

Q2 2022

VIVA WINE GROUP

Quarterly Results



AGENDA

- | | | |
|---|-----------------------------------|-------|
| 1 | Introduction to Viva Wine Group | 3-5 |
| 2 | Quarterly Update | 6-8 |
| 3 | Financial Overview | 9-16 |
| 4 | Sustainability Update | 17-18 |
| 5 | Final Comments & Our Agenda Ahead | 19-21 |
| 6 | Q&A | 22 |



Emil Sallnäs
CEO



Linn Gäfvert
CFO

Viva Wine Group





8

Countries



25

Entrepreneurs



10

Operating companies

Three strong, growing segments, share of net sales ¹⁾



64% Sweden



17% Nordics



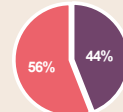
19% eCom

The Nordic leader in wine, in the stable monopoly markets ²⁾



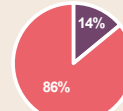
#1

Strong portfolio of own brands, partner brands and exclusive brands ³⁾



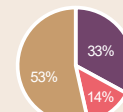
Sweden

■ Own Brands
■ Partner Brands



Nordic

■ Own Brands
■ Partner Brands



Viva eCOM

■ Own Brands
■ Partner Brands
■ Exclusive Brands

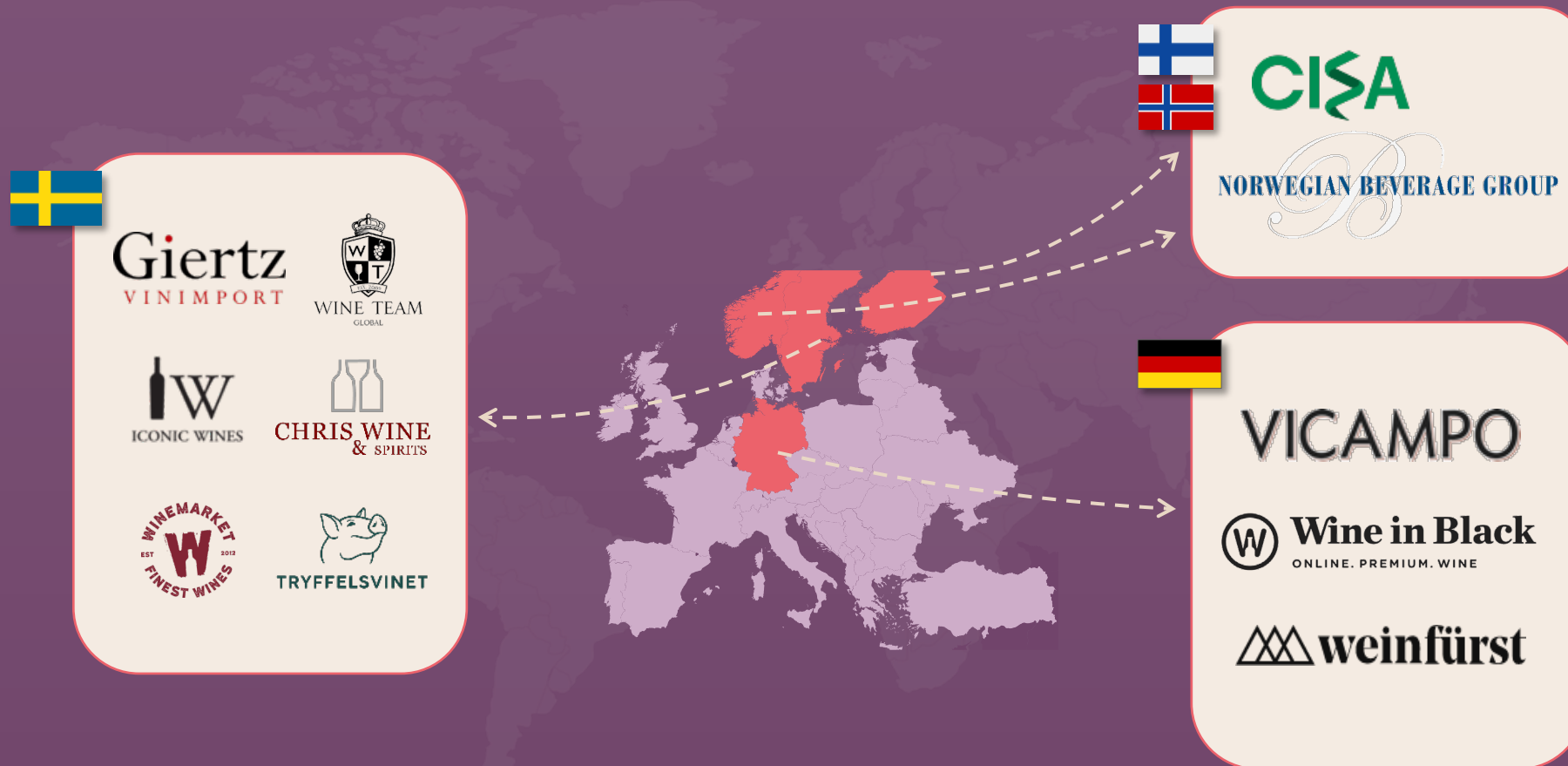
Pioneer and industry leader in sustainability

