

Q1 2022

VIVA WINE GROUP

Quarterly Results



AGENDA

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Viva Wine Group





8

Countries



25

Entrepreneurs



10

Operating companies

The Nordic leader in wine, in the stable monopoly markets ¹⁾



Three strong, growing segments, share of net sales ²⁾



59% Sweden

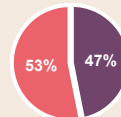


16% Nordics



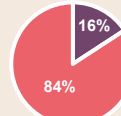
24% eCom

Strong portfolio of own brands, partner brands and exclusive brands



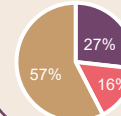
Sweden

■ Own Brands
■ Partner Brands



Nordic

■ Own Brands
■ Partner Brands



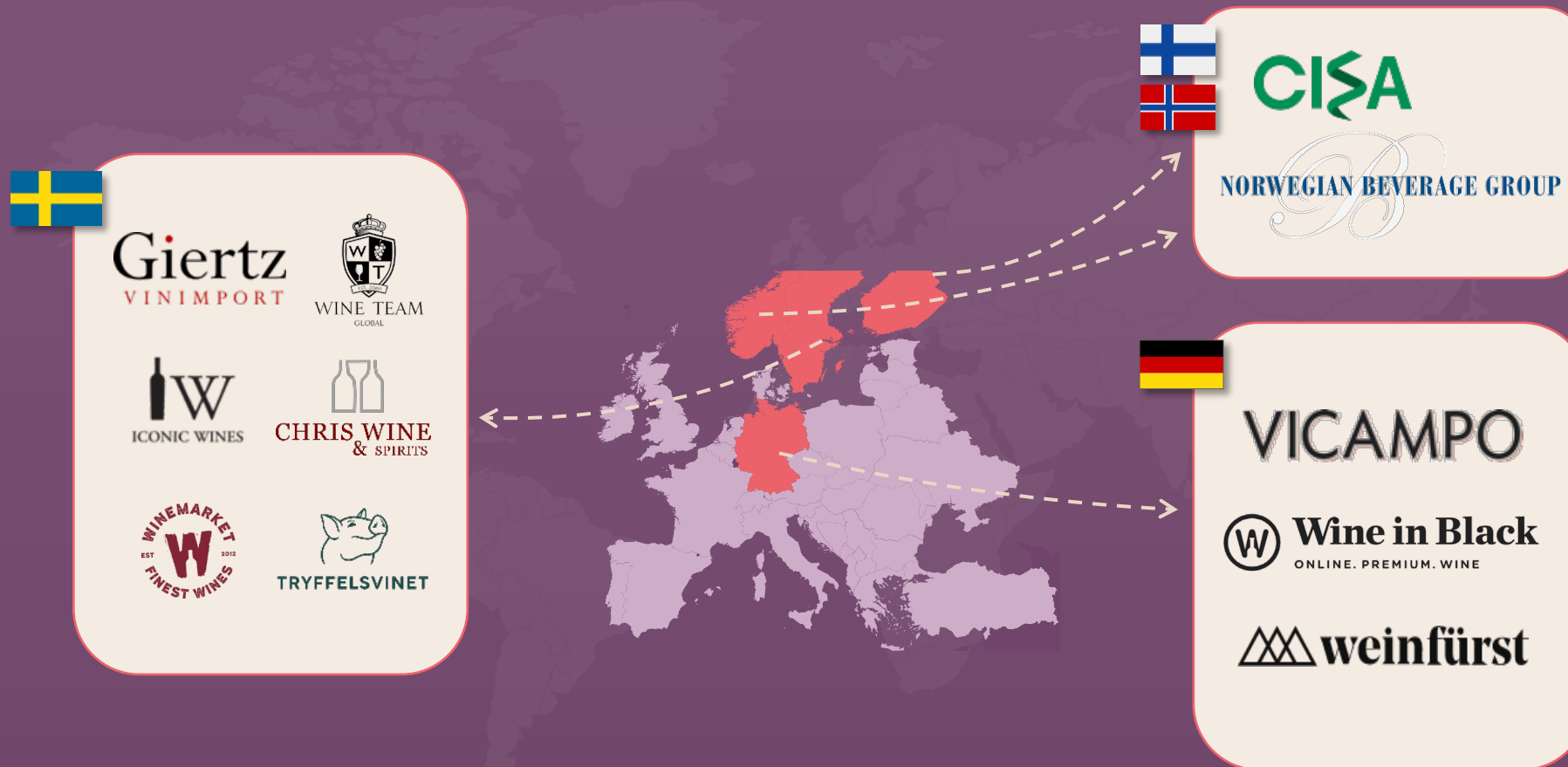
Viva eCOM

■ Own Brands
■ Partner Brands
■ Exclusive Brands

Pioneer and industry leader in sustainability

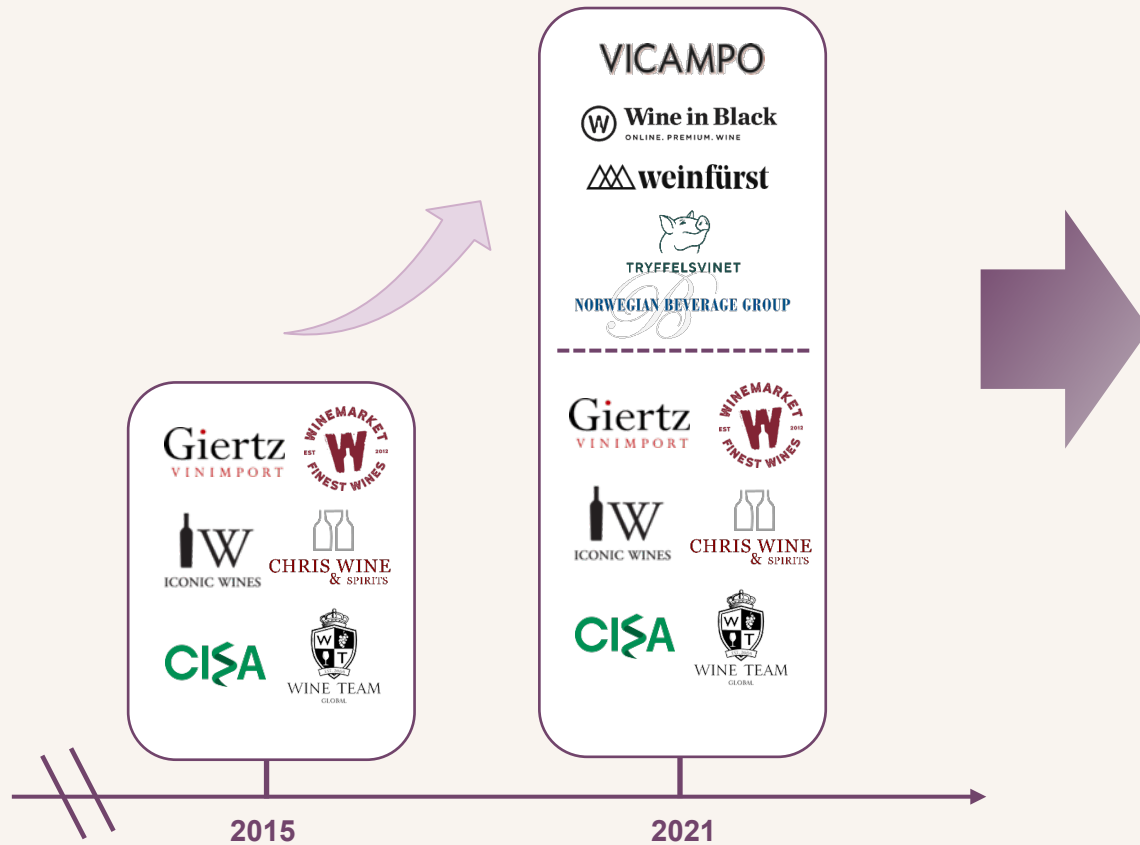
Member of Amfori BSCI
Climate efficient transports and packaging
High share of product portfolio certified organic
Externally assured GRI Report

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

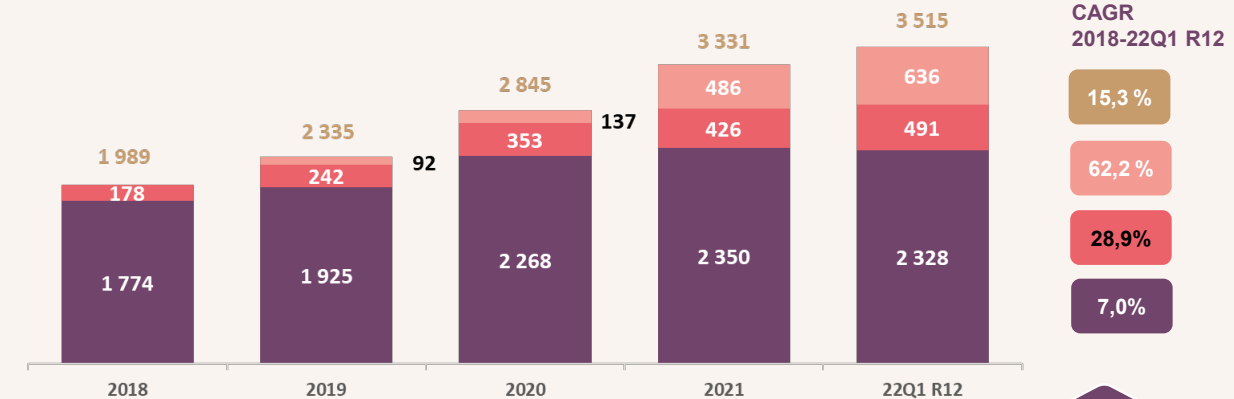


M&A

...while increasing market share in all segments

Net sales, SEKm

■ Sweden ■ Nordics ■ Viva eCOM ■ VWG Total 1)



