

# Q4 2021

VIVA WINE GROUP

## Quarterly Results





# AGENDA

1	Introduction to Viva Wine Group	3-9
2	Quarterly Update	10-12
3	Financial Overview	13-19
4	Sustainability Update	20-21
5	Final Comments & Our Agenda Ahead	22-24
6	Q&A	25

# Viva Wine Group





# Listed on NASDAQ First North Premier Growth Market Stockholm

Public company as of 14 December 2021



**8****Countries****25****Entrepreneurs****10****Operating companies**

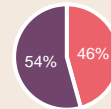
**The Nordic leader in wine, in the stable monopoly markets <sup>1)</sup>**



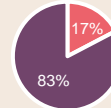
**Three strong, growing segments, share of net sales <sup>2)</sup>**

**58% Sweden****17% Nordics****23% eCom**

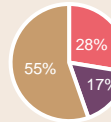
**Strong portfolio of own brands, partner brands and exclusive brands**

**Sweden**

Own brands  
Partner brands

**Nordics**

Own brands  
Partner brands

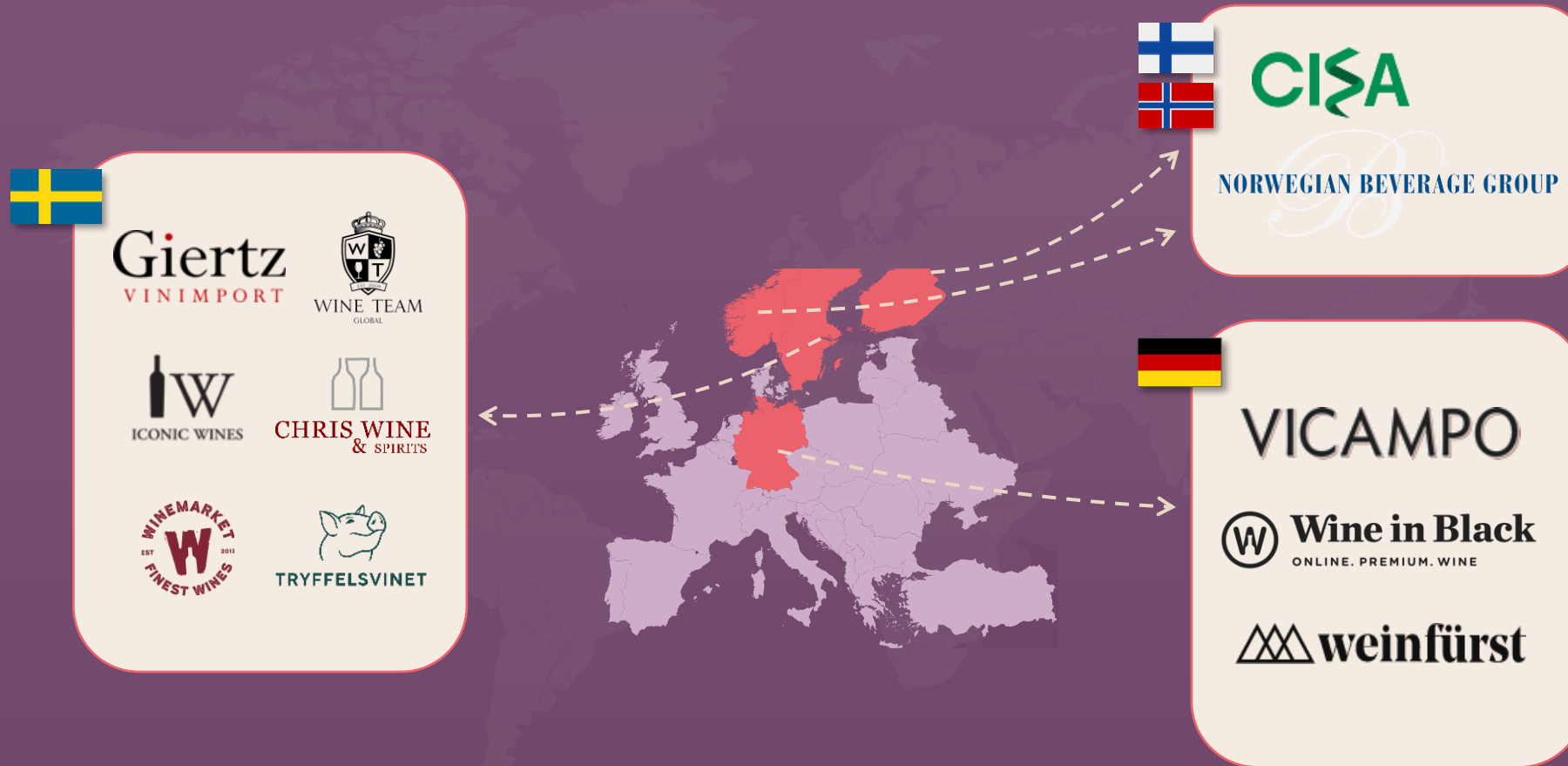