Member of Amfori BSCI
Climate efficient transports and packaging

High share of product portfolio certified organic

Externally assured GRI Report

Operating Companies



Quarterly Update



Strong acquisition-driven growth and stable Nordic markets

- **Net sales increased by 27,8% in Q2 to 999 (782) 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.
- **Overall market growth slowed down compared to Q2 2021 due to post-pandemic effects and lowered consumer sentiments,** affecting our organic growth.
- **Impact on EBITA-margin** due to general cost inflation and negative fx-effects.



Company News

- **Christian Fricke, Managing Director of Viva eCOM** joined the Group Management Team 1 April.
- **Lars Ljungälv, CEO at Bergendahls** was elected member of the Board 20 May.
- **Viva Wine Group** was included in the MSCI Global Micro Cap Index from 31 May.



Christian Fricke



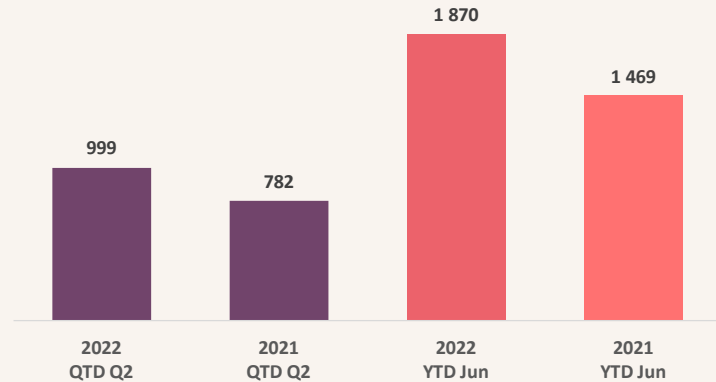
Lars Ljungälv

Financial Overview



Strong growth of net sales and gross margin

Net sales, SEKm

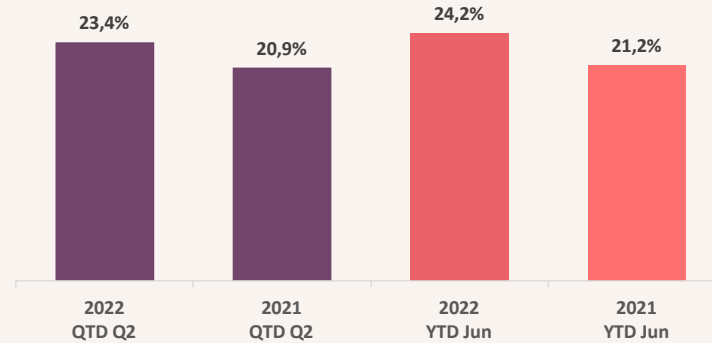


Increased net sales by 27,8 %, 217 SEKm in Q2.

Vicampo and NBG acquired in Aug and Nov 2021 contributed with 231 SEKm in Q2.

Organic growth –2,3% in Q2, Covid restrictions, a general downturn in e-com in conjunction with the restructuring of the old e-com business are the main factors. In segment Sweden we have positive organic growth in the quarter.

