VIVA WINE GROUP

ANNUAL REPORT & SUSTAINABILITY REPORT 2023

Pages 56-105 comprise the annual report audited by Ernst & Young AB. The auditor's report can be found on page 106-108.

The statutory sustainability report can be found on pages 40-52 and 109-114 and has been prepared in accordance with GRI Standards 2021. The GRI index can be found on pages 115-119. The auditor's review report, which includes the opinion on the statutory sustainability report, is on page 53.

Viva Wine Group is the leading wine group in the Nordic region, with a strong position in the European online market for wine.

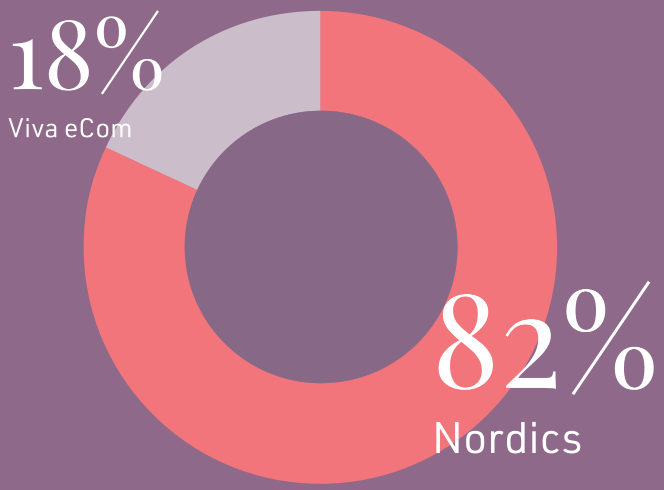
This is Viva Wine Group

Viva Wine Group brings together innovative and entrepreneurial companies with a passion for wine and profitable business. We are the leading wine supplier in the Nordic monopoly markets and have a stable and profitable e-commerce wine business in Europe.

OUR OFFERING
Viva Wine Group offers affordable quality wines, popular favourites and prestigious brands from around the world. We care about how our wines are made and are proud of our commitment to environmental and social sustainability.

OUR MARKET
Viva Wine Group is the leading wine supplier in the Nordic monopoly markets Sweden, Finland and Norway. We also have a strong position in the European online wine market, with sales in Germany, Switzerland, the Czech Republic, Austria, France, the Netherlands, Italy, Slovakia, Hungary and Romania.

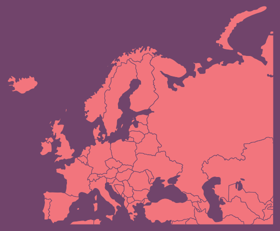
Market segment breakdown



Nordic market leader in wine in the stable monopoly markets

Sweden Finland Norway

Profitable European e-commerce business with growth potential



A strong mix of own brands and partner brands

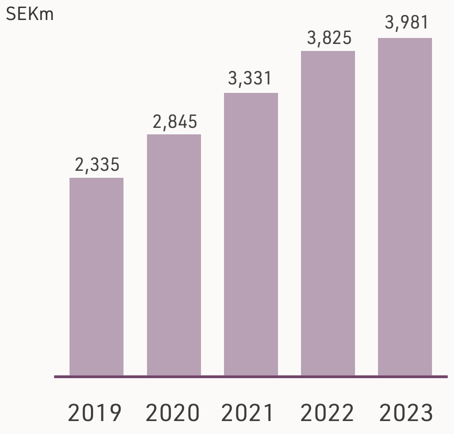
Industry leader in sustainability

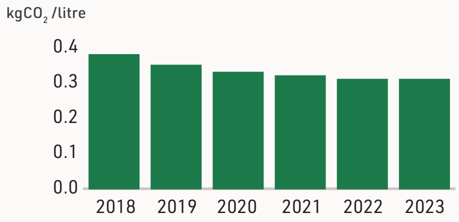
The year in review

2023 was a year of challenging conditions for consumers across Europe. Despite lower demand and market headwinds, Viva Wine Group continues to deliver growth and record-high market shares in the Nordics and stable profitability in e-commerce.

20.8%

Market share in the Nordic monopoly markets (19.6%)





Continued profitable growth

- Net sales were SEK 3,981 (3,825) million, an increase of 4.1 percent and our best sales year to date.
- Our Nordic segment grew by as much as 6.9 percent, despite a weak underlying market in all three countries.
- Viva eCom was affected by a weaker online market and declined by 5.5 percent, which was better than the market, while delivering increased gross margins.
- Adjusted EBITA margin was 7.3 (9.8) percent. The decrease is mainly due to negative currency effects and is offset by balanced price adjustments and good cost control.

Progress in sustainability

- Our CO_2 emissions per litre sold were 0.31 kg (0.31 kg).
- At the same time, the proportion of volume sold in climate-efficient packaging increased to 77 (75) percent.
- A common sustainability platform for strategy and working methods has been implemented in all the Nordic countries.
- System support for climate reporting through the value chain at product level has been developed and implemented.

Events during the year

Strong advances in the Nordic markets

- Viva Wine Group's market shares grew, and our market share is 20.8 (19.6) percent in the Nordics. We are now the largest wine supplier* to Alko in the Finnish market.
- After the end of the year, Target Wines AS in Norway was acquired. This company becomes part of Viva Wine Group's subsidiary Norwegian Beverage Group, making it the fifth largest wine supplier to Vinmonopolet.

New central warehouse provides capacity for further expansion in Europe

- Viva Wine Group's expansion in Europe is continuing. During the year, we launched our e-commerce concept in two new countries: Hungary and Romania.
- Our new central warehouse in Germany has become operational and will provide cost-effective logistics management for our European e-commerce business. With the new warehouse, we have good capacity for our continued growth in Europe.

Newly formed subsidiary – Morningstar Brands AB

- Our two Swedish subsidiaries Chris Wine & Spirits AB and Winemarket Nordic AB were merged to form Morningstar Brands AB, which becomes a leading importer of partner brands in Sweden.

Enhanced system support for climate data

- System support for climate reporting throughout the value chain was implemented in the Nordic business.

* wine excluding flavoured wine

A WORD FROM THE CEO

A record year in the Nordics despite weak markets

2023 was another record year for Viva Wine Group in the Nordics. Despite challenging market conditions, our strong growth continued – especially in Finland, where we are now the market leader. In Europe, our performance was relatively positive in a weak e-commerce market. We have now laid the final brick in our synergistic approach and are continuing to expand into new markets.

We are leaving behind us a tough year with high interest rates, inflation, unfavourable exchange rates and low consumer sentiment in both the Nordics and Europe. I am therefore particularly proud that we delivered our best year ever, with sales of SEK 4 billion. The EBITA margin was negatively affected in particular by the weak Swedish and Norwegian currencies. We have been making active efforts to offset these negative effects on profitability, including balanced price adjustments and good cost control.

RECORD HIGH MARKET SHARE IN THE NORDICS – MARKET LEADER IN FINLAND

Viva Wine Group's market position is stronger than ever in the Nordic markets. Despite all the Nordic monopoly markets that Viva is present on declined in volume in 2023, we increased sales and ended the year with record market shares in all three countries. Our market share in Finland increased by 2.7 percentage points to 19.5 percent, making us the market leader. In Norway, we completed the acquisition of Target Wines AS, which will further strengthen our position.

Emil Sallnäs, CEO Viva Wine Group

“We have again shown that we have a successful business model.”

"We enter 2024 full of confidence"

VIVA ECOM READY FOR GROWTH
In Viva eCom, many things fell into place during the year. The goal we set when we acquired Vicampo has been realised, and the last piece of the puzzle in our work to create synergies in Europe is in place – the new centralised e-commerce warehouse in Germany. The warehouse forms an important foundation for our continued organic expansion, but also for growth through acquisitions.

During the year, we established our e-commerce concept Weinfürst in two new markets, and we are planning for further market expansion in the future. The European e-commerce market, especially in Germany, was notable for weak consumer sentiment during the year.

Sales in Viva eCom declined during the year by 5.5 percent, which under current market conditions can be considered a good trend, and we have hopes for better market growth in 2024.

PROGRESS IN SUSTAINABILITY
We have been working for many years to promote sustainable development throughout the value chain. One of our main targets is to reduce carbon emissions per litre of wine sold through sustainable packaging and transport. Since 2019, we have managed to achieve a steady increase in volumes sold in climate-efficient packaging. Good methods of measurement are an important part of our sustainability work and crucial if we are to be able to report according to the new CSRD requirements. During the year, we implemented a new system for collecting sustainability data and began integrating Finland and Norway into our climate impact monitoring.

STRONG POSITION AHEAD OF 2024
We have again shown that we have a successful business model even in tough times. With skill and speed, we meet changing consumer preferences in all markets. We further strengthened our position during the year, and I would like to thank all our great employees, producers and suppliers, who have made this possible. The market will continue to be challenging, but we will continue to do what we are good at and enter 2024 full of confidence.

Emil Sallnäs
President and CEO
Stockholm, March 2024

Targets & outcomes

Financial targets	Target	Outcome 2023
Organic growth monopoly markets	4% medium term	6.2%
Organic growth e-commerce	10-15% medium term	-7.6%
Adjusted EBITA margin	10–12% medium term	7.3%
Indebtedness	≤ 2.5 x medium term	1.8 x
Dividend	50-70%	134%

KPIs sustainability	Target 2023	Target 2030	Outcome 2023
Share of sustainability-certified volume	50%	67%	46%
Share of volume audited for sustainability	67%	100%	63%
Share of climate-efficient packaging	75%	90%	77%
CO_2eq/litre	0.30 kg	0.17 kg	0.31 kg

Six reasons to own shares in Viva Wine Group

ENTREPRENEURIAL BUSINESS
Spirit of enterprise is what drives our business and profitable growth.

INDUSTRY LEADER IN SUSTAINABILITY
Leader in sustainability in the wine industry. Focus on sustainable production and low climate impact from transport and packaging.

NORDIC MARKET LEADER
Market-leading position in the stable Nordic monopoly markets.

STRONG ORGANIC GROWTH
Viva Wine Group has a long history of strong and profitable organic growth.

GREAT POTENTIAL IN E-COMMERCE
Profitable European e-commerce with high growth potential.

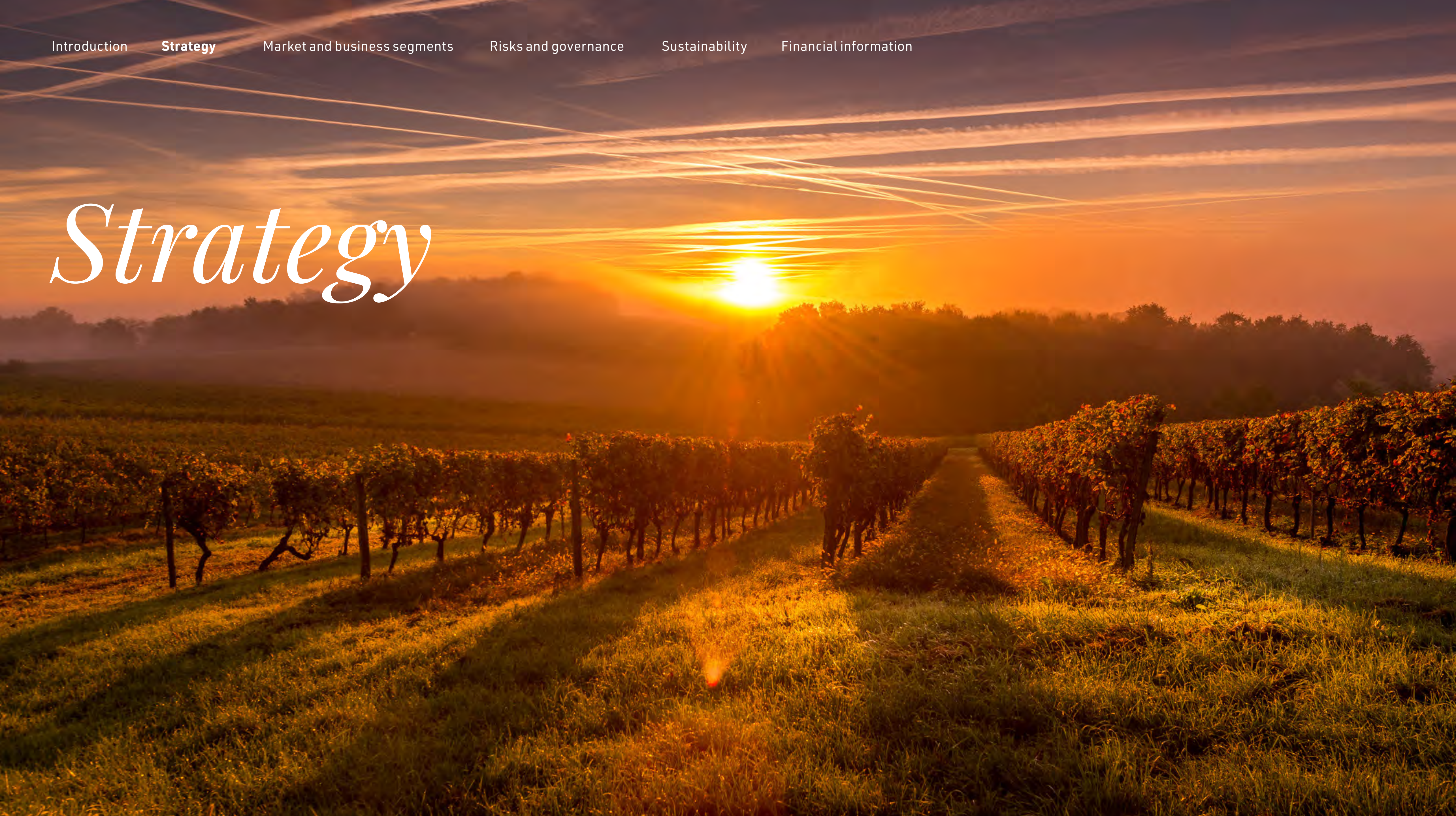
SUCCESSFUL ACQUISITIONS
Experience of successfully driving growth and consolidation through acquisitions.

Performance for the year

In 2023, Viva Wine Group's share performed negatively, but during the fourth quarter the share had a positive development. During 2023 a dividend of SEK 1.55 per share was paid out which equals a dividend yield of 3.5% compared to the opening share price of the year.

During the year, the share price fluctuated between SEK 47 and SEK 28. The closing share price was SEK 39. The listed price in December 2021 was SEK 49.

Strategy



Our vision

To make Viva Wine Group the leading wine group in Europe.

Our goal

Establish Viva Wine Group as a leading wine group in Europe – a sustainable player with a strong focus on growth.

Our strategies

Customer-centred product development

Our product development starts with the customer and the consumer. By analysing data, trends and the market, we continuously develop the offering to match current consumer preferences. Together with our producers, we develop the best wine to meet each consumer's needs.

Growth and profitability

We drive growth through product development and strategic acquisitions in the Nordics, as well as e-commerce expansion in Europe. A common platform for administration, logistics and finance promotes synergies, profitability and cost control.

Leader in sustainability

We have been working on sustainability for over 20 years, and it is an integral part of our business. We think sustainability throughout our value chain, focusing on good working conditions for growers and producers and climate-efficient transport and packaging.

Entrepreneurship – the heart of our business model

The spirit of enterprise is a key driver in Viva Wine Group's profitable growth journey. An entrepreneurial mindset is what has made us the industry-leading company that we are today.

We are entrepreneurs

We safeguard the autonomy and scope for innovation of our subsidiaries, giving them the power to continue developing their customer offerings. In each operating subsidiary, the CEO and one or two key individuals are also shareholders.

We know what consumers want

We find out what consumers want through data analysis. Together with the producers, we develop wines for which there is market demand. Our wide range of products allows us to quickly adapt our offering to changes in the market.

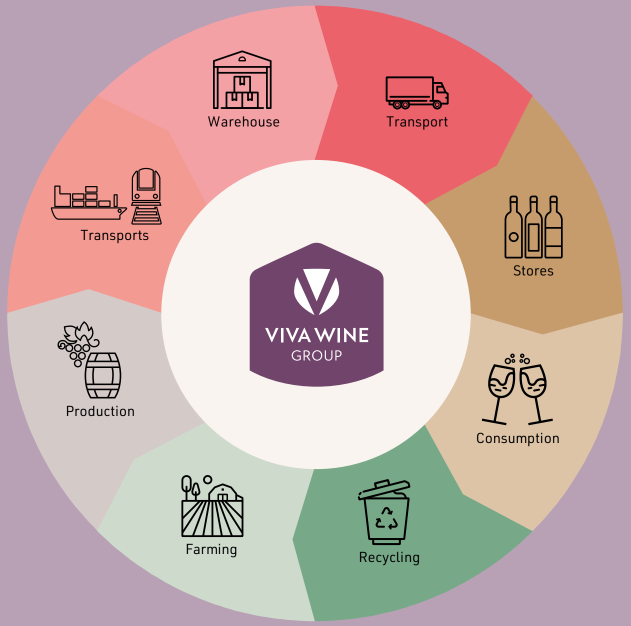
VIVA WINE GROUP

We develop along with our employees

Our business is based on our employees knowing what consumers want. Using the wine expertise and market knowledge of our employees and our long-term producer relationships, we develop companies with strong positions in their markets.

Sustainable development – from grape to glass

Viva Wine Goup's goal is to offer consumers wine with the lowest climate impact in the industry. We promote sustainable development from grape to glass.



Sustainable enterprise is crucial for our planet, for agriculture and for the future of our business. Viva Wine Group has set a target of halving climate impact per litre of wine sold by 2030 and has a concrete plan to achieve this. At the same time, we promote sustainable development, both in our value chain and in our own operations.

SUSTAINABLE CULTIVATION AND PRODUCTION

At our producers, we promote decent working conditions and concern for the environment throughout the value chain. We educate, set requirements according to amfori BSCI and follow up. The company has continuous dialogues and cooperate with various local and global organisations to evaluate and improve.

SUSTAINABLE LOCAL COMMUNITIES

Viva Wine Group has far-reaching partnerships with key producers, and together we have developed several certified products and projects.

SUSTAINABLE TRANSPORT AND PACKAGING

We are a market leader in organic and ethically certified wines. A large proportion of our product range is offered in lightweight, climate-efficient packaging, and we are investing heavily in new packaging solutions. We co-distribute with our transport partners to minimise our climate impact in transport.

SUSTAINABLE WORKPLACE

We bring together curious, committed and knowledgeable people with a passion for the consumer, the business and the wines we sell. We work actively to create value-driven leadership and offer continuous staff development. Diversity, good business practices and anti-corruption are priority issues. Together we create an open, fast-paced and inclusive work environment.

SUSTAINABLE CONSUMPTION

We care about how our products are consumed. Viva Wine Group promotes responsible marketing and consumption.

Read more on pages 47-52.

Market and business segments

Trends in society

Several significant megatrends are shaping the market landscape in the Nordics and Europe in both the medium and long term. These form the basis for future development in wine sales.

Environmental and social sustainability

Consumers are increasingly demanding products produced in an environmentally and socially sustainable way.

How we are responding to the trend:
Sustainability issues have been on our agenda for more than 20 years, and focus on sustainability is an integral part of the entire value chain.

Technological development and digitalisation

The use of artificial intelligence, e-commerce and new technologies will affect how companies interact with customers and run their businesses.

How we are responding to the trend:
We are always curious and happy to try new solutions. With our data-driven business model and online marketing, we are at the forefront of digital solutions.

Need for resilience and flexibility

In an unstable economic, political and climate-related world situation, resilience and flexibility are key to success.

How we are responding to the trend:
Viva Wine Group has a flexible business model, offers wines from around the world and can quickly adapt its range to new circumstances.

Trends in the wine market

The wine market in the Nordics and Europe is changing. We see a number of clear trends in consumer preferences and demand, showing how the industry will develop in the future.

Market climate boosts low-price wines

The uncertain economic situation has resulted in more consumers buying wines in the lower price ranges, both in the Nordics and in European e-commerce, especially in Germany.

Premiumisation

However, the low-price trend does not apply to all consumers. We are seeing a parallel trend where many consumers are choosing fewer but more expensive and higher quality products. This phenomenon, known as premiumisation, is evident, although the recent economic downturn has curbed it.

Sustainable products more important

The growing demand for organic wines in recent years has developed into an increased level of interest in sustainably produced wines in climate-efficient packaging, a trend that is particularly evident in the Nordics.

Expected increase in e-commerce in Europe

The proportion of the population who have grown up with the internet, computers and smartphones ("digital natives") is rising. As these individuals become more affluent and reach an age at which wine consumption increases, the online penetration of wine is also expected to increase.

The Nordic monopoly market

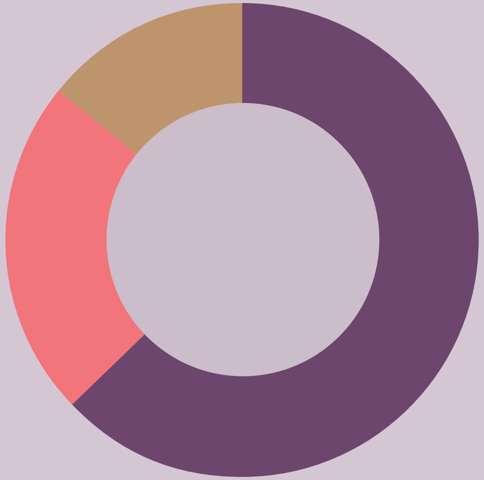
Viva Wine Group has a strong base in the monopoly markets of Sweden, Finland and Norway. These countries all have a statutory monopoly market with a state-owned retail trade for the sale of alcohol.

Systembolaget in Sweden, Vinmonopolet in Norway and Alko in Finland all have exclusive rights to sell alcohol. The Nordic monopoly market offers serious industry players an equal and competitively neutral sales channel, as well as stable and secure conditions for growth.

The Nordic monopolies are also tasked with educating the public about the risks of excessive alcohol consumption and providing good service and knowledge about food and beverages.

To achieve their goals for the responsible sale of alcohol, the Nordic alcohol monopolies place great importance on good service and consumer advice. For example, the Swedish monopoly Systembolaget has adapted to meet demand by offering e-commerce and home delivery.

The Nordic monopoly market in 2023
(wines sold, volume per market)



- 63% Sweden
- 23% Norway
- 14% Finland

Each country's share of total wine sales in the segment Nordics

Source: Alko, Systembolaget and Vinmonopolet 2023.

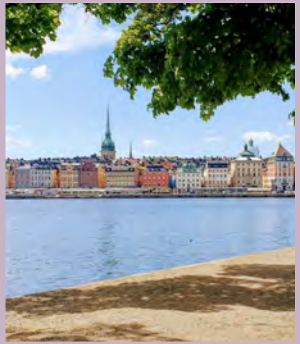
COMPETITIVE SITUATION IN THE NORDIC MONOPOLY MARKET

The equal treatment requirements of the state retail monopolies allow access to the market for all operators. The market is dominated by major operators.

MARKET TREND

The past year has been characterized by disadvantageous macroeconomic conditions in the Nordic countries, such as unfavorable exchange rates, rising interest rates, and increasing inflation, which in turn have negatively affected consumer sentiment and business conditions. As a result, sales volumes in the monopoly markets have declined, and there is a shift towards increased demand for wines in the lower price segments.

Despite a weak market, Viva Wine Group's Nordic operations grew strongly during the year. Our market share increased by 1.1 percentage points in Sweden, by 2.7 percentage points in Finland and by 0.6 percentage points in Norway.



Sweden

Systembolaget, established in 1955, is Sweden's nationwide alcohol retailer with 452 stores, 900 suppliers and sales of SEK 38 billion (2023). The range includes wine, spirits and beer. Swedish law allows marketing, subject to strict restrictions.

Norway

Vinmonopolet in Norway was founded in 1922 as a private limited company, which became a fully state-owned company in 1939. Today, Vinmonopolet has around 334 stores, 719 suppliers and sales of NOK 18.5 billion (2022). The range includes wine, spirits and beer. Norway has a ban on advertising alcoholic beverages.

Finland

Alko holds an alcohol monopoly in Finland for wine and spirits containing more than 5.5 percent alcohol by volume. Today, Alko has 372 stores, 940 suppliers and sales of EUR 1.2 billion (2023). Finnish law allows marketing, subject to strict restrictions.

There are two entry channels for wine in the Nordic monopoly markets

1. Tender process: Structured process for launching the product in the stores' fixed-product range. Criteria are based on trends, consumer demand and sustainability requirements.

2. Ordering range: Alternative route where the supplier offers consumers any chosen products. Consumer demand in the ordering range leads to a place in the stores' fixed-product range.

Viva Wine Group in the Nordics

Our Nordic segment consists of Sweden, Finland and Norway, where we grew steadily in 2023 despite a decrease in total sales in volume terms in the markets.

OPERATIONS AND SALES

Viva Wine Group is the leading wine supplier in the Nordic monopoly markets. Most of our wines are sold through the state monopolies Systembolaget, Alko and Vinmonopolet. A smaller portion is sold through restaurants. In the Nordic region, our total sales in terms of volume in 2023 were around 69.4 million litres.

OUR PRODUCTS

We have a wide selection of wines from around the world and in all price ranges. The portfolio contains both own brands and partner brands, with the share of own brands increasing gradually. In 2023, the share of own brands was 54 percent in Sweden, 13 percent in Finland and 23 percent in Norway.

Sweden

#1 Market position

26.6% Market share by volume

Finland

#1 Market position

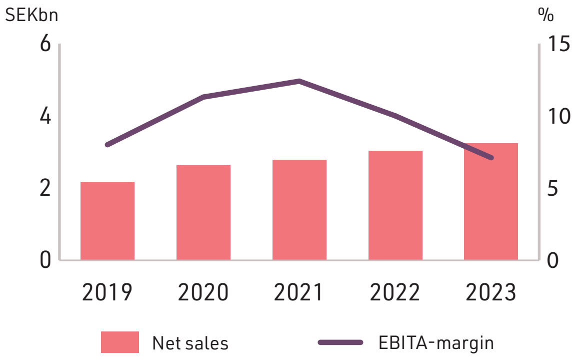
19.5% Market share by volume

Norway

#6 Market position

5.9% Market share by volume

Net sales and profitability



Sweden – subsidiaries

GIERTZ VINIMPORT
The largest wine importer in Sweden with wines from around the world. A pioneer in organic and ethical and a leader in sparkling wine.

THE WINE TEAM GLOBAL
Sweden's largest importer of organic wines. Passionate developer of brands. Focus on wines from Italy, France and the United States.

MORNINGSTAR BRANDS
Sweden's leading importer of partner producers' brands from around the world. Broad range of quality wines for consumers and restaurants and well-known spirit brands.

ICONIC WINES
Diversified portfolio with large share of own brands in innovative packaging. Most are ethically and organically certified.

TRYFFELSVINET
Specialising in premium and super-premium wines from small-scale producers from around the world.

Finland – subsidiaries

CISA GROUP
Cisa Group is Finland's largest and fastest growing wine importer, with a strong focus on wines from Portugal and Chile. Cisa Group operates and owns Finland's largest wine and food club, Rosa Viini & Ruoka, with over 100,000 members.

Norway – subsidiaries

NORWEGIAN BEVERAGE GROUP
A rapidly growing importer of wines and spirits, focusing on partner brands from around the world. NBG's data-driven approach is particularly well suited to the complex Norwegian market.

Nordics – online wine clubs

OUR COMPANIES AND ONLINE WINE CLUBS

In the Nordics, we operate through our local subsidiaries that develop, import and market wine in the Nordic monopoly markets. We also own some of the leading online wine clubs in the Nordics, such as Viva Vin & Mat, Vinklubben, Tryffelsvinets vinklubb and Rosa Viini & Ruoka. Our wine clubs are high-converting channels through e-newsletters, websites, SMS texting and social media where we communicate with over half a million loyal consumers. This allows us to inspire and educate in both food and beverages, while marketing new products and also receiving feedback from consumers through market research.

PERFORMANCE IN 2023

Over the past year, our market shares have grown in all the Nordic monopoly markets, while total sales in these markets have decreased in volume terms over the same period. In Finland and Norway, volume growth reached record high levels, on the back of a long-term effort to boost the range of white wines, rosés and sparkling wines. In total, our sales in the Nordic market in 2023 increased by 6.9 percent to SEK 3,238 million. However, highly unfavourable exchange rates against the EUR posed major challenges to profitability, which we offset with strict cost control and balanced price adjustments.

The European e-commerce market

The European e-commerce market for wine has great potential for the future.

As more and more consumers make use of online shopping, the digital landscape for wine has evolved into a dynamic and highly competitive market. Consumers value the simplicity, the wide choice, the detailed product information and especially the home delivery. The proportion of wine sold online has grown steadily over the last 10-15 years. As the proportion of individuals who have grown up with the internet and computers ("digital natives") reach an age at which wine consumption increases in coming years, the market is expected to grow further.

The constant challenge for digital wine shops is to understand and adapt to consumers' changing preferences. The market is diverse, with consumers looking for the best deals with the best price-quality ratio. It is crucial for wine stores to keep one step ahead, have a wide range of products and offer personalised recommendations.

By using data analytics to understand consumer preferences, we can personalise recommendations and offerings. By using customer data responsibly, we create targeted marketing campaigns, improve customer loyalty and boost overall customer satisfaction.

Direct-to-consumer sales have become an important trend in the online wine market, allowing us to establish even stronger relationships with our customers. This approach not only cuts out intermediaries but also provides exclusivity, thus improving loyalty.

With increasing customer expectations and rapid technological development, we see that size will become an increasingly important competitive advantage. The online wine market is likely to continue to consolidate in the future.

Why is wine well suited tor e-commerce?

1 **LOW CYCLICALITY**
Wine is considered a stable and non-cyclical product, which makes sales resilient to economic fluctuations and reduces the need for large inventories.

2 **HIGH AVERAGE ORDER VALUE**
Online wine sales have a relatively high order value, with shipping costs representing a low share of the total value, increasing profitability for e-retailers.

3 **REGULAR PURCHASES AND LOW RETURN RATES**
Wine is a product that is regularly purchased and does not require physical evaluation before purchase, promoting repeat customer behaviour. There are few customer returns.

4 **HOMOGENEOUS PRODUCT DESIGN**
Wine bottles and wine boxes have a uniform design, which facilitates logistics by minimising excess space and making shipping more cost-effective and climate-efficient.

5 **CONSUMERS SEEK ADVICE**
Online platforms offer great opportunities for tailored recommendations and offerings to each consumer, based on data such as previous purchases, ratings and preferences.