**eCOM**

Own brands  
Partner brands  
Exclusive brands

**Pioneer and industry leader in sustainability**

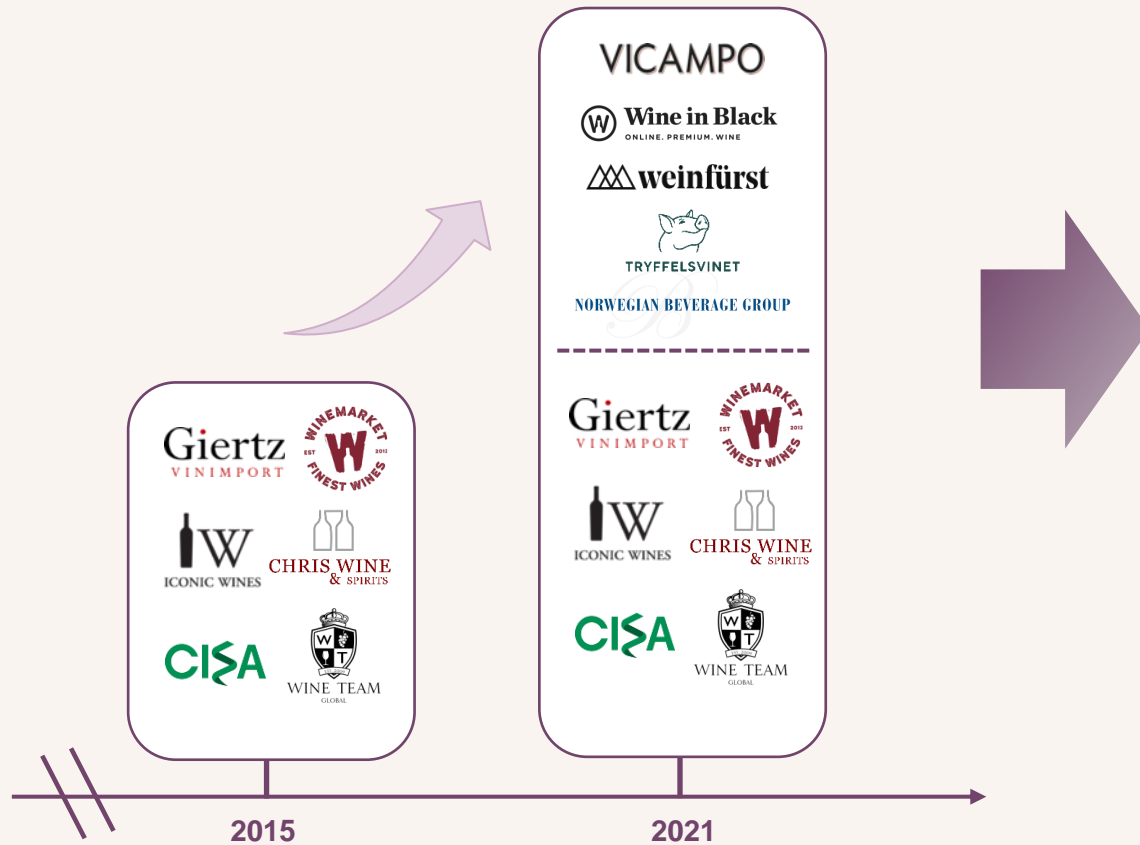
**Member of Amfori BSCI**  
**Climate efficient transports and packaging**  
**High share of product portfolio certified organic**  
**Externally assured GRI Report**

# Operating Companies



# Strong history of organic and acquired growth

Clear strategy ahead for strong future growth...



... aiming for Pan-European leadership within wine e-commerce



Realizing synergies from e-commerce platform, personnel and purchasing costs



Expansion of Weinfürst into new markets

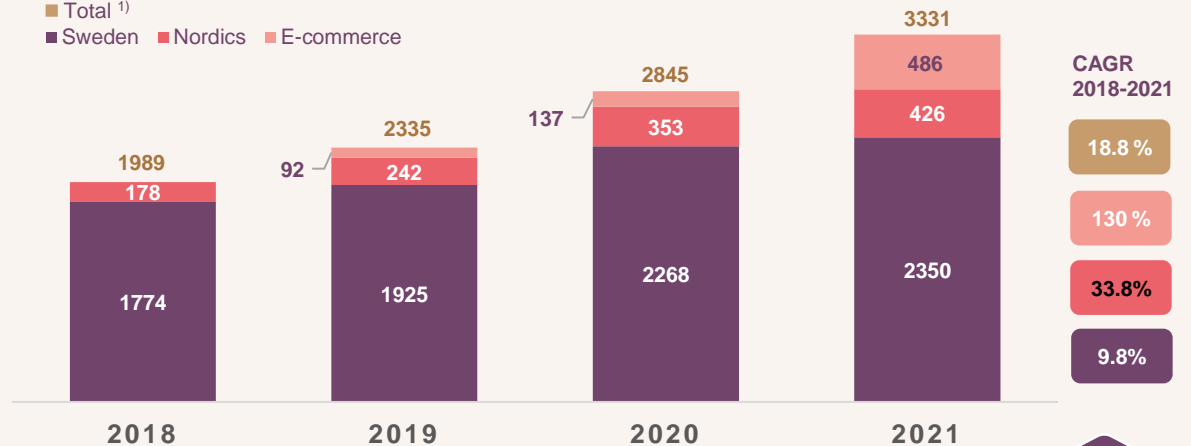


M&A

...while increasing market share in all segments

Net sales, SEKm

■ Total <sup>1)</sup> ■ Sweden ■ Nordics ■ E-commerce



# Market leader in the Nordic monopoly markets

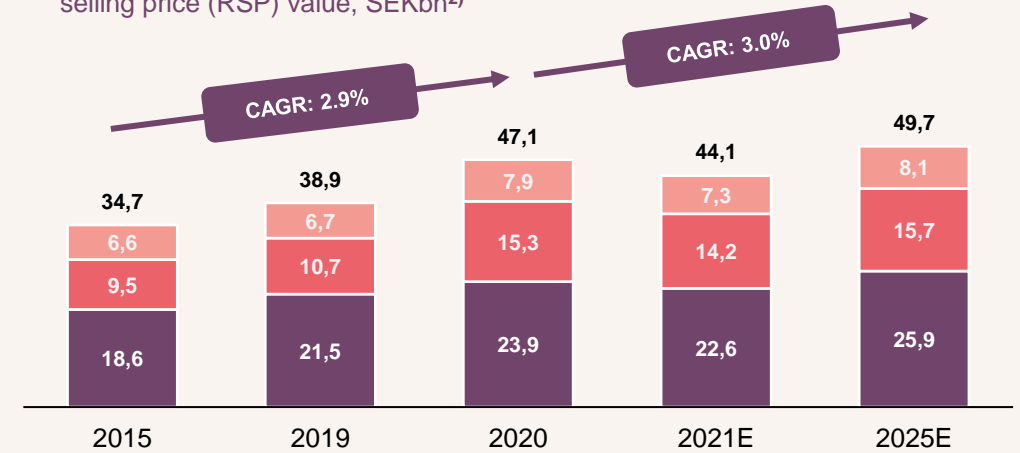
An attractive market valued at SEK ~45bn and growing at ~3% annually