Strong potential in European E-commerce with strategic acquisitions

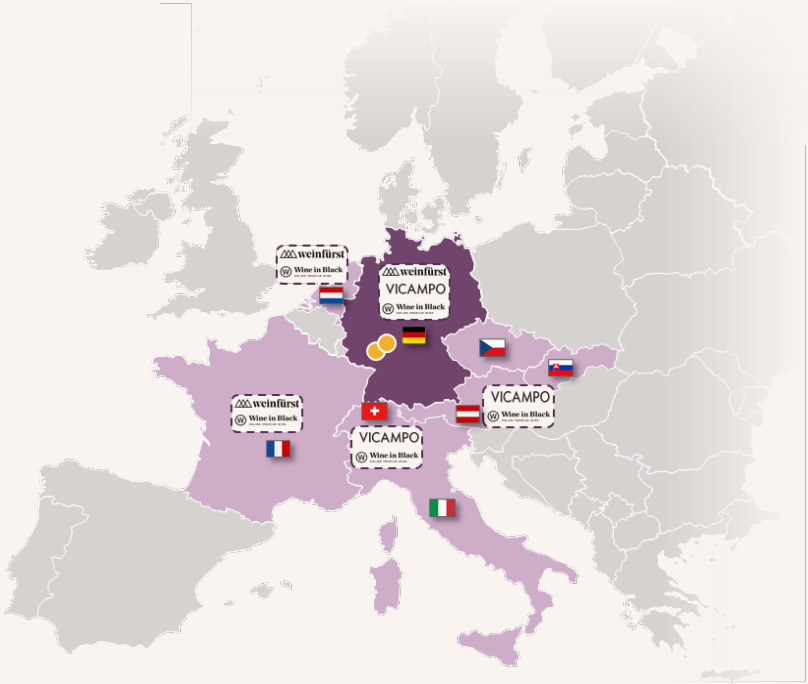
A strong position in a large, attractive market

Strong online brands drive online sales in Europe..



+133 %

Increase in active customers
2019 Q1 – 2022 Q1 *



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

*) Proforma numbers

Quarterly Update



A strong start in a turbulent world

- **Net sales increased by 27% in Q1 to 871 (687) SEKm.** Sales boosted by acquired businesses Vicampo and Norwegian Beverage Group (NBG).
- **Increasing market share in Sweden and the Nordics.**
Volumes stronger than underlying market. Significant increase in Norway.
- **Overall market growth slowed down compared to Q1 2021 due to Covid pandemic, war and inflation fears, and seasonality (late Easter holiday),** affecting our organic growth.
- **Price increases to safeguard margins** to meet inflationary pressure increasing costs of transports and dry goods.
- **Anna Möller recruited as Chief Operating Officer Nordics** becoming part of the Management Team.
- **Acquisition of MyTaste & Food AB (Vinklubben),** Sweden's largest online community for wine. The transaction was completed on 1 April.

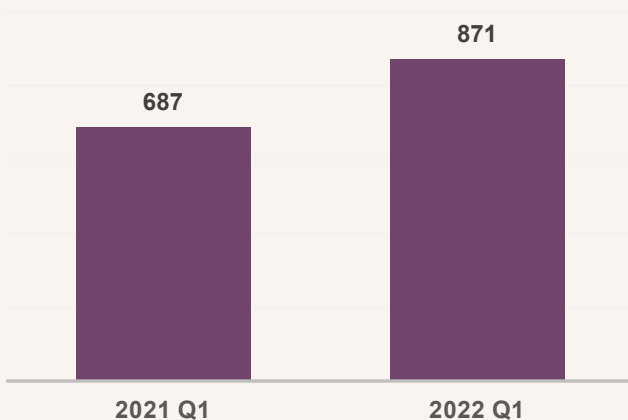


Financial Overview



Growth of net sales and improved gross margin

Net sales, SEKm

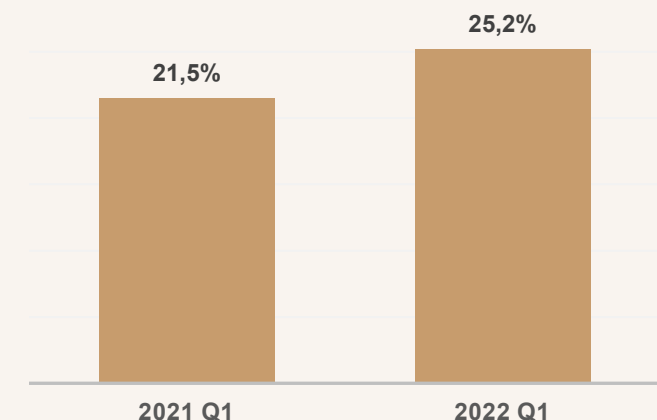


Increased net sales by 184 SEKm, up 27% in Q1.

Vicampo and NBG acquired Aug and Nov 2021 contributed with 234 SEKm in Q1.

Organic growth -8,0% in Q1, Covid restrictions, Easter effect and general downturn in eCOM sector main explanations.