Viva Wine Group in Europe

Viva eCom is our online wine sales business in Europe, which was streamlined during the year through the consolidation of operations and the establishment of a new modern central warehouse.

OPERATIONS AND SALES

Viva Wine Group is one of the leading online retailers for wine in Europe with a presence in ten European countries. Our sales are based on three online stores with different specialisations – Wine in Black, Weinfürst and Vicampo.

Viva eCom's commercial base is in Germany where we have a dedicated team working horizontally with all the stores. It is also the site of our modern and centralised warehouse that handles all logistics and customer deliveries, leading to high efficiency and minimising costs.

OUR PRODUCTS

We offer products in all price ranges and have a wide range from around the world. 79 percent of our sales are either own brands or exclusive products only available through our online stores.

OUR CUSTOMERS

We have nearly 400,000 active customers in ten countries in Central and Eastern Europe. We communicate with our customers through our platforms and newsletters.
By analysing customer behaviour in real time, we increase our accuracy and adapt our offerings. The unique online customer experience fosters strong customer loyalty, which is reflected in a high proportion of sales from repeat customers, 83 percent.

DEVELOPMENTS IN 2023

2023 was another challenging year for the European e-commerce market, with high cost of living for European consumers. Despite this, Viva eCom delivered relatively stable net sales and strong gross margins.

In 2023, Viva eCom expanded into two new European markets – Hungary and Romania. Our new central warehouse in Germany became operational during the year. We now have a cost-effective platform for our continued expansion in Europe – through both organic growth and acquisitions. We are actively looking for acquisition candidates that can add value to our offering.

VICAMPO

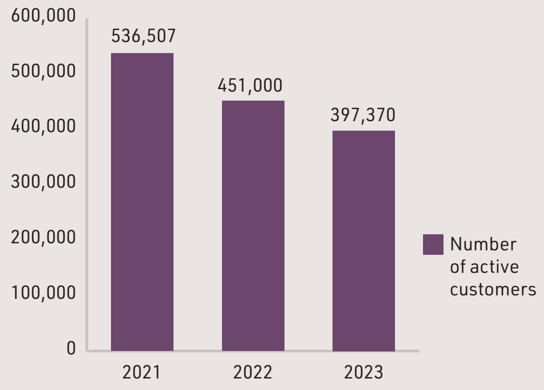
Vicampo is one of the market leaders in the online wine markets in Germany, Austria and Switzerland. It serves as a marketplace with over 15,000 products and a dedicated portfolio of branded or exclusive products, distributed directly from our warehouse.

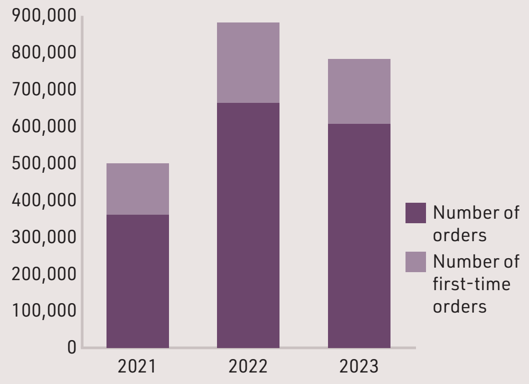
weinfürst

Weinfürst provides an exclusive and unique portfolio of wines, acting as a direct-to-consumer platform. Despite being our youngest brand, Weinfürst operates in ten different markets, including dynamic and fast-growing countries in Eastern Europe such as the Czech Republic, Hungary and Romania.

Wine in Black

Wine in Black offers a select portfolio of wines from up-and-coming young winemakers to iconic producers from around the world. With an average bottle price above EUR 15, Wine in Black positions itself as an online sommelier for premium wine.





Risks & governance

Risks and governance

Good governance and control reduces risks in a dynamic and growing business. Effective risk management needs to be integrated into strategies and business models, and governance must ensure that it reaches everyone.

RISKS AND RISK MANAGEMENT

Viva Wine Group's risk management aims to support the realisation of the Group's strategy, continuity, risk identification and mitigation of internal and external risks. Viva Wine Group's risk management is carried out in accordance with the COSO framework. The Group's risk management policy has been approved by the Viva Wine Group's Board of Directors.

RISK POLICY

The Risk Policy describes the objectives, principles and responsibilities of Viva Wine Group's risk management and reporting. Risks are managed by the relevant business and operational area and are evaluated annually by the Group's management team. The results are monitored by the Board of Directors.

RISK CATEGORIES

We categorise risks into six general classes: strategic risks, financial risks, operational risks, legal risks and sustainability risks. Management and the Board assess these key risks and actions aimed at reducing the likelihood of their occurrence each year. Risks are evaluated based on the probability of occurrence and the consequences of their possible occurrence. The relevant time period for assessment is a 3-5 year horizon. In addition to risks within this short timeframe, we also monitor and address longer-term sustainability risks, including the impact of climate change on viticulture and developments in the wine industry.

SIGNIFICANT RISKS

Our main risks are linked to financial, political and regulatory factors. The alcohol market is regulated and taxed. Predictability, equivalence and consistency in regulation and taxation are crucial to an efficient market. As with all international trade, there is also a significant currency risk, where the volatile Swedish and Norwegian currencies in particular can have a significant impact on our earnings. There are also significant seasonal variations in the consumption of alcoholic beverages, which affect Viva Wine Group's net sales and cash flow during the year. Most of the revenue is generated in the second, third and fourth quarters. Between years, there may be differences between the first and second quarters depending on whether Easter falls in March or April.

Risk area	Risk factors	Significant risks	Risk management
Financial risks Currency , interest rate, liquidity and credit-related risks	Macroeconomic factors	Currency changes. Volatile and weak SEK and NOK against EUR and USD	Currency hedging
Strategic risks Sector-specific risks that may hinder the realisation of the vision and the achievement of the set goals	Political and regulatory factors	Increased excise duties and changes to rules on accessibility and marketing	Dialogue and cooperation through relevant industry associations
Operational risks Risks related to the effective management of resources such as internal processes, systems and employees	Organisational factors	Redundant and inefficient governance	Maintaining local governance and entrepreneurship within a Group framework
Regulatory compliance risks Risk of financial and legal penalties related to own and others' compliance with laws and regulations	Legal factors	Trademark infringement Corruption in the supply chain	Trademark protection Anti-corruption and whistleblowing systems
Security risks Risks linked to farming, production and finished product	Quality factors	Product safety	Quality controls at producer, importer and retailer levels
Sustainability risks Risks related to growing conditions in the vineyards and the supply chain	Supply and quality factors	Climate change affecting conditions for quality, cultivation and production	Industry-wide climate undertakings and climate adaptation of cultivation and production.

Management approach

Developing wine sustainably requires the know-how and commitment of several participants in a complex value chain. From cultivation and production, to transport, marketing and sales. Clear governance and responsiveness to key stakeholders have proven to be a recipe for success.

KEY STAKEHOLDERS

Some of our most important stakeholders are our customers and consumers, as well as our producers and growers. Among the most significant customers are the Nordic retail monopolies, i.e. Systembolaget in Sweden, Alko in Finland and Vinmonopolet in Norway. Other important customers are wholesalers and restaurants. Organisations such as KRAV, Fairtrade and Fair for Life are also of great significance as we are committed to organic and ethical production.

DIALOGUE AND COOPERATION

There is much that we can contribute on our own, but we can make the most impact when we work with others. The more of us who want to achieve the same thing, and make a concerted effort, the faster we will achieve large-scale change for the benefit of people and the environment. The Beverage Industry Climate Initiative is an example in Sweden of the positive force created when suppliers and customers decide to work together.

MATERIAL IMPACT

Conditions for cultivating and producing wine are affected by external factors, not least climate change. Growing, producing, bottling and transporting wine also has an impact on the environment. These include water use, biodiversity and climate impact. Consumption in itself can also be problematic. Inappropriately consumed alcohol can lead to medical and social problems, for individuals, for families and for society at large. We are committed to informing consumers about the risks and invest in projects that promote responsibility and moderation.

CONTINUOUS IMPROVEMENTS

Viva Wine Group's companies are all strongly entrepreneurial, action being more important than words. We focus on continuous improvement in collaboration with our partners in the value chain, getting better month by month, quarter by quarter and year by year.

Organisation for governance of sustainability performance

Board of Directors	Chairman of the Board of Directors Chair of the Audit Committee
Management team	CEO
Sustainability Group	Sustainability Manager Sustainability Analyst
Subsidiaries	The subsidiaries' CEOs and sustainability coordinators

ORGANISATION AND STRUCTURE

Sustainability management at Viva Wine Group is based on the Board of Directors and its Audit Committee, the Group-wide sustainability policy and the Group-wide sustainability targets. Sustainability issues are managed strategically and operationally by the management team. At Group level, there is a Group-wide sustainability department that leads, supports and follows up the subsidiaries' sustainability work, where each subsidiary has the opportunity to develop its own sustainability goals in line with the Group-wide goals.

SUPPORT AND FOLLOW-UP

In addition to a Group-wide policy and targets, the Group's subsidiaries are supported by a Group-wide administrative platform. The platform includes templates, systems and process support.

REPORTING AND AUDITING

The Group's work with sustainability is summarised in an annual sustainability report to be published together with the Group's annual report. The sustainability report is prepared in accordance with the GRI standards and applies to the whole Group. However, reported data for 2023 only cover the Swedish business and its value chain, including the climate impact of transport and packaging and working conditions in cultivation and production. The Annual and Sustainability Report is reviewed by the Audit Committee and the company's auditors.

Board of Directors

The Board of Directors is responsible for the governance and performance of the Group and ensures the appropriate management of its activities. The Board approves the Group's strategy, financial targets, budget, major investments and risk management policies.

The Board consists of five members, one woman and four men. The Board has assessed that four Board members are independent of the company and the company's major shareholders.

ANDERS MOBERG
Chairman of the Board
Elected: 2021
Born: 1950
Education: Commercial Upper Secondary School
Selection of other appointments: Chairman of the Board of Byggmax Group AB and ITAB AB. Board member of Citygross AB, Boconcept A/S, INGKA Foundation, IKEA Foundation.
Selection of previous appointments: Former CEO of the IKEA Group, Deputy CEO of Homedepot, CEO of Ahold and then CEO of the Majid AL Futtaim group in Dubai. Board member of Bergendahl Food AB, Bergendahl & Son AB, Zetadisplay AB
Independent: Yes, in relation to the shareholders, the company and the management.
Holdings in the Company: Owns 205,000 shares and 58,140 warrants (including related parties).

LARS LJUNGÄLV
Board member, Chair of the Audit Committee
Elected: 2022
Born: 1969
Education: Degree of Master of Science in Business and Economics from Lund University.
Selection of other appointments: Board member of Byggmax Group AB, Ikano Bank AB and Annehem AB.
Selection of previous appointments: Chairman of Lund University and Intersport Sverige AB. Many years of experience in senior positions in retail, banking and finance.
Independent: Yes, in relation to the shareholders, the company and the management.
Holdings in the Company: Owns 200,000 shares and a further 15,000 shares indirectly through Fano AB (including related parties).

ANNE THORSTVEDT SJÖBERG
Board member, member of the Remuneration Committee
Elected: 2021
Born: 1965
Education: Master of Science in Business and Economics, Gothenburg School of Economics, University of Gothenburg
Selection of other appointments: Board member of Clas Ohlson.
Selection of previous appointments: Global Vice President Marketing, Electrolux and senior international positions in Strategy, Marketing, Sales, Consumer & Analysis at Mondelez, Kraft Foods, Procter & Gamble.
Independent: Yes, in relation to the shareholders, the company and the management.
Holdings in the Company: Owns 15,000 shares and 58,140 warrants (including related parties).

Helen Fasth Gillstedt was a member of the Board until the end of the 2023 Annual General Meeting.

MIKAEL ARU
Board member, member of the Audit Committee
Elected: 2021
Born: 1953
Education: Bachelor of Science in Business and Economics, Linköping University
Selection of other appointments: Board member of AB Axel Granlund, Board member of AB Stenströms Skjortfabrik, Bröderna Börjesson Bil AB and Gorthon Stiftelsen.
Selection of previous appointments: CEO of Procordia Food in Sweden, and senior positions in Kraft Foods and Nestlé.
Independent: Yes, in relation to owners, the Company and the management.
Holdings in the Company: Owns 10,200 shares and 58,140 warrants (including related parties).

JOHN WISTEDT
Board member
Elected: 2018
Born: 1980
Education: Master of Science in Business and Economics, Uppsala University; Master International Wine & Spirits Burgundy Business School. Executive Education, Harvard Business School
Selection of other appointments: CEO The Wine Team Global AB.
Independent: No, represents majority shareholder, the Company and the management.
Holdings in the Company: Indirectly, through Legendum Capital AB, owns 9,415,889 shares.

CEO & management team

The CEO and President are responsible for the day-to-day management of the Group in line with the instructions and objectives set by the Board. The CEO also ensures compliance with applicable laws and regulations. In addition to the CEO, the management team comprises other senior executives who assist the CEO in the implementation of the Group strategy. The management team is also responsible for the business and operational management of the Group.

The management team consists of six members, two women and four men. The members of the management team are responsible for different areas and bring specific experience and skills to ensure the best balanced management together with the CEO.

EMIL SALLNÄS
CEO Viva Wine Group
Born: 1971
Education: Master of Science in Business and Economics, Uppsala University
Previous experience: CEO and Partner Giertz Vinimport.
Holdings in the Company: Indirectly, through Late Harvest Wine Holding 1971 AB, owns 23,348,482 shares and 95,344 shares through related parties.

LINN GÄFVERT
CFO Viva Wine Group
Born: 1981
Education: Master of Science in Business Administration and Bachelor of Science in Business Law, School of Economics and Business Management, Lund University
Previous experience: Head of Business Control Viva Wine Group, Business Control Altia Group,auditor at PwC.
Holdings in the Company Owns 4,075 shares and 69,768 warrants.

JOHN WISTEDT
CEO The Wine Team Global
Born: 1980
Education: Master of Science in Business and Economics, Uppsala University and Master, International Wine & Spirits Burgundy Business School. Executive Education, Harvard Business School
Previous experience: Buyer for Systembolaget.
Holdings in the Company: indirectly, through Legendum Capital AB, owns 9,415,889 shares.

Mikael Sundström was part of the management team until 31 December 2023.

CHRISTIAN FRICKE
Managing Director of Viva eCom
Born: 1979
Education: Master of Business Administration Leipzig Graduate School of Management
Previous experience: CEO Wine in Black GmbH (Berlin), CEO BauerXcel Media (Hamburg/Sydney)
Holdings in the Company: No holding.

ANNA MÖLLER
COO Nordics Viva Wine Group
Born: 1977
Education: Bachelor of Political Science, Linköping University
Previous experience: Commercial Director Spirits Scandinavia, Director Marketing Scandinavia Altia/Anora Group
Holdings in the Company: Owns 2,220 shares.

BJÖRN WITTMARK
Director Business Development Giertz Vinimport
Born: 1953
Education: Bachelor of Applied Science, Canberra University, Australia
Previous experience: Director Business Development and Partner Giertz Vinimport.
Holdings in the company: Owns indirectly, through Vin & Vind AB, 23,273,482 shares together with related parties and a further 10,000 shares.

Corporate Governance Report

Viva Wine Group AB (publ) is a Swedish public limited company whose shares are listed on Nasdaq First North Premier Growth Market.

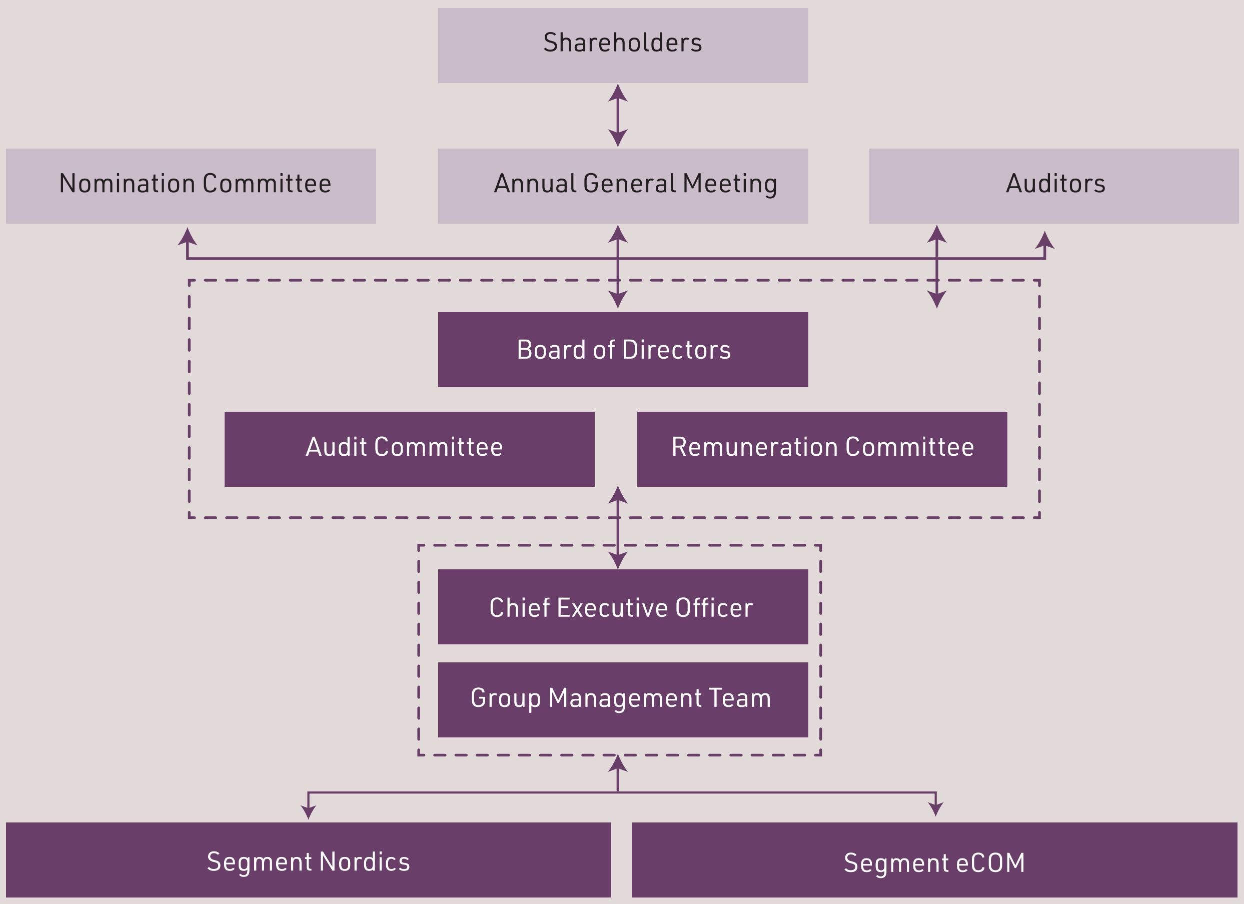
According to the Company's Articles of Association, the object of its activities is to engage, directly or indirectly, in the business of developing and trading in wine and other alcoholic products, and to conduct other activities compatible therewith.

Good corporate governance entails ensuring that Viva Wine Group is managed sustainably, responsibly and as efficiently as possible for all shareholders. The overall objective is to increase shareholder value and thus meet the demands shareholders have for their invested capital.

CORPORATE GOVERNANCE AT VIVA WINE GROUP

Viva Wine Group bases its corporate governance on applicable legislation, resolutions of the General Meeting, the listing agreement and the work of the Board and management. Viva Wine Group has also chosen to comply with the Swedish Code of Corporate Governance (the "Code"). The main internal governance instruments are the Articles of Association, the Rules of Procedure of the Board of Directors, the instructions for the Board Committees, the Instructions for the CEO including instructions for financial reporting and policies set by the Board of Directors.

The Board of Directors of Viva Wine Group is responsible for the organisation of the Company and the management of the Company's affairs. The CEO is responsible for the day-to-day management of the Company in accordance with the guidelines and instructions of the Board of Directors. In dialogue with the Chairman of the Board, the CEO also prepares an agenda for Board meetings and is otherwise responsible for providing the meetings with information and materials for use as a basis for decisions.



GROUP STRUCTURE

The name of the group is Viva Wine Group, with the parent company Viva Wine Group AB. In Sweden, business is conducted through Giertz Vinimport AB, The Wine Team Global AB, Morningstar Brands AB (formerly Chris Wine & Spirits AB och Winemarket Nordic AB), Iconic Wines AB och Tryffelsvinet AB. In Finland, business is conducted through Cisa Group OY and in Norway through Norwegian Beverage Group AS. Outside the Nordic region, e-commerce is conducted through Viva eCom, which owns Vicampo.de GmBH with the e-commerce platforms Vicampo and Weinfürst, as well as Wine in Black GmbH and the e-commerce platform Wine in Black.

SHAREHOLDERS

Viva Wine Group has been listed on Nasdaq First North Premier Growth Market since 14 December 2021. The ten largest shareholders at 31 December 2023 were Late Harvest 1971 Holding AB, Vin & Vind AB, Legendum Capital AB, Bergendahl & Son AB, Fidelity Investments, Capital Group, Svolder, Arinto AB, Danica Pension, Norden Liv & Pension with a combined shareholding of 92.75 percent. The remaining 7.25 percent is owned by other institutional owners and private individuals in Sweden and abroad. The Company has one class of shares that entitle holders to equal voting rights and dividends. When voting at a general meeting, each share entitles the holder to one vote and each person entitled to vote may vote for the full number of shares represented.

More information on the Viva Wine Group share and shareholder structure can be found in the section "Shares and shareholders" on page 58 of the Annual Report and on the Company's website, vivagroup.se.

ANNUAL GENERAL MEETING

The General Meeting is the highest decision-making body in a limited liability company and is the forum in which shareholders exercise their right to decide on the Company's affairs. The company's website, vivagroup.se, informs shareholders of their legal right to have a matter considered at a general meeting. Resolutions adopted by General Meetings are generally resolved by a simple majority, though according to the Swedish Companies Act, certain matters are to be resolved by a qualified majority.

The annual general meeting must be held each year within six months of the end of the financial year. The Annual General Meeting adopts resolutions concerning such matters as dividend, approval of the annual report, discharge of the Board of Directors and the President from personal liability, election and compensation of the Chairman and members of the Board of Directors and auditors, guidelines for determination of compensation payable to senior executives, and other matters of importance to the Company. Viva Wine Group's Annual General Meeting will take place in Stockholm.

Notices convening general meetings shall be given in the form of an announcement in Post- och Inrikes Tidningar and through publication of the notice on the Company's website, vivagroup.se. Shareholders who have registered their intention to attend according to the instructions in the notice of the meeting are entitled to participate in the general meeting, in person or by proxy, to vote at the meeting for or against the proposals presented and to pose questions to the Board of Directors and the CEO.

NOMINATION COMMITTEE

The Nomination Committee is appointed based on principles decided by the Annual General Meeting. The General Meeting also resolves on the instructions that shall apply for the Nomination Committee. The main task of the Nomination Committee is to propose the election of the Chairman at the Annual General Meeting, the election of the Chairman and the other members of the Board, the remuneration of the Board divided among the Chairman, the other Board members and any remuneration for committee work, and the election and remuneration of the auditor. The Nomination Committee's proposals are presented in the official notice of the annual general meeting.

The Nomination Committee must take into account the rules on independence applicable to the Board and its committees. In preparing proposals for members of the Board, the Nomination Committee must pay particular attention to the issue of diversity and gender balance in the Board and committees.

Shareholders are given the opportunity to submit proposals to the Nomination Committee. The Nomination Committee annually assesses the composition of the Board, primarily in terms of skills, experience and future needs. The Nomination Committee must meet as often as necessary to fulfil its duties, but at least once a year.

BOARD OF DIRECTORS

The Board of Directors is the highest administrative body of the Company under the General Meeting. The Board must manage the affairs of the Company in the interests of the Company and all its shareholders and shall safeguard and promote a good corporate culture. The Board of Directors is responsible for ensuring that the Group's organisation is appropriate and continuously evaluates the Company's financial position, procedures and guidelines for management and investment of the Company's funds. The Board also safeguards the Company's financial accounting, internal controls and the quality of its financial reporting through the internal control system described in more detail under the heading of Internal control.

The Board of Directors is responsible for the strategic direction of Viva Wine Group and sets the Group's long-term financial plan, monitors ongoing operations, makes decisions on major investments and divestments, and reviews and approves the financial statements.

The Board of Directors appoints the Chief Executive Officer, approves the instructions for the Chief Executive Officer and supervises their work. The Board conducts an annual review of the work of the CEO. The CEO's objectives for the upcoming financial year are set at that time. No management representative is present during this evaluation.

The rules of procedure of the Board are adopted annually at the statutory Board meeting. The rules of procedure include provisions on the role of the Chairman of the Board, instructions on the division of work between the Board and the Chief Executive Officer and instructions for financial reporting to the Board of Directors. The Board must also conduct an annual evaluation of its own work.

The Chairman of the Board is responsible for organising and directing the work of the Board and for ensuring that the Board fulfils its obligations. The responsibilities of the Chairman also include conveying the views of the shareholders to the Board.

According to the Articles of Association, the Board of Directors of Viva Wine Group must consist of at least three and at most ten members elected by the General Meeting. The CEO is the rapporteur at the Board meetings and the Company's CFO is the secretary of the Board. The CEO and the CFO, in the role of Secretary to the Board, are not members of the Board but they attend Board meetings, except for matters where a conflict of interest may arise, or where it is otherwise inappropriate.

Viva Wine Group's Board of Directors has two ordinary committees: the Audit Committee and the Remuneration Committee. The work of the committees is reported to the Board on an ongoing basis. The committees are to be regarded as working committees of the Board and do not assume the responsibilities of the Board as a whole.

AUDIT COMMITTEE

The work of the Audit Committee is mainly of a preparatory and advisory nature, where the Committee, in its work and in dialogue with the auditor and Group management, provides the Board with information about the business. The work of the Audit Committee aims to ensure that the Company's executive management establishes and maintains effective procedures for internal governance, risk management and control. These must be designed to provide reasonable assurance in terms of reporting (financial reporting and operational risk) and compliance (laws, regulations and internal rules) and to ensure the effectiveness and efficiency of administrative processes. The Audit Committee also discusses other significant issues related to the Company's financial reporting and reports its findings to the Board. The Committee proposes measures to be adopted by the Board of Directors if necessary.

The Audit Committee is appointed annually by the Board. The Company's CFO is the rapporteur and the Head of Group Accounting is the secretary.

REMUNERATION COMMITTEE

The Remuneration Committee is responsible for preparing and evaluating matters relating to the remuneration and other terms and conditions of employment of the Chief Executive Officer and other members of the Group management, including the remuneration structure, pension plans, incentive schemes and other terms and conditions of employment. The Committee shall also monitor and evaluate ongoing and, during the year, completed variable remuneration programmes for senior executives and monitor and evaluate the application of the guidelines for remuneration of senior executives and the remuneration structures and levels in the Company. The Remuneration Committee is appointed annually by the Board.

CHIEF EXECUTIVE OFFICER

The Chief Executive Officer is appointed by the Board of Directors. The CEO manages the activities within the framework established by the Board. The duties of the Chief Executive Officer include ensuring that the Board of Directors is provided with such factual, comprehensive and relevant information prior to Board meetings as is necessary to enable the Board to take well-informed decisions. The Chief Executive Officer is also the rapporteur of the Board and makes reasoned proposals for decisions. The Chief Executive Officer provides monthly updates to the Board of Directors with the information necessary to monitor the position, liquidity and development of the Company and the Group, and keeps the Chairman of the Board of Directors regularly informed of the Company's and the Group's activities.

GROUP MANAGEMENT

In addition to the CEO, the Company's Group management consists of the CFO, COO Nordics, as well as the CEO of Viva eCom, CEO of Wineteam Global and the Business Development Manager of Giertz Vinimport.

Group management meets regularly and deals with issues such as corporate governance, reporting and strategy. Furthermore, Group management shall prepare matters requiring a decision by the Board of Directors in accordance with the Board's rules of procedure and assist the CEO in implementing decisions of the Board of Directors. In addition to the collective responsibility for the management of the Company, each member of Group management has an individual responsibility for their respective part of the Company. At the beginning of each financial year, Group management evaluates its work, focusing on the quality of decisions, agenda, meeting structure, execution and overall performance of the Group management.

AUDITORS

The external auditors are appointed by the General Meeting for a term of office of between one and four years. According to the Articles of Association, the Annual General Meeting shall elect an auditor or an audit firm to audit the company's annual

accounts and the management of the Board of Directors and the CEO.

The external auditors report regularly to the Audit Committee of the Board and report their findings in connection with the annual accounts.

APPLICATION OF THE CODE AND OTHER REGULATIONS

As a listed company on the Nasdaq First North Premier Growth Market, the Company has chosen to apply the Code on a voluntary basis. The Company has not deviated from the Code or stock exchange rules.

INTERNAL CONTROL

The Board of Directors and the CEO are responsible for organising internal control for the Viva Wine Group. The management team monitors the financial performance of the Group and each company ensures effective control of its own operations. The Viva Wine Group's CFO manages the financial reporting processes, which are evaluated by the Audit Committee. The Board of Directors monitors the financial situation of the Group.

Viva Wine Group has a set of internal regulations which, together with the external regulations, form the framework for its operations. The key regulations include the Articles of Association, the Rules of Procedure of the Board of Directors and the instructions for the respective committees, as well as the instructions to the CEO, including financial reporting instructions and policies. The Company has the following policies:

Risk Policy
The Risk Policy describes Viva Wine Group's approach to identifying and managing risks to and within the business.

Financial policy
The Financial Policy sets Viva Wine Group's financial risk level and defines the objectives and guidelines for the Group's financial management.

Internal Control Policy
The policy defines the responsibilities and the reporting and internal control procedures for financial management.

HR policy (Gender Equality and Equal Treatment Policy), only for Sweden
The HR Policy sets out the overall framework with respect to employees in the Swedish part of the Group. It states that in order to meet the needs and expectations of its customers, the Group needs employees with diverse backgrounds and with a wide range of skills and experience.

Sustainability Policy
The Sustainability Policy describes Viva Wine Group's overall vision and guidelines for economic, environmental and social sustainability, focusing on sustainable cultivation, sustainable production, sustainable transport and packaging, sustainable communities and sustainable consumption.

Human Rights Policy
The Human Rights Policy describes Viva Wine Group's overall guidelines, limitations and responsibilities to ensure the protection and promotion of human rights in its own operations and throughout its supply chain.