## Growth ahead of an active monopoly market...

	VWG growth 2021 vs 2019 (litre)	Market growth 2021 vs 2019 (litre)	Delta
	18.0%	8.6%	9.4%
	58.9%	11.2%	47.7%
	130.0%	44.0%	86.1%

## ...with bright future prospects

Total off-trade wine<sup>1)</sup> consumer retail selling price (RSP) value, SEKbn<sup>2)</sup>



Share of Nordic wine off-trade market, 2020<sup>3)</sup>



51%

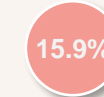
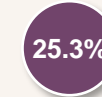


17%



32%

Viva Wine Group market share in volume, 2021



Source: Company information, Euromonitor

1) The off-trade market includes all retail outlets

2) Norway and Finland at constant currency. NOK = 1.0 SEK, EUR = 10.0 SEK. Current prices

3) Measured by total consumer retail selling price (RSP) value. Current prices

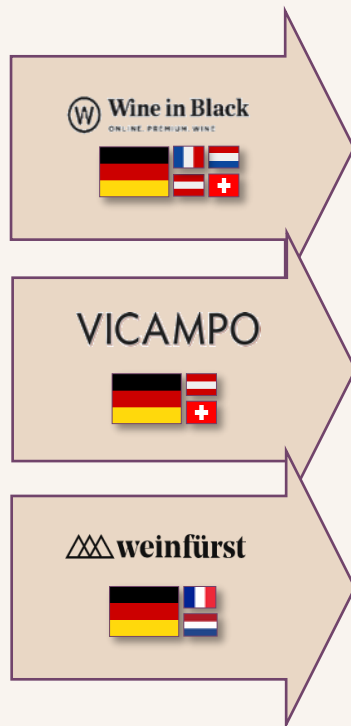
4) ~92% in Sweden, ~95% in Norway and ~94% in Finland for 2020



# Strong potential in European E-commerce with strategic acquisitions

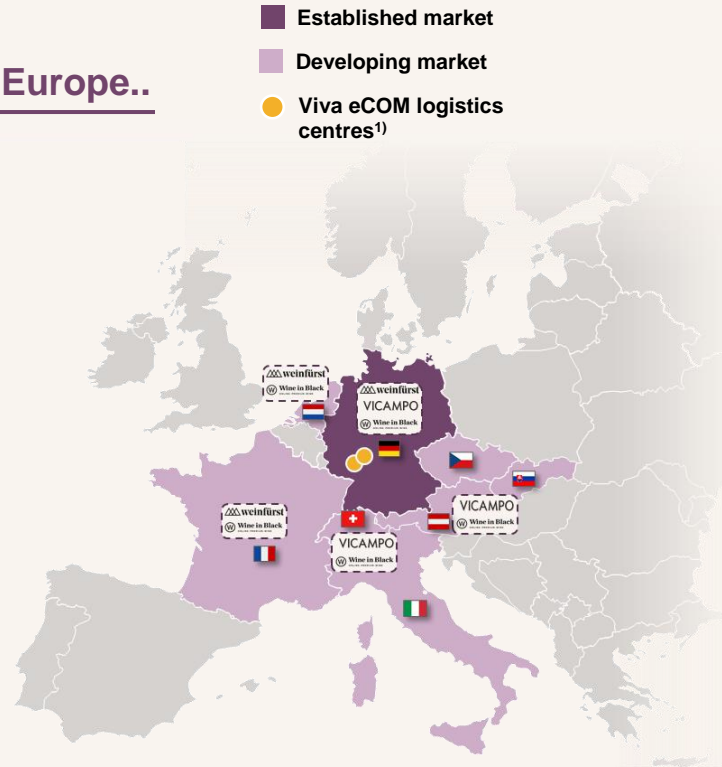
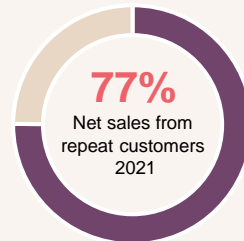
A strong position in a large, attractive market

## Strong online brands drive online sales in Europe..



**+147 %**

Increase in active customers  
Q119-Q421



..with the ambition to become the Pan-European leader within wine e-commerce

## ...in a fast growing online market

Western European wine market, EURbn<sup>1)</sup>



Source: Company information, Euromonitor

<sup>1)</sup> Western Europe includes Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, United Kingdom

<sup>2)</sup> Calculated by multiplying the total off-trade retail selling price (RSP) value for wine in Western Europe by online penetration for alcoholic drinks. The calculation of total online wine value hence assumes the same e-commerce penetration for wine as for alcoholic drinks as a whole

<sup>3)</sup> Current prices

<sup>4)</sup> Penetration by value (total consumer retail selling price) for alcoholic drinks is used as a proxy for wine