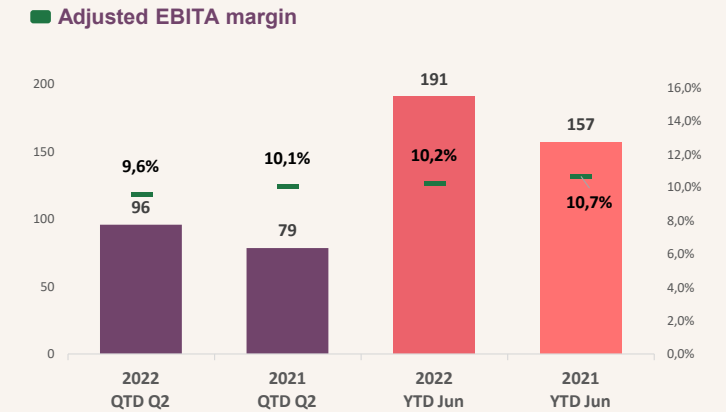
Gross margin, %



Strong development compared to last year supported by the acquisitions.

Some pressure on gross margin in Q2 mainly explained by negative fx-effects. We also see some effects of the cost inflation. Price increases to end customer in the Nordic Monopolies are controlled by the price windows.

Adjusted EBITA, SEKm



Adjusted EBITA increased with 21,7% to 96 SEKm in Q2. Supported mainly by the acquisitions.

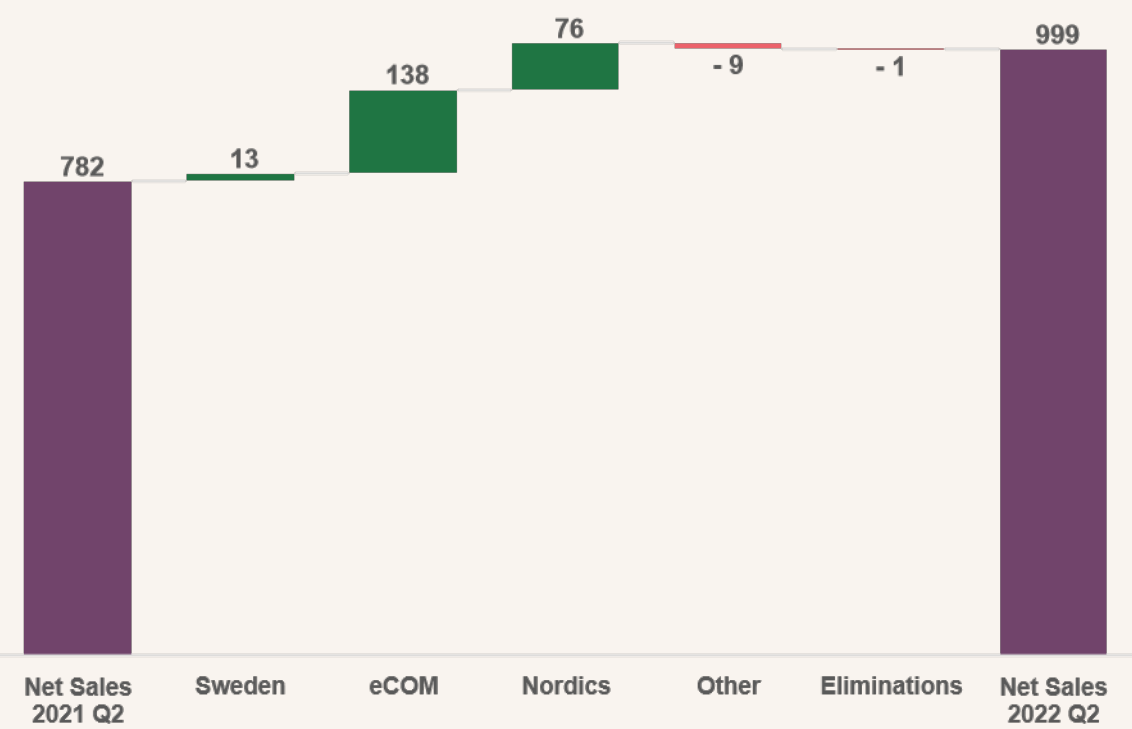
We have a decrease in the EBITA-margin driven by negative fx-effects.