Communication Policy
The Communication Policy describes the principles of Viva Wine Group's internal and external communication in order to contribute to consistent, clear and long-term effective communication between the Company's management, employees and its external stakeholders.

Insider Trading Policy
The Insider Trading Policy sets out the principles for trading in Viva Wine Group's shares and how the Company will handle inside trading information.

Business Ethics and Anti-Corruption Policy
The Business Ethics Policy states that the Company's culture should be based on responsibility, trust and a high standard of professional conduct. All Board members and the Group's management team have received training in business ethics and anti-corruption.

Internal Audit
According to the Code, the Board of Directors must annually consider whether the company should have an internal audit function. The Board has considered that an internal audit function is not necessary at present and that the monitoring and evaluation of internal control is carried out by the Board as a whole.

CORPORATE GOVERNANCE AT VIVA WINE GROUP IN 2023

Annual General Meeting 2023
The Annual General Meeting for the 2022 financial year was held on 16 May.

The 2023 Annual General Meeting resolved as follows:

- Dividend of SEK 1.55 per share for the 2022 financial year.
- Election of Anders Moberg (Chairman), Mikael Aru, Anne Thorstvedt Sjöberg, Lars Ljungälv and John Wistedt as members of the Board of Directors of Viva Wine Group. Helen Fasth Gillstedt did not stand for re-election.
- Adoption of the income statement and balance sheet for 2022 and discharge from liability of the members of the Board of Directors and the Chief Executive Officer.
- Adoption of the Rules of Procedure of the Nomination Committee.
- Authorisation to issue new shares corresponding to a maximum of 20 percent of the number of existing shares.

Authorisation
The Annual General Meeting on 16 May 2023 authorised the Board of Directors to issue new shares corresponding to a maximum of 20 percent of the number of existing shares.

Board of Directors
Composition
According to the Articles of Association, the Company's Board of Directors must consist of a minimum of three and a maximum of ten members. At the end of 2023, Viva Wine Group's Board of Directors consisted of five members: Anders Moberg (Chair), Mikael Aru, Anne Thorstvedt Sjöberg, Lars Ljungälv and John Wistedt. Further information on the individual Board members and deputies can be found on pages 30-31 of the 2023 Annual Report.

Independence of the Board of Directors
According to the Nomination Committee, four out of five members of the Board of Directors are to be considered independent in relation to the Company's major shareholders, as well as to the Company and its management.

Meetings
The Board is convened for six ordinary meetings a year and one statutory meeting. In addition to the ordinary meetings, the Board of Directors shall be convened for additional meetings at the request of any member of the Board or of the Chief Executive Officer. The auditor's report is presented to the Audit Committee at the Board meeting during which the annual accounts are presented.

Remuneration to the Board of Directors
Remuneration to the Board of Directors for the period from the 2023 Annual General Meeting up to and including the 2024 Annual General Meeting has been paid in accordance with resolutions of the 2023 Annual General Meeting. No Board fees were paid to Board members employed by Viva Wine Group.

For more information on Board fees in 2023, see Note 7 in the Company's 2023 Annual Report.

Work of the Board of Directors in 2023
During the period from 1 January 2023 to 31 December 2023, the Board of Directors held nine Board meetings and one statutory Board meeting. At all regular Board meetings, the Board of Directors received an overall presentation from the CEO and discussed the performance of the Company and its associated companies, as well as other projects and issues. All meetings during the year followed an approved agenda. Before each meeting, the draft agenda, including any documentation for each item on the agenda, was sent to the Board of Directors.

Audit Committee
Members in 2023 were: Lars Ljungälv (Chair), and Mikael Aru. In connection with the statutory board meeting after the General Meeting, Helen Fasth Gillstedt was replaced by Mikael Aru as a new member of the Audit Committee. The Chair of the Committee kept the Board informed of the Committee's work and decisions throughout the year. The number of meetings held in 2023 was five. The Company's CFO attended all meetings of the Audit Committee in 2023.

Remuneration Committee
Members in 2023 were Anders Moberg and Anne Thorstvedt Sjöberg. The Chief Executive Officer of the Company serves as rapporteur on certain issues, but is not a member of the Committee and is not present when the Committee prepares decisions related to remuneration of the Chief Executive Officer.

The Chair of the Committee has kept the Board informed of the Committee's work and decisions throughout the year. The Committee meets as often as necessary and at least twice a year.

Group Management

In 2023, Viva Wine Group's Group management consisted of Emil Sallnäs, Linn Gäfvert, Mikael Sundström (until 31 December 2023), Anna Möller, Christian Fricke, John Wistedt and Björn Wittmark. Further information on the Company's Chief Executive Officer and other members of Group management's shareholdings in Viva Wine Group can be found on pages 32-33 of the 2023 Annual Report. Emil Sallnäs has no significant shareholdings or participations in companies with which Viva Wine Group has significant business relations.

Remuneration of Group management

For information on the guidelines adopted by the AGM, see Note 7 of the 2023 Annual Report. For information on remuneration and other benefits for Group management, see Note 7 in the 2023 Annual Report.

Audit and auditors

The 2023 General Meeting appointed Ernst & Young AB as the Company's auditor for the period from 2022 until the end of the 2024 AGM. In 2023, in addition to auditing, Ernst & Young AB also undertook consultancy engagements for the Group regarding tax and audit-related services.

Andreas Nyberg Selvring, Authorised Public Accountant, is the auditor in charge. For information on remuneration of Viva Wine Group's auditors in 2023, see Note 6 Fees and reimbursement of expenses to auditors in the 2023 Annual Report.

Sustainability reporting

Accounting policies and framework

This report is Viva Wine Group's integrated Annual and Sustainability Report, in which the sustainability section is prepared in accordance with Global Reporting Initiative (GRI) Standards.

EXTENT OF REPORTING

The Sustainability section of the 2023 Annual Report contains comprehensive and material information on the economic, social and environmental impact of Viva Wine Group's operations between 1 January 2023 and 31 December 2023.

The report is prepared in accordance with GRI Standards 2021. Sustainability data are limited to the Swedish operations. Financial data refer to the Group as a whole. The integrated Annual and Sustainability Report is published on the Company's website once every calendar year. The Sustainability Report for 2022 was published on 24 April 2023.

ENVIRONMENTAL DATA

Viva Wine Group's reported climate data cover its Swedish operations, the climate impact of transporting goods to the Swedish market and the climate impact of the packaging of these goods. The report also describes the environmental initiatives of selected producers and other parts of the supply chain. Climate-impacting emissions are calculated and reported in accordance with the GHG Protocol. Consolidation is based on the operational control method. In addition to reporting direct greenhouse gas emissions (Scope 1) and indirect greenhouse gas emissions (Scope 2), we also calculate and report large parts of the indirect emissions of our operations that are outside the direct control of our business (Scope 3). We do so because a significant majority of our environmental and climate impact occurs in the supply chain. All emission factors come from open sources. The majority of the emission factors come from authorities such as the Swedish Environmental Protection Agency and the Swedish Transport Administration, while a smaller portion comes from product-specific reports. The source of estimates of global warming potential is the Fifth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC). All greenhouse gas emissions data contain inherent uncertainties due to incomplete scientific knowledge.

SOCIAL DATA

The social data reported by Viva Wine Group include information about salaries and absence due to illness for employees in the Swedish operations. Reported staff data relate to the average for the previous year. We also monitor implementation of the amfori BSCI Code of Conduct in the supply chain and provide descriptions of initiatives to promote sustainable local communities in producer countries.

Materiality analysis

In 2023, Viva Wine Group conducted a double materiality analysis according to the European Sustainability Reporting Standards and GRI Standards 2021. The analysis covered sustainability-related risks assessed in two dimensions: financial risk for the company and risk of negative impact on sustainable development. The analysis will be deepened in coming years to include opportunities for positive impact and opportunities for financial value creation.

The double materiality analysis was conducted by Viva Wine Group's management team and built on insights from previous years' materiality analyses.

Area	Question	Material sustainability aspect	Material impact	Financial risk
ENVIRONMENT	Climate and energy	Effects of a changed climate on production and cultivation	High	Medium
		Climate impact of own operations and supply chain	High	Medium
		Climate-smart transport	High	Medium
		Energy	Medium	Medium
	Biodiversity	Biodiversity	High	Medium
	Packaging	Sustainable packaging and use of plastics	Medium	Low
	Water	Water	High	Low
	Toxic substances	Toxic substances (substances of high concern)	Very low	Very low
SOCIAL MATTERS	Workers in the value chain	Human rights	Medium	Medium
		Good working conditions	High	Low
	Own employees	Gender equality and diversity	Medium	Low
	Consumers and end-users	Consumer health and safety	Medium	Low
	Local communities	Sustainable local communities	Medium	Low
GOVERNANCE	Ethics and behaviour	Business ethics and anti-corruption	Low	High
		Responsible marketing	Low	Medium
	Sustainable supply chain	Traceable production and raw materials	Medium	Low
		Organic and ethical certification	High	Medium
		Responsible purchasing	High	Medium

IMPACT IN OUR VALUE CHAIN

The vast majority of production and cultivation takes place in our supply chain, in which Viva Wine Group is not the owner. As buyers and partners, we do have an opportunity to exert influence through our the Code of Conduct for suppliers.

CONCLUSIONS FROM MATERIALITY ANALYSIS

The double materiality analysis confirms the previously established sustainability strategy of the Viva Wine Group with five priority areas:

- Sustainable workplace focused on health, gender equality and diversity.
- Sustainable production with a focus on working conditions and human rights.
- Sustainable cultivation with a focus on biodiversity, fertiliser use and water consumption.
- Sustainable transport and packaging with a focus on climate, packaging materials and recycling.
- Sustainable consumption with a focus on responsible marketing, alcohol information and moderation.

STAKEHOLDER DIALOGUE

Stakeholder dialogue is an important source of information for Viva Wine Group's sustainability performance. We conduct regular reconciliations with key stakeholders. A structured stakeholder dialogue has been conducted within the framework of previous materiality analyses.

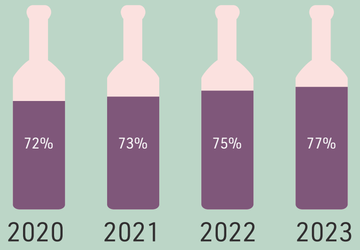
Viva Wine Group has the following key stakeholders:

- Shareholders
- Employees
- Producers
- Suppliers
- Transporters
- Customers
- Consumers
- Politicians, decision-makers and authorities
- NGOs
- Media
- External funders

The impact of climate change

For the wine industry, the consequences of climate change are already a reality. Viva Wine Group is therefore systematically investing in mitigating measures to reduce and respond to them.

Share of volume of wine in climate-efficient packaging *



*) Climate efficient packaging is lightweight glass (below 420 grams), bag-in-box, pouch, can, tetra and PET.

IMPACT OF CLIMATE CHANGE ON THE WINE INDUSTRY

We have an ongoing dialogue with our producers about their efforts to respond to the effects of a changing climate. Many producers in our supply chain are reviewing the characteristics of grape varieties and investing in switching to more resistant varieties. We are also seeing producers working to make nature more resilient to climate change by restoring areas around and in the vineyard to promote biodiversity, absorb greater volumes of water and reduce soil erosion.

The risk of disruption to the Viva Wine Group supply chain from a changing climate is considered low in the short term as we buy from a large number of producers in different regions.

THE PRODUCERS ARE ADAPTING

More and more producers are committing to efforts to minimise their climate impact. They measure their climate impact, set climate targets and act, for example, by installing solar panels, energy-efficient technologies, water-saving and recycling systems, and reducing the use of artificial fertilisers.

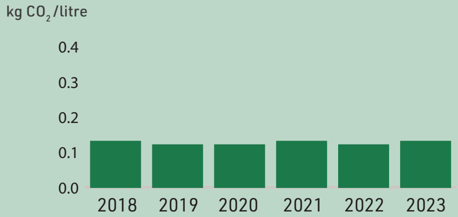
OUR TARGET: HALVE CO_2 PER LITRE BY 2030

Viva Wine Group plays an active role in the climate transition in our industry. We have been part of the Beverage Industry Climate Initiative since it began in 2017, and have been reporting our climate impact through packaging and transport since 2018.

We are committed to achieving a 50 percent reduction in CO_2 emissions per sold litre of wine by 2030, with the aim of achieving net zero climate impact by 2050.

EMISSIONS IN 2023

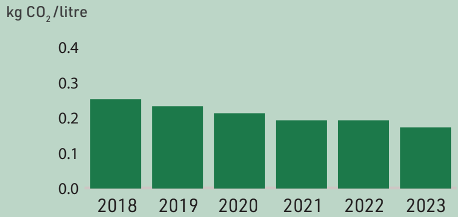
Climate impact, transport



Climate efficient logistics

Most of our transport in Europe and the Nordics is by rail.

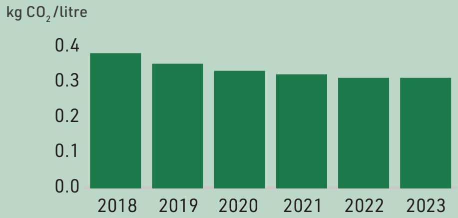
Climate impact, packaging



Continued decrease in 2023

The climate impact of packaging continued to decrease in 2023.

Climate impact, total



Summary

CO_2 emissions per litre sold remained unchanged from the previous year.

FOCUS AREAS, SUSTAINABILITY TARGETS AND OUTCOMES

Focus areas	Target	Global SDG	Outcome 2021	Outcome 2022	Outcome 2023	Target 2023	Target 2030
Sustainable cultivation and production	Share of producers with an approved code of conduct	SDG 8	100%	100%	100%	100%	100%
	Share of volume audited for sustainability	SDGs 8, 12, 13, 15	39%*	65%	63%	67%	100%
	Share of volume certified organic and/or ethical	SDGs 12, 15	49%	48%	46%	50%	75%
Sustainable transport and packaging	Share of climate-smart packaging	SDGs12, 13	73%	75%	77%	75%	90%
	Climate impact CO_2eq/litre from transport	SDG 13	0.13 kg	0.12 kg	0.13 kg	0.11 kg	0.06 kg
	Climate impact CO_2eq/litre from packaging	SDG 13	0.19 kg	0.19 kg	0.17 kg	0.19 kg	0.11kg
	Climate impact CO_2eq/litre total	SDG 13	0.32 kg	0.31 kg	0.31 kg	0.30 kg	0.17 kg
Sustainable workplace	Absence due to illness	SDGs 5, 8	1.3%	2.5%	2.4%	2.0%	2.0%
Sustainable consumption	Warning text on advertisements	SDG 3	100%	100%	100%	100%	100%

* The COVID-19 pandemic prevented planned on-site sustainability reviews for producers

Our
7
selected
UN global
SDGs

The global sustainable development goals

At the 2015 UN Summit, 17 sustainable development goals were agreed, setting out the direction for work by all Member States until 2030.

SDG 3: good health and well-being
We develop and sell alcoholic beverages and want them to be consumed in a way that provides enjoyment and well-being. We promote moderation, both in marketing and through financial support for health promotion projects.

SDG 5: gender equality and secure workplace
We take responsibility on the ground in Sweden, in our own organisation. We want to offer an equitable and secure workplace where everyone is given the opportunity to reach their full potential. The gender distribution in management positions should be equal and reflect the composition of the company as a whole.

SDG 6: clean water and sanitation
Water is in short supply in many places around the world, and we therefore encourage producers to implement smart irrigation systems.

SDG 8: decent work and economic growth
For us it is important that workers in the fields and vineyards have good working conditions. That is why we have joined amphori BSCI and regularly visit our producers.

SDG 12: responsible consumption and production
We promote organic and ethical cultivation and invest in climate-smart and recyclable packaging to thereby promote effective use of natural resources.

SDG 13: climate action
Cultivation, transport and packaging all affect the climate. If we do not succeed in curbing global warming, it will become increasingly difficult to grow grapes for good wine.

SDG 15: life on land
Cultivation can both deplete and enhance biodiversity. We are dedicated to ensuring that wine is cultivated in a way that has as little impact on the ecosystem as possible.

Climate budget and carbon offsetting

We use climate budgets as a policy tool in our Swedish business and we carbon-offset emissions from the transport chain and the climate impact of heavy glass packaging. Our investments are made in partnership with recognised organisations to reduce climate impact globally and create social benefits locally. Social added value such as health and gender equality are at the core.

CLIMATE BUDGET

For our Swedish subsidiaries, a climate budget is calculated each year based on the previous year's climate impact and the targets set for 2030. The climate budget indicates the total climate investment the company must make in order for the impact of its operations from transports and heavy packaging to be climate neutral. The more climate-efficient the organisation proves to be, the less of the budget will need to be spent on climate investments, and the more can be invested in other things, or be taken as profit. Climate budgeting has become a powerful tool to help guide companies to reduce their impact.

CLIMATE INVESTMENTS

Viva Wine Group companies are developing several different climate projects with key producers. Investments in recent years have included the installation of solar panels, solar-powered water pumps and composting machines. The purpose of the investments is twofold: to reduce the climate impact at the production stage and to make producers self-sufficient and less dependent on purchased energy and electricity.

CARBON OFFSETTING

The basis of our work to combat climate change is to reduce the climate impact from our own operations and our supply chain as much as possible. We do this by making climate-smart choices and efficiency improvements. We offset for the remaining impact from our own operations, heavy packaging and climate impact from the transport. Carbon offsetting is done through investments in Solvatten. Solvatten is an innovative water treatment solution that contributes to improved health, greater gender equality and reduced climate impact.

Solvatten 2018-2023*

10,099 Units → 494,851 Saved trees

74,561 tonnes, offset CO_2 emissions → 424,158 m^3 of clean water

SOLVATTEN®
Innovative water treatment solution

- Heated water in 2–6 hours
- Yields about 6,000 litres per year
- Indicator shows when the water is clean
- Used several times a day
- Easy to use and to carry
- No batteries, spare parts or chemicals needed
- Has a long life span, 7-10 years

INNOVATIVE WATER TREATMENT SOLUTION

Solvatten

It is important for us at Viva Wine Group that our carbon offsetting contributes to several important sustainability goals. Solvatten is an innovative water treatment solution that contributes to improved health, greater gender equality and reduced climate impact. The award-winning invention has been developed by a Swedish family business, and is used in many places, particularly in Africa. Viva Wine Group's investments are in Kenya.

*Source: Solvatten

Sustainable cultivation

For us at Viva Wine Group, sustainable cultivation means safeguarding the soil, water and biodiversity in the vineyard. We do this by optimising production methods based on local conditions and working to reduce chemical use and water consumption.

ORGANIC CULTIVATION AND WINEMAKING

For a wine to be labelled and sold as organic, both the cultivation of the grapes and winemaking processes must be organic. This means that the grapes are grown without artificial fertilisers, chemical herbicides or pesticides. Organic cultivation uses nature's own pest control methods, such as ladybugs. The excipients used in vinification are also organic. In addition, the use of sulphur and copper are also restricted. To be certified, organic cultivation methods must be used for at least three consecutive years.

BIODIVERSITY

The natural methods of organic cultivation promote biodiversity and provide a rich variety of plants, which also benefits the wildlife in the vineyard, reduces the impact on groundwater and ensures that vineyard workers are not exposed to herbicides while at work.

EFFICIENT WATER USE

Vines are hardy plants, with deep roots, which means limited water requirements. The amount of water also affects the quality of the wine, and irrigation is therefore often strictly regulated. Water is usually supplied using smart drip irrigation systems that do not give the vines more water than they really need, and reduce the risk of water evaporating.

CERTIFICATION MAKES A DIFFERENCE

Organic cultivation is time consuming, which can affect the price to the consumer. At the same time, it contributes to rich, diverse and productive ecosystems, preserves biodiversity and reduces the amount of poisons in nature. However, there are other ways to contribute to sustainable cultivation besides organic cultivation, and many winegrowers are working systematically to reduce their environmental impact without being certified organic.

HEALTHY FOR EMPLOYEES

Organic cultivation without chemical pesticides not only benefits biodiversity, it is also healthier for workers in the vineyard.

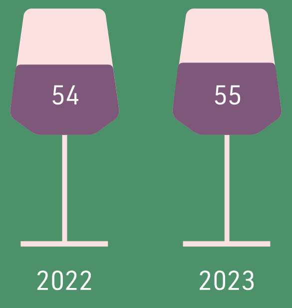
NATURAL CULTIVATION

Organic cultivation prohibits the use of non-natural chemical pesticides. Instead, weeds and pests are kept at bay naturally.

CAREFUL PRODUCTION

Organic production means less use of sulphur in winemaking.

Share of wine with certification
approved according to *Our Most Sustainable Beverages* %



Sustainable production

Viva Wine Group has a systematic approach to setting requirements and monitoring that our producers fulfil requirements regarding fundamental human rights, good working conditions and respect for the environment. This work is part of our commitment to amfori, an international initiative to promote and collaborate on sustainable supply chains.

AMFORI BSCI

Viva Wine Group's work to ensure a sustainable supply chain is based on the amfori BSCI Code of Conduct. The Code is embedded in globally accepted standards for good labour conditions, human rights and respect for the environment. The standard is based on the UN Guiding Principles on Business and Human Rights, the OECD Guidelines on Sustainable Business and Due Diligence and the ILO Convention on Fundamental Principles and Rights at Work. More information is available at www.amfori.org.

Our target is for 100 percent of our producers to sign the Code of Conduct. By the end of 2023, 100 percent of producers had signed. The target includes volumes in Systembolaget's fixed-product range. Of the total volumes, 99.9 percent are signed for.

FOLLOW-UP AND INDEPENDENT CHECKS

Viva Wine Group has a systematic process for following up that our producers fulfil their commitments under amfori BSCI. We adopt a risk-based approach with a special focus on producers in countries at risk. For producers and products assessed as high-risk, audits are carried out under our membership of amfori BSCI. The following countries in our supply chain have been identified as countries at risk: Argentina, Bulgaria, Chile, Moldova, Italy and South Africa.

Our target is to have 67 percent of the volumes we buy from countries at risk independently audited. In 2023, we reached 63 percent. However, the prospects of achieving this target are currently limited by a shortage of auditors. In the event of non-compliance, we help the producer to develop action plans and address the problems. If, after a follow-up audit,the producer has not addressed the shortcomings, the partnership may be terminated, which did not happen in 2023.

SUSTAINABILITY DIALOGUE WITH PRODUCERS

Sustainability is an integral part of our business, and we conduct a continuous dialogue with producers about their sustainability efforts. We have developed a tool for dialogue that all employees, regardless of their position, can use in meetings with producers and growers. The tool contains information on sustainability, suggested questions or possible findings that may provide a pointer to the producer's sustainability performance. The tool also provides an opportunity to record answers and personal comments for possible follow-up or reminders for the next meeting.

WHISTLEBLOWING SYSTEM

Viva Wine Group is committed to early discovery and acting on signals of contraventions of our ethical principles and policies. We have a whistleblowing system in cooperation with an external provider, where employees, producers, agents, customers and other business partners can anonymously provide information on abuses and irregularities.

Sustainable local communities

Viva Wine Group has far-reaching partnerships with key producers, and together we have developed several certified products and projects.

FINANCIAL SECURITY

With Fairtrade and Fair for Life certification, winemakers receive a guaranteed minimum price for their grapes and a guaranteed market for the harvest each year. They also gain access to loans and credits, free technical assistance and advice, insurance in case of production losses and a premium per kilo of grapes sold. For every litre of certified wine sold, a sum goes directly back to the local community, often hundreds of thousands of Swedish kronor per year. How the money is invested is decided locally by employees through a democratic process.

SOCIAL SUSTAINABILITY

The Fairtrade and Fair for Life certification schemes fund several projects through the premium. Since 2010 alone, our sales of certified products have contributed more than SEK 20 million in Argentina, Bulgaria and South Africa.

FOOT OF AFRICA – KLEINE ZALZE

Kleine Zalze and the Viva subsidiary Winemarket have set up an educational fund that aims to fund higher education for vineyard workers and their families. Each year, three to four individuals are given the opportunity to gain a university degree or equivalent. The aim is to create role models in the local community, while providing the wine industry with access to more highly trained staff in the long term.

Kleine Zalze regards the power of people's dreams as huge. Through the scholarship, they help workers in the winery, vineyard and surrounding villages to realise their full potential, while serving as inspiring role models for others.

HOPE – DU TOITSKLOOF

The Hope Mobile Library, a purpose-built mobile library, was rolled out onto the roads of Breedekloof in South Africa in 2022. Du Toitskloof, in cooperation with Viva Wine Group's subsidiary Iconic Wines, has made a commitment to offer the children of vineyard workers access to books by funding and enabling the library. Many schools in the region do not have access to computers or books, and many children are unable to reach public libraries. The solution is for the library to come to them. It offers computers with desk space, printed books, e-books, tablets, learning toys and games. During the year it has been updated with more materials and books. A dedicated librarian is always at hand. The bus visits nine schools at least once every two weeks, reaching over 1,400 children.

LEVA – VINEX SLAVYANTSI

The social and economic situation for ethnic minorities is very difficult in Bulgaria, especially for the Roma population, and the area around Vinex Slavyantsi is home to many people of Roma origin.

In 2008, the Viva Wine Group subsidiary Giertz Vinimport and Vinex Slavyantsi, together with representatives of the Roma population, set up a foundation to improve living conditions and future opportunities in the local area.

Known as the LEVA Foundation, Giertz Vinimport has contributed around SEK 9 million since 2008. The money has been spent on supporting three pre-schools with 120 children, grants for families to pay for their children to attend preschool, support for school pupils and scholarships for higher education. Giertz Vinimport has also supported health projects, provided legal assistance to employed workers, supplied several cultural centres with stage clothes and organised sports activities and school trips during the school holidays.

ECOLOGICA – LA RIOJANA

The La Riojana wine cooperative is located in northwestern Argentina. The co-operative was founded in 1940, and since then four generations and several hundred families have been involved in growing grapes for the wine Ecologica. Most are small-scale producers with less than 2-3 hectares of land per family.

Since obtaining Fairtrade certification in 2006, La Riojana has implemented over 30 projects funded by the Fairtrade premium. The largest project is a technical agricultural high school built in 2010 in the small village of Tilimuqui with funding from the COOP in the UK and the Viva Wine Group subsidiary Giertz Vinimport in Sweden. Since its opening, the school has grown from around 30 students to over 600 and is the first technical upper secondary school to be built in the province of La Rioja. It is also one of the largest Fairtrade-funded projects in the world. The latest addition is a health centre that will provide healthcare for around 10,000 people in the region.

Sustainable transport and packaging

Viva Wine Group views sustainable transports and packaging solutions as key factors in dramatically reducing the climate impact of its operations and meeting its climate neutrality targets.

OPTIMISED LOGISTICS

We know that shipping, warehousing and packaging have a significant environmental impact, and together with our partners we strive to steadily develop smart solutions and innovative projects.

Together with our partners, our logistics specialists create efficient co-distribution solutions with good reliability, minimal environmental impact and maximum fill rate. We have successfully switched most of our transport within Europe to the Nordics from truck to train. For longer distances, ships are used. Our choice to switch from trucks to trains and ships has dramatically reduced emissions. Some products are transported over long distances in tanks, after which the wine is bottled or boxed in Denmark or France. This reduces transport weight and thus climate impact. In Sweden, our warehouse partner additionally has a rail terminal, which means that our products travel by rail all the way to the warehouse, where they are unloaded using electric forklifts.

SMART PACKAGING

Packaging is one of the areas of the business with the greatest climate impact. This is due to its weight, manufacturing process and potential recycling rate.

In collaboration with suppliers and customers, we therefore prioritise climate-smart packaging, i.e. bag-in-box, tetra, pouch, lightweight glass and PET. In 2023, 77 percent of our sold volumes was offered in climate-efficient packaging.

WORLD-LEADING RECYCLING

We actively take producer responsibility in Sweden for the recycling of our products. Together with other industry participants, we have helped to build up the Nordic glass and paper recycling systems into world leaders.

BEVERAGE INDUSTRY CLIMATE INITIATIVE

The joint framework for the Swedish beverage industry, DKI, was initiated in 2017 by Systembolaget, the Swedish Brewers Association (Sveriges Bryggerier) and the Swedish Spirit and Wine Suppliers Association (Sprit & Vinleverantörsföreningen, SVL). Viva Wine Group has been involved from the outset, driving the collaboration forward with a third-party-reviewed calculation tool and common goals.

EFFICIENT E-COMMERCE

We make systematic efforts to reduce our carbon footprint in our non-Nordic e-commerce. Low return rates and partnerships with delivery companies that run exclusively on renewable fuels help to reduce climate impact. Studies also show that e-commerce itself can reduce climate impact compared with consumers going to the store for their purchases.

Sustainable workplace

Our employees, along with our producers, are Viva Wine Group's greatest asset. We offer a sustainable workplace where employees can grow and develop.

GOOD LEADERSHIP

For us at Viva Wine Group, it is important that everyone strives to be a good role model. Humanistic and value-driven leadership is therefore a hallmark of the business. The aim is to help both employees and the organisation to develop and grow. Together we create an open, fast-paced and inclusive work environment.

STEADY DEVELOPMENT

We are committed to ensuring that all employees develop and reach their full potential. Further training is offered on an ongoing basis, and internal mobility is encouraged. Our staff grow and develop with the company, and are given the opportunity to take on new roles with wider responsibilities.

DIVERSITY IS AN ASSET

We recruit based on merit and believe that people with different backgrounds, interests and personalities contribute to an innovative and progressive business. We firmly believe that a gender-equal and equitable workplace benefits both the individual and the organisation. We also endeavour to achieve an even distribution in terms of gender and age, both among employees in general and among those with staff responsibilities or other management positions.

GOOD BUSINESS PRACTICE

We consider ethics and good business practice to be fundamental, as summarised in our anti-corruption policy. We will demonstrate good conduct and ethical judgment in all business relationships with employees, suppliers, customers and other stakeholders.