# Quarterly Update





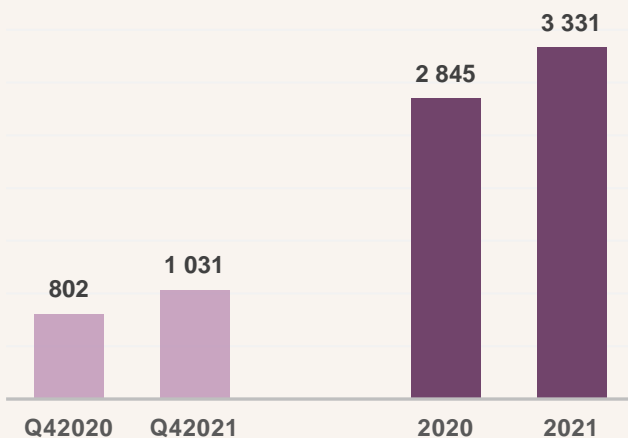
# Historical year with key acquisitions and listing on NASDAQ

- **Listing on NASDAQ First North Premier** Growth market in conjunction with new share issue of SEK 1.2 bn.
- **Acquisitions of Vicampo.de GmbH and Norwegian Beverage Group** important for growth in net sales.
- **Net sales increased** by 29% in Q4 to 1.3 SEKbn and by 17% to 3.3 SEKbn for the full year. **Strong margins boosted by acquired businesses.**
- **Increasing market share in Sweden and the Nordics.**  
Our volumes are stable and stronger than underlying market.
- **Overall market growth slowed down compared to record high 2020,** affecting our organic growth in Q4.
- **Lifting of pandemic restrictions affected online volumes,** but trend is stable and at higher level than pre-pandemic.



# Strong growth of net sales and improved margins

Net sales, SEKm

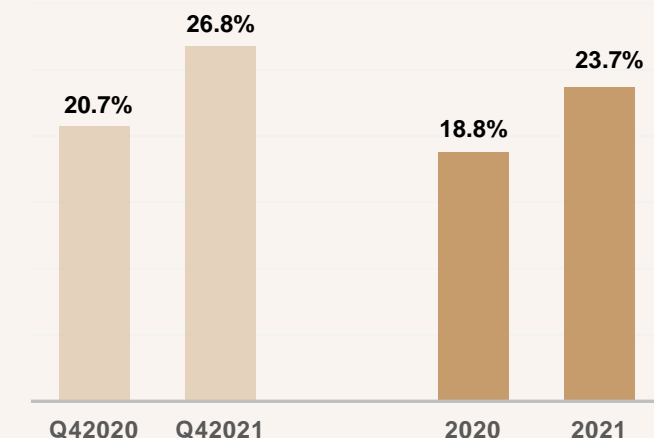


Increased sales by 29% in Q4 and 17% YoY.

Acquisitions of Vicampo and NBG contributed with 250 SEKm in Q4 and 353 SEKm full year.

Organic growth -3.7% in Q4 and +2.6% YoY.

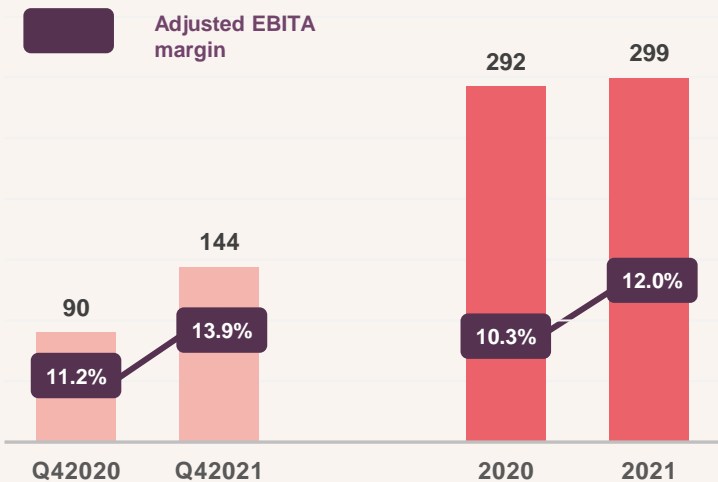
Gross margin, %



Strong development in gross margin with increase to 26.8% in Q4 and 23.7% for the full year.

Supported by both contributions from acquisitions and improved gross margins in ongoing business.

Adjusted EBITA, SEKm



Adjusted EBITA increased by 60% to 144 SEKm in Q4 and by 36% to 399 SEKm YoY.

Acquisitions contributed with 36 SEKm in Q4 and 43 SEKm for the full-year.

Adjusted EBITA margin in line with the medium term target level 10-12%.

