is largely attributable to non-recurring items in the comparative figures. Items affecting comparability in 2021 mainly relate to the non-cash effect of the revaluation of existing holdings at fair value on acquisition of Norwegian Beverage Group.
- Earnings per share amounted to SEK 2.86 (6.63), with 2021 strongly impacted by the above-mentioned non-recurring items.
- Market share increased to 25.5% (25.2) in Sweden, 16.8% (15.8) in Finland and 5.3% (4.2) in Norway.

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

- The Board of Directors proposes to the Annual General Meeting an ordinary dividend of SEK 1.55 (1.50) per share.

#### CONSOLIDATED FINANCIAL STATEMENTS

SEK million	Oct–Dec			Jan–Dec		
	2022	2021	Change %	2022	2021	Change %
Net sales	1,053	1,031	2.1	3,825	3,331	14.8
Gross margin (%) <sup>1)</sup>	22.3	26.8		23.0	23.7	
EBITA <sup>1)</sup>	99	320	-69.0	433	564	-23.3
EBITA margin (%) <sup>1)</sup>	9.4	31.1		11.3	16.9	
EBITA, adjusted <sup>1)</sup>	99	144	-31.2	377	399	-5.6
EBITA margin, adjusted (%) <sup>1)</sup>	9.4	13.9		9.8	12.0	
Operating profit (EBIT) <sup>1)</sup>	62	298	-79.3	310	521	-40.4
Operating margin (%) <sup>1)</sup>	5.9	28.9		8.1	15.6	
Net profit	51	284	-82.0	278	465	-40.3
Net debt <sup>1)</sup>	491	545				
Equity ratio (%) <sup>1)</sup>	47.7	45.5				
Earnings per share before/after dilution, SEK	0.52	4.00		2.86	6.63	
Average number of employees				333	240	

<sup>1)</sup> APM, Alternative Performance Measure, see Key performance indicator definitions page 23.



# Stable end to a challenging year and a strong position for 2023

All of us at Viva Wine Group can be incredibly proud of our fantastic performance in 2022. Despite high comparable figures and an extremely turbulent environment, we ended this challenging year with fourth quarter growth of over two percent and stable profitability of 9.4 percent.

## **MOST CHALLENGING YEAR OF MY CAREER**

From a global perspective, 2022 was the most challenging year since I started my career in the wine business over 20 years ago. The year brought a perfect storm of input shortages, transport chain bottlenecks, a record weak SEK, general deterioration of market sentiment and a return to more traditional buying patterns after the pandemic. I am therefore very proud that we for 2022 delivered 14.8 percent revenue growth, including acquisitions, and an adjusted EBITA margin that, despite an highly unfavourable exchange rate, reached 9.8 percent. We have strengthened our position in the Nordic monopoly markets and have laid the foundations for our new efficient European e-commerce business. Adaptations and efficiency improvements have enabled us to offset some of the cost increases, and we have also been able to pass on a large part to end customers.

## **STRONG FINISH IN THE NORDIC MONOPOLY MARKETS**

Both the Sweden and Nordic segments finished the year on a strong note, with record market shares in both Finland and Norway. In Sweden, we balanced increased costs and an unfavourable exchange rate with price increases towards consumers. Despite raising prices we managed to maintain volumes and continue to gain market share, demonstrating the strength of our product offering and the stability of our business.

In Finland, we managed to increase volumes despite an underlying market that declined by almost nine percent and captured a market share of 18.8 percent in the quarter. However, the effects of a return to more traditional shopping patterns are most evident in the Norwegian market. Here the market declined by over 18 percent in 2022 compared with 2021, when the monopoly saw significant benefits from trends such as fewer restaurant visits and the closure of border trade. It is therefore particularly rewarding that, despite the market downturn, our Norwegian business managed to increase its volumes in 2022.

We have seen a shift in consumer preferences for wines in slightly lower price ranges, where we already have a strong position. We have also quickly geared our product development to best meet this demand. We have lately had several successful product launches, including the successful Falu Rödvin, which we launched in Sweden in October. This demonstrates the strength of our business model - to be responsive to customer behaviour and preferences and to quickly come up with products that customers want.



## **EFFICIENT E-COMMERCE PLATFORM**

We have also seen a change in buying patterns in Europe, with a shift towards wines in the lower price ranges. It has therefore been a great advantage to have product offerings in all price segments. Our Weinfürst brand, which offers quality wines in slightly lower price ranges, has performed well in both new markets, such as the Czech Republic, and its largest market, Germany.

Efforts to streamline our European e-commerce operations, initiated after the acquisition of Vicampo, have been in progress throughout the year and are now nearing completion. This is reflected in the adjusted EBITA margin of 11.6 percent in the last quarter in the eCom segment. In 2023, we will reach our goal of having an even more cost-efficient e-commerce business with one warehouse, one team and three platforms (Vicampo.de, Weinfürst and Wine in Black).

## **WE ENTER 2023 WITH GREAT CONFIDENCE**

There are certainly good reasons to be humble about the near future, but with the lean and efficient organisation we have put in place both in the Nordic monopoly markets and in Europe, we have a fantastic platform for continued and increased profitable growth. We also continue to see exciting acquisition opportunities, particularly in e-commerce, where we can leverage our existing business. So even though some macroeconomic clouds still loom on the horizon, I feel confident and optimistic about 2023.

**Emil Sallnäs, CEO Viva Wine Group**  
Stockholm, February 2023

# Development of the Group

## MARKET

Sales volumes decreased in all Nordic monopoly markets in the fourth quarter. The largest decrease was in the Norwegian market. For the full-year 2022, total market volumes for the Nordic retail monopolies were -8.5 percent lower than 2021, which was still affected by pandemic restrictions for parts of the year. Over the course of 2022, customers started returning to more traditional purchasing patterns. Increased economic anxiety due to circumstances such as the war in Ukraine, which also contributed to rising inflation, has resulted in generally lower consumer sentiment during the year. A shift towards products in lower price brackets was also evident and strengthened towards the end of the year.

The Group's Swedish and Nordic subsidiaries - as a whole - are continuing to strengthen their position, gain market share and grow faster than the overall market.

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. We are also noticing a shift towards products in the lower price ranges in e-commerce, which is evident in the performance of the different product segments for Viva eCom.

## FINANCIAL TARGETS

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

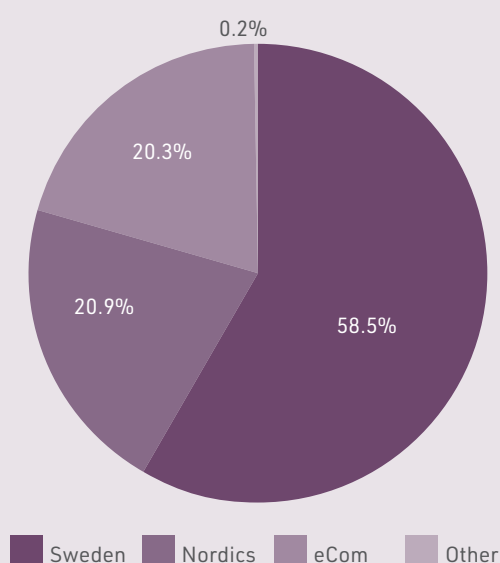
- **Growth:** For the Swedish and Nordics segments, average annual organic growth is to be at least 4 percent over the medium term. For the Viva eCom segment, average organic growth is to be 10-15 percent over the medium term. In addition, Viva Wine Group intends to grow through acquisitions.
- **Profitability:** The adjusted EBITA margin shall be 10-12 percent in 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.
- **Dividend policy:** Taking into account the company's long-term financial stability, growth opportunities and strategic initiatives, Viva Wine Group intends to distribute 50-70 percent of the annual net profit to the parent company's shareholders.