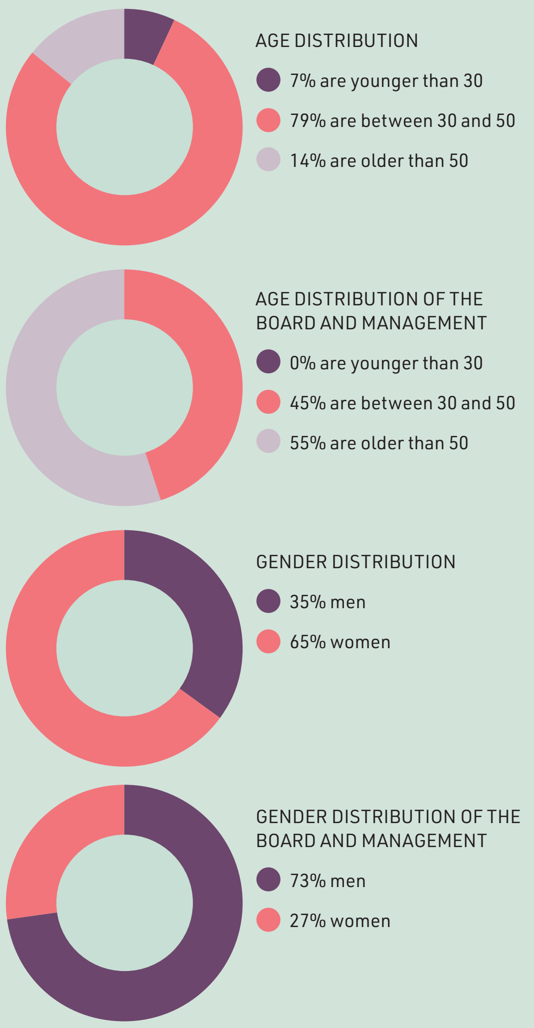
ANTI-CORRUPTION

In accordance with our values, guidelines and amfori BSCI, we do not accept corruption in any form – neither bribery, extortion, abuse of power, nor anything similar. Our employees are not allowed to give or receive bribes, or gifts that could be perceived as bribes. If an employee is in doubt about a gift or a benefit, they need to consult their supervisor for an opinion. We ensure that employees, agents and representatives are aware of, and follow, the guidelines in Systembolaget's policy for contacts between suppliers and Systembolaget staff. We also follow the rules of the Swedish Spirit and Wine Suppliers Association (SVL) for member companies' conduct in relationships with customers and each other. Briefly, these relate to not taking unfair advantage of competitors. Our anti-corruption policy also covers partners and producers, and is part of the commitment they have to make to work with us.

WHISTLEBLOWING SYSTEM

We are also committed to sustainable jobs and good working conditions in our supply chain. To support this, we use a whistleblowing system. No incidents linked to corruption, discrimination or other contraventions were reported in 2023. Nor were they any legal contraventions resulting in fines or other sanctions.

Distribution of employees 2023 (Sweden)



Sustainable consumption

At Viva Wine Group, we care about how our products are produced and how they are consumed. Alcoholic beverages are part of our dining culture and, for many people, part of a complete dining experience.

CONTROLLED SALES

The Nordic monopolies ensure controlled sales, equal treatment of origin and a breadth and depth of choice that in many ways is unparalleled in the world.

Viva Wine Group upholds controlled and responsible sale of alcohol. In Sweden, Finland and Norway, there is a strong desire to protect public health, as a consequence of which in-store sales of alcohol take place through the state-owned companies Systembolaget, Alko and Vinmonopolet.

SELF-REGULATION

Sweden, Finland and Norway have imposed many restrictions on communication and marketing related to alcohol. Our companies are careful to comply with the law, but as part of this endeavour the Swedish trade association SVL has taken the initiative for a code of ethics and the Swedish Alcohol Suppliers' Scrutineer (Alkoholgranskningsmannen, AGM).

AGM is the alcohol industry's self-regulating mechanism, providing education and support, but also has the right to intervene against companies that contravene laws and ethical guidelines and to demand that marketing ceases. Anyone can report an advertisement to AGM, which investigates, examines and decides on the case.

CONSUMER INFORMATION

We are aware that alcohol consumed inappropriately can cause problems for individuals, their friends and families and society at large. We therefore promote moderate and responsible consumption. In Sweden, we promote consumer information by developing the Drinkwise.se website together with other industry players. This website aims to be a thought-provoking platform for information, discussion and reflection on attitudes towards alcohol and how to consume it responsibly. With this initiative, we and other companies in the sector aim to disseminate information, create a dialogue and promote a more responsible approach to alcohol.

INITIATIVES AGAINST JUVENILE DRINKING

In Sweden, we work with the industry to reduce juvenile drinking and delay the age at which young people start drinking through the initiative Talking About Alcohol. The method is conversation-based instruction focused on teaching young people to resist social pressure, raise their level of self-esteem and understand their own responsibility. A three-year scientific study conducted by Karolinska Institutet evaluated the Talk About Alcohol method, and the results showed that schoolchildren who completed the course had less risky drinking behaviour than comparable students who had not followed the programme.

The auditor's opinion regarding the statutory sustainability report

To Viva Wine Group AB 559178-4953

ENGAGEMENT AND DISTRIBUTION OF RESPONSIBILITIES

The Board of Directors is responsible for the sustainability report for the year 2023 on pages 40-52 and the associated sustainability notes on pages 109-114 and for it having been prepared in accordance with the Annual Accounts Act.

FOCUS AND SCOPE OF THE REVIEW

Our review was conducted in accordance with FAR's recommendation RevR 12 The auditor's opinion regarding the statutory sustainability report.

This means that our review of the sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

We consider that this review provides a sufficient basis for our opinion.

OPINION

A sustainability report has been prepared.

Stockholm, 24 April 2024

Ernst & Young AB

Andreas Nyberg Selvring
Authorised Public Accountant

Financial information

Directors' report

The Board of Directors and Chief Executive Officer of Viva Wine Group AB (publ), corporate registration number 559178-4953, hereby submit the annual accounts and consolidated financial statements for the financial year 1 January 2023 – 31 December 2023. The Company's registered office is in Stockholm. The annual accounts have been prepared in Swedish kronor, SEK, and all amounts are in SEK million, unless otherwise stated.

INFORMATION ABOUT THE BUSINESS

Viva Wine Group is the leading wine group in the Nordics, with a strong position in the European e-commerce market for wine. The Company develops, markets and sells both own and partner brands in most of its markets.

The Group consists of several entrepreneurial companies that share a platform providing economies of scale. The Company sells quality wines from around the world in more than ten countries, including Sweden, Norway, Finland, Germany, Switzerland, Austria and the Czech Republic. The business is distinguished in the market by the Company's decentralised organisation notable for creativity and entrepreneurship. In Sweden, the Company is the principal owner of the wine importers Giertz Vinimport AB, The Wine Team Global AB, Morningstar Brands AB, Iconic Wines AB, Winemarket Nordic AB and Tryffelsvinet AB. In Finland, the Company is the principal owner of Cisa OY, and in Norway the Company is the principal owner of Norwegian Beverage Group AS. In addition to its Nordic business, the Company owns Viva eCom in Germany with the operating companies Vicampo.de GmbH and Wine-in-Black GmbH. In addition, the company has operations in France and the United States.

The company splits its business into three segments: (i) Nordics, (ii) eCom and (iii) Other. The Nordics segment is the largest segment based on net sales, in which the state retail monopolies Systembolaget, Alko and Vinmonopolet are the largest customers. Other customers in the Nordics segment include wholesalers, hotels and restaurants. The eCom segment includes consumer e-commerce sales in Europe. The Other segment includes the Company's pilot sales to B2B customers in the United States, as well as management and administration of the Group, Parent Company and Group-wide activities.

SIGNIFICANT EVENTS DURING THE YEAR

During the year, the Group updated its segment reporting, with the former operating segments Sweden and Nordics being merged and now being reported as a single operating segment, Nordics. The merger was carried out in order to report the operating segments in a way that is more consistent with the company's internal governance and the breakdown of the company's financial targets by segment. Historical figures have been recalculated as if the change took place on 1 January 2022. The change has not had any impact on the consolidated comprehensive financial statements.

Viva eCom's e-commerce branch started delivering from its new centralised e-commerce warehouse. The opening of the new warehouse marks the final step in Viva eCom's strategy to consolidate its various platforms into one head office, one warehouse and one integrated team. The warehouse covers approximately 12,000 square metres and is located outside Mainz in Germany.

Viva Wine Group signed an agreement to acquire the Norwegian wine supplier Target Wines AS. Target Wines AS is a company with extensive expertise in developing own brands for the Norwegian market. By including Target Wines AS sales in the growing net sales of Viva Wine Group's subsidiary Norwegian subsidiary, Norwegian Beverage Group is continuing to consolidate its position as one of the leading importers of wine in Norway. The transaction was finalised in the first quarter of 2024. For more information, see Note 29.

FINANCIAL DEVELOPMENT DURING THE FNANCIAL YEAR

Net sales

In 2023, net sales increased by 4.1 percent to SEK 3,981 (3,825) million. Net sales in the Nordics segment increased to SEK 3,238 (3,029) million as a result of a continued increase in the distribution of existing products and successful new product launches. Net sales decreased in the eCom segment during the year due to weaker markets and lower consumer sentiment, particularly in Germany. Net sales totalled SEK 732 (775) million.

Operating profit

Operating profit in 2023 decreased to SEK 165 (310) million. Operating profit in the Nordics segment decreased to SEK 201 (276) million during the year. During the year, the Swedish and Norwegian businesses were adversely affected mainly by an unfavourable exchange rate against EUR. The weakness of the Swedish and Norwegian currencies directly impacts operating profit and operating margin.

Operating profit for the full year 2023 in the eCom segment was SEK -19 (47) million; the change largely consisting of non-recurring items in previous years. Items affecting comparability in 2022 are largely linked to the restructuring in the eCom segment and include the positive effect of the divestment of the warehouse property in Butzbach, the effect on operating profit amounting to SEK 50 million.

Operating profit in the Other segment was SEK -17 (-12) million.

Net profit

Net profit for the full year 2023 was SEK 116 (278) million, 2022 being greatly impacted by non-recurring items recognised under consolidated operating profit. Net financial items during the year totalled SEK -53 (49) million, with the Group having negative exchange effects in 2023 while exchange effects in 2022 produced positive effects.

Financial position and liquidity

During the third quarter, Viva Wine Group proactively renegotiated its financing, securing a solid financial position to support the strategy for future growth. The previous term loan of EUR 66 million was repaid, and a new term loan of EUR 50 million was established at the end of September. A new revolving credit facility (RCF) of EUR 40 million was established at the same time. Both through a banking consortium consisting of SEB and Danske Bank. The SEK 150 million overdraft facility was increased to SEK 200 million. The refinancing will contribute positively to the Group's cash flow going forward. Both the overdraft facility and the RCF were unused at 31 December 2023.

Cash and cash equivalents on 31 December 2023 totalled SEK 94 (339) million; the decrease is mainly due to the year's refinancing. In addition, at the end of the quarter there were unused credit lines of SEK 200 million and unused RCF of EUR 40 million.

Group net debt, including lease liabilities under IFRS 16, increased in comparison to the fourth quarter of the previous year by SEK 28 million to SEK 519 million. Net debt/EBITDA, for the last 12-month period, totalled 1.8 (1.1); the increase mainly being explained by the positive non-recurring effects that arose in Q3 2022 as a result of the sale of a warehouse property.

Cash flow

Cash flow from operating activities before changes in working capital during the year was SEK 196 (362) million. Cash flow from change in working capital was SEK 15 (-76) million.

Cash flow from investing activities was SEK -35 (-5) million; during the year SEK -20 million was invested in the Group's new centralised e-commerce warehouse. Tax on gain from the sale of the warehouse property disposed in Germany in 2022 of SEK -12 million was settled during the year.

Cash flow from financing activities totalled SEK -422 (-281) million. The refinancing done during the year had an impact on cash flow of SEK -187 million. Repayment of loans from credit institutions in addition to refinancing totalled SEK -57 (-105) million. During the year, SEK -160 (-155) million was distributed as dividend, of which SEK -138 (-133) million to the Parent Company's shareholders.

The above resulted in cash flow of SEK 245 (1) million for the period.

Equity

Group equity at 31 December 2023 totalled SEK 1,722 (1,865) million. Equity ratio was 47.4 (47.7) percent.

Net profit for the year was SEK 166 million. During the year, a total of SEK -171 million was distributed as dividend, of which SEK -138 million to shareholders of the Parent Company.

FUTURE DEVELOPMENT

Efforts to integrate and streamline the Group's European e-commerce operations continued in 2023 with the Group's new centralised e-commerce warehouse entering service. As a result, our e-commerce business will be well prepared for future profitable growth. The Group intends to continue working to achieve synergies between the Nordic business segments in the efficient organisation that is now in place in the Nordic monopoly markets. Based on the combination of organic growth in several segments and a continued acquisition strategy, the Group is expected to continue to grow.

On 1 January 2024, Viva Wine Group's Swedish subsidiaries Chris Wine & Spirits AB and Winemarket Nordic AB merged to form Morningstar Brands AB. The Company is Sweden's leading importer of partner producers’ brands from around the world. Broad range of quality wines for consumers and restaurants , as well as well-known spirit brands

RISKS AND UNCERTAINTIES

The Group's profitability is sensitive to changes in exchange rates, particularly in EUR/SEK and EUR/NOK, and the Group therefore engages in currency hedging through futures and other instruments. A more detailed description of risks and uncertainties can be found in Note 22 and in the Risk section for operational risks on pages 26-27.

ENVIRONMENTAL IMPACT

The Group is aware of its sustainability impact and makes systematic efforts to reduce the negative effects of its operations and to create business solutions that have a positive impact on people and the environment. The Company firmly believes that caring for people and the environment will benefit its business, particularly over the long term. The Group is also aware of the impact of climate change on its operations and is actively working to mitigate it. For more information on the Group's work on sustainability, see the Sustainability chapter on pages 40-52 and sustainability notes on pages 109-114. Each company in the Group holds the necessary permits for the importing and handling of alcoholic beverages.

SHARES

Viva Wine Group shares have been listed on Nasdaq First North Premier Growth Market since 2021. The closing price for the year was SEK 39 which was 13.8 percent down from the end of 2022. Viva Wine Group's market capitalisation at year-end was SEK 3,514 (3,997) million.

During the year, Viva Wine Group AB appointed ABG Sundal Collier as market maker for the Company’s shares listed on Nasdaq Stockholm. The commitment is being made under Nasdaq Stockholm's rules for market makers. ABGSC undertakes to continuously quote prices for Viva shares in accordance with the minimum requirements for market makers established by Nasdaq Stockholm from time to time. The aim is to improve the liquidity of the shares and reduce spread.

Largest shareholders 31 Dec 2023

NAME	NUMBER OF SHARES	CAPITAL, %	VOTES, %
Late Harvest Wine Holding 1971 AB	23,348,482	26.28	26.28
Vin & Vind AB	23,273,482	26.20	26.20
Legendum Capital AB	9,415,889	10.60	10.60
Bergendahl & Son Aktiebolag	6,992,857	7.87	7.87
Fidelity Investments (FMR)	5,819,566	6.55	6.55
Capital Group	4,500,000	5.07	5.07
Svolder	4,188,370	4.71	4.71
Arinto AB	3,149,160	3.55	3.55
Danica Pension	1,172,891	1.32	1.32
Nordea Liv & Pension	529,454	0.60	0.60
Total 10	**82,390,151**	**92.75**	**92.75**
Others	6,441,733	7.25	7.25
Total number of shareholders	**6,092**		
TOTAL NUMBER OF SHARES	**88,831,884**		

SUSTAINABILITY REPORT

In accordance with Chapter 6, Section 11 of the Swedish Annual Accounts Act, Viva Wine Group has chosen to prepare the statutory sustainability report as a separate report from the annual report. The sustainability report has been submitted to the auditor at the same time as the annual report. The sustainability report can be found on pages 40-52 and 109-114 of this document.

NUMBER OF EMPLOYEES

The average number of employees in the Group was 303 in 2023, down from 333 in the previous year. The decrease is mainly due to the divestment of the business in China and the restructuring in the eCom segment. The proportion of women was 52 percent and 48 percent men (50 percent women and 50 percent men).

GUIDELINES ON REMUNERATION OF SENIOR EXECUTIVES

The Board's proposed guidelines on remuneration of senior executives, which are adopted at the statutory Board meeting annually, are consistent with the guidelines adopted at the statutory Board meeting in 2022. Information on the current remuneration guidelines for senior executives, which have been adopted by the Board, can be found in Note 7 and in the Corporate Governance Report on pages 34-39.

FIVE-YEAR OVERVIEW

GROUP (SEKM)	2023	2022	2021	2020	2019
Net sales	3,981	3,825	3,331	2,845	2,335
Profit after financial items	112	359	539	276	169
Operating margin, %	4.1	8.1	15.6	9.9	6.7
Total assets	3,635	3,905	3,813	1,426	1,206
Equity ratio, %	47.4	47.7	45.5	28.3	20.3
Average number of employees	303	333	240	130	118

PARENT COMPANY (SEKM)	2023	2022	2021	2020	2019
Profit after financial items	77	170	-24	178	169
Total assets	2,337	2,599	2,592	520	379
Equity ratio, %	71.8	67.1	66.0	63.0	44.6
Average number of employees	2	2	1	0	0

PROPOSAL FOR APPROPRIATION OF PROFIT

The following profits are at the disposal of the Annual General Meeting:	
Profit brought forward	230,542,134
Share premium reserve	1,375,845,845
Net profit for the year	70,657,254
	1,677,054,233
The Board of Directors proposes that profits be appropriated as follows:	
To be distributed to shareholders (SEK 1.55 per share)	-137,689,420
To be carried forward	1,814,743,653
	1,677,054,233

The Board of Directors has proposed that the 2024 AGM resolve on the appropriation of profits, meaning that SEK 1.55 per share will be distributed to the shareholders.

The proposed dividend totals SEK 138 million. The proposed record date for the right to receive dividend is 27 May 2024. This means disbursement on 30 May 2024. The Board of Directors considers the proposed dividend to be justified according to the declaration below in accordance with Chapter 18, Section 4 of the Swedish Companies Act.

The Group's equity attributable to the shareholders of the Parent Company at 31 December 2023 was SEK 1,645 million and the Parent Company's unrestricted equity was SEK 1,677 million. With reference to the above and other information brought to the attention of the Board of Directors, the Board of Directors is of the opinion that the proposed dividend is justifiable with reference to the demands that the nature, scope and risks of the business place on the size of the Company's and the Group's equity, as well as on Company's and the Group's level of consolidation, liquidity and position in general.

Consolidated income statement

AMOUNTS IN SEK MILLION	NOTE	2023	2022
OPERATING INCOME			
Net sales	3,4	3,981	3,825
Other operating income	5	8	81
Total income		**3,989**	**3,905**
OPERATING EXPENSES			
Goods for resale		-3,198	-2,945
Other external expenses	6	-248	-271
Personnel expenses	7	-257	-243
Depreciation/amortisation and impairment of intangible and tangible assets	12,13,14	-128	-143
Profit from participations in associated companies and joint ventures	15	9	8
Other operating expenses		-2	-0
Operating profit		**165**	**310**
FINANCIAL INCOME AND EXPENSES			
Financial income	8	43	128
Finance costs	9	-96	-79
Profit after financial items		**112**	**359**
Tax	10	4	-81
NET PROFIT FOR THE YEAR		**116**	**278**
Net profit for the year attributable to			
Parent Company shareholders		106	254
Non-controlling interests		10	24
Earnings per share			
Basic earnings per common share (SEK)	11	1.19	2.86
Earnings per common share, diluted (SEK)	11	1.19	2.86

Consolidated statement of comprehensive income

AMOUNTS IN SEK MILLION	NOTE	2023	2022
Net profit for the year		**116**	**278**
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified to profit or loss (after tax)			
Translation difference		-35	22
Cash flow hedges, net of tax	22	-10	6
Other comprehensive income for the year, net of tax		**-45**	**28**
Comprehensive income for the year, net of tax		**71**	**305**
Comprehensive income for the year attributable to			
Parent Company shareholders		66	264
Non-controlling interests		5	41

Consolidated statement of financial position

AMOUNTS IN SEK MILLION	NOTE	31 Dec 2023	31 Dec 2022
ASSETS			
NON-CURRENT ASSETS			
Goodwill	12	934	951
Other intangible assets	12	1,062	1,186
Tangible assets	13	24	10
Right-of-use assets	14	78	53
Participations in associated companies and joint ventures	15	66	61
Deferred tax assets	10	11	8
Other securities held as non-current assets	16	6	3
Other non-current receivables	16	16	19
Total non-current assets		**2,196**	**2,290**
CURRENT ASSETS			
Inventories	17	516	535
Trade receivables	16,28	739	670
Receivables from associated companies	16,28	4	5
Current tax assets		27	0
Other receivables	16	24	21
Derivative instruments	16	0	8
Prepaid expenses and accrued income	16,18	36	37
Cash and cash equivalents	16,19	94	339
Total current assets		**1,439**	**1,616**
TOTAL ASSETS		**3,635**	**3,905**

AMOUNTS IN SEK MILLION	NOTE	31 Dec 2023	31 Dec 2022
EQUITY AND LIABILITIES			
EQUITY			
Share capital	21	1	1
Other contributed capital		1,376	1,376
Reserves		-31	11
Retained earnings including net profit for the year		299	382
Total equity attributable to the shareholders of the Parent Company		**1,645**	**1,770**
Non-controlling interests		77	95
Total equity		**1,722**	**1,865**
NON-CURRENT LIABILITIES			
Non-current interest-bearing liabilities	16,22	484	689
Lease liabilities	14	54	37
Deferred tax liabilities	10	254	310
Other non-current provisions	23	–	19
Non-current non-interest-bearing liabilities	16,22	54	3
Total non-current liabilities		**845**	**1,056**
CURRENT LIABILITIES			
Current interest-bearing liabilities	16,22	54	89
Trade payables	16,22	451	427
Advances from customers	4,16,22	3	3
Liabilities to associated companies	16,22,28	53	44
Current tax liabilities		15	33
Lease liabilities	14	25	16
Derivative instruments	16,22	28	1
Current provisions	23	35	3
Other current liabilities	16,24	336	318
Accrued expenses and deferred income	16,25	66	50
Total current liabilities		**1,067**	**984**
TOTAL EQUITY AND LIABILITIES		**3,635**	**3,905**

Consolidated statement of changes in equity

AMOUNTS IN SEK MILLION	NOTE	Equity attributable to the shareholders of the Parent Company: Share capital	Other contributed capital	Hedging reserve	Translation reserve	Retained earnings incl. net profit for the year	Total equity attributable to parent company's shareholders	Non-controlling interests	Total equity
	21								
OPENING EQUITY, 1 JAN 2022		**1**	**1,376**	**–**	**4**	**281**	**1,662**	**75**	**1,736**
Net profit for the year		–	–	–	–	254	254	24	278
Other comprehensive income for the year		–	–	6	4	–	10	17	27
Comprehensive income for the year		**–**	**–**	**6**	**4**	**254**	**264**	**41**	**305**
Transfer of cash flow hedge reserve to inventories and tax reversed to profit or loss		**–**	**–**	**-2**	**–**	**–**	**-2**	**–**	**-2**
Transactions with the Group's owners									
Transactions with non-controlling interests		–	-0	–	–	-20	-20	0	-19
Dividend		–	–	–	–	-133	-133	-22	-155
Total		**–**	**-0**	**–**	**–**	**-153**	**-153**	**-21**	**-174**
CLOSING EQUITY, 31 DEC 2022		**1**	**1,376**	**4**	**8**	**382**	**1,770**	**95**	**1,865**

AMOUNTS IN SEK MILLION	NOTE	Equity attributable to the shareholders of the Parent Company: Share capital	Other contributed capital	Hedging reserve	Translation reserve	Retained earnings incl. net profit for the year	Total equity attributable to parent company's shareholders	Non-controlling interests	Total equity
	21								
OPENING EQUITY, 1 JAN 2023		**1**	**1,376**	**4**	**8**	**382**	**1,770**	**95**	**1,865**
Net profit for the year		–	–	–	–	106	106	10	116
Other comprehensive income for the year		–	–	-10	-29	–	-39	-6	-45
Comprehensive income for the year		**–**	**–**	**-10**	**-29**	**106**	**66**	**5**	**71**
Transfer of cash flow hedge reserve to inventories and tax reversed to profit or loss		**–**	**–**	**-3**	**-**	–	**-3**	**-0**	**-4**
Transactions with the Group's owners									
Transactions with non-controlling interests		–	-0	–	–	-50	-50	11	-40
Dividend		–	–	–	–	-138	-138	-33	-171
Total		**–**	**-0**	**–**	**–**	**-188**	**-188**	**-22**	**-210**
CLOSING EQUITY, 31 DEC 2023		**1**	**1,376**	**-10**	**-21**	**300**	**1,645**	**77**	**1,722**

Consolidated statement of cash flows

AMOUNTS IN SEK MILLION	NOTE	2023	2022
OPERATING ACTIVITIES			
Profit after financial items		112	359
Adjustment for non-cash items	26	162	107
Dividends from associated companies		4	2
Tax paid		-81	-106
Cash flow from operational activities before changes in working capital		**196**	**362**
Cash flow from changes in working capital			
Change in inventories		16	-63
Changes in operating receivables		-80	54
Changes in operating liabilities		79	-67
Cash flow from operational activities		**212**	**286**
INVESTING ACTIVITIES			
Business combinations	29	–	-119
Divestment of subsidiaries	29	–	9
Acquisition of intangible assets		-1	-1
Acquisition of tangible assets		-20	-4
Divestment of tangible assets		-11	111
Acquisition of other financial assets		-3	-0
Cash flow from investing activities		**-35**	**-5**

AMOUNTS IN SEK MILLION	NOTE	2023	2022
FINANCING ACTIVITIES			
Dividend paid to Parent Company shareholders		-138	-133
Dividend paid to non-controlling interests		-23	-21
Transactions with non-controlling interests		–	-1
Change in overdraft facility		–	-1
Borrowings		572	0
Repayment of debt		-816	-105
Repayment of lease liability		-18	-18
Cash flow from financing activities		**-422**	**-281**
CASH FLOW FOR THE YEAR		**-245**	**1**
Cash and cash equivalents at the beginning of the year		339	331
Exchange rate differences in cash and cash equivalents		-1	7
Cash and cash equivalents at the end of the year		**94**	**339**
Interest with cash flow impact included in operating activities			
Interest received		11	2
Interest paid		-38	-19

Parent Company income statement

AMOUNTS IN SEK MILLION	NOTE	2023	2022
OPERATING INCOME			
Other operating income	5	10	7
Total income		**10**	**7**
Other external expenses	6	-24	-18
Personnel expenses	7	-8	-7
Operating profit		**-21**	**-19**
Profit from participations in Group companies	20	286	169
Profit from participations in associated companies	15	1	1
Interest income and similar income items	8	96	135
Interest expenses and similar income items	9	-285	-117
Profit after financial items		**77**	**170**
Appropriations	10,28	-6	-6
Profit before tax		**71**	**164**
Tax on net profit for the year	10	-0	-4
NET PROFIT FOR THE YEAR		**71**	**161**

Parent company statement of comprehensive income

AMOUNTS IN SEK MILLION	NOTE	2023	2022
Net profit for the year		71	161
Other comprehensive income		–	–
Comprehensive income for the year		**71**	**161**

Parent Company balance sheet

AMOUNTS IN SEK MILLION	NOTE	31 Dec 2023	31 Dec 2022
ASSETS			
Financial assets			
Participations in Group companies	20	827	986
Participations in associated companies	15	0	0
Participations in other holdings		–	3
Total financial assets		**827**	**989**
Total non-current assets		**827**	**989**
Current assets			
Receivables from Group companies	28	1,433	1,364
Other receivables		3	1
Prepaid expenses and accrued income		2	1
Cash and bank balances	19	73	245
Total current assets		**1,511**	**1,610**
TOTAL ASSETS		**2,337**	**2,599**

AMOUNTS IN SEK MILLION	NOTE	31 Dec 2023	31 Dec 2022
EQUITY AND LIABILITIES			
Equity	21		
Share capital		1	1
Restricted equity		**1**	**1**
Share premium reserve		1,376	1,376
Retained earnings		231	208
Net profit for the year		71	161
Unrestricted equity		**1,677**	**1,744**
Total equity		**1,678**	**1,745**
Untaxed reserves			
Tax allocation reserve	10	5	6
Total untaxed reserves		**5**	**6**
Non-current liabilities			
Non-current interest-bearing liabilities	22	484	689
Total non-current liabilities		**484**	**689**
Current liabilities			
Trade payables	22	3	1
Liabilities to Group companies	22,28	106	67
Current interest-bearing liabilities	22	54	87
Current tax liabilities		3	3
Other current liabilities		0	0
Accrued expenses and deferred income		4	1
Total current liabilities		**171**	**160**
TOTAL EQUITY AND LIABILITIES		**2,337**	**2,599**

Parent Company statement of changes in equity

		Restricted equity			
AMOUNTS IN SEK MILLION	**NOTE**	**Share capital**	**Share premium reserve**	**Retained earnings incl. net profit for the year**	**Total equity**
OPENING EQUITY, 1 JAN 2022	21	**1**	**1,376**	**341**	**1,718**
Net profit for the year		–	–	161	161
Comprehensive income for the year		**–**	**–**	**161**	**161**
Transactions with owners of the Parent Company					
Dividend paid		–	–	-133	-133
Warrants		–	-0	–	-0
Total		**–**	**-0**	**-133**	**-134**
Closing equity, 31 Dec 2022		**1**	**1,376**	**368**	**1,745**
OPENING EQUITY, 1 JAN 2023		**1**	**1,376**	**368**	**1,745**
Net profit for the year		–	–	71	71
Comprehensive income for the year		**–**	**–**	**71**	**71**
Transactions with owners of the Parent Company					
Dividend paid		–	–	-138	-138
Warrants		–	-0	–	-0
Total		**–**	**-0**	**-138**	**-138**
Closing equity, 31 Dec 2023		**1**	**1,376**	**301**	**1,678**

Parent Company statement of cash flows

AMOUNTS IN SEK MILLION	NOTE	2023	2022
OPERATING ACTIVITIES			
Profit before tax		71	170
Adjustment for non-cash items	26	163	93
Tax paid		0	-4
Cash flow from operational activities before changes in working capital		**234**	**259**
Cash flow from changes in working capital			
Changes in operating receivables		-69	100
Changes in operating liabilities		44	-9
Cash flow from operational activities		**209**	**350**
INVESTING ACTIVITIES			
Acquisition of participations in Group companies	29	–	-122
Cash flow from investing activities		**–**	**-122**
FINANCING ACTIVITIES			
Dividend paid		-139	-133
Loans raised from credit institutions		572	–
Repayment of debt		-814	-82
Cash flow from financing activities		**-381**	**-215**
Cash flow for the year		**-172**	**13**
Cash and cash equivalents at the beginning of the year		245	232
Cash and cash equivalents at the end of the year		**73**	**245**
Interest with cash flow impact included in operating activities			
Interest received		82	28
Interest paid		-38	-17

Notes for the Group

Note 1 Significant accounting policies

This Annual Report and the consolidated financial statements relate to the Swedish Parent Company Viva Wine Group AB with 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 most 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.