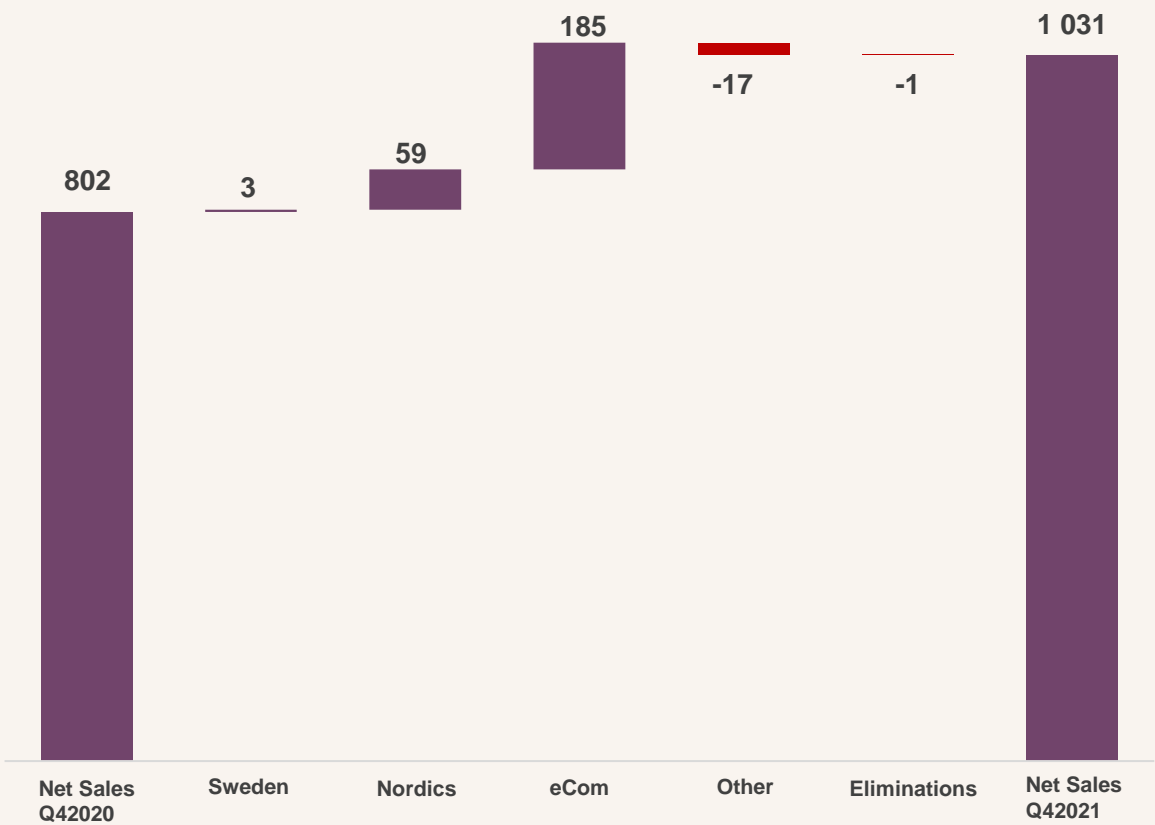


# Financial Overview

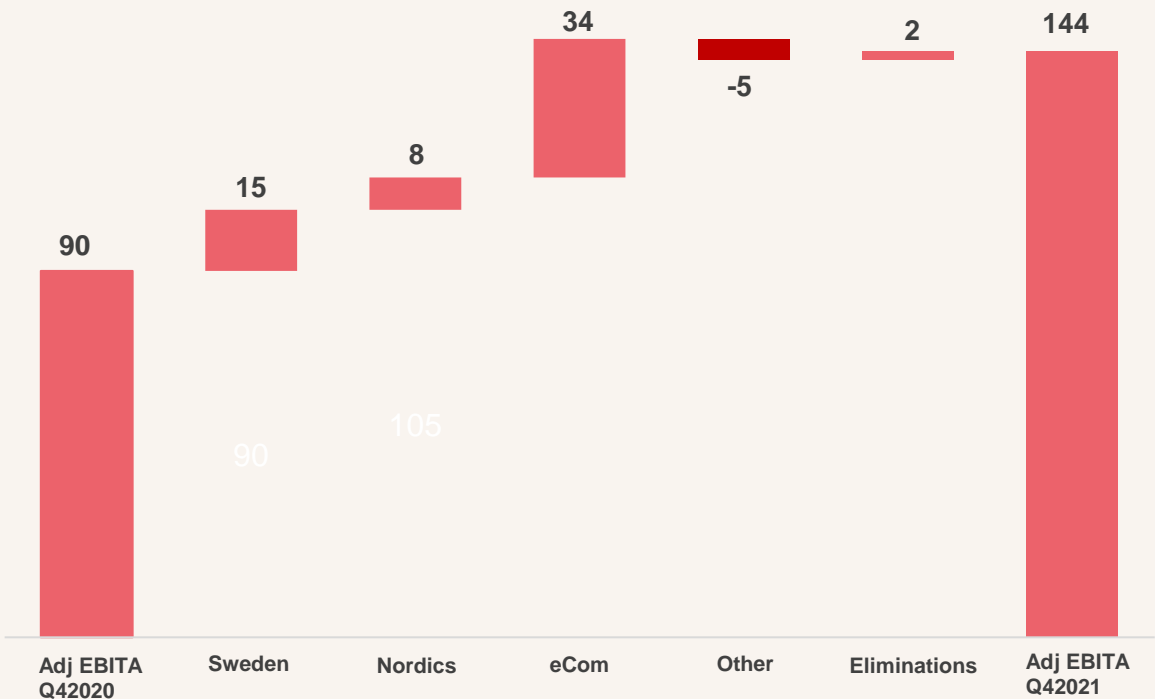


# Strong growth of net sales and improved margins

Net Sales Development per segment Q4 2020 vs Q4 2021, SEKm



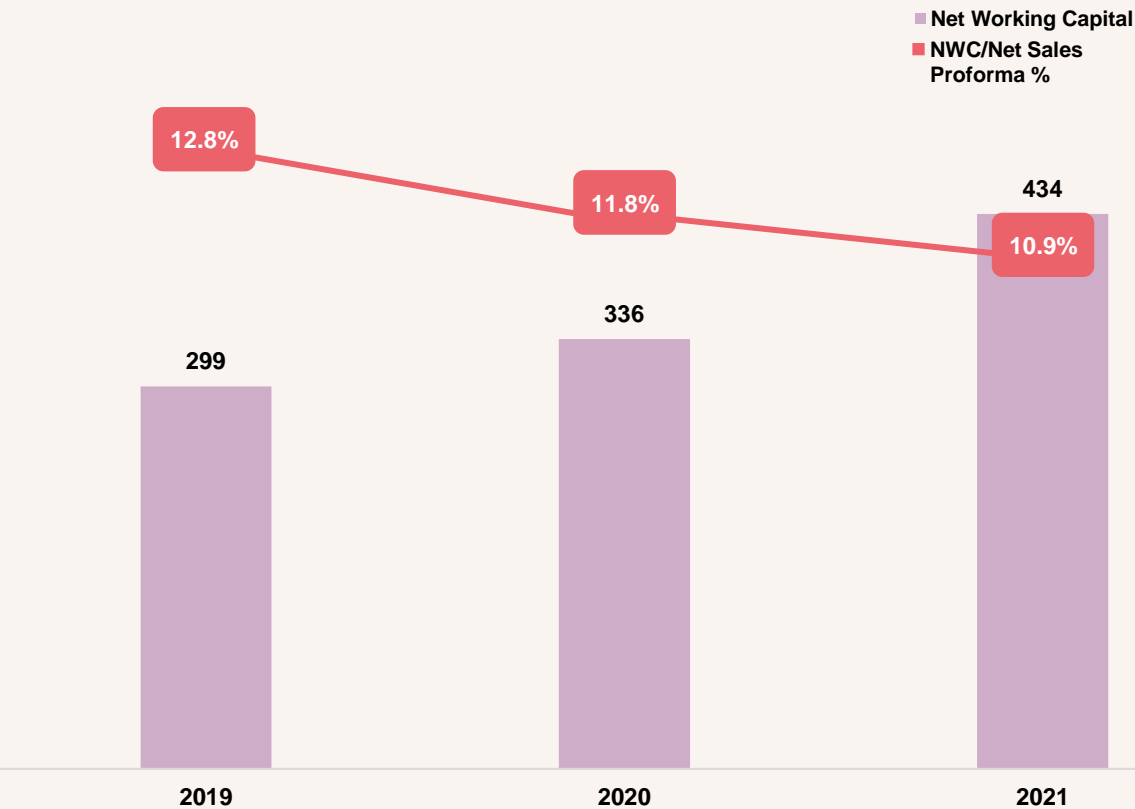
Adjusted EBITA per segment Q4 2020 vs Q4 2021, SEKm