## NET SALES

### The quarter

In the fourth quarter, Viva Wine Group's net sales increased by 2.1 percent to SEK 1,053 (1,031) million, compared with the same quarter of 2021. Net sales have increased in both the Sweden and Nordics segments, where we have also increased our market share in all three monopoly markets. Part of the increase in net sales is attributable to the acquisition of Norwegian Beverage Group, which was acquired in November 2021 and is thus included one month further in 2022.

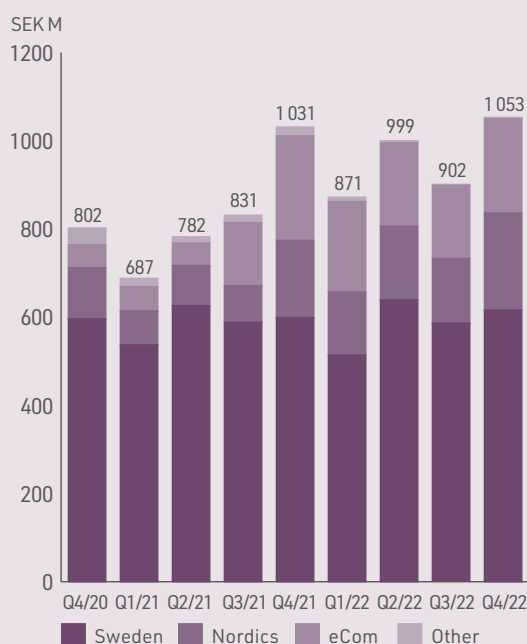
### SHARE OF NET SALES %, MOST RECENT QUARTER



### Full-year 2022

In 2022, net sales increased by 14.8 percent to SEK 3,825 (3,331) million. Much of the increase during the year is attributable to the 2021 acquisitions of Vicampo and Norwegian Beverage Group. Organic sales growth was slightly negative, though the fourth quarter was clearly stronger than previous quarters. All segments were impacted by a rebound in society following the Covid pandemic, as well as by low consumer sentiment due to the war in Ukraine, rising inflation and the energy crisis.

### NET SALES PER SEGMENT



### NET SALES (SEK MILLION)

	Oct-Dec		Change %	Jan-Dec		Change %
	2022	2021		2022	2021	
Sweden	616	599	2.8	2,354	2,350	0.2
Nordics	220	175	25.7	679	426	59.4
eCom	214	237	-9.8	775	486	59.3
Other	4	21	-78.5	24	73	-67.3
Eliminations	-2	-1	-65.4	-6	-4	-67.9
<b>Total</b>	<b>1,053</b>	<b>1,031</b>	<b>2.1</b>	<b>3,825</b>	<b>3,331</b>	<b>14.8</b>

### ORGANIC SALES GROWTH (SEK MILLION)

	Oct-Dec		Jan-Dec	
	2022	2021	2022	2021
<b>Net sales</b>	<b>1,053</b>	<b>1,031</b>	<b>3,825</b>	<b>3,331</b>
Acquired net sales	-6	-264	-575	-431
Currency effect from translation at the exchange rate of the comparison period	-20	5	-41	17
<b>Organic net sales</b>	<b>1,027</b>	<b>773</b>	<b>3,208</b>	<b>2,918</b>
Sales for the comparison period	1,031	802	3,331	2,845
<b>Organic sales growth (%)</b>	<b>-0.4</b>	<b>-3.7</b>	<b>-3.7</b>	<b>2.6</b>

## OPERATING PROFIT

### The quarter

The Group's operating profit for the fourth quarter was SEK 62 (298) million. The change is largely attributable to non-recurring items in the comparative figures, which were SEK 176 million higher for the quarter in 2021.

Items affecting comparability for the fourth quarter 2022 totalled SEK -1 million and consist of bonuses to the founders of the acquired e-commerce business. Items affecting comparability in 2021 relate to the non-cash effect from 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.

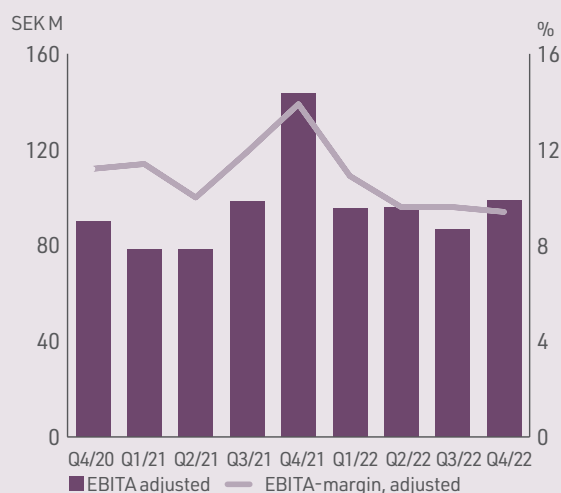
During the quarter impairment of excess values of SEK -9 million were made related to the restructuring of the eCom segment, where the logistics operations of Wine Logistix and the Vinexus e-commerce platform are about to close.

Adjusted EBITA amounted to SEK 99 (144) million, a decrease mainly from the Sweden segment, which was negatively impacted during the quarter mainly by unfavourable exchange rates against the EUR, where hedging by the Group had a positive effect on net financial income.

### Full-year 2022

Operating profit for full-year 2022 was SEK 310 (521) million. The change between the years was largely attributable to non-recurring items of SEK 164 million. Items affecting comparability in 2022 include the disposal of the warehouse property in Butzbach, which had an impact on EBITA of SEK 65 million, along with bonuses to the founders of the

## ADJUSTED EBITA FOR THE PERIOD (SEK MILLION)



acquired e-commerce business of an additional SEK -8 million besides those affecting the quarter.

Items affecting comparability in the period in 2021, in addition to those affecting the quarter, include additional listing costs of SEK -8 million, as well as bonuses to staff in the acquired e-commerce business of SEK -4 million.

In addition to the impairment that was made during the quarter, additional impairment of excess values of SEK -7 million was made related to the restructuring of eCom, where the logistics operations of Wine Logistix are about to close.

Adjusted EBITA totalled SEK 377 (399) million. Just as in the quarter, the Sweden segment was negatively impacted mainly by unfavourable exchange rates against the EUR, where currency hedging had a substantial positive effect on net financial income. All segments also reported higher transport and material costs.

### OPERATING PROFIT (EBIT)

SEK million	Oct-Dec		Change	Jan-Dec		Change
	2022	2021	%	2022	2021	%
Sweden	50	87	-42.7	204	291	-29.9
Nordics	24	22	8.3	71	49	45.0
eCom	-3	3	213.1	47	-13	451.0
Other	-9	186	-104.9	-12	193	-106.4
Eliminations	-	-	-	-	-	-
<b>Total</b>	<b>62</b>	<b>298</b>	<b>-79.3</b>	<b>310</b>	<b>521</b>	<b>-40.4</b>

### EBITA, ADJUSTED

SEK million	Oct-Dec		Change	Jan-Dec		Change
	2022	2021	%	2022	2021	%
Sweden	52	87	-40.5	211	292	-27.8
Nordics	29	26	14.9	93	53	75.2
eCom	25	30	-16.7	78	33	137.7
Other	-7	1	-748.5	-5	21	-126.1
Eliminations	-	-	-	-	-	-
<b>Total</b>	<b>99</b>	<b>144</b>	<b>-31.2</b>	<b>377</b>	<b>399</b>	<b>-5.6</b>

## NET PROFIT

### The quarter

Net profit for the fourth quarter of 2022 amounted to SEK 51 (284) million where 2021 was strongly impacted by non-recurring items amounting to SEK 176 million. For further information, see the Group's operating result for the quarter. Net financial income for the quarter was SEK 6 (9) million, mainly due to positive currency effects.