On 23 April 2024, the Board of Directors approved this Annual Report and Consolidated Financial Statements, which will be presented for adoption at the Annual General Meeting on 23 May 2024.

BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRIC) as adopted by the European Union (EU). The Group has also applied the Swedish Annual Accounts Act (1995:1554) and Recommendation RFR 1 Supplementary Accounting Rules for Groups, issued by the Swedish Financial Reporting Board. The consolidated accounts have been prepared based on the assumption of a going concern. Assets and liabilities are measured based on cost, with the exception of certain financial instruments that are measured at fair value.

The preparation of financial statements in accordance with IFRS requires the use of several accounting estimates by management for accounting purposes. Those areas that include a high level of judgement, that are complex or such areas where assumptions and estimates are of material importance for the consolidated accounts are stated in Note 2 Key estimates and judgements. These judgements and assumptions are based on historical experience and on other factors considered reasonable under the prevailing circumstances. Actual outcomes may differ from judgements made if such judgements are changed or other circumstances are in place.

Unless otherwise indicated, the accounting policies stated below were applied consistently to all periods presented in the consolidated financial statements.

CONSOLIDATION

Subsidiaries

Subsidiaries are recognised using the acquisition method. The acquisition analysis determines the acquisition-date fair value of identifiable assets acquired and liabilities assumed, as well as any non-controlling interests. Any transaction costs that arise, except for transaction costs attributable to issues of equity instruments or debt instruments, are recognised directly in net profit for the year. In the case of business combinations where the transferred consideration exceeds the fair value of the acquired assets and assumed liabilities that are to be recognised separately, the difference is recognised as goodwill.

Non-controlling interests

Non-controlling interests, i.e. shares in subsidiaries that are directly or indirectly attributable to a parent company, are recognised separately in equity. Changes in participating interest that do not cause the parent company to lose its controlling interest are recognised as an equity transaction.

Call and put options issued for shares held by non-controlling interests are recognised as other liabilities measured at fair value, and the change is recognised in equity. The put options give the non-controlling interest holders the right to sell additional shares to the group based on the terms of the agreements.

Related-party transactions

The Group's related parties include its owners, Group management, subsidiaries, joint ventures and associated companies. Related-party transactions in the consolidated accounts comprise remuneration of senior executives, purchases from and sales to joint ventures and associated companies and other transactions with senior executives. All transactions with related parties are conducted at arm's length. For information about related-party transactions, refer to Note 28.

Associated companies and jointly controlled entities

Shareholdings in associated companies in which the Group holds no less than 20 percent and not more than 50 percent of the votes or in another manner have a significant interest are recognised in accordance with the equity method. The equity method is applied until the date on which the significant interest ceases or the jointly owned company ceases to be jointly owned. The Group's share of the profit is recognised in operating profit.

CURRENCY

Functional currency and presentation currency

The functional currency of the Parent Company is Swedish kronor (SEK), which is also the presentation currency for the Parent Company and the Group. All amounts in this report are presented in millions of Swedish kronor (SEK million) unless otherwise stated. Rounding differences may occur.

Transactions in foreign currency

Transactions in foreign currency are translated into the functional currency at the exchange rate on the transaction date. Monetary assets and liabilities in foreign currency are translated into the functional currency at the exchange rate on the balance-sheet date. Non-monetary items measured at historical cost in a foreign currency are not translated. Translation differences that arise in translation are recognised in net profit for the year as financial items.

Translation of foreign subsidiaries

Assets and liabilities in foreign operations are translated from the foreign operations' functional currency to the Group's presentation currency at the exchange rate prevailing on the balance-sheet date. Revenue and expenses in foreign entities are translated to SEK at the average exchange rate, which constitutes an approximation of the foreign-exchange rates prevailing on each transaction date. Translation differences arising from currency translation of foreign operations are recognised in other comprehensive income and accumulated in the translation reserve in equity. When the controlling influence in foreign operations ceases, the associated translation differences are reclassified from the translation reserve in equity to profit or loss.

SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the Group management. An operating segment is a part of the Group that conducts operations from which revenue can be generated and costs incurred, and for which independent financial information is available. The division of the Group into segments is based on the internal structure of the Group's business operations, which means that the Group's operations have been divided into three reporting segments: Nordics, eCom and Other. All markets within each segment benefit synergistically from each other. The Nordics segment is the largest segment based on net sales, with the Swedish state retail monopoly, Systembolaget, representing the largest customer together with the Finnish state retail monopoly, Alko, and the Norwegian equivalent, Vinmonopolet. Other customers in the Nordics segment include wholesalers, hotels and restaurants. The eCom segment includes consumer e-commerce sales in Europe. The Other segment includes the Company's pilot sales to B2B customers in the United States, as well as management and administration of the Group, Parent Company and Group-wide activities.

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

REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group's significant revenue is derived from trading in alcoholic beverages, primarily wine. Its revenue is mainly distributed between the following streams of revenue: sales to monopoly companies (Systembolaget, Alko and Vinmonopolet), sales to restaurant customers, sales to wholesalers, E-commerce and B2B sales (in the United States). Contracts with the Group's customers encompass sales of goods with only one performance obligation that includes several distinct services such as customer service and transportation. Revenue is recognised at a point in time when the goods have been delivered to the customer.

EMPLOYEE BENEFITS

Defined-contribution pension plans

The Group has only defined-contribution pension plans. A defined-contribution pension plan is a pension plan under which the Group pays fixed contributions to a separate legal entity. The Group has no legal or informal obligations to pay additional contributions if this legal entity does not have sufficient assets to pay all employee benefits that relate to the employees' service during current or prior periods. The Group thus has no additional risk. The Group's obligations pertaining to fees for defined-contribution pension plans are recognised as an expense in profit or loss at the rate they are vested as the employees perform services for the Group during the period.

Termination benefits
An expense for benefits in connection with the termination of employment is recognised only if the Company is demonstrably obligated, without any realistic possibility of withdrawal, by virtue of a formal detailed plan to prematurely terminate an employment contract. When benefits are paid as an offer to encourage voluntary redundancy, an expense is recognised if it is probable that the offer will be accepted and the number of employees who will accept the offer can be reliably estimated.

FINANCE INCOME AND COSTS

Financial income
Finance income consists of interest income and any capital gains on financial assets, exchange gains and gains on changes in the value of assets or liabilities recognised at fair value through profit or loss. Interest income is recognised in accordance with the effective interest rate method. The effective interest rate discounts estimated future receipts and disbursements during the financial instrument's expected term to the recognised net value of the financial asset or the liability. The calculation also encompasses all fees paid or received by the contracting parties that are part of the effective interest rate, transaction costs and all other share premiums and discounts. Finance income is recognised in the period to which it is attributable.

Finance costs
Finance costs consist primarily of interest expenses on liabilities, which are calculated based on application of the effective interest rate method, and of interest expenses on lease liabilities, currency effects and loss on changes in value of assets or liabilities recognised at fair value through profit or loss. Finance costs are recognised in the period to which they are attributable.

INCOME TAX

Income tax comprises current tax and deferred tax. Income tax is recognised in net profit for the year, except when the underlying transaction is recognised in other comprehensive income or in equity, in which case the associated tax effect is also recognised in other comprehensive income or in equity.

Current tax is tax to be paid or refunded relating to the current year, with the application of the tax rates enacted, or in practice enacted, as of the balance-sheet date. Current tax also includes adjustments of current tax attributable to previous periods.

Deferred tax assets on deductible temporary differences and loss carry-forwards are only recognised to the extent that it is likely that these will be possible to utilise at the current rate of tax at the time of utilisation.. The value of the deferred tax assets is reduced when it is no longer considered probable that they can be utilised.

EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net earnings attributable to the Parent Company's shareholders by a weighted average of the number of shares outstanding during the year.

Diluted earnings per share is calculated by dividing the net earnings attributable to the shareholders of the Parent Company (adjusted where applicable) by the sum of the weighted average number of ordinary shares outstanding and potential ordinary shares that may give rise to a dilutive effect. The dilutive effect of potential ordinary shares is only recognised if a conversion to ordinary shares would lead to a decrease in earnings per share after dilution. See Note 11 for more information.

INTANGIBLE ASSETS

An intangible asset is recognised when it is probable that future economic benefits that can be attributed to the asset will accrue to the Company and if the cost of the asset can be reliably calculated. An intangible asset is measured at cost on initial recognition in the financial statements. Intangible assets with definite useful lives are recognised at cost less amortisation and any impairment. Intangible assets with indefinite useful lives are tested annually for impairment and in cases where there is indication that impairment may be required. The useful life of intangible assets with indefinite useful lives is reappraised at the end of every reporting period as well; see Note 12 for more information.

Goodwill
Goodwill represents the difference between the cost of a business combination and the fair value of net assets acquired. Goodwill is measured at cost less any accumulated impairment. For each acquisition, a choice is made as to whether full goodwill or partial goodwill should be recognised. Goodwill is distributed to cash-generating units that are expected to benefit from the synergy effects of the business combination. The factors that comprise recognised goodwill are primarily synergies, employees, know-how and strategically important producer contacts. Goodwill is considered to have an indefinite useful life and is therefore tested for impairment on at least an annual basis.

Depreciation methods
Intangible assets with a definite useful life are amortised from the date they are available for use. The estimated useful lives of material intangible assets are as follows:

IT platforms	3–5 years
Customer relationships	3–15 years
Producer relationships	15 years
Brands	15 years – Indefinite
Internally generated intangible assets	5 years
Goodwill	Indefinite

TANGIBLE ASSETS

Tangible assets are recognised as an asset in the balance sheet if it is probable that future economic benefits will accrue to the Company and the cost of the asset can be reliably calculated. Tangible assets are recognised in the Group at cost less accumulated depreciation and any impairment. Cost includes the purchase price and expenditures directly attributable to the acquisition of the asset for bringing the item to the location and in the condition for its intended use.

Depreciation methods
Depreciation takes place on a straight-line basis over the estimated useful life of the asset. The estimated useful lives are:

Buildings	33 years
Leasehold improvements	3–25 years
Equipment, tools, fixtures and fittings	3–8 years

The depreciation methods applied, residual values and the useful lives of the assets are assessed at each year end.

LEASES

When a contract is signed, the Group establishes whether the contract is or contains a lease based on the substance of the agreement. A contract is or contains a lease if the contract transfers the right during a given period to determine the use of an identified asset in exchange for remuneration. The Group only has leases in the form of lessees. The Group mostly leases assets in the categories "Premises" (warehouses and offices) and 'Vehicles' (cars).

Lease payments are discounted at the incremental borrowing rate if the interest rate implicit in the lease cannot be determined. The incremental lending rate is calculated per country and for different lengths of time.

Payments for short-term leases, i.e. contracts of less than 12 months, and leases for which the underlying asset is of low value, i.e. less than USD 5,000, are expensed on a straight-line basis.

FINANCIAL INSTRUMENTS

Financial instruments are every form of agreement that gives rise to a financial asset in one company and a financial liability or an equity instrument in another company. Financial instruments recognised in the balance sheet include on the assets side: Other long-term holdings of securities, trade receivables, other receivables, derivative instruments, and cash and cash equivalents. Liabilities include: Liabilities to credit institutions, other non-current liabilities, trade payables, advances from customers, liabilities to associated companies, derivative instruments, other current liabilities, and accrued expenses. Recognition depends on how the financial instruments have been classified.

Classification and measurement
Financial assets
Debt instruments: classification of financial assets that are debt instruments is based on the Group's business model for asset management and the character of the contractual cash flows of the asset. The instruments are classified at:

- Amortised cost,
- Fair value through other comprehensive income, or
- Fair value through profit or loss.

The Group's financial assets that constitute debt instruments classified at amortised cost are presented in Note 16 Financial instruments. Derivatives are classified at fair value through profit or loss, except where hedge accounting is applied. See the Derivatives and hedge accounting section below. The Group does not hold any other financial assets classified at fair value through other comprehensive income. Nor does the Group hold any financial assets that constitute debt instruments classified at fair value through profit or loss.

Fair value is determined in accordance with the description in Note 16 Financial instruments.

Financial liabilities
Financial liabilities, except derivative instruments, are classified at amortised cost. Financial liabilities recognised at amortised cost are initially measured at fair value including transaction costs. Following initial recognition, they are measured at amortised cost using the effective interest rate method.

Fair value is determined in accordance with the description in Note 16 Financial instruments.

Derivatives and hedge accounting
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and subsequently measured at fair value. The method of recognising the resulting gain or loss depends on whether or not the derivative is designated as a hedging instrument in hedge accounting. Changes in the fair value of derivatives are recognised in financial items where hedge accounting is not applied. The Group uses derivatives to hedge portions of future cash flows from forecast transactions in foreign currencies. IFRS 9 Hedge Accounting is applied for certain forward exchange contracts. Where hedging instruments are entered into with optionality, hedge accounting is not applied. For the conditions for hedge accounting to be met, the hedging relationship must be:

- Formally identified and designated
- Expected to fulfil the effectiveness criteria, and
- Be documented.

The Group assesses, evaluates and documents effectiveness both at hedge inception and on an ongoing basis. Hedge effectiveness is assessed by analysing the economic relationship between the hedged item and the hedging instrument and the effect of credit risk must not dominate changes in the value of the underlying item and instrument. In addition, the hedge ratio should be the same in the hedging relationship as in the actual hedge.

From 1 October 2022, the Group applies hedge accounting for cash flow hedges of foreign currency purchases for inventories. Changes in the fair value of a hedging instrument relating to the effective portion of the hedge are recognised in Other comprehensive income and accumulated as a separate component of equity, in the hedging reserve. Gains or losses arising from the ineffective portion of the hedge are recognised immediately in profit or loss. When the hedged forecast transaction results in the recognition of a non-financial asset, the amount accumulated in the hedging reserve is transferred to equity and included in the cost of inventories. The effect of the hedges, via the cost of the inventory, ultimately affects the item Goods for resale depending on the turnover rate of the inventory.

Hedge accounting cannot be terminated by decision. Hedge accounting ceases when:

- The hedging instrument expires or is sold, terminated or exercised,
- Credit risk dominates the value changes resulting from the economic relationship
- When hedge accounting no longer meets the risk management objective.

For cash flow hedges, any gain or loss recognised in other comprehensive income and accumulated in equity at the date of discontinuation of the hedge remains in equity until the inventory is purchased. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

IMPAIRMENT OF FINANCIAL ASSETS
Financial assets, except those classified at fair value through profit or loss, or equity instruments that are measured at fair value through other comprehensive income are covered by impairment for expected credit losses. Impairment of credit losses in accordance with IFRS 9 is forward-looking, and a loss allowance is made when there is an exposure to credit risk, normally on the initial recognition of an asset or receivable. Expected credit losses reflect the current value of all deficits in the cash flow attributable to defaults, either for the next 12 months or for the expected remaining tenor of the financial instruments, depending on the type of asset and on credit impairment since initial recognition. The simplified model is applied for trade receivables. In the simplified model, a loss allowance is recognised for the expected remaining tenor of the receivable or asset.

For other items covered by expected credit losses, a three-stage impairment model is applied. Initially, and on every balance-sheet date, a loss allowance is recognised for the next 12 months, or alternately for a shorter period of time depending on the remaining tenor (stage 1). If there has been a substantial increase in credit risk since initial recognition that results in a rating below investment grade, a loss allowance is recognised for the remaining tenor of the asset (stage 2). For assets deemed to be credit impaired, provisions for expected credit losses continue to be made for the remaining tenor (stage 3). For credit-impaired assets and receivables, the calculation of interest income is based on the carrying amount of the asset, net of loss allowance, in contrast to the gross amount as in previous stages. The Group's assets are deemed to be at stage 1, meaning no material increase in credit risk has occurred.

The measurement of expected credit losses is based on different methods; refer to the Group's Note 22 Financial risks. Individual assessments are made for credit-impaired assets and receivables as well as receivables, which take into account past, current and forward-looking information. The measurement of expected credit losses takes into account any collateral and other credit enhancement in the form of guarantees.

INVENTORIES
Inventories are measured at the lower of cost and net realisable value. When calculating the net realisable value, an assumption is made about discontinued items, surplus items, damaged goods and estimated sales value based on available information. See Note 17 for more information.

CASH FLOW
The statement of cash flows is prepared using the indirect method.

.ACCOUNTING POLICIES IN THE PARENT COMPANY
The Parent Company applies the same accounting policies as the Group except in those cases where indicated below. The Parent Company applies the Swedish Annual Accounts Act (1995:1554) and Recommendation RFR 2 Financial Reporting for Legal Entities. The deviations that occur are caused by restrictions on the possibilities of applying IFRS in the Parent Company as a result of the Annual Accounts Act and current tax rules. The income statement and balance sheet for the Parent Company are prepared in accordance with the presentation requirements of the Annual Accounts Act, while the statement of comprehensive income, statement of changes in equity and statement of cash flows are based on IAS 1 Presentation of Financial Statements and IAS 7 Statement of Cash Flows, respectively.

FINANCE INCOME AND COSTS
Dividends are recognised when the right to receive payment is considered certain. Proceeds from the sale of subsidiaries are recognised when control of the subsidiary is transferred to the buyer.

LEASES
The lease accounting rules under IFRS 16 are not applied in the Parent Company. This means that lease payments are recognised as an expense on a straight-line basis over the lease term, and that rights of use and lease liabilities are not included in the Parent Company's balance sheet. However, leases are identified in accordance with IFRS 16, in that a contract is or contains a lease if the contract transfers the right during a given period to determine the use of an identified asset in exchange for remuneration.

PARTICIPATIONS IN SUBSIDIARIES
Participations in subsidiaries are accounted for in the Parent Company in accordance with the cost method. This means that participations are recorded at cost less any impairment losses. Any transaction costs are included in the carrying amount of the holding. Where the book value exceeds the consolidated value of the companies, an impairment loss is recognised and charged to the income statement. An impairment analysis is performed at the end of each reporting period. Where a previous impairment is no longer justified, it is reversed.

Assumptions are made about future conditions in order to calculate future cash flows that determine the recoverable amount. The recoverable amount is compared with the carrying amount of these assets and is the basis for any impairment or reversal. The assumptions that most affect the recoverable amount are future profitability, discount rate and useful life. If future environmental factors and conditions change, assumptions may be affected so that the carrying amounts of the Parent Company's assets change.

APPROPRIATIONS AND SHAREHOLDERS' CONTRIBUTIONS
Shareholders' contributions paid are recognised as an increase in the value of shares and participations. A judgement is then made as to whether there is a need for impairment of the value of the shares and participations in question.

The Parent Company uses RFR 2's alternative rule for accounting for group contributions, which means that group contributions received and paid are recognised as appropriations in the income statement. The tax effect is recognised in the income statement in accordance with IAS 12.

Unlike the Group, the Parent Company recognises untaxed reserves in the balance sheet without a breakdown by equity and deferred tax liability. Similarly, the Parent Company does not allocate the portion of appropriations to deferred tax expense in the income statement.

FINANCIAL INSTRUMENTS

Because of the relationship between accounting and taxation, the rules on financial instruments under IFRS 9 are not applied in the Parent Company as a legal entity; instead, the Parent Company applies the cost method in accordance with the Swedish Annual Accounts Act. Accordingly, in the Parent Company, non-current financial assets are measured at cost and current financial assets at the lower of cost or market, with the application of an impairment loss for expected credit losses in accordance with IFRS 9 for assets that are debt instruments. In cases where the Parent Company enters into derivatives that are mirrored on to Group companies, these derivatives are valued as an item in a securities portfolio in accordance with RFR 2.

The Parent Company applies the exemption not to measure financial guarantee contracts in favour of subsidiaries, associates and joint ventures in accordance with the rules of IFRS 9, but instead applies the measurement principles of IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

Note 2 Key estimates and judgements

The preparation of financial statements requires that the company management and the Board of Directors make certain judgements and assumptions that impact the carrying amounts of asset and liability items, and income and expense 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 financial year. 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. The judgements that are most material in preparing the company's financial statements are described below.

Impairment testing of goodwill
To determine whether the value of goodwill has decreased, the cash-generating units to which the goodwill is attributable, meaning the respective segments, are measured by discounting the cash flows of the units. In applying this method, Viva Wine Group relies on a number of factors including results achieved, business plans, economic forecasts and market data. Changes in circumstances for these assumptions and estimates could have a material effect on the value of goodwill. See Note 12 for more information.

Options
The option to purchase non-controlling interests in subsidiaries is initially measured by determining an appropriate discount rate. This is remeasured at each balance sheet date. The uncertainty in this remeasurement lies in the applied discount rate and future profitability.

In accordance with IFRS 3, a liability is recognised for an estimated purchase price for the remaining shares. The Group makes estimates of the amounts that are assumed to be paid to sellers. Regarding the acquisition of the remaining shares of the minority in the company, an assessment has been made with regard to the estimated acquisition price, which is essentially based on the assumptions made at the time of the acquisition of the shares already transferred. See Note 23 for more information.

Acquisition analyses
Where subsidiaries are acquired, an acquisition analysis is carried out wherein the fair value, on the acquisition date, of acquired identifiable assets and liabilities and contingent liabilities assumed is recognised. Acquisition analyses are based on significant estimates and judgements of future events. Actual values may therefore differ from those included in the acquisition analysis.

Deferred taxes
In preparing the financial statements, the Company calculates income tax for each tax jurisdiction in which the Company operates as well as deferred tax on temporary differences. Deferred tax assets that are mainly attributable to loss carry-forwards and temporary differences are recognised if the tax assets are expected to be recovered through future taxable income. Further information on tax is provided in Note 10.

Note 3 Operating segments

The Group splits its business into three segments: (i) Nordics, (ii) eCom and (iii) Other. The Nordics segment is the largest segment based on net sales, in which the state retail monopolies Systembolaget, Alko and Vinmonopolet are the largest customers. Other customers in the Nordics segment include wholesalers, hotels and restaurants. The eCom segment includes consumer e-commerce sales in Europe. The Other segment includes the Company's pilot sales to B2B customers in the United States, as well as management and administration of the Group, Parent Company and Group-wide activities.

Segment reporting is based on the structure followed by management. Transactions between segments are carried out on the same terms as for external customers.

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

2023	Nordics	eCom	Other	Total segments	Eliminations	Group total
Net sales, external	3,238	732	11	**3,981**	–	**3,981**
Net sales, intra-Group	0	–	3	**3**	-3	**–**
Other operating income	3	4	56	**64**	-56	**8**
Total income	**3,241**	**736**	**70**	**4,048**	**-59**	**3,989**
Operating expenses						
Goods for resale	-2,763	-434	-4	**-3,201**	3	**-3,198**
Other external expenses	-157	-113	-33	**-304**	56	**-248**
Personnel expenses	-86	-126	-45	**-257**	–	**-257**
Depreciation/amortisation and impairment of intangible and tangible assets	-33	-80	-15	**-128**	–	**-128**
Profit from participations in associated companies and joint ventures	–	–	9	**9**	–	**9**
Other operating expenses	–	-2	–	**-2**	–	**-2**
Operating profit	**201**	**-19**	**-17**	165	**–**	165
Other disclosures						
Goodwill	302	631	–	**934**	–	**934**
Investments	0	21	–	**22**	–	**22**
Total assets	1,209	1,490	2,445	**5,144**	-1,510	**3,635**
Total liabilities	1,107	1,579	736	**3,422**	-1,510	**1,912**

Note 3 *Operating segments (cont.)*

2022	Nordics	eCom	Other	Total segments	Eliminations	Group total
Net sales, external	3,029	775	21	**3,825**	–	**3,825**
Net sales, intra-Group	0	–	3	**3**	-3	**–**
Other operating income	6	74	53	**133**	-53	**81**
Total income	**3,035**	**849**	**77**	**3,961**	**-55**	**3,905**
Operating expenses						
Goods for resale	-2,473	-465	-10	**-2,948**	3	**-2,945**
Other external expenses	-177	-115	-32	**-324**	53	**-271**
Personnel expenses	-78	-125	-40	**-243**	–	**-243**
Depreciation/amortisation and impairment of intangible and tangible assets	-33	-97	-14	**-143**	–	**-143**
Profit from participations in associated companies and joint ventures	–	–	8	**8**	–	**8**
Other operating expenses	-0	-0	–	**-0**	–	**-0**
Operating profit	**276**	**47**	**-12**	**310**	**–**	**310**
Other disclosures						
Goodwill	318	633	–	**951**	–	**951**
Investments	2	4	–	**5**	–	**5**
Total assets	1,116	1,533	2,660	**5,308**	-1,403	**3,905**
Total liabilities	978	1,581	885	**3,444**	-1,403	**2,041**

Viva Wine Group has three customers that account for more than 10 percent of sales: Systembolaget in Sweden and its counterparts in Finland, Alko, and in Norway, Vinmonopolet. The total revenue from Systembolaget amounted to SEK 2,392 (2,269) million and is recognised as part of the Nordics segment. The total revenue from Alko is SEK 443 (363) million and is recognised as part of the Nordics segment. The total revenue from Vinmonopolet amounted to SEK 316 (289) million and is recognised as part of the Nordics segment.

Disclosures per country in which the Group has operations	Revenue from external customers	Non-current assets
Sweden	2,455	324
Germany	562	1,390
Finland	457	10
Norway	320	472
Other countries	186	0
Total	**3,981**	**2,196**

External revenue is based on where the customers are located and the carrying amounts of the non-current assets are based on where the assets are located.

Note 4 Revenue from contracts with customers

Group		
Contract liabilities	**2023**	**2022**
Opening balance	3	6
Material changes in contract liabilities attributable to normal business	0	1
Disposals	–	-4
Translation effect	-0	0
Closing balance	**3**	**3**

	2023	2022
Revenue recognised during the year that was incl. as contract liability on 1 January	3	6

Contract liabilities are advance payments from customers for which performance obligations have not been satisfied, which mainly arise in the eCom segment. Contract liabilities are recognised as revenue when the performance obligation of the contract has been satisfied. For the above contractual liabilities as of 31 December, performance obligations corresponding to 100 percent are expected to be met in the first quarter of 2024. All revenue from contracts with customers is recognised at a point in time.

Note 5 Other operating income

Group	**2023**	**2022**
Commission revenue	3	2
Capital gains on sales of tangible and intangible assets	0	70
Other	5	8
Total	**8**	**81**

Parent Company	**2023**	**2022**
Management fees	10	6
Other	0	0
Total	**10**	**7**

Note 6 Other external expenses

Group	2023	2022
Costs of premises	-10	-7
Consumable equipment and material	-10	-10
Other selling expenses	-8	-10
Freight and transportation	-1	-1
Travel costs	-6	-7
Advertising and PR	-148	-174
Office supplies	-3	-3
Consultancy expenses	-58	-57
Other	-6	-3
Total	**-248**	**-271**

Parent Company	2023	2022
Other external expenses including consultancy expenses	-22	-15
Other	-2	-3
Total	**-24**	**-18**

Group *Ernst & Young AB*	2023	2022
Audit engagement	-3	-2
Other auditing activities	-0	-1
Tax advisory services	–	-0
Total	**-3**	**-3**
Other auditors		
Rödler & Partners	-1	-1
Deloitte	–	-1
Total	**-1**	**-1**

Parent Company *Ernst & Young AB*	2023	2022
Audit engagement	-1	-1
Other auditing activities	-0	–
Total	**-1**	**-1**

Audit engagement refers to the auditor's work on the statutory audit, and auditing activities refers to various types of quality-assurance activities. Other services are such services that are not included in the audit engagement or tax advisory services.

Note 7 Employees and personnel costs

Group	2023			2022		
Average number of employees	**Average number of employees**	**Of whom women, %**	**Of whom men, %**	**Average number of employees**	**Of whom women, %**	**Of whom men, %**
Parent Company	2	50	50	2	45	55
Subsidiaries in:						
Sweden	95	66	34	89	64	36
Finland	16	56	44	16	56	44
Germany	177	44	56	206	44	56
Norway	13	46	54	12	50	50
China	–	–	–	8	50	50
Total, Group	**303**	**52**	**48**	**333**	**50**	**50**

	2023			2022		
Gender distribution, board and senior executives	**Average number of employees**	**Of whom women, %**	**Of whom men, %**	**Average number of employees**	**Of whom women, %**	**Of whom men, %**
Board and other senior executives	11	27	73	12	33	67
Total	**11**	**27**	**73**	**12**	**33**	**67**

Note 7 *Employees and personnel costs (cont.)*

Personnel expenses	2023	2022
Salaries and other benefits	-188	-181
Social security contributions	-41	-40
Pension costs	-11	-9
Other personnel expenses	-16	-13
Total	**-257**	**-243**

Parent Company

Personnel expenses	2023	2022
Salaries and other benefits	-3	-3
Social security contributions	-2	-1
Pension costs	-1	-0
Other personnel expenses	-2	-3
Total	**-8**	**-7**

Group

	2023			
Remuneration of the Board of Directors and senior executives (SEK '000)	Salaries	Board fee	Pension costs	Total
Anders Moberg, Chairman of the Board	–	-650	–	**-650**
John Wistedt, Member of the Board (included in senior management)	-1,439	–	-245	**-1,684**
Helen Fasth Gillstedt, Member of the Board	–	-133	–	**-133**
Anne Thorstvedt Sjöberg, Member of the Board	–	-300	–	**-300**
Mikael Aru, Member of the Board	–	-340	–	**-340**
Lars Ljungälv, Member of the Board	–	-387	–	**-387**
Emil Sallnäs, CEO	-1,683	–	-326	**-2,009**
Other senior executives, 5 persons	-8,506	–	-844	**-9,350**
Total	**-11,267**	**-1,810**	**-1,415**	**-14,853**

	2022			
Remuneration of the Board of Directors and senior executives (SEK '000)	Salaries	Board fee	Pension costs	Total
Anders Moberg, Chairman of the Board	–	-650	–	**-650**
John Wistedt, Member of the Board (included in senior management)	-1,358	-145	-142	**-1,645**
Helen Fasth Gillstedt, Member of the Board	–	-400	–	**-400**
Anne Thorstvedt Sjöberg, Member of the Board	–	-300	–	**-300**
Mikael Aru, Member of the Board	–	-325	–	**-325**
Lars Ljungälv, Member of the Board	–	-210	–	**-210**
Emil Sallnäs, CEO	-1,707	–	-177	**-1,884**
Other senior executives, 5 persons	-7,204	–	-439	**-7,643**
Total	**-10,269**	**-2,030**	**-757**	**-13,056**

Note 7 *Employees and personnel costs (cont.)*

Remuneration of the Board of Directors, CEO and other senior executives
Remuneration of the Board of Directors
The Chairman of the Board of Directors and other Board members are paid a fee in accordance with the resolution of the Annual General Meeting. The Annual General Meeting on 16 May 2023, resolved to pay a fee of SEK 650,000 to Anders Moberg, Chairman of the Board, SEK 300,000 each to Board members Anne Thorstvedt Sjöberg, Mikael Aru and Lars Ljungälv, SEK 100,000 to Lars Ljungälv, chair of the Audit Committee, and SEK 60,000 to Mikael Aru, Audit Committee member. It was further resolved that board members who are employed by the Company would not receive any fee.