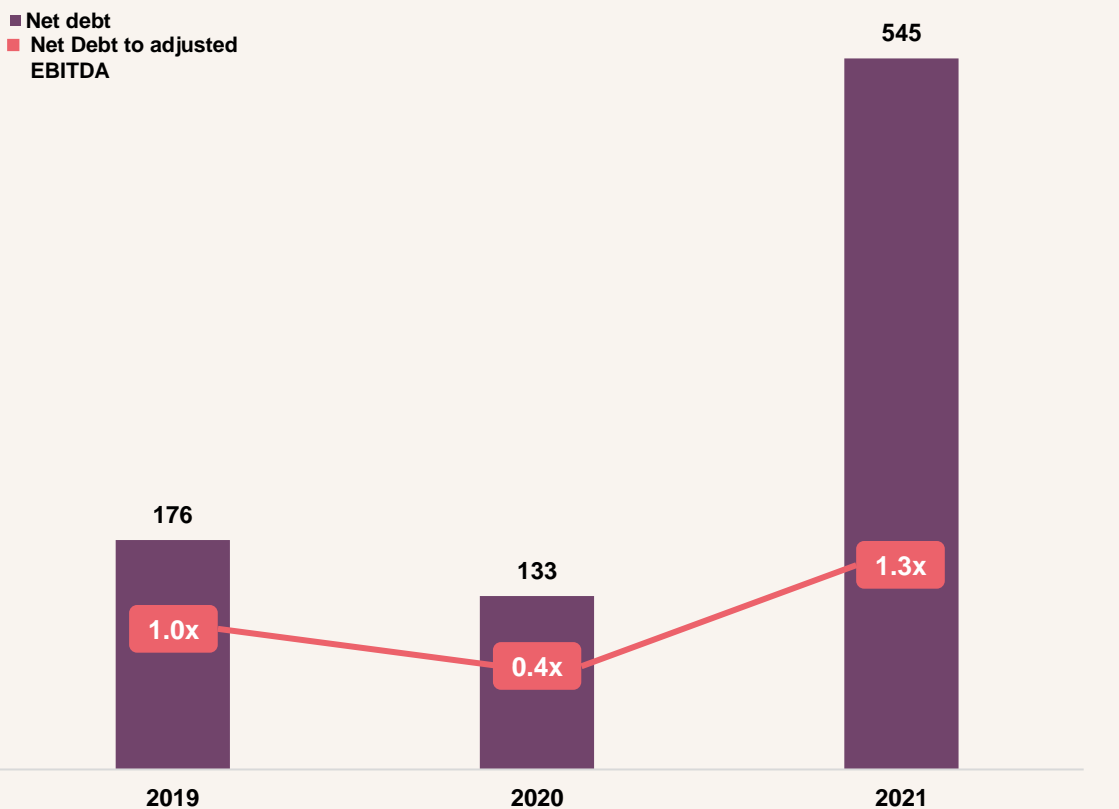


# Net working capital - positive trend to Net Sales

Net Working Capital, SEKm

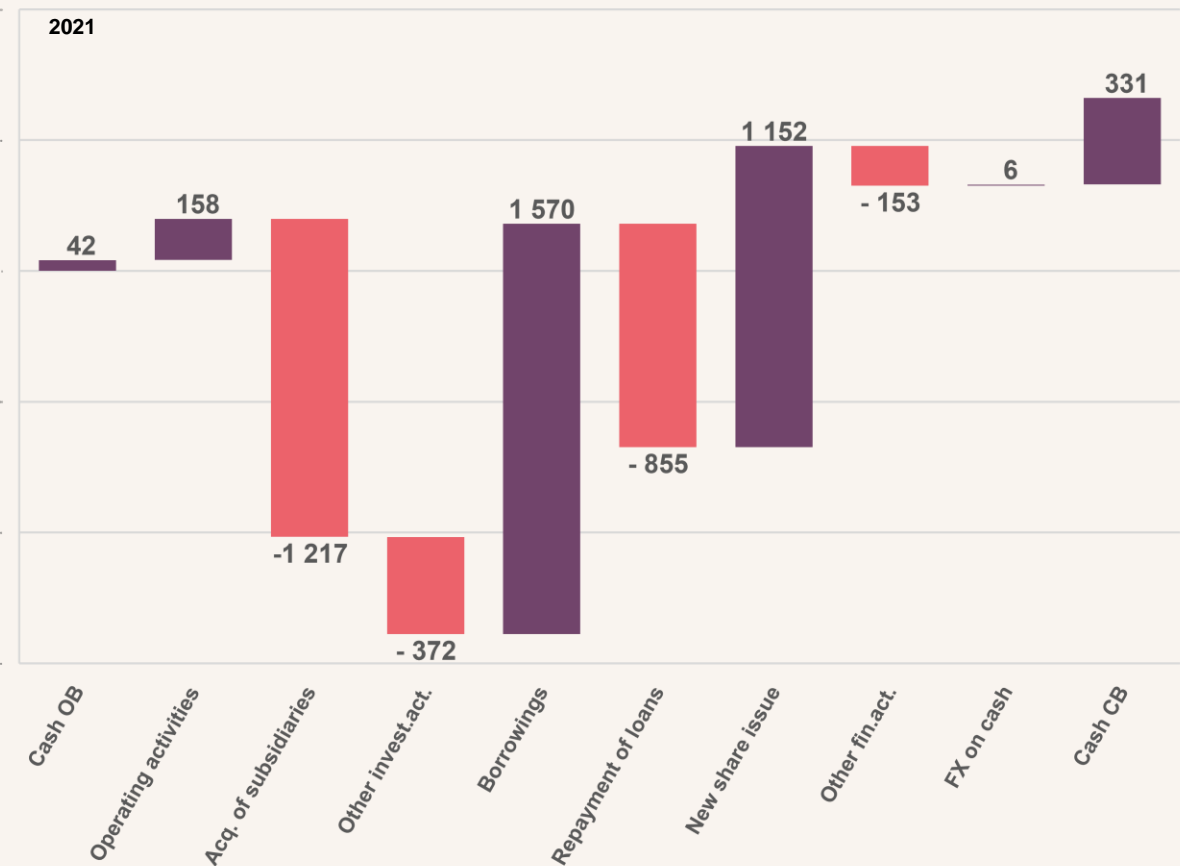


Net Debt, SEKm



# Acquisitions financed by new debt and new share issue

## Cash Flow, SEKm



## Comments

Vicampo was acquired in August with a cashflow effect of -1,043 SEKm financed by a new bank loan.

In Q4 additional 40% was acquired of Norwegian Beverage Group in November and had effect of -176 SEKm.

Buyout of minority shareholders contributed to -265 SEKm in Q4.

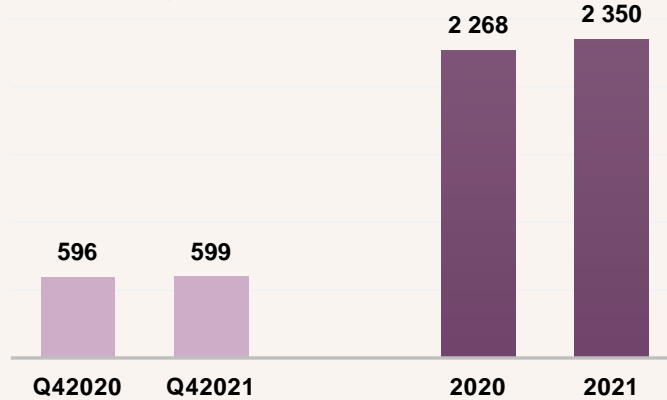
Rights issue contributed net of fees with 1,152 SEKm.