### Full-year 2022

Net profit for full-year 2022 was SEK 278 (465) million where 2021 was strongly impacted by non-recurring items totalling SEK 168 million. For further information, see the Group's operating result for full-year 2022. Net financial income for the quarter was SEK 49 (18) million, mainly due to positive currency effects.

## FINANCIAL POSITION AND LIQUIDITY

Group equity at 31 December 2022 was SEK 1,865 (1,736) million, and the equity ratio was 48 (46) percent.

On 30 September, Viva eCom Group, Viva Wine Group's e-commerce business, divested a warehouse property in Germany in a sale-and-leaseback transaction as part of the ongoing integration of existing and acquired e-commerce operations in order to achieve efficiencies and synergies. The sale price exceeded the book value of the asset and had a positive impact on the Group's financial position. The lease is for less than 12 months and is therefore not included according to the applied short-term lease exception.

On 1 April 2022, Viva Wine Group AB acquired 100 percent of the shares and voting power in Vinklubben i Norden AB (formerly Mytaste Food & Beverage AB). With this acquisition, Viva Wine Group is further reinforcing its relationship with Swedish consumers and continuing its strategy of strengthening the Company's growth with strategically important acquisitions. Vinklubben i Norden AB had total assets of SEK 14 million at the time of acquisition. The purchase price was SEK 121 million and was paid in cash. For more information, see Note 9.

Cash and cash equivalents at 31 December 2022 totalled SEK 339 (331) million. In addition, at the end of the period there were unused credit lines of SEK 155 million. Group net debt, including lease liabilities under IFRS 16, totalled SEK 491 (545) million at 31 December 2022. Net debt/EBITDA, for the last 12-month period, was 1.1 (0.9).

## CASH FLOW

Cash flow from operating activities before changes in working capital increased by SEK 30 million and totalled SEK 127 (97) million in the fourth quarter. Cash flow from changes in working capital amounted to SEK -61 (-63) million for the fourth quarter.

Cash flow from investing activities amounted to SEK -1 (-445) million for the quarter, during which no significant transactions were made.

Cash flow from financing activities is related to repayments of loans from credit institutions of SEK -21 (-682) million. Other cash flows from financing activities totalled SEK -5 million.

## EQUITY

Viva Wine Group's equity increased during the year by SEK 129 million to SEK 1,865 million. Accumulated profit for the year amounts to SEK 278 million. During the period, a total of SEK 155 million was distributed, of which SEK 133 million to the Parent Company's shareholders.

## SEGMENT

# Sweden

We continue to strengthen our position in the Swedish market and further increased our market share in the fourth quarter. The market showed a clear return to pre-pandemic consumer behaviour and the retail monopoly's total sales decreased by -2.8 percent in terms of volume. The market was also characterised by generally weaker consumer sentiment, mainly driven by increased concerns about the rising cost of living.

Our Swedish business outperformed the market with a change in sales volume of -1.4 percent in the quarter, which meant that the market share increased to 26.0 (25.6) percent. For the full year, the market share was 25.5 percent, up 0.3 percentage points from the previous year. We are consequently consolidating our position as the largest supplier in the Swedish market.

### SALES

Net sales increased in the fourth quarter to SEK 616 (599) million, and organic growth was 2.7 percent. Successful launches and price increases accounted for most of the increase.

Despite the post-pandemic effects of the lifting of restrictions, more restaurant visits and increased travel imports, net sales remained at the same level as last year. Net sales increased by 0.2 percent to SEK 2,354 (2,350) million, and organic growth was -0.1 percent.

### PROFIT

Operating profit amounted to SEK 50 (87) million in the fourth quarter and the adjusted EBITA margin decreased to 8.4 (14.5) percent. The Swedish business was negatively affected during the quarter mainly by an unfavourable exchange rate against the EUR.

For the full year, operating profit totalled SEK 204 (291) million and the adjusted EBITA margin was 9.0 (12.4) percent. During the year, the Swedish business was negatively affected in particular by an unfavourable exchange rate against the EUR, as well as by increased transport and material costs.

The weak SEK has a direct impact on operating profit and EBITA margin. The positive effects of previous currency hedges have been recognised in net financial income. During the fourth quarter, hedge accounting was introduced and will be applied to currency hedges moving forward, see Note 1, which means that the impact of future currency hedges will be reflected in operating profit.

SEK million	Oct-Dec		Change %	Jan-Dec		Change %
	2022	2021		2022	2021	
Net sales	616	599	2.8	2,354	2,350	0.2
EBITA	52	87	-40.5	211	292	-27.9
EBITA, adjusted	52	87	-40.5	211	292	-27.9
EBITA margin, adjusted (%)	8.4	14.5		9.0	12.4	
Operating profit (EBIT)	50	87	-42.7	204	291	-29.9
Operating margin (%)	8.1	14.5		8.7	12.4	

Organic sales growth (SEK million)	Oct-Dec		Jan-Dec	
	2022	2021	2022	2021
Net sales	616	599	2,354	2,350
Acquired net sales	-1	-	-5	-5
Currency effect from translation at the exchange rate of the comparative period	-	-	-	-
<b>Organic net sales</b>	<b>615</b>	<b>599</b>	<b>2,348</b>	<b>2,345</b>
Sales for the comparison period	599	596	2,350	2,268
<b>Organic sales growth (%)</b>	<b>2.7</b>	<b>0.5</b>	<b>-0.1</b>	<b>3.4</b>

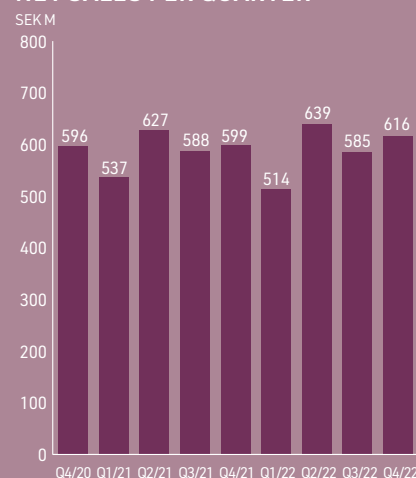
## SWEDEN SEGMENT SHARE OF NET SALES IN THE QUARTER

# 58.5%

## VIVA WINE GROUP MARKET SHARE IN SWEDEN IN THE QUARTER

# 26.0%

### NET SALES PER QUARTER



### ADJUSTED EBITA AND ADJUSTED EBITA MARGIN



## SEGMENT

# Nordics

Our Nordic operations significantly outperformed the market as a whole, and we increased market share in both Finland and Norway. Both the Norwegian and Finnish retail monopolies saw sales volumes decline significantly during the quarter as a result of relaxed pandemic restrictions, increased cross-border trade and weaker market sentiment. Overall, the Nordic monopoly market declined by -10.6 percent in the last quarter, while our Nordic operations declined by only -2.3 percent.