The members of the Board of the Company are not entitled to any benefits after resigning as members of the Board of Directors.

Remuneration of the CEO and senior executives
Remuneration of the CEO and senior executives is subject to annual review in accordance with the Company's guidelines on remuneration.

Guidelines for remuneration of senior executives
The following guidelines for remuneration of employees in the Company were adopted at the Annual General Meeting held on 16 May 2023.

General
These guidelines are intended to help establish the conditions for the Company to retain and recruit capable and committed employees to successfully carry out the Company's business strategy and fulfil the Company's long-term interests, including its sustainability. In order to achieve the Company's business strategy, it is necessary that the total annual remuneration is market based and competitive in light of the employee's profession and the individual's area of responsibility, authority and performance. Remuneration can include fixed salary, variable remuneration, other remuneration and pension.

Variable remuneration
Variable remuneration is to be based on earnings in relation to established short-term (annual) financial targets or to targets that contribute to financial targets or to value creation for the Company's shares. The aim of remuneration is to fulfil the Company's business strategy and long-term targets in order to enable the Company to operate as a going concern. In addition, remuneration is to be paid in cash. Short-term remuneration must not exceed 100 percent of the individual's annual salary without special approval by the board of directors.

Short-term performance targets are to include components for operating profit (Earnings Before Interest and Taxes, EBIT) and can encompass sustainability targets, targets concerning organic growth, individual targets or a combination thereof.

The Company can also work with long-term remuneration programmes such as warrants. Long-term performance targets should be linked to the development of the Company based on the share price of the Company. Long-term remuneration programmes in subsidiaries, where the share price is not relevant, should be based on other long-term targets such as growth and EBIT.

Pensions and other benefits
Pensions are to be defined-contribution plans and amount to a maximum of 30 percent of fixed annual salary. The retirement age is generally 67 years. Other benefits can include health insurance, company car benefits and fitness subsidies.

Preparation and decision-making processes
The remuneration committee is to review and approve the terms and conditions for the employment contract of the CEO. Decisions related to the remuneration of other senior executives are to be proposed by the CEO and decided on by the chairman of the board. Senior executives that are employees report directly to the CEO. The same principles apply to all levels in the Company's organisation, meaning that all remuneration decisions are proposed by the immediate manager and decided on by the individual to whom the immediate manager reports.

Concerning the CEO, all matters related to remuneration are to be handled by the board of directors remuneration committee and decided on by the Board of Directors. When the Board of Directors or remuneration committee addresses and decides on remuneration-related matters, senior executives must not be present or attend the meetings in question insofar as the matters concern them.

The remuneration committee is also to prepare board decisions concerning proposals for guidelines for senior executives, and to oversee and monitor the implementation and application of the guidelines. In addition, the board of directors is to prepare a remuneration report.

Application and deviations from the guidelines
The Board of Directors has the right to decide to temporarily deviate from the guidelines, entirely or in part, if there are particular reasons in individual cases where a deviation is necessary to fulfil the Company's long-term interests. The remuneration committee is responsible for preparing proposals ahead of board decisions concerning remuneration, including deviations from the guidelines. For positions regulated by laws other than Swedish law, appropriate adaptations are made concerning pension benefits and other benefits to comply with the applicable legislation and local practice, wherein the overall aim of the guidelines is to be fulfilled to the greatest extent possible.

The guidelines have not been given preferential rights ahead of binding legislation or collective bargaining agreements applicable to employment terms and are not applied for agreements already entered into.

Benefits for the CEO and other senior executives should the employment relationship be terminated
The CEO receives a fixed salary of SEK 125,000 per month that is subject to an annual review as of 1 January. The period of notice for both the CEO and the Company is twelve months. Upon termination of employment by the Company, the CEO has the right to severance pay amounting to twelve months' salary, in addition to termination pay. Upon termination, the CEO is also entitled to a maximum of 60 percent of the fixed monthly salary during the period in which the CEO is subject to a non-compete agreement, which applies for twelve months after the termination of employment.

Remuneration to other executives consists of fixed salary, pension and benefits. Other senior executives who are not major shareholders in the Company have the opportunity to receive an annual bonus based on performance in relation to set short-term (annual) financial targets, targets that contribute to financial targets or to value creation for the Company's shares.

Note 8 Finance income

Group	**2023**	**2022**
Assets and liabilities measured at fair value though profit or loss:		
Changes in value of currency derivatives	–	1
Total recognised in profit or loss	**–**	**1**
Assets measured at amortised cost:		
Interest income	10	3
Total interest income in accordance with effective interest rate method	**10**	**3**
Other financial income:		
Exchange rate gains	31	123
Other financial items	1	1
Total other finance income	**32**	**124**
Total finance income	**43**	**128**

Parent Company	**2023**	**2022**
Assets and liabilities measured at amortised cost:		
Interest income on receivables from Group companies	75	26
Interest income on external receivables	8	2
Total interest income in accordance with effective interest rate method	**82**	**28**
Other financial income:		
Exchange rate gains	13	102
Other financial items	1	6
Total other finance income	**14**	**108**
Total interest income and similar profit/loss items	**96**	**135**

Note 9 Finance expenses

Group	**2023**	**2022**
Assets and liabilities measured at fair value though profit or loss:		
Changes in value of currency derivatives	-6	-9
Total recognised in profit or loss	**-6**	**-9**
Liabilities measured at amortised cost:		
Interest expenses on liabilities to credit institutions	-35	-17
Interest expenses on other financial liabilities	-3	-1
Total interest expenses in accordance with effective interest rate method	**-38**	**-17**
Other financial expenses:		
Exchange rate losses	-45	-49
Interest expenses on lease liabilities	-2	-1
Other financial items	-4	-2
Total other finance expenses	**-52**	**-53**
Total finance expenses	**-96**	**-79**

Parent Company	**2023**	**2022**
Assets and liabilities measured at amortised cost:		
Interest expenses on liabilities to credit institutions	-35	-17
Interest expenses, Group companies	-3	-1
Total interest expenses and similar expense items	**-38**	**-17**
Other financial expenses:		
Exchange rate losses	-26	-69
Impairment of intra-Group loans	–	-28
Impairment of shares in subsidiaries	-216	–
Origination fees for borrowings	-4	-2
Total other finance expenses	**-246**	**-100**
Total interest expenses and similar expense items	**-285**	**-117**

Note 10 Tax

Group **Current tax**	**2023**	**2022**
Current tax on net profit for the year	-48	-110
Total current tax	**-48**	**-110**
Deferred tax		
Deferred tax attributable to temporary differences	52	29
Total deferred tax	**52**	**29**
Recognised tax in profit or loss	**4**	**-81**

Reconciliation of effective tax rate	**2023**	**2022**
Profit before tax	**112**	**359**
Tax according to applicable tax rate for the Parent Company (20.6%)	-23	-74
Tax effect of:		
Non-deductible expenses	-2	-8
Non-taxable revenue	0	6
Non-deductible/taxable income from associates	2	1
Effect of foreign tax rates	6	7
Effect of changes in tax rates*	24	–
Utilisation of previously non-capitalised loss carry-forwards	0	2
Increase in loss carry-forwards without a corresponding capitalisation of deferred tax assets	-3	-11
Temporary differences in leases	–	0
Other	-0	-4
Recognised tax	**4**	**-81**
Effective tax rate	-3.9%	22.5%

*Pertains to a change in the tax rate in Germany.

Note 10 Tax (cont.)

Parent Company

Current tax	2023	2022
Current tax on net profit for the year	-0	-4
Total current tax	**-0**	**-4**
Recognised tax in profit or loss	**-0**	**-4**

Reconciliation of effective tax rate	2023	2022
Profit before tax*	**71**	**164**
Tax according to applicable tax rate for the Parent Company (20.6%)	-15	-34
Tax effect of:		
Non-taxable revenue	59	36
Non-deductible expenses	-45	-6
Recognised tax	**0**	**-4**
Effective tax rate	0.0%	-2.4%

*The item is affected by appropriations of SEK 1 (-6) million, consisting of the tax allocation reserve.

Note 10 Tax (cont.)

Disclosures on deferred tax assets and tax liabilities. The tables below specify the tax effect of temporary differences:

Group

Deferred tax assets	Right-of-use assets*	Tax loss carry-forwards	Other	Total
Opening carrying amount, 1 Jan 2023	**1**	**7**	**1**	**8**
Recognised:				
Through profit or loss	–	–	3	**3**
Translation effect	0	-0	–	**0**
Closing carrying amount, 31 Dec 2023	**1**	**7**	**3**	**11**

Deferred tax assets	Right-of-use assets*	Tax loss carry-forwards	Other	Total
Opening carrying amount, 1 Jan 2022	**1**	**10**	**–**	**11**
Recognised:				
Through profit or loss	–	-4	1	**-3**
Translation effect	0	1	-0	**-0**
Closing carrying amount, 31 Dec 2022	**1**	**7**	**1**	**8**

*Right-of-use assets are recognised net in the table. The gross amounts are deferred tax assets of SEK 12 (12) million and deferred tax liabilities of SEK 12 (12) million.

Deferred tax liabilities	Intangible assets	Other	Total
Opening carrying amount, 1 Jan 2023	**306**	**3**	**309**
Recognised:			
Through profit or loss	-49	-3	**-52****
Translation effect	-3	–	**-3**
Closing carrying amount, 31 Dec 2023	**254**	**–**	**254**

Deferred tax liabilities	Intangible assets	Other	Total
Opening carrying amount, 1 Jan 2022	**303**	**6**	**309**
Recognised:			
Through profit or loss	-29	-4	**-33****
Through other comprehensive income	–	1	**1**
Added through business combinations	11	–	**11**
Translation effect	22	–	**22**
Closing carrying amount, 31 Dec 2022	**306**	**3**	**309**

**The item includes deferred tax on untaxed reserves.

There are tax loss carry-forwards for which deferred tax assets have not been recognised in the balance sheet in the amount of SEK 320 (250) million, for which no time limit applies.

Deferred tax assets were not recognised for these items since it was not deemed probable that the Group would be able to utilise them to offset future taxable profit.

Note 11 Earnings per share

Basic earnings per share	2023	2022
Net profit for the year attributable to the shareholders of the Parent Company (SEK million)	106	254
Average number of ordinary outstanding shares	88,831,884	88,831,884
Basic earnings per share (SEK)	**1.19**	**2.86**

Weighted average number of ordinary shares, basic	2023	2022
Number of shares at the beginning of the year	88,831,884	88,831,884
Number of shares at the end of the year	88,831,884	88,831,884
Weighted average number of shares	**88,831,884**	**88,831,884**

Note 12 Intangible assets

Group Cost	Goodwill	Software including IT platforms	Customer relationships	Producer relationships	Brands	Capitalised expenditure on development	Total intangible assets excl. Goodwill
At 1 January 2023	955	87	369	314	603	41	1,415
Acquisitions for the year	–	0	–	–	–	–	0
Sales and disposals	–	-2	–	–	-1	-3	-6
Reclassifications	–	1	–	–	–	-1	–
Translation effect	-17	-0	-1	-20	-2	0	-23
At 31 December 2023	937	85	368	294	601	37	1,386
Amortisation							
At 1 January 2023	–	-45	-66	-26	-42	-35	-214
Sales and disposals	–	-26	-38	-20	-21	-2	-107
Reclassifications	–	–	–	–	1	3	4
Translation effect	–	1	1	2	1	-0	5
At 31 December 2023	–	-70	-102	-44	-62	-35	-313
Impairment							
At 1 January 2023	-4	-2	-7	–	-5	–	-15
Sales and disposals	–	2	–	–	–	–	2
Translation effect	0	-0	1	–	1	–	1
At 31 December 2023	-4	–	-7	–	-5	–	-11
Closing carrying amount at 31 December 2023	934	16	259	251	534	3	1,062

Note 12 *Intangible assets (cont.)*

Cost	Goodwill	Software including IT platforms	Customer relationships	Producer relationships	Brands	Capitalised expenditure on development	Total intangible assets excl. Goodwill
At 1 January 2022	**821**	**77**	**300**	**305**	**548**	**4**	**1,234**
Acquisitions for the year	–	1	–	–	–	–	**1**
Business combinations	75	–	43	–	17	38	**98**
Reclassifications	–	2	–	–	–	-2	**–**
Translation effect	59	7	26	9	39	1	**82**
At 31 December 2022	**955**	**87**	**369**	**314**	**603**	**41**	**1,415**
Amortisation							
At 1 January 2022	**–**	**-19**	**-25**	**-5**	**-14**	**-2**	**-64**
Amortisation for the year	–	-24	-37	-21	-21	-3	**-105**
Business combinations	–	–	–	–	-7	-30	**-37**
Translation effect	–	-3	-4	–	-1	–	**-8**
At 31 December 2022	**–**	**-45**	**-66**	**-26**	**-42**	**-35**	**-214**
Impairment							
At 1 January 2022	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Impairment for the year	-4	-2	-6	–	-4	–	**-13**
Translation effect	–	–	-1	–	-1	–	**-2**
At 31 December 2022	**-4**	**-2**	**-7**	**–**	**-5**	**–**	**-15**
Closing carrying amount at 31 December 2022	**951**	**40**	**295**	**289**	**556**	**6**	**1,186**

Note 12 *Intangible assets (cont.)*

Impairment testing

The Group's goodwill of SEK 934 (951) million arose in connection with the acquisition by Viva Wine Group AB of Vinklubben i Norden AB at 1 April 2022, Tryffelsvinet AB at 31 January 2020, Cisa Oy at 31 July 2015 and Norwegian Beverage Group at 1 November 2021 (included in Nordics below), as well as Vicampo.de GmbH at 3 August 2021, Wine in Black at 1 January 2019 and the Vinexus Group at 30 November 2020 (within eCom below). In connection with the acquisition of Vicampo, part of the excess value was allocated to brands, some of which are considered to have an indefinite useful life and are therefore also tested for impairment as part of the Group's impairment test.

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

The carrying amount that is tested for impairment is allocated to cash-generating units as follows at 31 December 2023:

31 Dec 2023	**Nordics**	**eCom**	**Total**
Goodwill	302	631	**934**
Brands	–	403	**403**
31 Dec 2022	**Nordics**	**eCom**	**Total**
Goodwill	318	633	**951**
Brands	–	404	**404**

The Group tests intangible assets with indefinite useful lives, i.e. goodwill and to some extent brands, for impairment, and this has been carried at 30 September 2023 and 30 September 2022.

Impairment testing is carried out at the lowest levels where there are separate identifiable cash flows (cash-generating units), which for the Group is the acquired company. The impairment test for the Group's goodwill consists of assessing whether the recoverable amount of the unit is higher than its carrying amount for the respective cash-generating unit to which the asset belongs. The recoverable amount has been calculated on the basis of the value in use of the unit, which represents the present value of the expected future cash flows of the unit without taking into account any future business expansion and restructuring. These calculations use estimated future pre-tax cash flows based on financial budgets approved by the Executive Management. The discount rate has been determined using a model that weighs the cost of capital for the company's equity against the cost of the company's interest-bearing debt based on the debt/equity ratio. The cost of equity is assessed based on risk-free interest, market-and company-specific risk premium, and the company's estimated Beta value, which is a measure of how the company's risk correlates with market risk.

The calculation of value in use has been based on:

30 Dec 2023	**Nordics**	**eCom**
Pre-tax discount rate, %	8.1	9.1
Cash flow estimates for	5 years	5 years
Extrapolation of cash flows thereafter with growth of, %	2	3
30 Sep 2022	**Nordics**	**eCom**
Pre-tax discount rate, %	7.4	7.4
Cash flow estimates for	5 years	5 years
Extrapolation of cash flows thereafter with growth of, %	2	3

In 2023, the estimated recoverable amount of the Viva Group's operations exceeded the carrying amount for all operating segments, no impairment charge was therefore recognised. The Viva Group also analysed whether a negative adjustment to the assumptions made for discount rate, growth and operating profit would result in impairment. Based on that analysis, there is no need for impairment for any of the operating segments. In sensitivity testing of the carrying amount to value in use, growth assumptions, operating profit and the discount factor have all been adjusted by - 1 percentage point each.

Note 13 Tangible assets

Group	Land and buildings	Equipment, tools, fixtures and fittings	Leasehold improvements	Cars	Total tangible assets
Cost at 1 January 2023	**–**	**17**	**1**	**1**	**19**
Acquisitions for the year	–	21	–	–	21
Sales and disposals	–	-9	–	–	-9
Reclassifications	–	0	-0	-	-
Translation effects	–	-0	0	-0	-0
Cost at 31 Dec 2023	–	**29**	**1**	**1**	**31**
Accumulated depreciation, 1 January 2023	**–**	**-8**	**-1**	**-0**	**-9**
Depreciation for the year	–	-3	-0	-0	-3
Sales and disposals	–	5	–	–	5
Reclassifications	–	-0	0	–	–
Translation effects	–	-0	-0	0	-0
Accumulated depreciation at 31 Dec 2023	**–**	**-6**	**-1**	**-0**	**-7**
Closing carrying amount at 31 December 2023	**–**	**23**	**–**	**0**	**24**

	Land and buildings	Equipment, tools, fixtures and fittings	Leasehold improvements	Cars	Total tangible assets
Cost at 1 January 2022	**40**	**13**	**3**	**2**	**58**
Acquisitions for the year	1	3	–	–	4
Sales and disposals	-43	-0	-2	-1	-47
Translation effects	2	2	0	0	3
Cost at 31 December 2022	–	**17**	**1**	**1**	**19**
Accumulated depreciation at 1 January 2022	**-1**	**-5**	**-1**	**-0**	**-8**
Amortisation for the year	-1	-2	-0	-0	-3
Sales and disposals	2	0	1	1	4
Reclassifications	0	-0	–	–	–
Translation effects	-0	-1	-0	-0	-1
Accumulated depreciation at 31 December 2022	**–**	**-8**	**-1**	**-0**	**-9**
Closing carrying amount at 31 December 2022	**–**	**9**	**0**	**0**	**10**

Note 14 Leases

Viva Wine Group's material leases mainly comprise leases for office premises and vehicles. Viva Wine Group classifies its leases in the categories premises, vehicles and office equipment. The table below presents the Group's closing balances for right-of-use assets, lease liabilities and changes for the year:

	Right-of-use assets				
Group	**Premises**	**Vehicles**	**Office equipment**	**Total**	**Lease liability**
Opening balance, 1 January 2022	**54**	**3**	**0**	**57**	**58**
Additional leases*	10	3	-	**13**	13
Amortisation	-15	-3	-0	**-18**	–
Disposals	-2	–	–	**-2**	-2
Interest expenses	–	–	–	**-**	1
Lease payments	–	–	–	**-**	-20
Currency effect	2	0	0	**2**	2
Closing balance, 31 December 2022	**49**	**4**	**0**	**53**	**53**
Additional leases*	40	5	-	**45**	45
Amortisation	-16	-3	-0	**-18**	–
Interest expenses	–	–	–	**–**	2
Lease payments	–	–	–	**–**	-20
Currency effect	-1	-0	-0	**-1**	-1
Closing balance, 31 December 2023	**72**	**6**	**0**	**78**	**79**

*Additional leases are mainly related to new leases but also include adjustments to existing leases.

The amounts recognised in the consolidated statement of profit or loss for the year attributable to lease activities are presented below:

	2023	**2022**
Depreciation of right-of-use assets	-18	-18
Interest expenses on lease liabilities	-2	-1
Expenses for short-term leases	-2	-1
Expenses for low-value leases	-0	-0
Total	**-23**	**-20**

Viva Wine Group recognised a cash outflow attributable to leases amounting to SEK 18 (18) million for the 2023 financial year. For a maturity analysis of the Group's lease liabilities, refer to Note 22 Financial risks.

Note 15 Participations in associated companies

The associated companies that were material for the Group as of 31 December 2023 are presented below. The companies listed above have a share capital consisting only of ordinary shares, which are owned directly by the Group. The share of equity is the same as the share of votes unless otherwise stated below.

Group Company name	Country of registration and operation	Revenue 2023	Net profit 2023	Share of equity, % 31 Dec 2023	 31 Dec 2022	Nature of the Company's relationship	Valuation method
SA Vins Biecher	France	598	34	25.0	25.0	Associated company	Equity method

SA Vins Biecher
The company is active in the purchase and bottling of wine. The investment was made to strengthen the partnership between the Group and an important sub-supplier.

Company name	31 Dec 2023	31 Dec 2022
SA Vins Biecher	64	59
Other holdings*	1	2
Total investments recognised in accordance with the equity method	**66**	**61**

*In addition to holdings in associated companies as described above, the Group also has holdings in a number of associated companies and joint ventures that are individually insignificant, which have been recognised in accordance with the equity method.

Condensed financial information for associated companies
The table below shows condensed financial information for the associated companies deemed by the Group to be material. The information shows the amounts that have been recognised in the financial statements for each associated company. They have been adjusted to reflect adjustments made by the Group when applying the equity method, including adjustments to fair value at the time of the acquisition and adjustments for differences in accounting policies.

Condensed balance sheet	SA Vins Biecher 31 Dec 2023	 31 Dec 2022
Non-current assets	43	47
Current assets	263	231
Current liabilities	94	123
Non-current liabilities	0	0
Net assets	**212**	**154**

Reconciliation of carrying amount	31 Dec 2023	31 Dec 2022
Opening carrying amount, 1 January	59	53
Share of profit in associated company	8	6
Dividend paid	-3	-2
Translation difference	0	2
Closing carrying amount, 31 Dec	**64**	**59**

Reconciliation of carrying amount	Other holdings 31 Dec 2023	 31 Dec 2022
Opening carrying amount, 1 January	2	2
Investments	0	0
Disposals	0	-1
Share of profit in associated company	1	1
Dividend paid	-1	-0
Translation difference	0	0
Closing carrying amount	**1**	**2**

Parent Company Company name	Country of registration and operation	Share of equity, % 31 Dec 2023	 31 Dec 2022	Nature of the Company's relationship	Valuation method
Larex AB	Sweden	30.0	30.0	Associated company	Equity method
Ecoviva AB	Sweden	–	39.0	Associated company	Equity method

Profit from participations in associated companies	2023	2022
Dividends from associated companies	1	1
Total profit from participations in associated companies	**1**	**1**

Reconciliation of carrying amount	31 Dec 2023	31 Dec 2022
Opening carrying amount, 1 January	0	0
Disposals	-0	-0
Closing carrying amount	**0**	**0**

Note 16 Financial instruments

Measurement of financial assets and liabilities, 31 Dec 2023

Group **Financial assets**	**Financial assets/liabilities measured at fair value through profit or loss**	**Financial assets/ liabilities measured at amortised cost**	**Total carrying amount**	**Fair value**
Other securities held as non-current assets	–	6	**6**	6
Other non-current receivables	–	16	**16**	16
Trade receivables	–	739	**739**	739
Receivables from associated companies	–	4	**4**	4
Other receivables	–	24	**24**	24
Prepaid expenses and accrued income	–	36	**36**	36
Derivative instruments	0	–	**0**	0
Cash and cash equivalents	–	94	**94**	94
Total	**0**	**918**	**918**	**918**
Financial liabilities				
Interest-bearing liabilities	–	538	**538**	538
Non-current non-interest-bearing liabilities	–	54	**54**	54
Trade payables	–	451	**451**	451
Advances from customers	–	3	**3**	3
Liabilities to associated companies	–	53	**53**	53
Derivative instruments	28	–	**28**	28
Other current liabilities	–	336	**336**	336
Accrued expenses and deferred income	–	66	**66**	66
Total	**28**	**1,502**	**1,530**	**1,530**

Note 16 Financial instruments (cont.)

Measurement of financial assets and liabilities, 31 Dec 2022

Financial assets	Financial assets/liabilities measured at fair value through profit or loss	Financial assets/ liabilities measured at amortised cost	Total carrying amount	Fair value
Other securities held as non-current assets	–	3	**3**	3
Other non-current receivables	–	19	**19**	19
Trade receivables	–	670	**670**	670
Receivables from associated companies	–	5	**5**	5
Other receivables	–	21	**21**	21
Prepaid expenses and accrued income	–	37	**37**	37
Derivative instruments	8	–	**8**	8
Cash and cash equivalents	–	339	**339**	339
Total	**8**	**1,093**	**1,102**	**1,102**
Financial liabilities				
Interest-bearing liabilities	–	778	**778**	778
Non-current non-interest-bearing liabilities	–	3	3	3
Trade payables	–	427	**427**	427
Advances from customers	–	3	**3**	3
Liabilities to associated companies	–	44	**44**	44
Derivative instruments	1	–	**1**	1
Other current liabilities	–	318	**318**	318
Accrued expenses and deferred income	–	50	**50**	50
Total	**1**	**1,622**	**1,623**	**1,623**

The carrying amount of current receivables and liabilities, such as trade receivables and trade payables, and for non-current liabilities at variable interest, is deemed to be a good approximation of the fair value.

The Group has no financial assets or liabilities that have been offset in the accounts or that are subject to legally binding netting agreements. The maximum credit risk of the assets comprises the net amount of the carrying amounts in the tables above. The Group did not receive any pledged assets for the financial net assets.

Note 16 *Financial instruments (cont.)*

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The table below shows financial instruments measured at fair value, based on the classification in the fair value hierarchy. The different levels are defined as follows:

Level 1 – Quoted prices (unadjusted) for identical assets or liabilities in active markets

Level 2 - Observable inputs for the asset or liability other than quoted prices included in Level 1, either directly (i.e. as price quotes) or indirectly (i.e. derived from price quotes)

Level 3 – Inputs are unobservable inputs for the asset or liability (meaning non-observable data)

Financial assets measured at fair value, 31 December 2023	Level 1	Level 2	Level 3	Total
Derivative instruments	–	0	–	**0**

Financial assets measured at fair value, 31 December 2022	Level 1	Level 2	Level 3	Total
Derivative instruments	–	8	–	**8**

Financial liabilities measured at fair value, 31 December 2023	Level 1	Level 2	Level 3	Total
Derivative instruments	–	28	–	**28**

Financial liabilities measured at fair value, 31 December 2022	Level 1	Level 2	Level 3	Total
Derivative instruments	–	1	–	**1**

Note 17 Inventories

Group	31 Dec 2023	31 Dec 2022
Finished goods and goods for resale	516	535
Carrying amount	**516**	**535**
Of which, portion recognised at net realisable value	0.8%	1.2%

Note 18 Prepaid expenses and accrued income

Group	31 Dec 2023	31 Dec 2022
Accrued interest income	0	1
Accrued promotional income	0	1
Prepaid alcohol tax	13	15
Advance payments to supplier	11	9
Other prepaid expenses	12	10
Carrying amount	**36**	**37**

Note 19 Cash and cash equivalents

Group	31 Dec 2023	31 Dec 2022
Bank balances	94	339
Carrying amount	**94**	**339**

The above amounts do not include any blocked bank balances.

Parent Company	31 Dec 2023	31 Dec 2022
Bank balances	73	245
Carrying amount	**73**	**245**

Note 20 Group companies

The holdings of the Parent Company, Viva Wine Group AB, in direct and indirect subsidiaries included in the consolidated accounts are presented in the table below:

Group Company	Principal activity	Corporate registration number	Registered office	Share of equity/share of voting rights 31 Dec 2023	31 Dec 2022
Viva Wine Group AB	Holding company	559178-4953	Stockholm	Parent company	Parent company
Giertz Vinimport AB	Wine importer	556552-2066	Stockholm	97.5/97.5	97.5/97.5
The Wine Team Global AB	Wine importer	556782-5293	Stockholm	90.5/90.5	90.5/90.5
Winemarket Nordic AB	Wine importer	556884-7650	Stockholm	90/90	90/90
Iconic Wines AB	Wine importer	559013-0471	Stockholm	85/85	85/85
C-Wine Holding AB	Holding company	556898-1483	Stockholm	85/85	85/85
Morningstar Brands AB	Wine importer	556500-2457	Stockholm	85/85	85/85
Viva Wine & Spirits AB	Wine importer	556898-1574	Stockholm	100/100	100/100
Bottle Shock AB	Holding company	559214-5105	Stockholm	83/83	83/83
Tryffelsvinet AB	Wine importer	556635-6860	Stockholm	83/83	83/83
Vinimundi AB	Wine importer	556823-8181	Stockholm	90.5/90.5	90.5/90.5
Wine a Porter AB	Dormant	559089-3946	Stockholm	97.5/97.5	97.5/97.5
Viva E-com Holding AB	Holding company	559230-3068	Stockholm	85.2/85.2	86.2/86.2
Viva E-Commerce AB	Holding company	559146-8102	Stockholm	85.2/85.2	86.2/86.2
House of Big Wines AB	Brand company	559169-4616	Stockholm	90.5/90.5	90.5/90.5
Casa Marrone AB	Brand company	559178-4912	Stockholm	90.5/90.5	90.5/90.5
Icon Wines AB	Brand company	559188-6576	Stockholm	90.5/90.5	90.5/90.5
Casa Vinironia AB	Brand company	559178-4920	Stockholm	97.5/97.5	97.5/97.5
Omni Wines AB	Brand company	559178-4946	Stockholm	97.5/97.5	97.5/97.5
Joint Harvest AB	Brand company	559465-4005	Stockholm	85/85	-/-
Vinklubben i Norden AB	Marketing	556969-5504	Stockholm	100/100	100/100
Pietro di Campo AB	Brand company	559325-7743	Stockholm	100/100	100/100
Cisa Oy	Wine importer	1526323-3	Espoo, Finland	85/85	85/85
Cisa Drinks Oy	Wine importer	1825485-0	Espoo, Finland	85/85	85/85
Cisa Finland Oy	Dormant	1942989-4	Espoo, Finland	85/85	85/85
Realfi Oy	Dormant	1789116-1	Espoo, Finland	85/85	85/85
Norwegian Beverage Group AS	Wine importer	997862856	Lysaker, Norway	89/89	89/89
Momentum Wines AS	Wine importer	971587601	Lysaker, Norway	89/89	89/89

Note 20 Group companies (cont.)