Repayment of loans to credit institutions by 854 SEKm had negative effect on cash flow, out of which 682 SEKm in Q4.

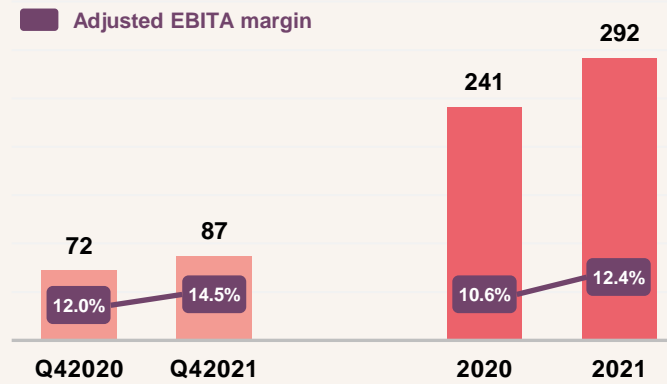


# Segment Sweden

Net Sales,SEKm



Adjusted EBITA, SEKm



## Product launches

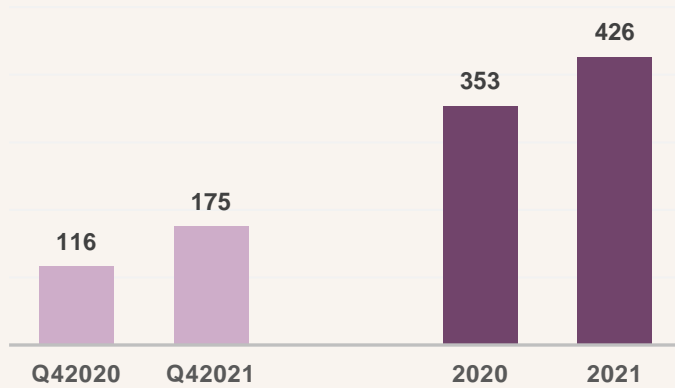


- Net sales slightly increasing Q4 compared with corona-restriction boosted 2020.
- Volume developed stronger than the market in Q4 (-3.8% compared to -4.4%).
- Market share slightly increasing in Q4 25.6% (25.4).
- Strong adjusted EBITA of 87 (72) MSEK in Q4.
- Improved adjusted EBITA margin of 14.5% (12,0).