Our sales in Norway, in terms of volume, decreased in the quarter by -10.6 percent, slightly less than the Norwegian market's decrease of -11.8 percent, which strengthened our market share to 5.6 (5.5) percent. The return to an unrestricted society with more restaurant visits and increased cross-border trade was particularly noticeable for the Norwegian retail monopoly, which reduced sales volumes by -18.6 percent in 2022. However, we increased sales in Norway by 3.4 percent for the full year, giving us a market share of 5.3 (4.2) percent for full-year 2022.

Our Finnish operations managed to increase sales volumes by 2.4 percent, while the Finnish market decreased -8.6 percent. This contributed to a historically high market share of 18.8 (16.8) percent in the quarter. For the full year, we increased our market share by 1 percentage point to 16.8 percent.

## SALES

Net sales for the entire segment increased in the quarter to SEK 220 (175) million, of which SEK 23 million relates to the acquisition of Norwegian Beverage Group in November 2021. The remaining increase is attributable to organic growth in both Finland and Norway. Organic growth was 6.9 percent in the quarter, thereby outperforming the market. For the full year, net sales increased by 59.4 percent to SEK 679 (426) million, of which SEK 232 million is attributable to the acquisition of NBG.

## PROFIT

Operating profit increased to SEK 24 (22) million in the quarter, with the acquired business in Norway contributing SEK 10 million. Operating profit in the Finnish operations deteriorated by SEK -1 million in the quarter year-over-year, mainly due to increased purchase prices and transport costs. The Norwegian operations were also affected by negative currency effects. The adjusted EBITA margin for the Nordic segment decreased slightly to 13.4 (14.6) percent during the quarter, but strengthened to 13.7 (12.4) percent for the full year.

SEK million	Oct-Dec		Change %	Jan-Dec		Change %
	2022	2021		2022	2021	
Net sales	220	175	25.7	679	426	59.4
EBITA	29	26	14.9	93	53	75.9
EBITA, adjusted	29	26	14.9	93	53	75.9
EBITA margin, adjusted (%)	13.4	14.6		13.7	12.4	
Operating profit (EBIT)	24	22	8.3	71	49	45.0
Operating margin (%)	10.9	12.7		10.5	11.6	

Organic sales growth (SEK million)	Oct-Dec		Jan-Dec	
	2022	2021	2022	2021
Net sales	220	175	679	426
Acquired net sales	-23	-65	-232	-65
Currency effect from translation at the exchange rate of the comparative period	-9	4	-21	12
<b>Organic net sales</b>	<b>188</b>	<b>114</b>	<b>426</b>	<b>373</b>
Sales for the comparison period	175	116	426	353
<b>Organic sales growth (%)</b>	<b>6.9</b>	<b>-2.1</b>	<b>0.0</b>	<b>5.6</b>

## NORDICS SEGMENT SHARE OF NET SALES IN THE QUARTER

# 20.9%

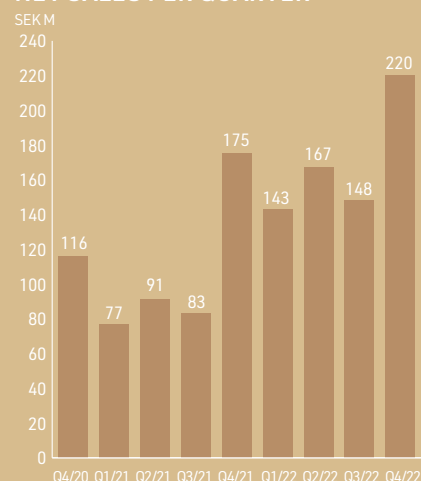
## VIVA WINE GROUP MARKET SHARE IN FINLAND IN THE QUARTER

# 18.8%

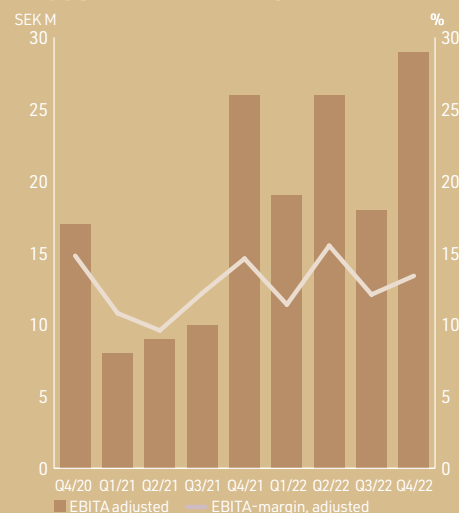
## VIVA WINE GROUP MARKET SHARE IN NORWAY IN THE QUARTER

# 5.6%

## NET SALES PER QUARTER



## ADJUSTED EBITA AND ADJUSTED EBITA MARGIN





## SEGMENT

# Viva eCom

The slowdown in the European e-commerce market continued during the quarter, also affecting the wine market. As expected, the removal of pandemic restrictions and the reopening of restaurants has led to some channel shifting and a return to traditional shopping patterns. At the same time, war and inflation fears and weak customer sentiment in Europe have negatively impacted demand. However, the underlying trend of a shift from retail to e-commerce is still clear, and sales remain at a higher level than before the pandemic.

Viva eCom's sales decreased in the quarter due to the negative market trend, but through active work on the product mix, the segment's gross margins improved year on year. As before, Viva eCom follows the same strategy of balancing growth and profitability.

### SALES

Net sales decreased during the quarter by -9.8 percent to SEK 214 (237) million. The lower sales are a result of weaker consumer sentiment and increased price sensitivity among customers, which is reflected in the product mix. Having product offerings in all price ranges is a strength for Viva eCom.

The comparative figures are high from the 2021 pandemic year and organic growth therefore decreased by -13.9 percent in the quarter. For the full year, sales in Viva eCom increased by 59 percent to SEK 775 (486) million, of which SEK 371 million is attributable to the acquisition of Vicampo. Organic growth for the full year was -20.7 percent.

### PROFIT

Operating profit for the quarter was SEK -3 (3) million. The result was impacted by lower sales, as well as by impairment of excess values as part of the Group's restructuring to achieve future synergies within Viva eCom.

The adjusted EBITA margin for the last quarter was 11.6 (12.5) percent, which was slightly higher than the full year margin of 10.1 (6.8) percent.

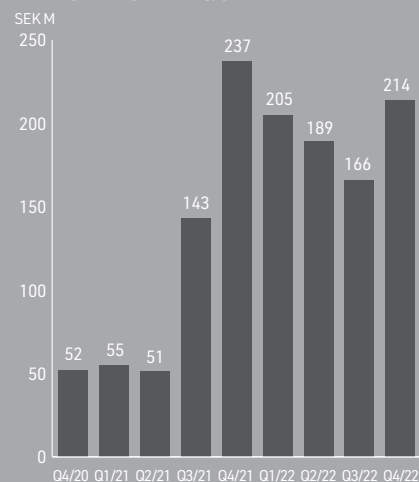
SEK million	Oct-Dec		Change %	Jan-Dec		Change %
	2022	2021		2022	2021	
Net sales	214	237	-9.8	775	486	59.3
EBITA	26	20	30.4	134	19	607.3
EBITA, adjusted	25	30	-16.7	78	33	137.5
EBITA margin, adjusted (%)	11.6	12.5		10.1	6.8	
Operating profit (EBIT)	-3	3	-213.1	47	-13	451.0
Operating margin (%)	-1.5	1.2		6.0	-2.7	