Group Company	Principal activity	Corporate registration number	Registered office	Share of equity/share of voting rights 31 Dec 2023	31 Dec 2022
Exciting Wines AS	Wine importer	997532694	Lysaker, Norway	89/89	89/89
Hand Picked Wines AS	Wine importer	999121292	Lysaker, Norway	89/89	89/89
Silenus AS	Wine importer	914527279	Lysaker, Norway	89/89	89/89
United Brands AS	Wine importer	998854946	Lysaker, Norway	89/89	89/89
Viva eCom Group GmbH	Holding company	HRB 218519 B	Berlin, Germany	85.2/85.2	86.2/86.2
Wine in Black GmbH	E-commerce	HRB 142086 B	Berlin, Germany	85.2/85.2	86.2/86.2
Wine in Black France Holding UG	Holding company	HRB 144668 B	Berlin, Germany	85.2/85.2	86.2/86.2
Vinexus Deutschland GmbH	E-commerce	HRB 8515	Butzbach, Germany	85.2/85.2	86.2/86.2
Wine Logistix GmbH	Logistics	HRB 8513	Butzbach, Germany	85.2/85.2	86.2/86.2
Wein für Profis GmbH*	E-commerce	HRB 8509	Butzbach, Germany	-/-	86.2/86.2
VIVA eCOM Butzbach Real Estate GmbH*	Property company	HRB 222260 B	Butzbach, Germany	-/-	86.2/86.2
Viva eCommerce GmbH	Holding company	HRB 231676 B	Mainz, Germany	85.2/85.2	86.2/86.2
Vicampo.de GmbH	E-commerce	HRB 44108	Mainz, Germany	85.2/85.2	86.2/86.2
ViniMundi Wines Inc	Wine importer	7758996	Lewes, Delaware	76.9/76.9	76.9/76.9
GWB Holding Ltd**	Holding company	C73375	Valetta, Malta	-/-	100/100
Global Wine Brands Ltd**	Brand company	C73457	Valetta, Malta	-/-	100/100

*The subsidiaries Wein für Profis GmbH and VIVA eCom Butzbach Real Estate GmbH were merged into the subsidiary Viva eCom Group GmbH during the year

**The subsidiaries GWB Holding Ltd and Global Wine Brands Ltd were liquidated during the year

Note 20 *Group companies (cont.)*

Parent Company

Profit from participations in Group companies	**2023**	**2022**
Dividend from subsidiaries	286	169
Total profit from participations in Group companies	**286**	**169**

Reconciliation of carrying amount	**31 Dec 2023**	**31 Dec 2022**
Opening cost	986	866
Acquisitions	56	123
Impairment	-216	–
Disposals	–	-3
Closing carrying amount	**827**	**986**

Company	**Corporate registration number**	**Registered office**	**Equity 31 Dec 2023**	**Outcome 2023**	**Share of equity and share of voting rights**	**Number of shares**	**Carrying amount 31 Dec 2023**	**Carrying amount 31 Dec 2022**
Giertz Vinimport AB	556552-2066	Stockholm	81	42	97.5/97.5	10,217	29	29
The Wine Team Global AB	556782-5293	Stockholm	88	54	90.5/90.5	905	256	256
Winemarket Nordic AB	556884-7650	Stockholm	10	5	90/90	45,000	17	17
Iconic Wines AB	559013-0471	Stockholm	17	11	85/85	42,500	69	69
C-Wine Holding AB	556898-1483	Stockholm	0	-0	85/85	42,500	0	47
Morningstar Brands AB	556500-2457	Stockholm	8	6	85/85	850,000	43	–
Viva Wine & Spirits AB	556898-1574	Stockholm	0	-0	100/100	50,000	0	0
Bottle Shock AB	559214-5105	Stockholm	0	-0	83/83	830	0	9
Tryffelsvinet AB	556635-6860	Stockholm	8	6	83/83	13,280	14	–
Viva E-com Holding AB	559230-3068	Stockholm	42	-0	85.2/85.2	865	42	42
Vinklubben i Norden AB	556969-5504	Stockholm	10	-0	100/100	50,000	18	122
Pietro di Campo AB	559325-7743	Stockholm	5	5	100/100	1,000	48	104
Cisa Oy	1526323-3	Espoo, Finland	31	32	85/85	2,550	83	83
Norwegian Beverage Group AS	997862856	Lysaker, Norway	49	4	89/89	890	207	207
Closing carrying amount							**827**	**986**

Note 21 Share capital and other contributed capital

	Number of shares		Share capital (SEK)		Other contributed capital (SEK)	
Event	Change	Total	Change	Total	Change	Total
1 January 2022		**88,831,884**		**740,266**		**1,376,210,662**
Repurchase of warrants		88,831,884		740,266	-176,746	1,376,033,916
31 December 2022		**88,831,884**		**740,266**		**1,376,033,916**
Repurchase of warrants		88,831,884		740,266	-179,072	1,375,854,844
31 December 2023		**88,831,884**		**740,266**		**1,375,854,844**

Share capital

The registered share capital of SEK 740 thousand comprises 88,831,884 shares. Viva Wine Group AB has only one class of shares, with all shares carrying equal voting rights. The quotient value of the shares is SEK 0.0083.

Holders of ordinary shares are entitled to receive dividends that are determined at a later date and the shareholding carries entitlement to vote at the Company's general meetings with one vote per share. All shares have the same rights to Viva Wine's remaining net assets. All shares are fully paid up and no shares are reserved for transfer. No shares are held by the Company itself or its subsidiaries.

Incentive programmes

2023

During the year, 23,256 warrants of series 2021:3 and 58,140 warrants of series 2021:4 were bought back from staff who had left their employment.
As of 31 December 2023, there are 388,296 of series 2021:3 and 174,420 of series 2021:4. Assuming that all warrants under the incentive programmes will be exercised for subscription to new shares, the Company's share capital will increase by approximately SEK 4,689.30, corresponding to approximately 0.63 percent of the Company's share capital. The warrants can be exercised immediately after 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.

2022

During the year, 58,140 warrants of series 2021:3 were bought back from staff who had left their employment. As of 31 December 2022, there are 411,552 of series 2021:3 and 232,560 of series 2021:4. Assuming that all warrants under the incentive programmes will be exercised for subscription of new shares, the Company's share capital will increase by approximately SEK 5,367.60, corresponding to approximately 0.73 percent of the Company's share capital. The warrants can be exercised immediately after 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.

Note 22 Financial risks

The Group's earnings, financial position and cash flow are impacted by both changes in the business environment and the Group's own actions. The objective of risk-management activities is to define and analyse the risks faced by the Company and, to the greatest extent possible, to prevent and limit any negative effects.

Through its operations, the Group is exposed to different types of financial risks: credit risk, market risk (interest-rate risk, currency risk and other price risk) as well as liquidity risk and refinancing risk. The Board of Directors is ultimately responsible for the Group's risk activities, including financial risks. Risk activities include identifying, assessing and valuing the risks faced by the Group. Priority is assigned to the risks that are estimated to have the greatest negative impact on the Group, based on an overall assessment of potential effect, probability and consequences.

Credit risk
Credit risk is the risk that the Group's counterparty in a financial instrument is unable to fulfil its obligations and thus causes a financial loss for the Group. The Group's credit risk primarily arises through receivables from customers and investing cash and cash equivalents. On each six-month reporting date, the Group evaluates the credit risk of existing exposures, taking into account forward-looking factors.

The financial assets for which the Group has made provisions for expected credit losses ("loss allowance") are presented below. In addition to the assets below, the Group also monitors its provisions requirements for other financial instruments. For cases in which the amounts are not deemed to be insignificant, loss allowances are also made for these financial instruments.

Credit risk in trade receivables (simplified approach for credit risk provision)
Credit risk for the Group is primarily found in trade receivables and Viva Wine Group's aim is to continuously monitor this credit risk. The Group's customers comprise both businesses and consumers. The Group has established guidelines to ensure that products are sold to customers with a suitable credit background. Payment terms are normally between 30 and 60 days depending on the counterparty. Past credit losses amount to insignificant amounts in relation to the Group's net sales.

For trade receivables, the Group has used the simplified approach under IFRS 9 to measure expected credit losses for the remaining tenor. The Group measures the loss allowance at an amount corresponding to the expected credit losses for the remaining tenor. Expected credit losses for trade receivables are calculated using a loss allowance matrix based on past experience and an analysis of customers' financial positions, adjusted for customer-specific factors, the general economic conditions in the industry in which the customers operate and an assessment of both current circumstances and forecasts for the reporting date. The Group's customers are divided into two segments: business customers and consumers. For individual major receivables that are more than 120 days past due for payment or where the credit risk is deemed material, the loss allowance for these receivables is assessed for each counterparty. These approaches are applied in combination with other known information and forward-looking factors, including information about individual customers and management's assessment of the impact of the economic conditions in the industry.

The Group has defined default as when payment of a receivable is 120 or more past due, or if other factors indicate default. In such cases, an individual assessment is performed to estimate the expected credit loss in addition to the expected loss. The Group writes off a receivable when there is no longer any expectation that payment will be received and when active measures to obtain payment have been discontinued.

Group

	31 Dec 2023			31 Dec 2022		
Age analysis of trade receivables	**Gross**	**Impairment**	**Expected loss, %**	**Gross**	**Impairment**	**Expected loss, %**
Trade receivables not yet due	726	-0	0.01	658	-0	0.01
Past-due trade receivables:						
0–30 days	11	-0	0.01	10	-0	0.01
31–60 days	0	-0	1.00	1	-0	1.00
61–90 days	1	-0	5.00	1	-0	5.00
91–120 days	0	-0	5.00	0	-0	5.00
>120 days	3	-3	50.00	2	-1	50.00
Total	**741**	**-3**		**671**	**-1**	

The credit quality of receivables that are not more than 90 days past due is deemed favourable, based on historically low customer losses and considering forward-looking factors.

Expected credit losses for trade receivables (simplified approach)	2023	2022
Opening carrying amount	**-1**	**-3**
Reversed reserves	1	3
Identified losses	0	–
Additional reserves	-3	-1
Closing carrying amount	**-3**	**-1**

Note 22 Financial risks (cont.)

Cash and cash equivalents
The Group's credit risk also arises when depositing cash and cash equivalents and surplus liquidity. Viva Wine Group's aim is to continuously monitor credit risk attributable to deposits. For deposits in bank accounts, the aim is for the counterparty to have a minimum credit rating of A- (S&P). One way of counteracting credit risk is for the Group to have bank accounts with more than one bank.For cash and cash equivalents, a general approach is applied based on the banks' probability of default and forward-looking factors. Due to short maturities and high credit ratings, the loss allowances amount to insignificant amounts.

Credit risk exposure and credit risk concentration
The Group's credit risk exposure comprises trade receivables and cash and cash equivalents. Cash and cash equivalents of SEK 94 (339) million are deposited with financial institutions with high credit ratings in various countries. The majority of cash and cash equivalents is deposited with banks with ratings of AAA and AA.

The Group's trade receivables are distributed among a number of customers with a credit-risk concentration with primarily three large corporate customers. Systembolaget AB accounts for the majority of the customer base, 60 (59) percent of sales, the Finnish equivalent Alko accounts for a further 11 (9) percent of sales and the Norwegian equivalent Vinmonopolet accounts for a further 8 (8) percent.

Market risk
Market risk is the risk that the fair value of or future cash flows from a financial instrument will vary due to changes in market prices. IFRS divides market risks into three types: currency risk, interest rate risk and other price risks. The market risks that primarily impact the Group are interest-rate risks and currency risks.

Interest-rate risk
Interest-rate risk is the risk that the fair value of or future cash flows from a financial instrument will vary due to changes in market interest rates. The aim is to not be exposed to future fluctuations in interest-rate changes that impact the Group's cash flow and results to a greater extent than Viva Wine Group can manage. A significant factor affecting interest-rate risk is fixed-rate terms. The Group is primarily exposed to interest-rate risk attributable to the Group's loans to credit institutions. The Group normally borrows at variable interest rates. Interest-rate risk is low since the Group's interest expense is low relative to its total earnings.

The table below specifies the terms and repayment dates of each interest-bearing debt:

				Carrying amount	
	Currency	**Date due**	**Interest**	**31 Dec 2023**	**31 Dec 2022**
Loans*	EUR	4 Aug 2024	Variable	–	776
Loans*	EUR	27 Sep 2026	Variable	538	–
Loan	EUR	< 365 days	Variable	–	2
Total				**538**	**778**

*Viva Wine Group renegotiated its external financing during the year, resulting in the full repayment of the previous loan and the raising of a new loan.

Note 22 Financial risks (cont.)

Currency risk
Currency risks the risk that the fair value of or future cash flows from a financial instrument will vary due to changes in foreign exchange rates. Currency risks mainly arise on the translation of foreign operations' assets and liabilities into the functional currency of the Parent Company, known as translation exposure. The Group's sales and purchases in foreign currencies, known as transaction exposure, comprise a currency risk. In summary, the Group conducts operations worldwide with a cost base in the local currency and is thus exposed to currency risk.

The Group regularly hedges purchases in foreign currency, primarily EUR. The Group operates internationally and is exposed to currency risks that arises from various currency exposures, mainly with regard to EUR. Currency risk arises through future business transactions and when recognised assets and liabilities are expressed in a currency that is not the entity's functional currency. The risks are measured through a forecast of highly probably future payments in EUR. The goal is to minimise the volatility in expenses for highly probably purchases of goods. The Group's risk management policy is to hedge between 75 and 100 percent of the expected foreign currency cash flows for the purchase of goods in those countries with currency exposure, provided that the hedging cost of each hedge is acceptable. This level is continuously monitored by management to mitigate currency risk and may be changed by updated policy or deviation decided upon by the Board of Directors, which was the case in 2023. Approximately 66 (91) percent of purchases of goods were hedged against currency risk in the 2023 financial year. For hedge accounting applied, see the following section on hedge accounting. In the table below, operating costs refer to goods for resale and other external costs.

	2023		2022	
Currency exposure, %	**Operating income**	**Operating expenses**	**Operating income**	**Operating expenses**
EUR	29	82	31	85
NOK	8	1	8	1

	2023			2022		
Sensitivity analysis – Exchange-rate changes against euro	**Effect on profit before tax**	**Effect on EBITA**	**Effect on equity**	**Effect on profit before tax**	**Effect on EBITA**	**Effect on equity**
EUR/SEK						
1%	-19	-17	2	-16	-15	3
-1%	19	17	-2	16	15	-3
EUR/NOK						
1%	-2	-2	–	-2	-2	–
-1%	2	2	–	2	2	–

Hedge accounting
The Group applies hedge accounting for cash flow hedges relating to purchases in foreign currency for inventories, in cases where hedging takes place via currency futures, for purchases from Swedish and Norwegian Group companies. Hedge accounting is applied to forward exchange contracts entered into by the Group from 1 October 2022.

The hedged risk consists of the forward rate, i.e. the entire forward exchange contract is identified for hedge accounting. The hedged item consists of highly probable expected payments denominated in foreign currency, relating to purchases for inventories. The hedge ratio is 1:1.

Sources of inefficiency may include imperfectly matching cash flows in hedging derivatives and in payments, as well as the effects of counterparty (credit) risk on the value of the derivative, known as CVA or DVA. Viva Wine enters into derivatives with banks with a high credit rating, so the effect of credit risk is not considered significant. Assessment of hedge effectiveness is based on critical terms: currency, notional amounts and timing of cash flows. For a description of the Group's risk management strategy, see the previous section on Currency risk.

Note 22 *Financial risks (cont.)*

Hedging instruments identified in hedging relationships at 31 December 2023

Hedging instruments - cash flow hedges

Notional amounts, millions	**within 3 months**	**3 months - 1 year**	**1–3 years**	**Total**
Forward exchange contracts EUR/SEK	367	317	–	**684**
Average EUR/SEK forward rate	11.5860	11.4555	–	
Forward exchange contracts EUR/NOK	31	12	–	**43**
Average EUR/NOK forward rate	11.6558	11.5473	–	
Forward exchange contracts USD/SEK	2	–	–	**2**
Average USD/SEK forward rate	10.5260	–	–	
Forward exchange contracts AUD/SEK	2	–	–	**2**
Average AUD/SEK forward rate	6.8514	–	–	

Hedging instruments identified in hedging relationships at 31 December 2022

Hedging instruments – cash flow hedging

Notional amounts, millions	**within 3 months**	**3 months - 1 year**	**1–3 years**	**Total**
Forward exchange contracts EUR/SEK	215	60	–	**275**
Average EUR/SEK forward rate	10.8638	10.7551	–	
Forward exchange contracts USD/SEK	3	–	–	**3**
Average USD/SEK forward rate	10.4839	–	–	

Note 22 Financial risks (cont.)

Effects of hedge accounting on financial position and performance – Current hedging relationships	Hedging instruments identified in hedging relationships at 31 December 2023			Hedged item on 31 December 2023	Period – change in fair value, for measurement of ineffectiveness	
SEK million	Notional amounts in foreign currency, SEK million	Carrying amount [asset (+) liability (-)]	Item in the statement of financial position	Carrying amount	Hedging instruments	Hedged item
Cash flow hedging of currency risk						
Forward exchange contracts EUR/SEK	684	-26	Derivative instruments	NA*	-17	17
Forward exchange contracts EUR/NOK	45	-1	Derivative instruments	NA*	-1	1
Forward exchange contracts USD/SEK	2	-0	Derivative instruments	NA*	-0	0
Forward exchange contracts AUD/SEK	2	-0	Derivative instruments	NA*	-0	0

Effects of hedge accounting on financial position and performance – Current hedging relationships	Hedging instruments identified in hedging relationships on 31 December 2022			Hedged item on 31 December 2022	Period – change in fair value, for measurement of ineffectiveness	
SEK million	Notional amounts in foreign currency, SEK million	Carrying amount [asset (+) liability (-)]	Item in the statement of financial position	Carrying amount	Hedging instruments	Hedged item
Cash flow hedging of currency risk						
Forward exchange contracts EUR/SEK	275	7	Derivative instruments	NA*	4	-4
Forward exchange contracts USD/SEK	3	-0	Derivative instruments	NA*	–	–

*) Hedged item consists of highly probable expected cash flows, relating to purchases denominated in foreign currency. These items are not recognised in the statement of financial position. No ineffectiveness has been recognised in profit or loss during the year.

In addition to the above derivative instruments for which hedge accounting is applied, the Group had further derivative instruments not subject to hedge accounting at the balance sheet date with a total market value of SEK -1 (0) million.

Effects of hedge accounting on financial position and performance Reconciliation of hedge reserve (cash flow hedge) SEK million	2023 Hedging reserve	2022 Hedging reserve
Opening carrying amount	4	–
Added items added during the period		
Change in fair value of forward exchange contracts, recognised in other comprehensive income	-13	7
Deducted items during the period		
Amount included in the cost of inventories	-4	-3
Total	**-13**	**4**
Tax	3	-1
Closing carrying amount	**-10**	**4**
of which ongoing hedges	-10	4
of which terminated hedges	–	–

Liquidity risk and refinancing risk
Liquidity risk is the risk that a company will have difficulties fulfilling its obligations associated with financial liabilities settled in cash or using another financial asset. The Company manages liquidity risk by continuously monitoring the operations and establishing a Group account structure that meets the companies' credit requirements. The Company regularly forecasts future cash flows based on different scenarios to ensure that financing takes place in time.

Risk is mitigated by the Group's healthy liquidity reserves, which are readily available. The Group's operations are partially financed through an overdraft facility and loans from credit institutions. The Group's covenants to the lender are net debt in relation to adjusted EBITDA. The Group has an authorised credit amount for its overdraft facility of SEK 200 (155) million and a revolving credit facility of EUR 40 million which is new for the year. The total liquidity reserve comprises cash and cash equivalents and unutilised credit facilities. On the balance sheet date, the utilised portion of credit facilities was SEK 0 (0) million.

Refinancing risk refers to the risk that financing of acquisitions or development cannot be retained, extended, expanded, refinanced or that such financing can only take place on terms and conditions that are unfavourable for the Company. Refinancing requirements are regularly reviewed by the Company and the Board of Directors to ensure financing for the Company's expansion and investments. The aim is to ensure that the Group has continuous access to external borrowing without borrowing costs increasing significantly. Refinancing risk is reduced by commencing the refinancing process in good time and working in a structure manner. The Company is also in regular contact with several creditors.

The Group's contractual and undiscounted interest payments and repayments of financial liabilities are presented in the table below. Financial instruments carrying variable interest are calculated using the interest rate on the balance-sheet date. Liabilities are included in the earliest period that repayment can possibly be demanded.

Management of capital risk
The capital structure should ensure the Group's ability to continue as a going concern, so that it can continue to generate returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to keep the cost of capital down. The Group assesses capital on the basis of equity ratio. The key performance indicator is calculated as total equity as a percentage of total assets. The equity ratio as of 31 December 2023 was 47.4 (47.7) percent and is therefore considered very good.

Note 22 Financial risks (cont.)

Group			31 Dec 2023			
Maturity analysis	**<1 month**	**1–3 months**	**3–12 months**	**1–5 years**	**>5 years**	**Total**
Liabilities to credit institutions	–	14	41	484	–	**538**
Other liabilities	334	0	2	0	–	**336**
Lease liabilities	2	4	19	54	–	**79**
Trade payables and advances from customers	354	100	0	0	–	**454**
Liabilities to associated companies	53	1	–	–	–	**53**
Derivative instruments	9	8	10	0	–	**28**
Total	**752**	**126**	**73**	**538**	**–**	**1,489**

Group			31 Dec 2022			
Maturity analysis	**<1 month**	**1–3 months**	**3–12 months**	**1–5 years**	**>5 years**	**Total**
Liabilities to credit institutions	2	22	65	689	–	**778**
Other liabilities	314	0	1	3	–	**318**
Lease liabilities	2	3	12	36	1	**53**
Trade payables and advances from customers	333	102	1	0	–	**436**
Liabilities to associated companies	31	12	–	–	–	**44**
Derivative instruments	0	0	1	0	–	**1**
Total	**682**	**139**	**80**	**728**	**1**	**1,629**

Parent Company			31 Dec 2023			
31 Dec 2023	**<1 month**	**1–3 months**	**3–12 months**	**1–5 years**	**>5 years**	**Total**
Liabilities to credit institutions	–	14	41	484	–	**538**
Trade payables	3	–	–	–	–	**3**
Liabilities to Group companies	106	–	–	–	–	**106**
Total	**109**	**14**	**41**	**484**	**–**	**647**

Parent Company			31 Dec 2022			
31 Dec 2022	**<1 month**	**1–3 months**	**3–12 months**	**1–5 years**	**>5 years**	**Total**
Liabilities to credit institutions	–	22	65	689	–	**776**
Trade payables	1	–	–	–	–	**1**
Liabilities to Group companies	67	–	–	–	–	**67**
Total	**68**	**22**	**65**	**689**	**–**	**844**

The credit agreements/frameworks that Viva Wine Group has entered into are presented below:

	Amount	Utilised	Amount	Utilised
Group	**31 Dec 2023**	**31 Dec 2023**	**31 Dec 2022**	**31 Dec 2022**
Overdraft facility	200	–	155	–
Revolving credit facility	444	–	–	–
Total	**644**	**–**	**155**	**–**

Note 23 Provisions

Group	Restructuring measures	Other provisions	Total
Recognised at 1 January 2022	**5**	**10**	**15**
Provisions made during the year	2	12	14
Provisions used during the year	-4	-3	-7
Recognised at 1 January 2023	**3**	**19**	**22**
Provisions made during the year	–	14	14
Provisions used during the year	-2	–	-2
Recognised at 31 December 2023	**1**	**34**	**35**
Of which current portion	1	34	35
Of which non-current portion	–	–	–

Restructuring measures

The provision, which was SEK 1 million at the beginning of the year, was fully used during the year. For the provision made last year in connection with the sale of the warehouse property in Germany of SEK 2 million, an additional SEK 1 million was used during the year, and the remaining portion will be settled in the first half of 2024.

Other provisions

The amount under this heading relates to the bonus commitment related to the acquisition of Vicampo. The outstanding provision of SEK 34 million is expected to lead to an outflow of resources in the first half of 2024.

Note 24 Other current liabilities

Group	31 Dec 2023	31 Dec 2022
Alcohol tax	157	148
VAT	169	160
Personnel-related taxes	4	4
Other	5	5
Carrying amount	**336**	**318**

Note 25 Accrued expenses and deferred income

Group	31 Dec 2023	31 Dec 2022
Holiday pay liability	7	7
Accrued payroll costs	8	4
Social security contributions	8	8
Accrued carbon offsetting	3	5
Accrued inventory items	12	4
Accrued audit costs	2	1
Accrued marketing costs	3	4
Accrued consultancy expenses	3	0
Accrued freight costs	6	–
Other accrued expenses	14	18
Carrying amount	**66**	**50**

Note 26 Statement of cash flows

Group

Adjustments for non-cash items Adjustments in operating profit	2023	2022
Depreciation and amortisation	128	143
Share of profit in associated companies	-9	-8
Exchange-rate effects	4	63
Gain/loss on sale of non-current assets	2	-70
Provisions	13	6
Change in market value of derivatives	18	1
Revaluation of receivables	–	-28
Other	6	-1
Total	**162**	**107**

Parent Company

Adjustments for non-cash items Adjustments in operating profit	2023	2022
Exchange-rate effects	1	63
Reversal of capitalised borrowing costs	3	2
Impairment of intra-Group loans	–	28
Impairment of shares in subsidiaries	159	–
Total	**163**	**93**

Note 26 Statement of cash flows (cont.)

Change in liabilities attributable to financing activities

Group	1 Jan 2023	Cash flow from financing activities	Non-cash changes: Business combinations	Non-cash changes: Exchange-rate effects	Non-cash changes: New leases	Non-cash changes: Other	31 Dec 2023
Liabilities to credit institutions	778	-244	–	4	–	–	538
Lease liabilities	53	-18	–	-1	45	–	79
Total liabilities attributable to financing activities	**831**	**-261**	**–**	**3**	**45**	**–**	**617**

Group	1 Jan 2022	Cash flow from financing activities	Non-cash changes: Business combinations	Non-cash changes: Exchange-rate effects	Non-cash changes: Changes in fair value	Non-cash changes: Changed Group structure	31 Dec 2022
Liabilities to credit institutions	818	-106	–	63	–	2	778
Lease liabilities	58	-18	–	-3	16	–	53
Total liabilities attributable to financing activities	**877**	**-124**	**–**	**60**	**16**	**2**	**831**

Parent Company	1 Jan 2023	Cash changes	Non-cash changes	31 Dec 2023
Liabilities to credit institutions	776	-242	4	538
Total liabilities attributable to financing activities	**776**	**-242**	**4**	**538**

Parent Company	1 Jan 2022	Cash changes	Non-cash changes	31 Dec 2022
Liabilities to credit institutions	793	-82	65	776
Total liabilities attributable to financing activities	**793**	**-82**	**65**	**776**

Note 27 Pledged assets and contingent liabilities

Group

Pledged assets for own liabilities to credit institutions	31 Dec 2023	31 Dec 2022
Guarantees	23	23
Total	**23**	**23**

Guarantees include collateral provided in Viva Wine & Spirits AB related to an office building and a guarantee provided in Viva Wine Group AB on behalf of the associated company Larex AB.

Parent Company

Pledged assets for own liabilities to credit institutions	31 Dec 2023	31 Dec 2022
Guarantees	20	20
Total	**20**	**20**

Guarantees include collateral provided in the Parent Company on behalf of the associated company Larex AB.

Group

Contingent liabilities	31 Dec 2023	31 Dec 2022
Personal guarantees	–	–
Total	**–**	**–**

Parent Company

Contingent liabilities	31 Dec 2023	31 Dec 2022
Personal guarantees	–	–
Total	**–**	**–**

Note 28 Related party transactions

A list of the Group's subsidiaries, which are also the companies that are related parties to the Parent Company, is presented in Note 20 Group companies. All transactions between Viva Wine Group AB and its subsidiaries have been eliminated in the consolidated accounts.

Viva Wine Group's others related-party transactions comprise purchases from and sales to associated companies and joint venture.

Group

Associated companies and joint ventures	**2023**	**2022**
Sale of goods/services	3	2
Purchase of goods/services	-343	-283
Receivables on balance-sheet date	5	5
Liabilities on balance-sheet date	53	44

Parent company

Group companies	**2023**	**2022**
Sale of goods/services	10	6
Purchase of goods/services	-9	-7
Group contributions paid	-7	–
Dividends from Group companies	286	170
Receivables on balance-sheet date	1,433	1,364
Liabilities on balance-sheet date	106	67
Associated companies and joint ventures		
Dividends from associated companies	1	0

Board of Directors and senior executives

On 30 November, Viva Wine Group AB completed a transaction in which the remaining19 percent of the shares in 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. The transaction took place in cash at book value.

For information about remuneration to senior executives, refer to Note 7 Employees and personnel costs.

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 warrants under the incentive programmes will be exercised for subscription to new shares, the Company's share capital will increase by approximately SEK 4,689.30, corresponding to approximately 0.63 percent of the Company's share capital.

The warrants can be exercised immediately after 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 issued warrants 2021, 302,208 were subscribed for by senior executives and the Board of Directors. They paid market consideration for the warrants. In 2023, 58,140 of the issued warrants were bought back from the outgoing Board member Helen Fasth Gillstedt at market value. No other change occurred in the warrants subscribed to by senior executives and the Board of Directors.

Note 29 Business combinations

Acquisitions after the end of the financial year
Viva Wine Group, through its subsidiary Norwegian Beverage Group AS, completed the acquisition of the Norwegian wine supplier Target Wines AS in February. The purchase consideration was NOK 44 million on a cash and debt-free basis, before adjustment of normalised working capital, and was paid in cash. Acquisition analysis will be included in the quarterly report for the first quarter of 2024.

Acquisitions in 2022
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.

Acquired net assets on the acquisition date	Vinklubben i Norden AB Fair value
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
Identified net assets	**46**
Goodwill	75
Total Purchase consideration	**121**

Purchase consideration	
Cash	121
Combined purchase consideration	**121**

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.