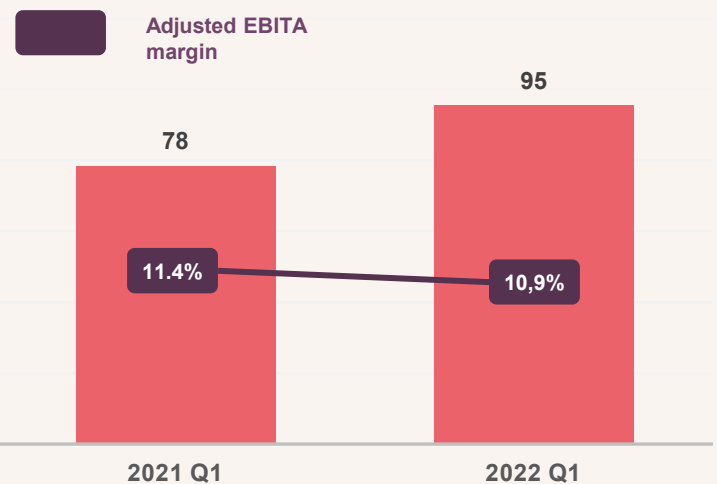
Gross margin, %



Strong development in gross margin with increase to 25,2% in Q1.

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

Adjusted EBITA, SEKm



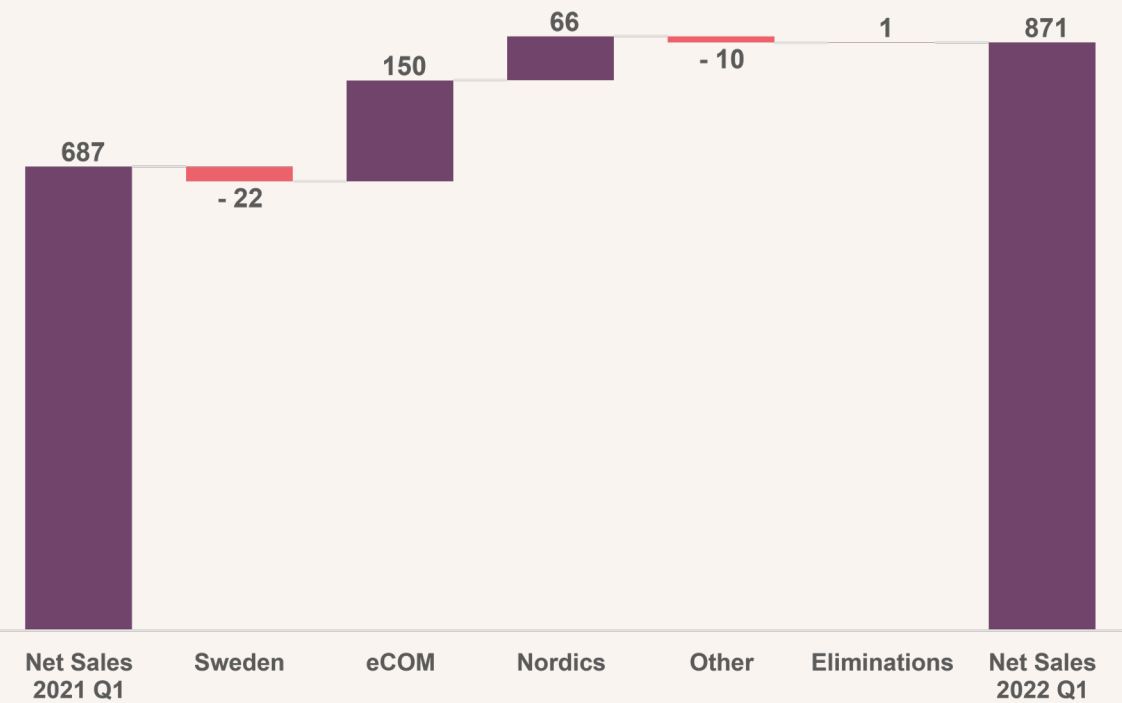
Adjusted EBITA increased by 22% to 95 SEKm in Q1.

Acquisitions contributed with 36 SEKm in Q1.

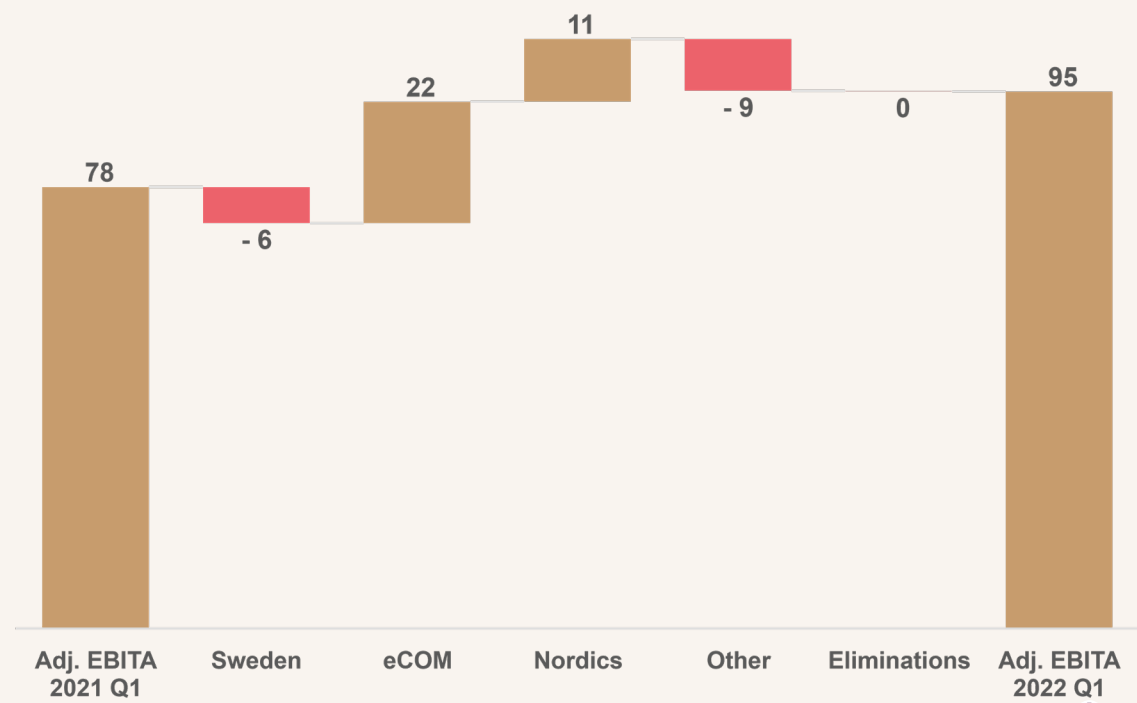
Adjusted EBITA margin in line with the medium term target level 10-12%.