Organic sales growth (SEK million)	Oct-Dec		Jan-Dec	
	2022	2021	2022	2021
Net sales	214	237	775	486
Acquired net sales	-	-197	-371	-353
Currency effect from translation at the exchange rate of the comparative period	-10	1	-18	4
<b>Organic net sales</b>	<b>204</b>	<b>41</b>	<b>385</b>	<b>138</b>
Sales for the comparison period	237	52	486	137
<b>Organic sales growth (%)</b>	<b>-13.9</b>	<b>-20.9</b>	<b>-20.7</b>	<b>0.3</b>

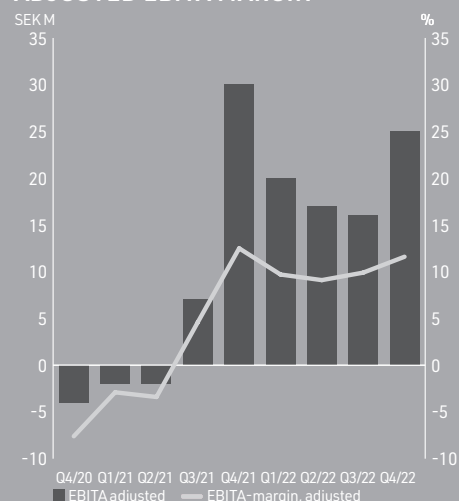
## SEGMENT E-COMMERCE SHARE OF NET SALES IN THE QUARTER

# 20.3%

### NET SALES PER QUARTER



### ADJUSTED EBITA AND ADJUSTED EBITA MARGIN



## SEGMENT

# Viva eCom (cont.)

Number of orders and number of first-time orders (i.e. number of new customers) increased compared to the previous quarter but decreased compared to the corresponding quarter 2021, a quarter where e-commerce in general was positively affected by the corona epidemic and imposed restrictions in society.

Number of orders and number of first-time orders (i.e. number of new customers) fell for the quarter. The share of sales from repeat customers also increased, while number of active customers and number of orders per active customer decreased.

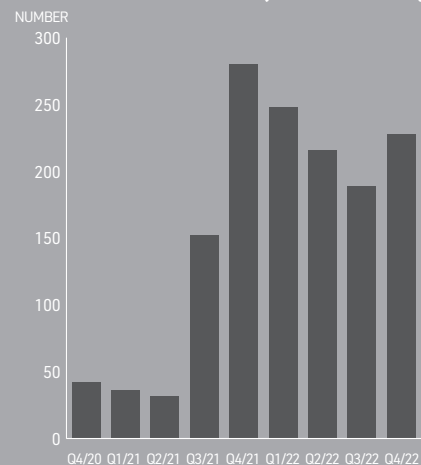
The average value of orders increased by 6.7 percent in the last quarter. Sales of wines in the lower price segments have been favourable, in line with the shift that has taken place as a result of increased price sensitivity in the market. While the lower price segments normally have a lower average order value, Viva eCom has successfully increased its average order value in this segment as well.

Order summary eCom	Oct-Dec		Change %	Jan-Dec		Change %
	2022	2021		2022	2021	
Number of orders (thousands)	228	280	-18.5	882	500	76.3
Number of first-time orders (thousands)	60	83	-28.4	217	140	55.9
Number of active customers* (thousands)	451	537	-15.9	451	537	-15.9
Number of orders per active customer**	2.0	2.1	-5.0	2.0	2.1	-5.0
Share of sales from repeat customers (%)	80.0	77.7		80.9	78.2	
Average order value, SEK	891	834	6.7	853	897	-4.9

\*Number of active customers who completed at least one order during the last 12 months.

\*\*For fair comparability of the key performance indicator, Vicampo is included in the comparison period in the same way as other entities.

## 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. Through its operations, the Group is also exposed to different types of financial risks; 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 2021.

## 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.

## CHANGES IN GROUP MANAGEMENT

Anna Möller joined Viva Wine Group as Chief Operating Officer Nordics on 7 March 2022. The role of Chief Operating Officer Nordics is a new key position in the Viva Wine Group with responsibility for realising synergies between the Swedish and Nordic business segments, and forms part of the management team.

Viva Wine Group added Christian Fricke, CEO Viva eCom Group, to the Group management with effect from 1 April 2022.

## SIGNIFICANT EVENTS DURING THE FOURTH QUARTER

No significant events occurred during the quarter.

## SIGNIFICANT EVENTS AFTER THE END OF THE QUARTER

The Board of Directors proposes to the Annual General Meeting an ordinary dividend of SEK 1.55 (1.50) per share.

## SUSTAINABILITY

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

During the quarter, the rollout of our group-wide sustainability platform began in our entire Nordic business segment. As part of this rollout and preparation for the upcoming EU directive on Corporate Social Responsibility (CSRD), an upgraded software solution for efficient CO2 and sustainability data collection was developed.

During the year, Viva Wine Group's sustainability efforts were recognised, with two prestigious nominations in strategy and design. Viva Wine Group was one of the finalists for the 2022 Swedish Environmental Strategy Prize. The Environmental Strategy Prize is awarded once a year to a Swedish company that has designed and implemented an ambitious sustainability strategy that has resulted in tangible and measurable impact. Viva Wine Group was nominated for its circular approach and sustainable transport solutions, which have resulted in industry-leading climate efficiency. Viva Wine Group was also nominated for the 2022 Swedish Publishing Prize for best annual and sustainability report in 2021. The Swedish Publishing Prize is one of Sweden's leading communication and design competitions.

## EMPLOYEES

At 31 December, the average number of employees was 333, up from 240 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 increased slightly during the fourth quarter, with equity increasing by SEK 3 million to SEK 1,745 million, which is attributable to net profit for the period. Debts to credit institutions totalling SEK 20 million were repaid during the quarter, with total assets at the end of the quarter amounting to SEK 2,599 (2,592) million.

The Board of Directors proposes to the Annual General Meeting an ordinary dividend of SEK 1.55 (1.50) per share.

## PUBLICATION AND PRESENTATION

Viva Wine Group's year-end report 2022 will be published on 23 February 2023 at 8:00 am. At 11:00 a.m. on the same day, a videoconference will be held with CEO Emil Sallnäs and CFO Linn Gäfvert. The videoconference can be accessed at the following link:

<https://financialhearings.com/event/45870>. The presentation will also be made available at <https://investors.vivagroup.se/>.