Viva Wine Group hedge currency and we have substantial positive hedge effects in the quarter and YTD. The hedge effects are accounted for in the financial net, i.e. below the adjusted EBITA level.

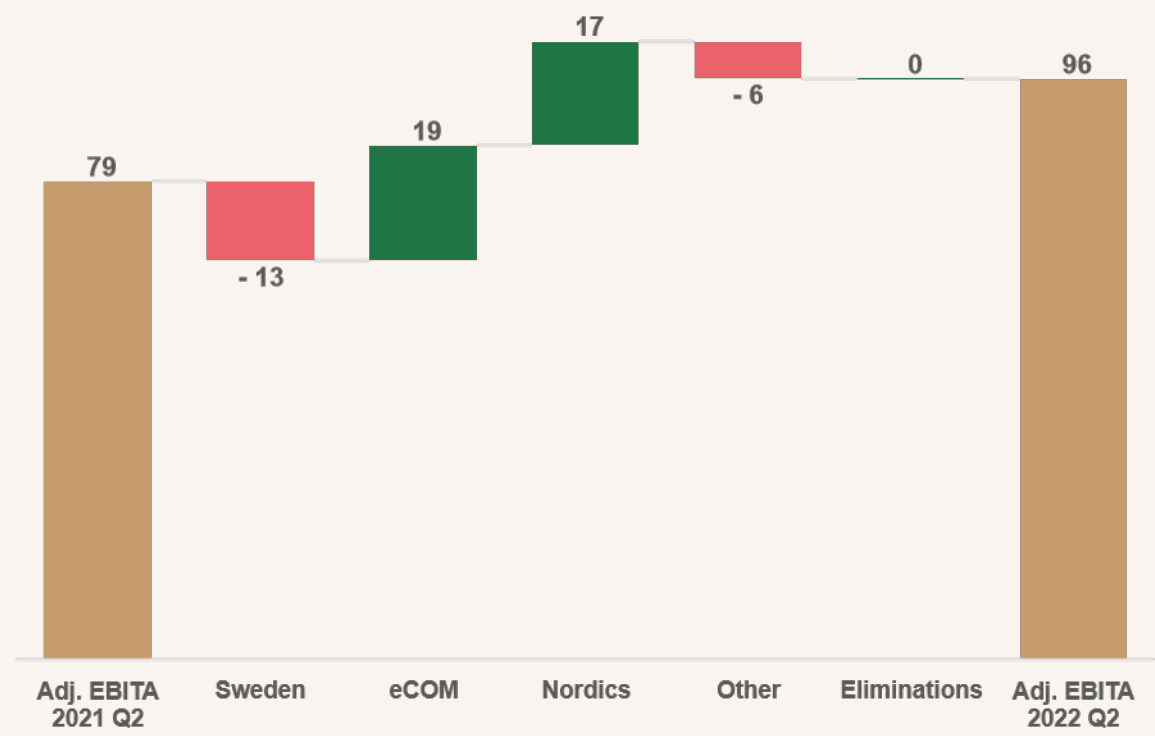
YTD the adjusted EBITA margin in line with the medium term target level 10-12%.