Impact of the acquisition on the Group's cash flow	Vinklubben i Norden AB
Cash portion of purchase consideration	121
Less:	
Cash (acquired)	2
Net cash outflow	**119**

Note 30 Events after the balance sheet date

Viva Wine Group, through its subsidiary Norwegian Beverage Group AS, completed the acquisition of the Norwegian wine supplier Target Wines AS in February. The purchase consideration was NOK 44 million on a cash and debt-free basis, before adjustment of normalised working capital, and was paid in cash. Acquisition analysis will be included in the quarterly report for the first quarter of 2024. See Note 29 for more information.

Note 31 Proposed appropriation of profits

Parent Company

The following profits are at the disposal of the Annual General Meeting:	**31 Dec 2023**
Profit brought forward, SEK	230,542,134
Share premium reserve, SEK	1,375,854,845
Net profit for the year, SEK	70,657,254
Total	**1,677,054,233**

The Board of Directors proposes that profits be appropriated as follows:	
To be distributed to shareholders (SEK 1.55 per share)	-137,689,420
To be carried forward	1,814,743,653
Total	**1,677,054,233**

For the Board's explanatory statement on the dividend, see the Directors' Report.

To the General Meeting of Shareholders of Viva Wine Group AB, corporate registration number 559178-4953

Signatures of the Board of Directors

The Board of Directors and Chief Executive Officer certify that these consolidated financial statements and Annual Report have been prepared in accordance with the International Financial Reporting Standards IFRS as adopted by the EU and generally accepted accounting principles, and gives a fair view of the Group's and Parent Company's financial position and earnings. The Administration Report gives a fair overview of the development of the Group's and Parent Company's operations, financial position and earnings, and describes the significant risks and uncertainties facing the Parent Company and the companies included in the Group. The Board of Directors and the Chief Executive Officer certify that a statutory sustainability report has been prepared. The sustainability report follows the GRI standards 2021. The company's annual accounts and consolidated accounts are included on pages 56-105 of this document. The scope of the statutory sustainability report can be found on page 1.

Stockholm, 24 April 2024

Anders Moberg Chairman of the Board	Emil Sallnäs Chief Executive Officer	Mikael Aru Board member
Anne Thorstvedt Sjöberg Board member	John Wistedt Board member	Lars Ljungälv Board member

Our audit report was submitted on 24 April 2024

Ernst & Young AB

Andreas Nyberg Selvring
Authorised Public Accountant

To the General Meeting of Shareholders of Viva Wine Group AB, corporate registration number 559178-4953

Auditor's report

Report on the annual accounts and consolidated accounts

OPINIONS

We have audited the annual accounts and consolidated accounts of Viva Wine Group AB for the financial year 2023. The annual accounts and consolidated accounts of the company are included on pages 56 - 105 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2023 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2023 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS Accounting standards), as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

BASIS FOR OPINIONS

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

OTHER INFORMATION THAN THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 3 - 55. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITY

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors [and the Managing Director].
- Conclude on the appropriateness of the Board of Directors' [and the Managing Director's] use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Report on other legal and regulatory requirements

OPINIONS

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Viva Wine Group AB for the financial year 2023 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

BASIS FOR OPINIONS

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

AUDITOR'S RESPONSIBILITY

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

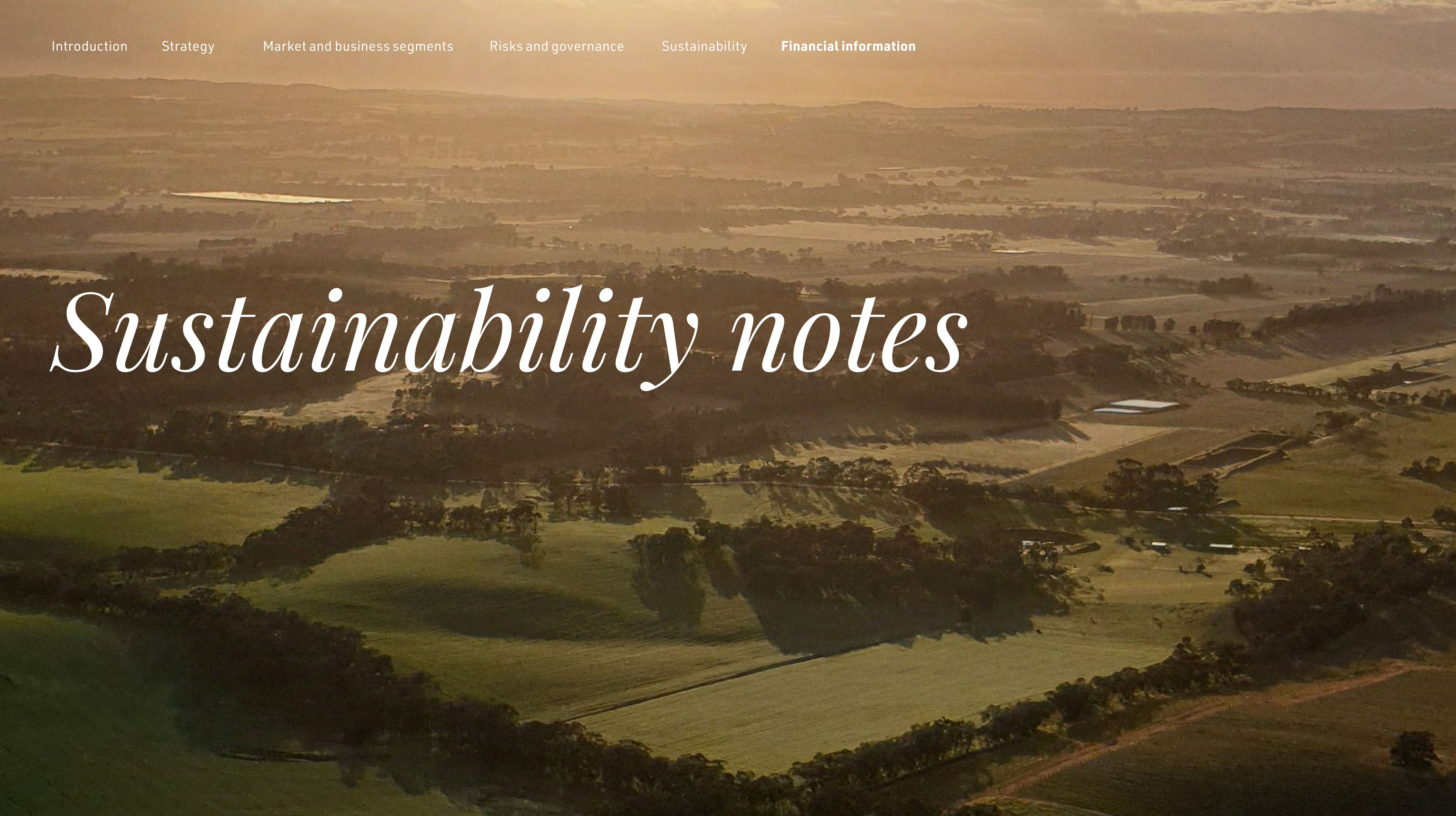
Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

Stockholm, 24 April 2024

Ernst & Young AB

Andreas Nyberg Selvring
Authorized Public Accountant



Sustainability notes

Sustainability notes

Note S1 Climate-impacting emissions, by scope

Climate-impacting emissions, Parent Company and Swedish subsidiaries and their supply chains	2023	2022	2021	2020	2019
Emissions tonnes CO_2eq, direct emissions from own activities (Scope 1)**	0	38.71	36.14	38.48	32.32
Emissions tonnes CO_2eq indirect emissions own operations (Scope 2 - Market Based Approach)	3.89	4.59	5.69	5.38	5.36
Emissions tonnes CO_2eq indirect emissions own operations (Scope 2 - Location Based Approach)	13.16	12.66	13.49	7.11	10.20
Emissions tonnes CO_2eq indirect emissions own operations (Scope 3)	202.92	265.89	84.06	87.15	195.53
Emissions tonnes CO_2eq indirect emissions supply chain (Scope 3)	17,142.33	16,708.14	17,969.35	18,687.27	16,910.81
Emissions tonnes CO_2eq (Scopes 1+2+3)	17,350.96	17,017.33	18,095.24	18,818.28	17,144.02

* Data for climate-impacting emissions and sustainability performance relates to the Parent Company and Swedish subsidiaries and their supply chains. Sweden accounts for 63 percent of volumes sold in the Nordics. Work is underway to collect data for all Nordic operations.

** Climate-impacting emissions are recognised according to the standard of the Beverage Industry Climate Initiative. For 2023, this standard has been updated so that emissions from private cars (company and benefit cars) are no longer reported in Scope 1, but in Scope 3. This is in line with the GHG Protocol. Scope 1 emissions are therefore zero for 2023. For 2022 and earlier, emissions from private cars are included in Scope 1.

Note S2 Climate-impacting emissions, per mapped focus area and litre of wine sold*

Climate-impacting emissions, Parent Company and Swedish subsidiaries and their supply chains	2023	2022	2021	2020	2019
Sale millions of litres of wine	55.85	54.23	56.66	56.37	48.36
Emissions tonnes of CO_2eq transport	7,469.12	6,602.30	7,274.77	7,083.80	6,340.78
Emissions tonnes of CO_2eq packaging	9,673.22	10,105.73	10,694.58	11,987.90	10,681.41
Emissions tonnes of CO_2eq office and business travel	208.63	309.19	125.89	131.01	233.21
Emissions tonnes of CO_2eq total	17,350.96	17,017.33	18,095.24	18,818.28	17,144.02
Emissions kg of CO_2eq from transport per litre of wine sold	0.13	0.12	0.13	0.12	0.12
Emissions kg of CO_2eq from packaging per litre of wine sold	0.17	0.19	0.19	0.21	0.23
Emissions kg of CO_2 eq total per litre of wine sold	0.31	0.31	0.32	0.33	0.35

Note S3 Sustainability performance product portfolio*

Sustainability performance of the product portfolio belonging to the Swedish subsidiaries	2023	2022	2021	2020	2019
Sale millions of litres of wine	55.85	54.23	56.66	56.37	48.36
Share of litres of wine in climate efficient packaging %	77.15	75.19	73.40	72.10	69.81
Share of litres of wine certified organic %	38.64	39.15	38.48	37.68	36.00
Share of litres of wine certified ethical%	11.05	13.07	13.83	15.14	16.94
Share of litres of wine certified organic and/or ethical %	46.49	48.30	48.72	48.55	47.24
Share of litres of wine with certification approved according to "Our Most Sustainable Beverages" %**	55.40	54.00	–	–	–

* Data for climate-impacting emissions and sustainability performance relates to the Parent Company and Swedish subsidiaries and their supply chains. Sweden accounts for 63 percent of volumes sold in the Nordics. Work is underway to collect data for all Nordic operations.

** Includes all certifications approved for "Our Most Sustainable Beverages", a Systembolaget guidance for their sustainability range.

Note S4 Human rights, producer level

Human rights, producer level to the Swedish subsidiaries	2023	2022	2021	2020	2019
Share of producers that have confirmed the amfori BSCI Code of Conduct, %	100	100	100	100	100
Number of producers in at–risk countries*	67	76	58	–	–
Number of producers in at–risk countries* that have been third–party audited*** for human rights and approved	18	16	–	–	–
Share of producers in at–risk countries* that have been third–party audited** for human rights and approved %	27	21	–	–	–

* The target includes volumes in Systembolaget's fixed–product range. Of the total volumes, 99.9 percent are signed.

** At-risk countries means countries assessed by HRIA and HRDD as having elevated labour, corruption and human rights risks. These countries are (in alphabetical order): Argentina, Bulgaria, Chile, Italy, Moldova, South Africa.

*** Third-party audited for human rights means producers and production audited and certified under Fair Trade or Fair for Life, audited and approved by amfori BSCI, or WIETA (South Africa) or Equalitas (Italy).

Note S5 Human rights, product portfolio

Social and environmental risks, product portfolio*	2023	2022	2021	2020	2019
Sales, millions of litres wine total	55.85	54.23	56.66	56.37	48.36
Sales of millions of litres of wine from at-risk countries**	27.09	26.95	26.78	27.41	26.21
Sales of millions of litres of wine from at-risk countries* that have been-party audited*** for human rights and have been approved	17.11	17.45	10.46	13.71	12.38
Share of litres of wine from at-risk countries* that have been third-party audited*** for human rights and have been approved, %	63.20	64.70	39.06	50.01	47.25

* Applies only to the Swedish subsidiaries.

** At-risk countries means countries assessed by HRIA and HRDD as having elevated labour, corruption and human rights risks. These countries are (in alphabetical order): Argentina, Bulgaria, Chile, Italy, Moldova, South Africa.

*** Third-party audited for human rights means producers and production audited and certified under Fair Trade or Fair for Life, audited and approved by amfori BSCI, or WIETA (South Africa) or Equalitas (Italy).

Note S6 Gender distribution of employees

Gender distribution, Parent Company and Nordic subsidiaries	2023 Average number of employees	2023 Of whom women, %	2023 Of whom men, %	2022 Average number of employees	2022 Of whom women, %	2022 Of whom men, %
Parent Company and Swedish subsidiaries	97	65	35	91	65	35
Total	**97**	**65**	**35**	**91**	**65**	**35**

Gender distribution, Board and senior executives	2023 Average number of employees	2023 Of whom women, %	2023 Of whom men, %	2022 Average number of employees	2022 Of whom women, %	2022 Of whom men, %
Board and other senior executives	11	27	73	12	33	67
Total	**11**	**27**	**73**	**12**	**33**	**67**

Note S7 Age breakdown of employees

Age breakdown, Parent Company and Nordic subsidiaries	2023 Younger than 30	2023 Between 30 and 50	2023 Older than 50	2022 Younger than 30	2022 Between 30 and 50	2022 Older than 50
Parent Company and Swedish subsidiaries	7	81	14	18	71	12
Total	**7**	**81**	**14**	**18**	**71**	**12**

Age breakdown, Board of Directors and senior executives	2023 Younger than 30	2023 Between 30 and 50	2023 Older than 50	2022 Younger than 30	2022 Between 30 and 50	2022 Older than 50
Board and other senior executives	0	4	6	0	5	7
Total	**0**	**4**	**6**	**0**	**5**	**7**

Note S8 Staff turnover and absence due to illness

Staff turnover and absence due to illness, Parent Company and Swedish subsidiaries	2023	2022	2021	2020	2019
Staff turnover %	7.3	14.3	14.7	8.6	3.5
Absence due to illness %	2.4	2.5	1.3	2.2	2.7

Note S9 Impacts, targets and actions

FINANCIAL PERFORMANCE

Our business is profitable, with an annual surplus distributed to shareholders following a resolution at the Annual General Meeting. The senior management, the Audit Committee, the Board of Directors and our auditors regularly monitor our financial performance, which is reported externally on a quarterly basis. Medium-term financial targets are defined. The 2023 financial results can be found on page 8.

INDIRECT ECONOMIC IMPACT

Our operations generate indirect financial impact through, among other things, job opportunities and investments in the areas where our producers and partners are active. Our operations also create jobs in our sales markets, partly in our operations and partly at retailers. Finally, our operations also result in significant tax revenue. We want our indirect economic impact to make a positive contribution in the areas where we, our producers or partners operate.

SUSTAINABILITY MANAGEMENT

To promote a positive indirect economic impact, Viva Wine Group has an ambitious sustainability agenda covering economic, environmental and social impacts.

Our sustainability performance is based on the following policies which are revised annually:

- Sustainability Policy
- Human Rights Policy
- amfori BSCI Code of Conduct (our supplier code)
- Anti-Corruption Policy

Viva Wine Group's sustainability management is described on page 29. For more information about our sustainability goals, our results and sustainability performance, see page 45.

MONITORING OF SUPPLIERS

Viva Wine Group requires all producers we work with to sign the amfori BSCI Code of Conduct. The Code sets requirements in 13 areas:

- Rights of freedom of association and collective bargaining
- No discrimination, violence or harassment
- Social management system and cascade effect
- Decent working hours
- Occupational health and safety
- No bonded, forced labour or human trafficking
- Protection of the environment
- No child labour
- Fair remuneration
- No precarious employment
- Special protection for young workers
- Ethical business behaviour
- Workers' involvement and protection

We review producers and growers annually based on risks and regularly monitor compliance with the amfori BSCI Code of Conduct. Some of the work is done in partnership with our largest customers, the Nordic monopolies.

The risks are assessed, among other things, through an independent annual country risk analysis, quality review of sustainability certifications and self-assessment questionnaire. When an elevated risk is identified at a supplier, an action plan is established, e.g. amfori BSCI audit or other follow-up.

The audits, which include site visits, are carried out by independent audit firms. Each audit lasts two to five days, during which the producer's operations and the employees' working conditions are examined in detail. In accordance with the amfori BSCI cascade principle, the producer's largest growers is included in the audit and reviewed according to the same criteria.

If an acceptable result is not achieved, Viva Wine Group supports the producer in implementing improvements and ensuring compliance. If after a follow-up audit the producer has not addressed the shortcomings, the partnership may be terminated. In 2023, no cancellations were made.

We aim to have 67 percent of our producers in at-risk countries audited. By the end of 2023, 63 percent had been audited. This is unchanged from the previous year. There has been a high level of ambition to carry out auditing after the pause during the pandemic. Unfortunately, the industry has a shortage of accredited auditors. This shortage is due to the fact that changes in audit methodology have required auditors to undergo further training, which has not happened to a sufficient degree. We have therefore not been able to conduct as many audits as we would have liked. Viva Wine Group prioritises audits of producers in at-risk countries with large volumes. The Nordic monopolies also carry out audits and also capture more producers, so our approaches are designed to complement each other.

BIODIVERSITY

We are aware that the operations in our chain can have a negative impact on biodiversity. We are working to minimise this negative impact. An important tool is certification and standards for organic cultivation. We therefore monitor the organic and eco-certified share of our sales volume. Our approach to biodiversity is covered in our sustainability policy as well as in the amfori BSCI code of conduct. Our sustainability policy is revised annually. For more information about our sustainability goals, our results and sustainability performance, see page 45.

CLIMATE IMPACT

Viva Wine Group's operations, especially in the supply chain, result in climate-impacting emissions. The vast majority of the climate impact of our operations comes from cultivation of the commodity, packaging and transport from producer to sales market.. We currently measure the climate impact of packaging and transport. Work is underway to measure the climate impact of cultivation and production.

Our overall target is to halve our climate impact per litre of wine sold by 2030 and to be carbon-neutral by 2050. These targets relate to climate emissions throughout our value chain: cultivation, production, packaging and transport.

Our climate impact is reported annually in our annual and sustainability report as well as and in the Swedish Beverage Industry's Climate Initiative, an initiative that brings together Sweden's leading producers, suppliers and retailers of beer, wine and spirits. Our and the industry's targets, results and actions are reported to stakeholders in the initiative's annual industry report.

Since 2018, when we started measuring climate-impacting emissions, emissions have fallen by 18 percent per litre sold. In 2023, emissions per litre were largely unchanged from the previous year. In 2024, we are continuing our efforts to reduce our carbon footprint through transport and packaging. This involves streamlining of distribution, switching from road transport to rail transport and investments in lighter packaging solutions.

Our approach to climate-impacting emissions is broadly set out in our sustainability policy, which is revised annually. For more information about our sustainability goals, our results and sustainability performance, see page 45.

LABOUR CONDITIONS AND HUMAN RIGHTS

In our supply chain there are risks relating to labour conditions and human rights. We demand good working conditions for our producers and their growers. Operations must be conducted in accordance with the amfori BSCI Code of Conduct, which is based on ILO and OECD standards.

We review producers and growers annually based on risks and regularly monitor compliance with the amfori BSCI Code of Conduct. We have set targets for share of volume from producers in risk countries where labour conditions have been audited and approved by independent third parties. Our approach to labour conditions and human rights is broadly set out in our sustainability policy as well as in the amfori BSCI Code of Conduct. Our policy is revised annually. For more information about our sustainability targets, our results and sustainability performance, see page 45.

Each year, producers and products with increased risk are identified, and list of priorities and a timetable are formulated for further checks. Checks are carried out by independent audit firms. Each audit lasts two to five days, during which the producer's operations and the employees' working conditions are examined in detail. This is done in accordance with the amfori BSCI cascade principle, where the producer's largest growers is included in the audit and reviewed according to the same criteria.

CONSUMER HEALTH AND MARKETING

Our approach to consumer health and marketing is broadly set out in our sustainability policy, which is revised annually. We closely monitor quality deviations and comply with legislation and industry codes on marketing. In 2023, we had no deviations from current legislation and industry codes.

GRI Index Viva Wine Group 2023

Viva Wine Group reports in accordance with GRI principles and the GRI Standards 2021.

INDICATOR	DESCRIPTION	PAGE REFERENCE	COMMENT/RESERVATION Requirement(s) omitted	Reason	Explanation
General disclosures					
GRI 2: General disclosures 2021	2-1 Organisational details	34-36			
	2-2 Entities included in the organisation's sustainability reporting	41			
	2-3 Reporting period, frequency and contact point	41			
	2-4 Restatements of information	110-111			
	2-6 Activities, value chain and other business relationships	3,11,12,13, 16-23, 47-48, 50			
	2-7 Employees	51, 112, 73-74			
	2-8 Workers who are not employees		All workers in the Swedish subsidiaries are employees		
	2-9 Governance structure and composition	28-39			
	2-10 Nomination and selection of the highest governance body	34-39			
	2-11 Chair of the highest governance body	30			
	2-12 Role of the highest governance body in overseeing the management of impacts	28-29			
	2-13 Delegation of responsibility for managing impacts	28-29			
	2-14 Role of the highest governance body in sustainability reporting	28-29			
	2-15 Conflicts of interest	26-29			
	2-16 Communication of critical concerns	28-29, 48-51			
	2-17 Collective knowledge of the highest governance body	30-31			
	2-18 Evaluation of the performance of the highest governance body	34-39			
	2-19 Remuneration policies	58, 73-75			

INDICATOR	DESCRIPTION	PAGE REFERENCE	COMMENT/RESERVATION Requirement(s) omitted	Reason	Explanation
General disclosures					
GRI 2: General disclosures 2021 (cont.)	2-20 Process to determine remuneration	58			
	2-20 Process to determine remuneration	84			
	2-21 Annual total compensation ratio	73-75	Data for percentage increase is not available		
	2-22 Statement on sustainable development strategy	42-43, 45			
	2-23 Policy commitments	45,48, 50-52			
	2-24 Embedding policy commitments	28-29, 45, 48, 50-52			
	2-25 Processes to remediate negative impacts	47-63			
	2-26 Mechanisms for seeking advice and raising concerns	43			
	2-27 Compliance with laws and regulations	26-29			
	2-28 Membership associations	44,48,50			
	2-29 Approach to stakeholder engagement	43			
	2-30 Collective bargaining agreements	51			

INDICATOR	DESCRIPTION	PAGE REFERENCE	COMMENT/RESERVATION Requirement(s) omitted	Reason	Explanation
Material topics					
GRI 3: Material topics GRI 2021	3-1 Process to determine material topics	42-43			
	3-2 List of material topics	42-43			
ECONOMIC PERFORMANCE					
GRI 3: Material topics GRI 2021	3-3 Management of material topics	34-39, 26-27, 30-32, 105			
GRI 201: Economic Performance GRI 2016	201-1 Direct economic value generated and distributed	4, 59			
	201-2 Financial implications and other risks and opportunities due to climate change	42-44			
INDIRECT FINANCIAL CONTRIBUTIONS					
GRI 3: Material topics GRI 2021	3-3 Management of material topics	13, 49			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	13, 49			
	203-2 Significant indirect economic impacts	42-44			
ANTI-CORRUPTION					
GRI 3: Material topics GRI 2021	3-3 Management of material topics	48, 51, 37, 113-114			
GRI 205: Anti-corruption GRI 2016	205-1 Operations assessed for risks related to corruption	48, 51, 37, 111			
	205-2 Communication and training about anti-corruption policies and procedures	48, 51, 28-29	Data for percentage of total workforce is not available		
	205-3 Confirmed incidents of corruption and actions taken	48, 51, 37			
BIODIVERSITY					
GRI 3: Material topics GRI 2021	3-3 Management of material topics	47, 113			
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity	47, 113			

INDICATOR	DESCRIPTION	PAGE REFERENCE	COMMENT/RESERVATION		
			Requirement(s) omitted	Reason	Explanation
Material topics					
EMISSIONS					
GRI 3: Material topics GRI 2021	3-3 Management of material topics	28-29, 113			
GRI 305: Emissions GRI 2016	305-1 Direct (Scope 1) GHG emissions	4-5,7,8, 44-46, 50, 110			
	305-2 Energy indirect (Scope 2) GHG emissions	4-5,7,8, 44-46, 50, 110			
	305-3 Other indirect (Scope 3) GHG emissions	4-5,7,8, 44-46, 50, 110	Data is not available		
	305-4 GHG emissions intensity	4-5,7,8, 44-46, 50, 110			
SUPPLIER ENVIRONMENTAL ASSESSMENT					
GRI 3: Material topics GRI 2021	3-3 Management of material topics	13, 28-29, 46-47, 50, 113			
GRI 308: Supplier environmental assessment 2016	308-2 Negative environmental impacts in the supply chain and actions taken	47-48, 50	Data for percentage of suppliers where improvements have been agreed is not available		
Own disclosure: Energy in the supply chain		47-48, 50			
Own disclosure: Water in the supply chain		47			
EMPLOYMENT					
GRI 3: Material topics GRI 2021	3-3 Management of material topics	51.113			
GRI 401: Employment GRI 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	58, 73-75			
DIVERSITY AND EQUAL OPPORTUNITY					
GRI 3: Material topics GRI 2021	3-3 Management of material topics	51, 113			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	112			
SUPPLIER SOCIAL ASSESSMENT					
GRI 3: Material topics GRI 2021	3-3 Management of material topics	51, 113			
GRI 414: Supplier Social Assessment 2016	414-2 Negative social impacts in the supply chain and actions taken	48-49			

INDICATOR	DESCRIPTION	PAGE REFERENCE	COMMENT/RESERVATION Requirement(s) omitted	Reason	Explanation
Material topics					
CONSUMER HEALTH AND SAFETY					
GRI 3: Material topics GRI 2021	3-3 Management of material topics	51, 113			
GRI 416: Customer Health and Safety GRI 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	114			
MARKETING AND LABELLING					
GRI 3: Material topics GRI 2021	3-3 Management of material topics	51, 113			
GRI 417: Marketing and Labelling GRI 2016	417-3 Incidents of non-compliance concerning marketing communications	114			
Own disclosures – material issue:	Climate impact from transport	50, 110			
	Climate impact, packaging	50, 110			
	Effects of a changed climate on production and cultivation	44			
	Organic and ethical certification	50, 110, 113-114			
	Traceable production and raw materials	47-48			

Key performance indicators and share data

GROUP	2023	2022
Gross margin, %	19.7	23.0
EBITDA (SEK million)	293	454
EBITDA margin, %	7.4	11.9
EBITA (SEK million)	271	433
EBITA margin , %	6.8	11.3
EBITA, adjusted (SEK million)	292	377
EBITA margin, adjusted, %	7.3	9.8
Operating profit (EBIT) (SEK million)	165	310
Operating margin (EBIT margin), %	4.1	8.1
Equity ratio, %	47.4	47.7
Net debt	519	491
Equity per share (SEK)	18.5	19.9
Quick ratio, %	86.5	109.8
Average number of employees	303	333

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 measures used by other companies. For reconciliation tables, see the latest interim report.

KEY PERFORMANCE INDICATORS	DEFINITION	PURPOSE
EBITDA	Operating profit before depreciation, amortisation and impairment of tangible and intangible assets.	This measure is used to analyse the profitability of the business, independently of depreciation.
BITDA margin, %	EBITDA/net sales	The EBITDA margin is used to show the profitability of the operating business.
EBITA	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.
EBITA, adjusted	EBITA adjusted for items affecting comparability.	Adjusted EBITA is a measure used to maintain transparency and comparability of operating results over time.
Adjusted for items affecting comparability	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.
EBITA margin, %	EBITA as a percentage of net sales.	The EBITA margin is used to show the profitability of operating activities.
EBITA margin, adjusted %	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.
Gross margin, %	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.
Equity per share	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.
Quick ratio, %	Cash and cash equivalents in relation to current 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.
Operating profit (EBIT)	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.
Operating margin, %	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.
Equity ratio, %	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.
Net debt (+)/ Net cash (-)	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.

Shareholder information

REPORTING DATES 2024

2023 Annual report	25 April
Annual General Meeting 2024	23 May
Interim report January – March 2024	16 May
Interim report January – June 2024	28 August
Interim report January – September 2024	20 November

DISTRIBUTION POLICY

Viva Wine Group's annual report will be sent by post upon request. Interim reports are distributed only in electronic format.

For subscription, investors.vivagroup.se/en/press releases/

INVESTOR RELATIONS / SHAREHOLDER CONTACT

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ANNUAL GENERAL MEETING OF VIVA WINE GROUP

The Annual General Meeting of Viva Wine Group will be held at 10.00 am on Thursday 23 May 2024 on the company's premises at Blasieholmsgatan 4 A in Stockholm.

Right to attend the meeting
Shareholders who wish to participate in the Annual General Meeting must be registered in the share register maintained by Euroclear Sweden AB on the record date, which is Tuesday 14 May 2024. They must notify Baker & McKenzie Advokatbyrå of their intention to attend, along with the names of any participating advisors (no more than two), in writing by post no later than Thursday 16 May 2024, Att: Carl Isaksson, Box 180, 101 23 Stockholm, Sweden or by e-mail to carl.isaksson@bakermckenzie.com.

Proxies
Shareholders represented by a proxy must issue a written and dated authorisation for the proxy. A copy of the authorisation and any certificate of registration should, in order to facilitate access to the meeting, have been received by the Company at the Company's address, Blasieholmsgatan 4 A, 111 48 Stockholm, no later than 16 May 2024. Proxy forms are available on the company's website, www.vivagroup.se.

Re-registration of nominee-registered shares
Shareholders whose shares are nominee-registered with a bank or other nominee must have their shares temporarily registered in their own name through the nominee in order to be entitled to participate in the meeting. Such registration, which normally takes a few days, must be completed by Monday 14 May 2024 at the latest and should therefore be requested from the nominee well in advance of that date. Voting registration requested by shareholders in time for registration to be made by the relevant nominee by Wednesday 16 May 2024 at the latest will be taken into account in the preparation of the share register.

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