## 2023 FINANCIAL CALENDAR

Year-end report 2022, to be published 23 February 2023

Annual report 2022, to be published 25 April 2023

Annual General Meeting, to be held on 16 May 2023

Interim report Q1 2023, to be published 17 May 2023

Interim report Q2 2023, to be published 29 August 2023

Interim report Q3 2023, to be published 22 November 2023

## 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 23 February 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, 23 February 2023

### Anders Moberg

Chairman of the Board

### Mikael Aru

Member of the Board

### Helen Fasth Gillstedt

Member of the Board

### Emil Sallnäs

CEO

### Anne Thorstvedt Sjöberg

Member of the Board

### John Wistedt

Member of the Board

### Lars Ljungälv

Member of the Board

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

## Condensed consolidated income statement

AMOUNTS IN SEK MILLION	NOTE	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
<b>Operating income</b>					
Net sales	3,4	1,053	1,031	3,825	3,331
Other operating income		4	3	81	8
<b>Total income</b>		<b>1,057</b>	<b>1,035</b>	<b>3,905</b>	<b>3,339</b>
<b>Operating expenses</b>					
Goods for resale		-818	-755	-2,945	-2,543
Other external expenses		-71	-97	-271	-261
Personnel expenses		-63	-70	-243	-185
Depreciation, amortisation and impairment		-43	-27	-143	-59
Profit from participations in associated companies and joint ventures		1	215	8	233
Other operating expenses		-0	-2	-0	-3
<b>Operating profit</b>	4	<b>62</b>	<b>298</b>	<b>310</b>	<b>521</b>
Financial income		31	16	128	40
Financial expenses		-25	-7	-79	-22
<b>Profit after financial items</b>	4	<b>68</b>	<b>307</b>	<b>359</b>	<b>539</b>
Tax		-17	-23	-81	-74
<b>Net profit for the period</b>		<b>51</b>	<b>284</b>	<b>278</b>	<b>465</b>
<b>Profit for the period attributable to</b>					
Parent Company shareholders		46	279	254	414
Non-controlling interests		5	5	24	51
<b>Earnings per share</b>					
Basic earnings per share (SEK)	5	0.52	4.00	2.86	6.63
Diluted earnings per share (SEK)	5	0.52	4.00	2.86	6.63

## Condensed consolidated statement of comprehensive income

AMOUNTS IN SEK MILLION	NOTE	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
Net profit for the period		51	284	278	465
<i>Items that can be reclassified to profit or loss</i>					
Translation difference		5	7	22	7
Cash flow hedges, net of tax		6	-	6	-
<b>Other comprehensive income for the period</b>		<b>11</b>	<b>7</b>	<b>28</b>	<b>7</b>
<b>Comprehensive income for the period</b>		<b>62</b>	<b>291</b>	<b>305</b>	<b>472</b>
<b>Comprehensive income for the period attributable to</b>					
Parent Company shareholders		54	285	264	420
Non-controlling interests		8	5	41	52

# Condensed consolidated statement of financial position

AMOUNTS IN SEK MILLION	NOTE	2022-Dec-31	2021-Dec-31
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill		951	821
Other intangible assets		1,186	1,170
Tangible assets		10	50
Right-of-use assets		53	57
Participations in associated companies and joint ventures		61	54
Deferred tax assets		8	11
Other securities held as non-current assets		3	0
Other non-current receivables		19	19
<b>Total non-current assets</b>		<b>2,290</b>	<b>2,183</b>
<b>Current assets</b>			
Inventories		535	477
Trade receivables		670	730
Receivables from associated companies	7	5	12
Current tax assets		0	2
Other receivables		21	20
Derivative instruments		8	10
Prepaid expenses and accrued income		37	46
Cash and cash equivalents		339	331
<b>Total current assets</b>		<b>1,616</b>	<b>1,630</b>
<b>TOTAL ASSETS</b>		<b>3,905</b>	<b>3,813</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
	5		
Share capital		1	1
Other contributed capital		1,376	1,376
Reserves		11	4
Retained earnings including net profit for the year		382	281
<b>Total equity attributable to the shareholders of the Parent Company</b>		<b>1,770</b>	<b>1,662</b>
Non-controlling interests		95	75
<b>Total equity</b>		<b>1,865</b>	<b>1,736</b>
<b>Non-current liabilities</b>			
Liabilities to credit institutions		689	732
Lease liabilities		37	41
Deferred tax liabilities		310	309
Other provisions		19	10
Other non-current liabilities		3	0
<b>Total non-current liabilities</b>		<b>1,057</b>	<b>1,092</b>
<b>Current liabilities</b>			
Liabilities to credit institutions		89	86
Trade payables		427	443
Advances from customers		3	6
Liabilities to associated companies	7	44	23
Current tax liabilities		33	29
Lease liabilities		16	17
Derivative instruments		1	1
Current provisions		3	5
Other current liabilities		318	333
Accrued expenses and prepaid income		50	41
<b>Total current liabilities</b>		<b>984</b>	<b>985</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,905</b>	<b>3,813</b>

## Condensed consolidated cash flow statement

AMOUNTS IN SEK MILLION	NOTE	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
<b>Operating activities</b>					
Profit after financial items		68	307	359	539
Adjustment for non-cash items		65	-189	107	-180
Dividends from associated companies		2	2	2	10
Tax paid		-9	-23	-106	-73
<b>Cash flow from operating activities before changes in working capital</b>		<b>127</b>	<b>97</b>	<b>362</b>	<b>297</b>
<b>Cash flow from change in working capital</b>					
Change in inventories		40	18	-63	23
Changes in operating receivables		-188	-211	54	-55
Changes in operating liabilities		87	130	-67	-106
<b>Net cash from operating activities</b>		<b>66</b>	<b>33</b>	<b>286</b>	<b>158</b>
<b>Investing activities</b>					
Business combinations	9	-	-174	-119	-1,217
Divestment of subsidiaries	9	-	-	9	-
Investments/divestments of intangible assets		-0	-	-1	-105
Investments/divestments of tangible assets		-1	-1	107	-4
Redemption of shares, purchase of minority interests		-	-265	-	-265
Change in other financial assets		-	-4	-0	1
<b>Cash flow from investing activities</b>		<b>-1</b>	<b>-445</b>	<b>-5</b>	<b>-1,589</b>
<b>Financing activities</b>					
New share issue*		-	1,152	-	1,152
Issue of warrants		-	2	-	2
Dividend paid to Parent Company shareholders		-	-	-133	-31
Dividend paid to non-controlling interests		-	0	-21	-52
Transactions with non-controlling interests		-	-	-1	-
Change in overdraft facility		-1	-10	-1	-60
Borrowings		-	-	-	1,570
Repayment of debt		-21	-682	-105	-854
Repayment of lease liability		-4	-4	-18	-13
<b>Cash flow from financing activities</b>		<b>-26</b>	<b>458</b>	<b>-281</b>	<b>1,714</b>
<b>Cash flow for the period</b>		<b>39</b>	<b>46</b>	<b>1</b>	<b>283</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>302</b>	<b>280</b>	<b>331</b>	<b>42</b>
Cash flow for the period		39	46	1	283
Exchange rate differences in cash and cash equivalents		-2	5	7	6
<b>Cash and cash equivalents at the end of the year</b>		<b>339</b>	<b>331</b>	<b>339</b>	<b>331</b>
Interest received		1	1	2	2
Interest paid		-6	-11	-19	-14
<b>Non-cash items</b>					
Depreciation, amortisation and impairment		43	27	143	59
Gain/loss on sale of fixed assets		-	-	-70	-
Exchange-rate effects		13	4	63	4
Change in market value of derivatives		12	-15	1	-28
Change in provisions		-3	11	6	15
Share of profit in associated companies		-1	-215	-8	-233
Other		1	-2	-29	4
<b>Total</b>		<b>65</b>	<b>-189</b>	<b>107</b>	<b>-180</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	Hedging reserve	Translation reserve	Retained earnings incl. net profit for the year	Equity attributable to parent company's shareholders	Non-controlling interests	Total equity
<b>OPENING EQUITY, 1 JAN 2021</b>	0	-	-	-3	341	338	66	404
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>	-	-	-	6	414	420	52	472
<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	-	-	-
Issue of warrants	-	2	-	-	-	2	-	2
Non-controlling interests arising from the acquisition of subsidiaries	-	-	-	-	-	-	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>-</b>	<b>-</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>-</b>	<b>4</b>	<b>281</b>	<b>1,662</b>	<b>75</b>	<b>1,736</b>
<b>OPENING EQUITY, 1 JAN 2022</b>	<b>1</b>	<b>1,376</b>	<b>-</b>	<b>4</b>	<b>281</b>	<b>1,662</b>	<b>75</b>	<b>1,736</b>
Net profit for the period	-	-	-	-	254	254	24	278
Other comprehensive income for the period	-	-	6	4	-	10	17	27
<b>Comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>4</b>	<b>254</b>	<b>264</b>	<b>41</b>	<b>305</b>
<b>Transfer of cash flow hedge reserve to inventories and taxes transferred to the income statement</b>	<b>-</b>	<b>-</b>	<b>-2</b>	<b>-</b>	<b>-</b>	<b>-2</b>	<b>-</b>	<b>-2</b>
<b>Transactions with the Group's owners</b>								
Dividend	-	-	-	-	-133	-133	-22	-155
Transactions with non-controlling interests	-	-0	-	-	-20	-20	0	-19
<b>Total</b>	<b>-</b>	<b>-0</b>	<b>-</b>	<b>-</b>	<b>-153</b>	<b>-153</b>	<b>-21</b>	<b>-174</b>
<b>CLOSING EQUITY, 31 DEC 2022</b>	<b>1</b>	<b>1,376</b>	<b>4</b>	<b>8</b>	<b>382</b>	<b>1,770</b>	<b>95</b>	<b>1,865</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 – Parent Company