Strong growth of Net Sales and adjusted EBITA

Net Sales per segment 2021 Q2 vs 2022 Q2, SEKm

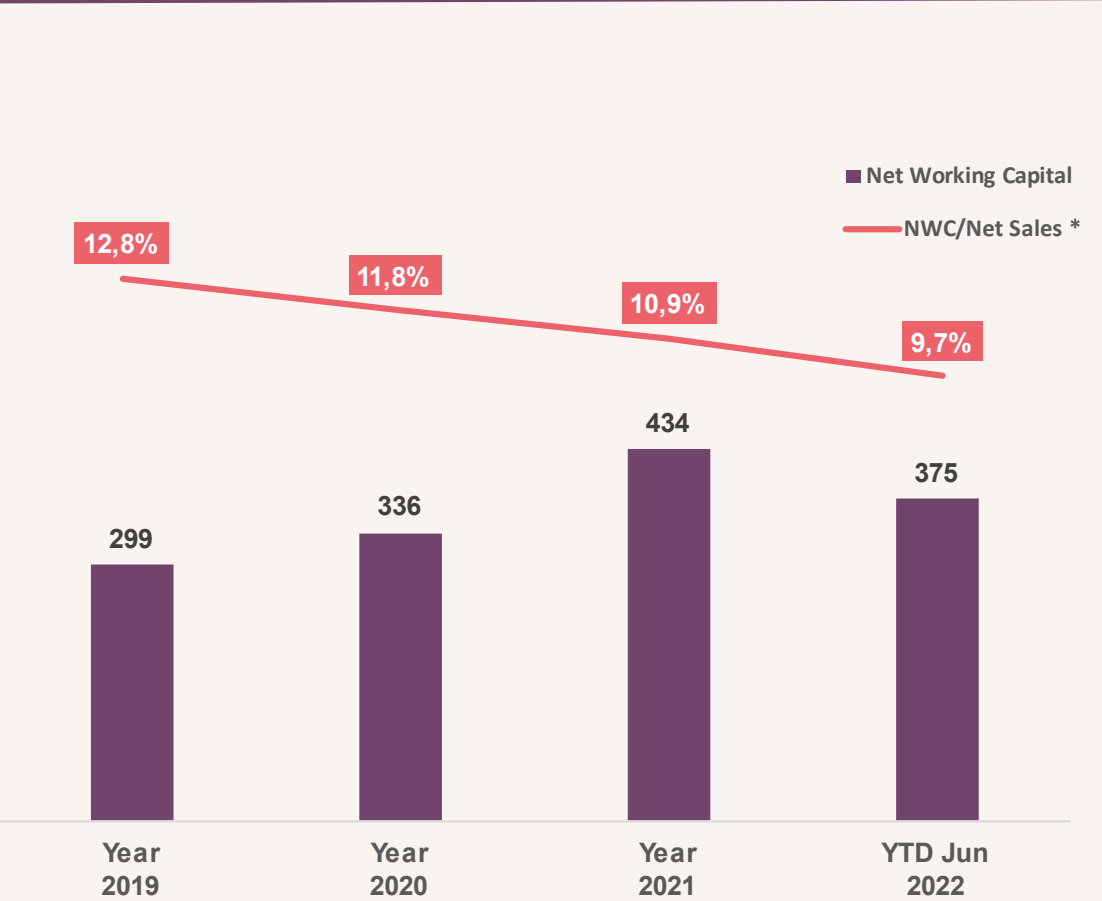


Adjusted EBITA per segment 2021 Q2 vs 2022 Q2, SEKm

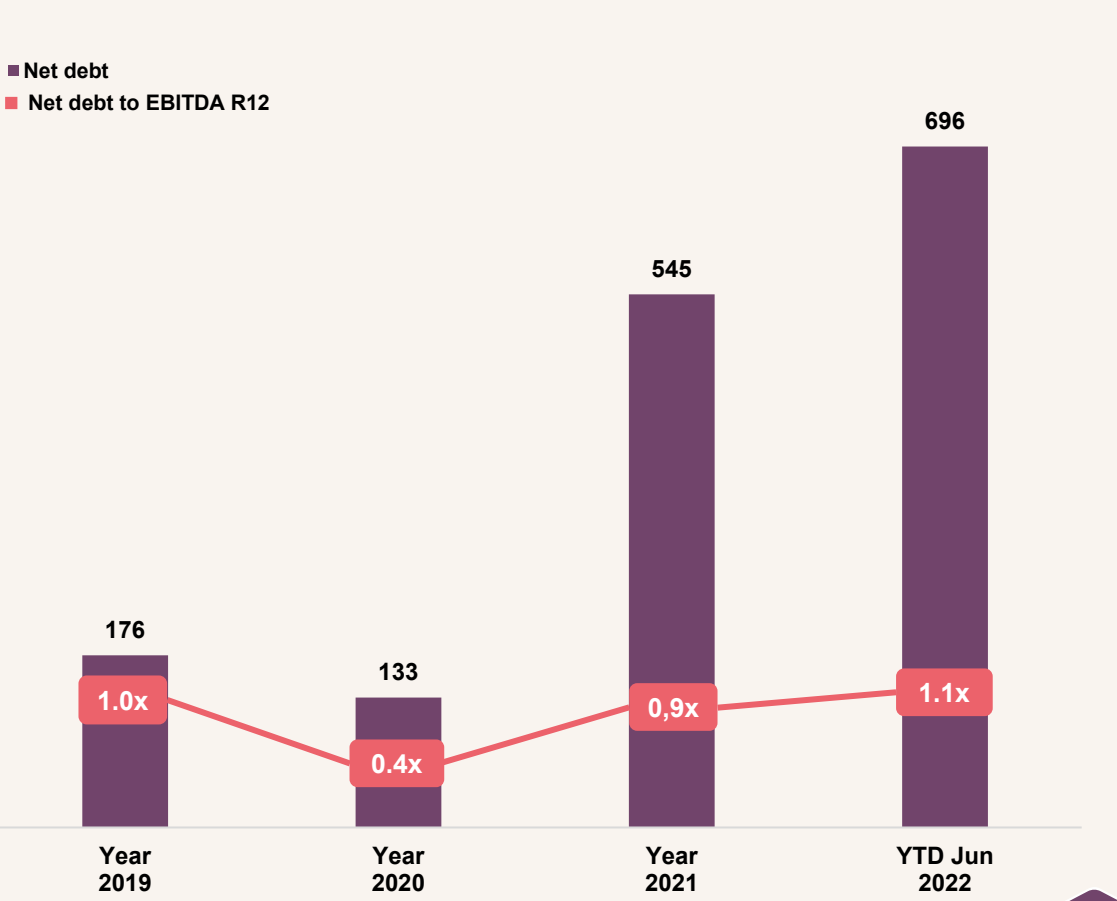


Net working capital - positive trend to Net Sales

Net Working Capital, SEKm