Strong growth of net sales and Adj. EBITA margin in line with financial targets

Net Sales Development per segment 2021 Q1 vs 2022 Q1, SEKm

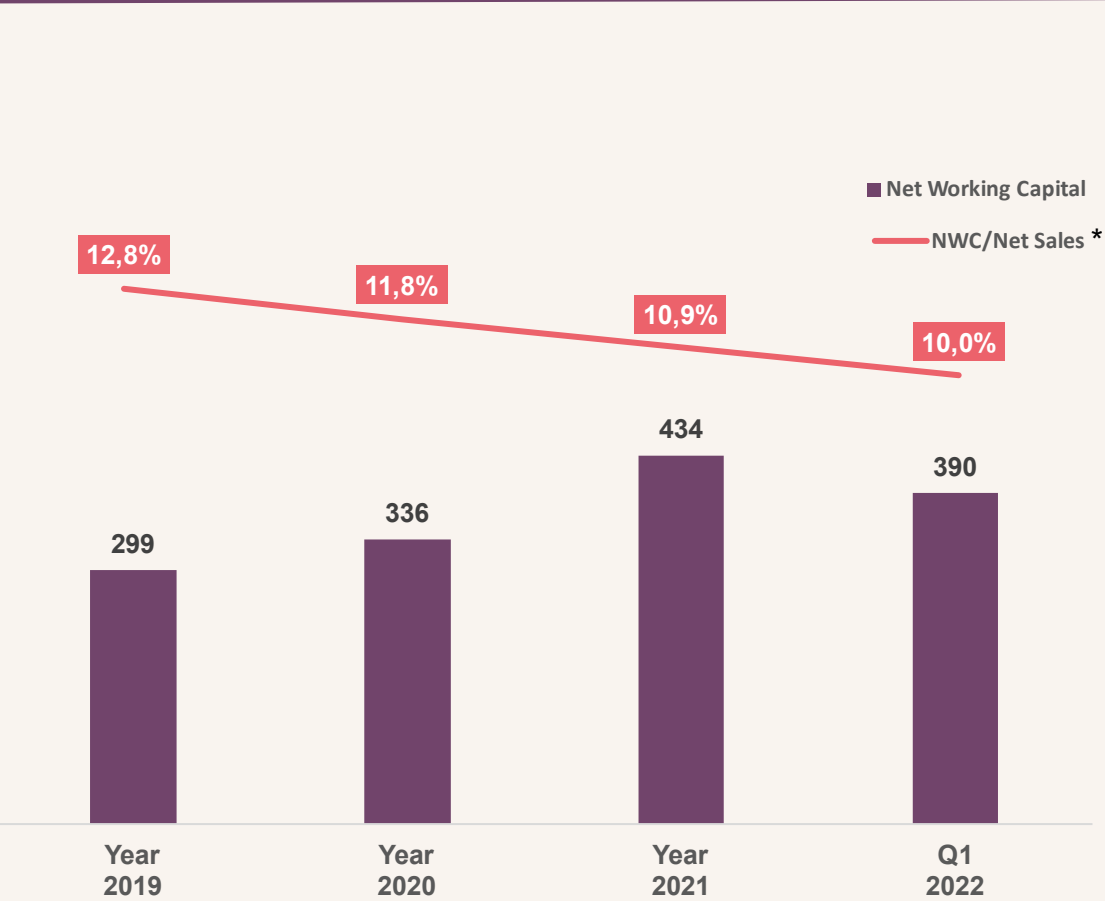


Adjusted EBITA per segment 2021 Q1 vs 2022 Q1, SEKm

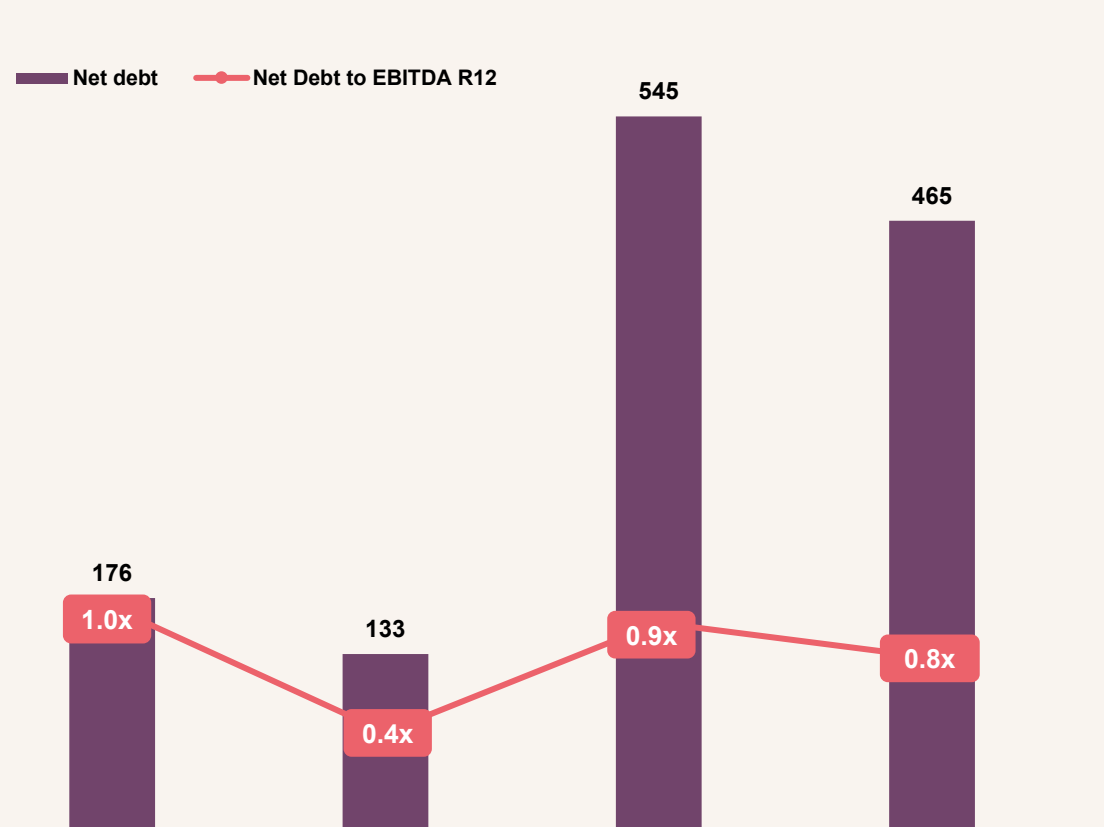


Net working capital - positive trend to Net Sales

Net Working Capital, SEKm



Net Debt, SEKm

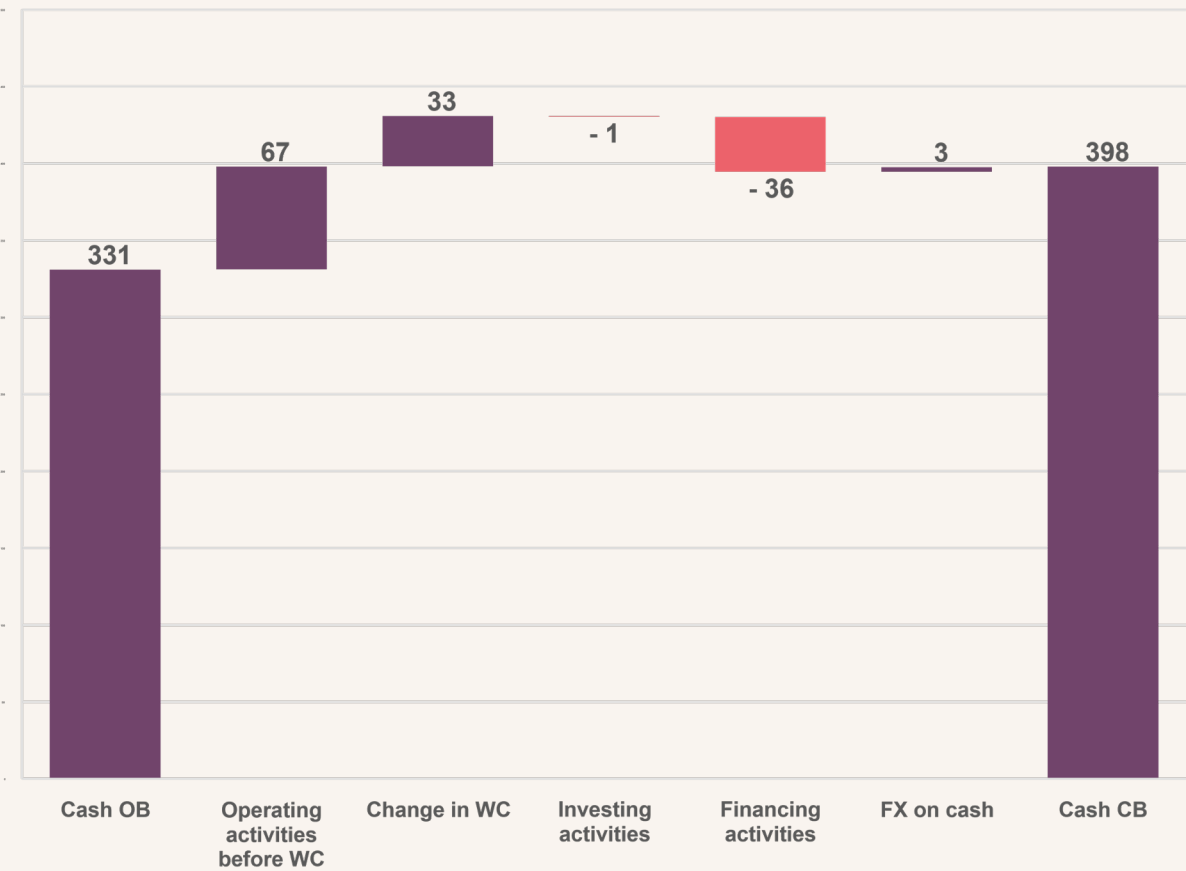


*) Net Sales proforma R12 for Q1 2022