AMOUNTS IN SEK MILLION	NOTE	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
<b>OPERATING INCOME</b>					
Net sales		-	0	-	0
Other operating income		2	1	7	5
<b>Total income</b>		<b>2</b>	<b>1</b>	<b>7</b>	<b>5</b>
Other external expenses		-5	-26	-18	-39
Personnel expenses		-2	-1	-7	-4
<b>Operating profit</b>		<b>-5</b>	<b>-27</b>	<b>-19</b>	<b>-38</b>
Financial income and expenses		13	3	188	14
<b>Profit before tax</b>		<b>9</b>	<b>-24</b>	<b>170</b>	<b>-24</b>
Appropriations		-6	79	-6	79
Tax		-0	-10	-4	-10
<b>Net profit for the period</b>		<b>3</b>	<b>45</b>	<b>161</b>	<b>45</b>

## Condensed balance sheet – Parent Company

AMOUNTS IN SEK MILLION	NOTE	2022-Dec-31	2021-Dec-31
<b>ASSETS</b>			
Non-current assets		989	866
Current assets		1,366	1,494
Cash and cash equivalents		245	232
<b>TOTAL ASSETS</b>		<b>2,599</b>	<b>2,592</b>
<b>EQUITY AND LIABILITIES</b>			
Equity		1,745	1,718
Untaxed reserves		6	-
Non-current liabilities		689	713
Current liabilities		160	161
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,599</b>	<b>2,592</b>

## 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 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. However, as of 1 October 2022, the Group applies hedge accounting, cash flow hedging, for forward exchange contracts entered into after this date. The hedge accounting relates to 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.

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 of material adjustments in the carrying amounts of assets and liabilities during subsequent 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 material estimates and judgements is provided in the 2021 Annual Report.

### 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;	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
Sweden	612	602	2,343	2,339
Germany	169	193	619	383
Finland	125	110	374	361
Norway	96	66	304	66
Other	51	60	184	182
<b>Total</b>	<b>1,053</b>	<b>1,031</b>	<b>3,825</b>	<b>3,331</b>

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

## Note 4 Operating segments

For accounting and monitoring, the Group has divided its operations into four operating segments. The segments are Sweden, Nordics, E-com 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 and its counterparts in Finland, Alko as well as Vinmonopolet in Norway.

October–December 2022	Sweden	Nordics	eCom	Other	Total segments	Eliminations	Group total
Net sales, external	614	220	214	4	1,053	–	1,053
Net sales, intra-Group	1	–	–	1	2	-2	–
Other operating income	2	1	2	10	15	-11	4
<b>Total income</b>	<b>618</b>	<b>222</b>	<b>216</b>	<b>14</b>	<b>1,069</b>	<b>-13</b>	<b>1,057</b>
Goods for resale	-515	-178	-127	-1	-821	3	-818
Other external expenses	-36	-5	-32	-8	-81	10	-71
Personnel expenses	-14	-8	-29	-11	-63	–	-63
Depreciation, amortisation and impairment	-2	-6	-31	-4	-43	–	-43
Profit from participations in associated companies and joint ventures	–	–	–	1	1	–	1
Other operating expenses	-0	–	-0	–	-0	–	-0
<b>Operating profit</b>	<b>50</b>	<b>24</b>	<b>-3</b>	<b>-9</b>	<b>62</b>	<b>–</b>	<b>62</b>
EBITDA	52	30	28	-5	105	–	105
EBITA	52	29	26	-7	99	–	99
Financial income	18	-1	2	22	41	-10	31
Financial expenses	-16	-1	-9	-8	-34	10	-25
<b>Profit before tax</b>	<b>51</b>	<b>23</b>	<b>-9</b>	<b>4</b>	<b>68</b>	<b>–</b>	<b>68</b>
Goodwill	76	242	633	–	951	–	951
Total assets	524	592	1,533	2,660	5,310	-1,404	3,905
Total liabilities	652	327	1,581	885	3,445	-1,404	2,041
<b>October–December 2021</b>	<b>Sweden</b>	<b>Nordics</b>	<b>eCom</b>	<b>Other</b>	<b>Total segments</b>	<b>Eliminations</b>	<b>Group total</b>
Net sales, external	598	175	237	21	1,031	–	1,031
Net sales, intra-Group	1	–	–	0	1	-1	–
Other operating income	2	1	1	14	18	-15	3
<b>Total income</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	–	-70
Depreciation, amortisation and impairment	-1	-4	-19	-4	-27	–	-27
Profit from participations in associated companies and joint ventures	0	–	–	215	215	–	215
Other operating expenses	-0	–	-2	0	-2	–	-2
<b>Operating profit</b>	<b>87</b>	<b>22</b>	<b>3</b>	<b>186</b>	<b>298</b>	<b>–</b>	<b>298</b>
EBITDA	87	26	22	190	326	–	326
EBITA	87	26	20	188	320	–	320
Financial income	15	0	1	7	24	-8	16
Financial expenses	-1	-1	-7	-5	-14	8	-7
<b>Profit before tax</b>	<b>101</b>	<b>22</b>	<b>-4</b>	<b>189</b>	<b>307</b>	<b>–</b>	<b>307</b>
Goodwill	1	234	586	–	821	–	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