Net Debt, SEKm

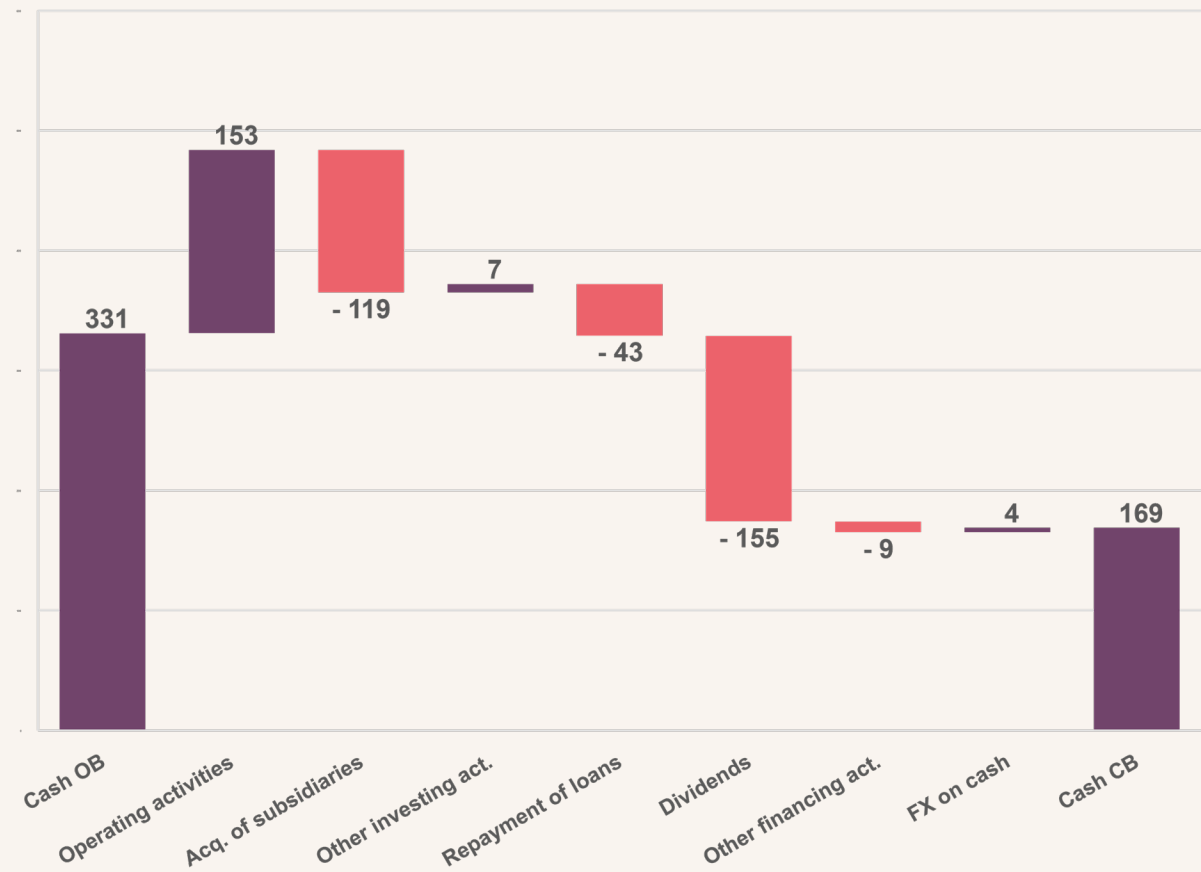


*)Net Sales proforma R12 for Q2 2022



Strong Cash Flow from Operating activities

Cash Flow, SEKm

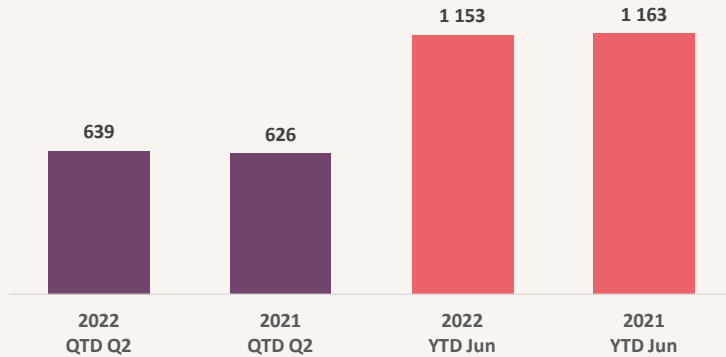


Comments

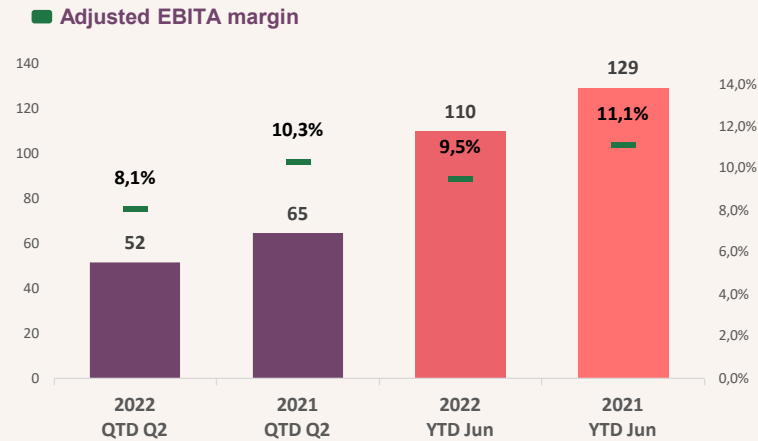
- Strong Cash Flow from Operating activities mainly from Profit after financial items.
- Vinklubben was acquired in April with a cashflow effect of -119 SEKm.
- Repayment of loans to credit institutions by 43 SEKm effect the cash flow from financing activities.
- Dividends of 155 SEKm was paid, of which 133 SEKm to Parent Company shareholders.