Strong Cash Flow from Operating activities

Cash Flow, SEKm

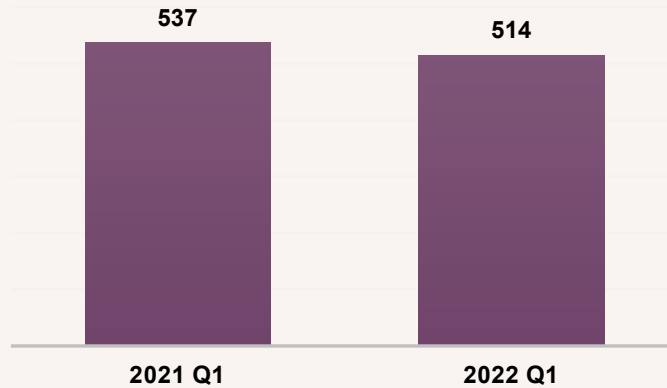


Comments

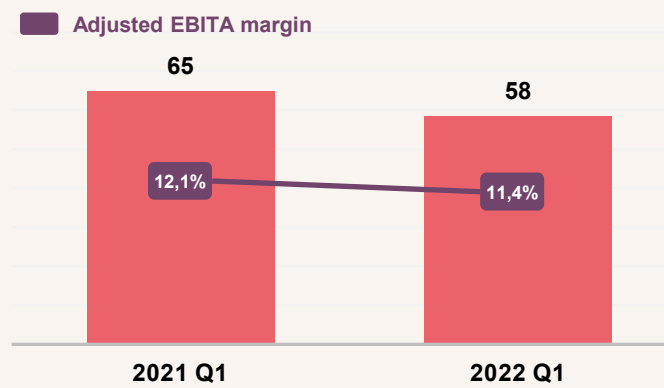
- Seasonally lower working capital
 - Trade receivable key driver of decline
- No material investments during the quarter.
- Repayment of loans to credit institutions by 23 SEKm had negative effect on cash flow from financing activities.

Segment Sweden

Net Sales,SEKm



Adjusted EBITA, SEKm