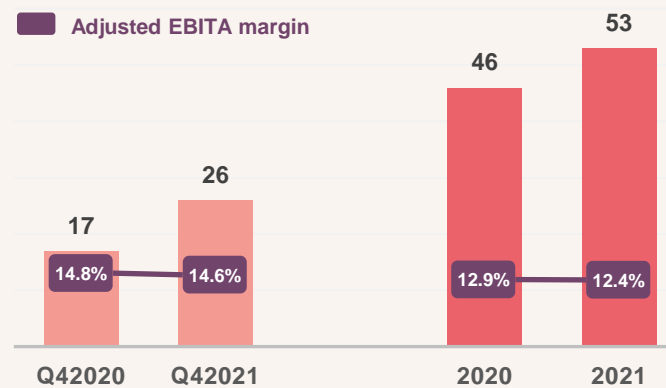


# Segment The Nordics

Net Sales, SEKm



Adjusted EBITA, SEKm



Product launches

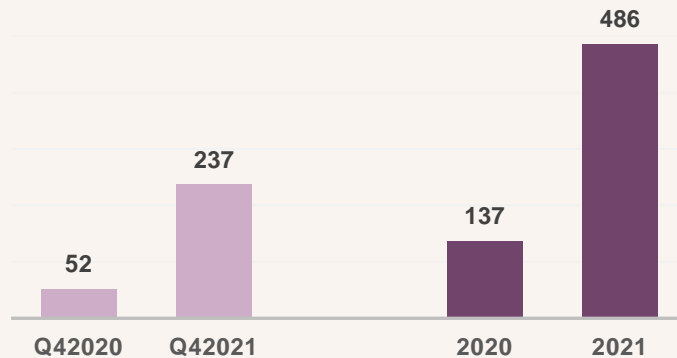
- **Nordic market, especially Finland, was negatively affected by easing of pandemic restrictions**, shifting sales back to bordershops, restaurants and hotels.
- **Increased market share** in Finland to 16.8% (15.9) in Q4. Norwegian market share 5.5% (3.1) in Q4.
- **Strong increase in Net Sales** reaching 175 SEKm, an increase of around 50% vs Q4 2020.
- **Positive impact by the acquisition of Norwegian Beverage Group**, finalised in November, adding net sales of 65 SEKm and 7 SEKm of EBIT to the year as well as Q4.
- **Increase in adjusted EBITA** of 26 (17) SEKm, up almost 9 SEKm on Q420.
- **Stable adjusted EBITA margin** of 14.6% (14,8)



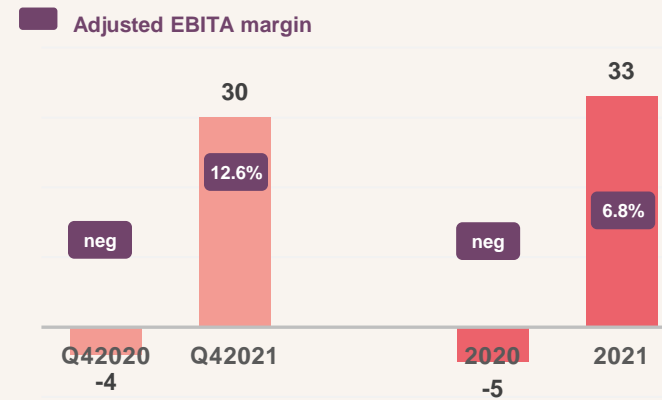


# Segment Viva e-Com

Net Sales, SEKm



Adjusted EBITA, SEKm



New market entries Q4

- *Czech Republic*
- *Slovakia*
- *Italy*



- **Viva eCom becoming one of the largest and most profitable e-commerce businesses for wine in Europe** after acquiring German Vicampo.de GmbH.
- **Net sales increased considerably** to 237 SEKm, a significant increase vs Q4 2020, following the acquisition of Vicampo.
- **Adjusted EBITA increased** to 30 SEKm Q4 2021 and landed above the mediumterm target of 10-12% with an adjusted EBITA margin of 12.6% (-7.6).
- **European e-commerce market slowed down in Q4** due to relaxed restrictions.
- **Underlying trend in shift from retail to e-commerce remains strong.** E-commerce sales are at a higher level than before the pandemic.

## Number of orders

41,789

Q4 2020

279,792

Q4 2021

## Active customers

51,685

Q4 2020

536,507

Q4 2021

## Net sales from repeat customers

72 %

Q4 2020

78 %

Q4 2021

# Sustainability





# Sustainability update

Adoption of new Group Sustainability Policy

Adoption of new Group Sustainability Targets (2030 and 2050)

Further improvements in climate efficiency in 2021<sup>1)</sup>

Increasing share of volume in climate efficient packaging

Further improvements in sustainable product offering in 2021<sup>1)</sup>

Increasing share of volume certified organic

Increasing share of volume certified organic and/or ethical

## Climate Efficient Packaging



## Certified organic



## Certified organic and/or ethical



# Final comments





# Financial targets

## Growth target

- Sweden and the Nordic segment: an average annual organic growth rate at a minimum of 4% in the medium term
- E-commerce segment: an average annual organic growth rate of 10-15% in the medium term
- Viva Wine Group intends to grow through acquisitions

## Profitability target

- An adjusted EBITA margin of 10-12% in the medium term

## Net debt target

- A net debt to EBITDA ratio of no more than 2.5x. An exceeding number will periodically be permitted e.g. in conjunction with acquisitions



## On our agenda

Preserving the entrepreneurial spirit

Realizing synergies across all  
Business Segments

M&A

Product innovation

Producer visits and fairs as travel  
restrictions have been fully lifted



# Q&A





info@vivagroup.se +46 8 21 83 88 vivagroup.se  
Viva Wine Group | Blasieholmsgatan 4A | Stockholm | Sweden