## Note 4 Operating segments (cont.)

January-December 2022	Sweden	Nordics	eCom	Other	Total	Eliminations	Group total
Net sales, external	2,350	679	775	21	3,825	-	3,825
Net sales, intra-Group	3	0	-	3	6	-6	-
Other operating income	6	3	74	53	136	-55	81
<b>Total income</b>	<b>2,360</b>	<b>682</b>	<b>849</b>	<b>77</b>	<b>3,967</b>	<b>-62</b>	<b>3,905</b>
Goods for resale	-1,938	-541	-465	-10	-2,954	9	-2,945
Other external expenses	-158	-19	-115	-32	-324	53	-271
Personnel expenses	-52	-25	-125	-40	-243	-	-243
Depreciation, amortisation and impairment	-8	-25	-97	-14	-143	-	-143
Profit from participations in associated companies and joint ventures	-	-	-	8	8	-	8
Other operating expenses	-0	-	-0	-	-0	-	-0
<b>Operating profit</b>	<b>204</b>	<b>71</b>	<b>47</b>	<b>-12</b>	<b>310</b>	<b>-</b>	<b>310</b>
EBITDA	212	96	144	2	454	-	454
EBITA	211	93	134	-5	433	-	433
Financial income	74	9	4	67	154	-26	128
Financial expenses	-48	-5	-26	-26	-105	26	-79
<b>Profit before tax</b>	<b>230</b>	<b>76</b>	<b>25</b>	<b>29</b>	<b>359</b>	<b>-</b>	<b>359</b>
<b>January-December 2021</b>	<b>Sweden</b>	<b>Nordics</b>	<b>eCom</b>	<b>Other</b>	<b>Total</b>	<b>Eliminations</b>	<b>Group total</b>
Net sales, external	2,348	426	486	72	3,331	-	3,331
Net sales, intra-Group	2	-	-	1	4	-4	-
Other operating income	4	1	3	56	64	-57	8
<b>Total income</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	-	-185
Depreciation, amortisation and impairment	-2	-6	-38	-13	-59	-	-59
Profit from participations in associated companies and joint ventures	-	-	-	233	233	-	233
Other operating expenses	-0	-	-3	0	-3	-	-3
<b>Operating profit</b>	<b>291</b>	<b>49</b>	<b>-13</b>	<b>193</b>	<b>521</b>	<b>-</b>	<b>521</b>
EBITDA	293	55	25	206	580	-	580
EBITA	292	53	19	200	564	-	564
Financial income	40	0	1	15	56	-16	40
Financial expenses	-13	-2	-13	-10	-38	16	-22
<b>Profit after financial items</b>	<b>318</b>	<b>48</b>	<b>-26</b>	<b>198</b>	<b>539</b>	<b>-</b>	<b>539</b>

## Note 5 Number of shares and Earnings per share

EARNINGS PER SHARE	Oct-Dec		Jan-Dec	
	2022	2021	2022	2021
<b>Parent Company shareholders</b>				
Basic earnings per share (SEK)	0.52	4.00	2.86	6.63
Diluted earnings per share (SEK)	0.52	4.00	2.86	6.63
Net profit/loss for the period (SEK million)	46	279	254	414
Average number of shares, before dilution (thousands)	88,832	69,611	88,832	62,403
Average number of shares, after dilution (thousands)	88,832	69,611	88,832	62,403

## 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), except in those cases hedge accounting is applied. 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	
	2022	2021	2022	2021
Sale of goods/services	0	1	2	5
Purchase of goods/services	72	67	283	259
<b>Associated companies and joint ventures</b>	<b>31 Dec 2022</b>		<b>31 Dec 2021</b>	
Receivables on balance-sheet date	5		12	
Liabilities on balance-sheet date	44		23	
REMUNERATION OF SENIOR EXECUTIVES AND BOARD OF DIRECTORS	Oct-Dec		Jan-Dec	
	2022	2021	2022	2021
Salaries	3	5	12	10
Pension benefit	0	0	1	1

### Divestment of subsidiary

On 1 June, Viva Wine Group AB completed a transaction in which 81 percent of the shares in the subsidiary Viva Global AB were sold to Vin och Vind AB, a company owned by Björn Wittmark, a senior executive. The value of the transaction was less than 1 percent of Viva Wine Group's market capitalisation and is therefore not considered material to the Group. The transaction took place in cash at a value determined by a third-party valuation.

## Note 8 Pledged assets and contingent liabilities

PLEGGED ASSETS FOR OWN LIABILITIES TO CREDIT INSTITUTIONS	31 Dec 2022	31 Dec 2021
	Floating charges	–
Property mortgages	–	20
Guarantees	23	23
	<b>23</b>	<b>45</b>
Contingent liabilities	31 Dec 2022	31 Dec 2021
	None	None

## Note 9 Business combinations

On 1 April 2022, Viva Wine Group AB acquired 100% of the shares and voting power in Vinklubben i Norden AB (formerly Mytaste Food & Beverage AB). With this acquisition, Viva Wine Group is further reinforcing its relationship with Swedish consumers and continuing its strategy of strengthening the Company's

growth with strategically important acquisitions. Vinklubben i Norden AB had total assets of SEK 14 million at the time of acquisition. The purchase price was SEK 121 million and was paid in cash.

<b>ACQUIRED NET ASSETS ON THE ACQUISITION DATE (PRELIMINARY)</b>	<b>Vinklubben i Norden AB</b>
Intangible assets	54
Tangible assets	0
Trade receivables and other receivables	4
Cash and cash equivalents	2
Deferred tax liabilities	-11
Trade payables and other operating liabilities	-3
<b>Identified net assets</b>	<b>46</b>
Goodwill	75
<b>Total purchase consideration</b>	<b>121</b>
<b>Purchase consideration</b>	
Cash	121
<b>Total purchase consideration</b>	<b>121</b>

The acquisition of Vinklubben i Norden AB gave rise to goodwill of SEK 75 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 Vinklubben i Norden AB totalled SEK 1 million. The transaction costs were recognised as an expense in profit or loss under Other external expenses.

<b>IMPACT OF THE ACQUISITION ON THE GROUP'S CASH FLOW</b>	<b>Vinklubben i Norden AB</b>
Cash portion of purchase consideration	121
Less:	
Cash (acquired)	2
<b>Net cash outflow</b>	<b>119</b>

During the nine months up until 31 December 2022, Vinklubben i Norden AB contributed SEK 5 million to the Group's revenue and SEK -3 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 Vinklubben i Norden AB would have contributed SEK 9 million to the Group's revenue and SEK -2 million to the Group's profit after tax.

### Divestments

On 1 June, Viva Wine Group AB completed a transaction in which the shares in its subsidiary Viva Global AB were sold as a step towards scaling down the Group's presence in China. The value of the transaction was less than 1 percent of Viva Wine Group's market capitalisation and is therefore not considered material to the Group. The transaction took place in cash at a value determined by a third-party valuation. Viva Wine Group retained 19 percent of the shares after the divestment. The transaction was finalised on 1 June 2022. The deal was part of the Group's strategy to focus on its core business with a focus on growth in the Nordic monopoly markets and in the European wine e-commerce market.

## Performance indicators and share data

GROUP	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
Gross margin (%)	22.3	26.8	23.0	23.7
EBITDA (SEK million)	105	326	454	580
EBITDA margin (%)	10.0	31.6	11.9	17.4
EBITA (SEK million)	99	320	433	564
EBITA margin (%)	9.4	31.1	11.3	16.9
EBITA, adjusted (SEK million)	99	144	377	399
EBITA margin, adjusted (%)	9.4	13.9	9.8	12.0
Operating profit (EBIT) (SEK million)	62	298	310	521
Operating margin (EBIT margin) (%)	5.9	28.9	8.1	15.6
Equity ratio (%)	47.7	45.5		
Net debt	491	545		
Equity per share (SEK)	19.9	18.7		
Quick ratio (%)	110	117		
Average number of employees			333	240

### 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 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 non-recurring items that are not directly related to planned future operations.	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.	The 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 the cost of goods for resale, in relation to net sales.	This measure is used to illustrate profitability in terms of the 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 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

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 business is 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 business in Finland is run 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.

## 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-offset 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.