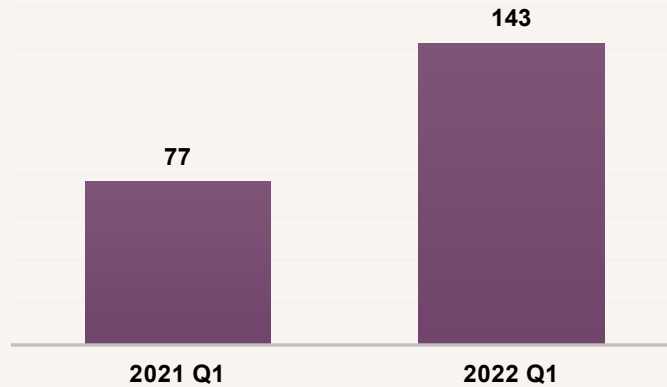
Product launches



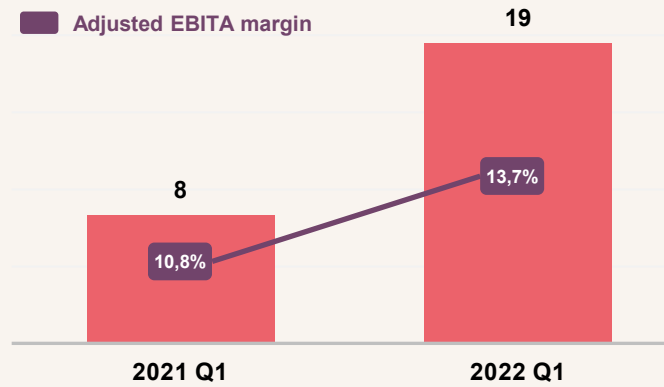
- Net sales decreasing Q1 compared with Covid boosted 2021 Q1.
- Volume developed stronger than the market in Q1 (-7,4% compared to -8,6%).
- Market share increasing in Q1 25.8% (25,4%).
- Lower adjusted EBITA of 58 (65) SEKm in Q1 – mainly due to lower net sales.
- Adjusted EBITA margin of 11,4% (12,1%) in line with long-term financial target level.

Segment Nordics

Net Sales,SEKm



Adjusted EBITA, SEKm



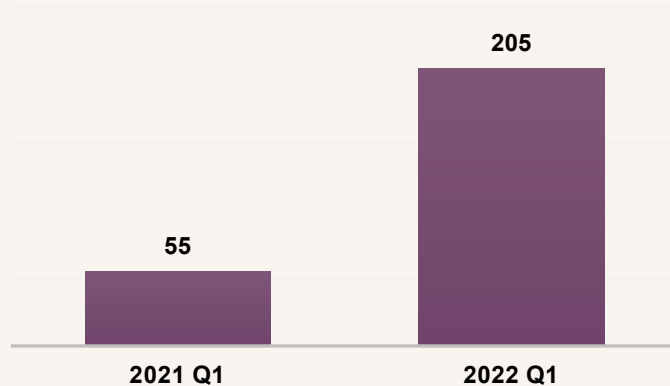
Product launches



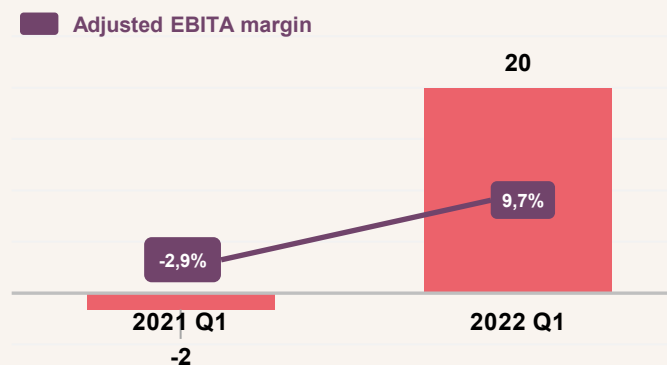
- **Strong increase Net Sales** reaching 143 SEKm, an increase of 85% vs 2021 Q1.
- **Increased market shares in the Nordics.** In Finland we regained our position as the second largest in the market with 16,9% (16,4%). The Norwegian business developed very strong and the market share increased to 5,5% (3,4%) in Q1.
- **Increase in adjusted EBITA** of 19 (8) SEKm, up 11 SEKm (+134%) in 2022 Q1.
- **Improved adjusted EBITA margin** of 13,7% (10,8%)

Segment Viva eCOM

Net Sales,SEKm



Adjusted EBITA, SEKm



Highlights and KPIs

- Successful start of Wine in Black integration process to create synergies throughout Viva e-Com.
- Vicampo is awarded "Best wine retailer international online 2022" by Berliner Wine Trophy. Weinfürst is awarded "Best online wine retailer in Germany 2022" by Frankfurt International Trophy.
- Sales of own brands increase by 3% compared to Q1 2021 showing further expansions of the D2C portfolio.

- **European e-commerce market slowed down in Q1 compared to 2021 Q1.** Mainly due to eased restrictions, but also due to negative market sentiment due to the war in Ukraine and fear for inflation.
- **Net sales increased considerably** to 205 SEKm, a significant increase vs Q1 2021, following the acquisition of Vicampo.
- **Adjusted EBITA increased** to 20 SEKm Q1 2022 and landed just below the medium term target of 10-12% with an adjusted EBITA margin of 9,7% (-2,9%).
- **Underlying trend in shift from retail to e-commerce remains strong.** The e-commerce sales are at a higher level than before the pandemic.

Number of orders (1 000)

36	248
Q1 2021	Q 1 2022

Active customers (1 000)

55	507
Q1 2021	Q1 2022

Net sales from repeat customers

76 %	74 %
Q1 2021	Q1 2022

Sustainability



Sustainability update

Further improvements in climate efficiency in 2021¹⁾

Increasing share of volume in climate efficient packaging

Further improvements in sustainable product offering in 2021¹⁾

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



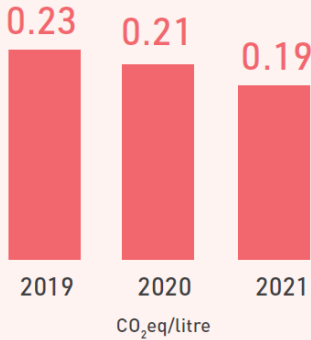
1) Comprehensive Sustainability Reporting only for Sweden Business Segment. Ambition to include Nordics and eCOM in the future.
2) Light weight glass bottles, PET, Tetra, Bag-in-Box



Sustainability update

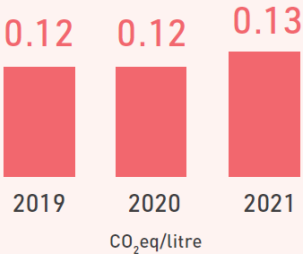
Further improvements in total climate efficiency, reaching 0.32kgCO₂eq/litre

Emissions 2021 Climate impact packaging



Accelerating improvement of packaging climate efficiency due to increased share of light weight glass bottles, PET and Tetra, and increased share of recycled glass.

Emissions 2021 Climate impact transports



Transport climate efficiency has levelled out. Slight deterioration due to the Covid pandemic and its interruptions of global transports.

Major game-changers already implemented (shifting road to rail, load factor optimization)

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

Focus on margins...with business as usual and strong product pipeline

Realizing synergies across all Business Segments

M&A

Sustainability roll-out with cross-segment coordination

Q&A



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