Segment Sweden

Net Sales, SEKm



Adjusted EBITA, SEKm



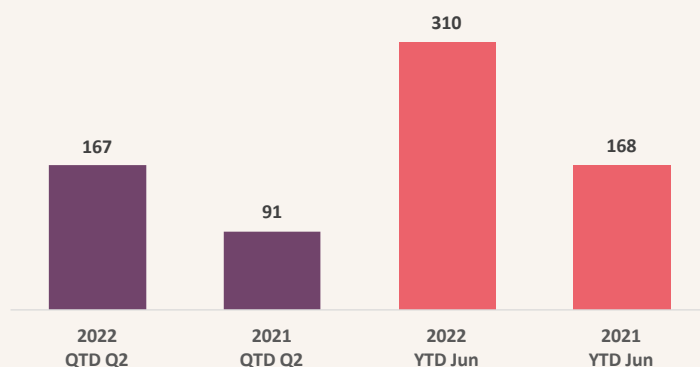
Selection of key product launches

- **Slight Net Sales increase** in Q2.
- **Volume developed stronger than the market** in Q2 (-0,3% compared to -1,2%).
- **Market share increased** in Q2 25,2% (25,0%).
- **Lower adjusted EBITA** of 52 (65) SEKm in Q2 – The main explanation is the negative fx-effects EUR/SEK. We also have effects from cost inflation. Price increases will take place as of 1st of September.
- **Adjusted EBITA margin** of 8,1% (10,3%). The positive effects from our hedges are accounted for below the adjusted EBITA margin in the financial net.

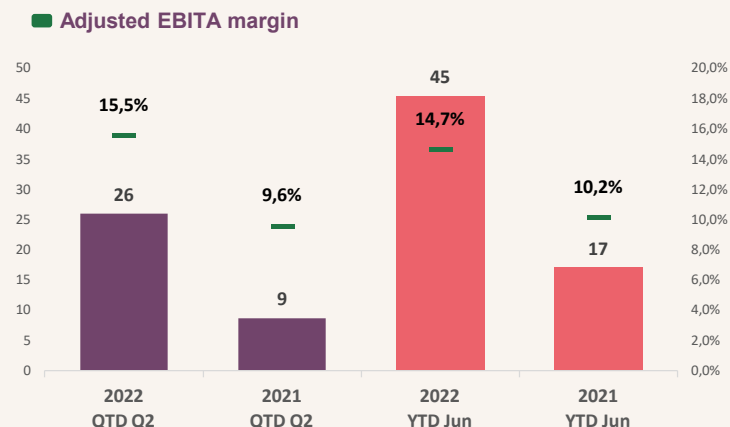


Segment Nordics

Net Sales, SEKm



Adjusted EBITA, SEKm



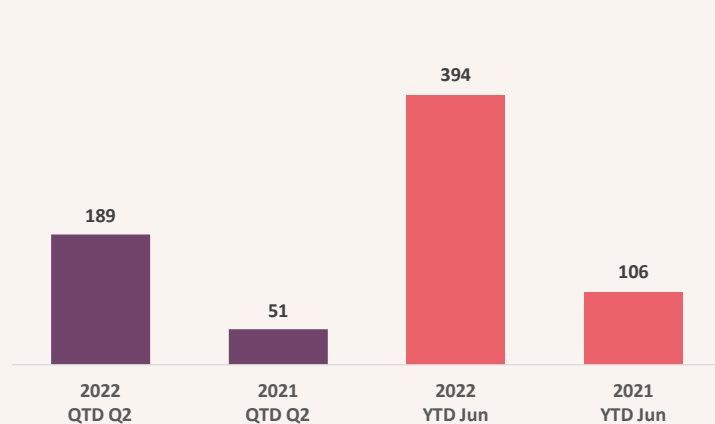
Selection of key product launches

- **Strong increase in Net Sales** reaching 167 SEKm, an increase of 83,9% vs 2021 Q2.
- **Norway strong net sales development despite weaker market**, increase in volume of 14,1% compared to market –14,1%.
- **Slow market in Finland**, small decrease in our Finnish business but less than the market.
- **Increased market share** - Finland 15,7% (14,9%) and Norway 5,2% (3,8%) in Q2.
- **Increase in adjusted EBITA** of 26 (9) SEKm, up 17 SEKm (+198%) in 2022 Q2 due to the strong EBITA in Norway.
- **Improved adjusted EBITA margin** of 15,5% (9,6%).

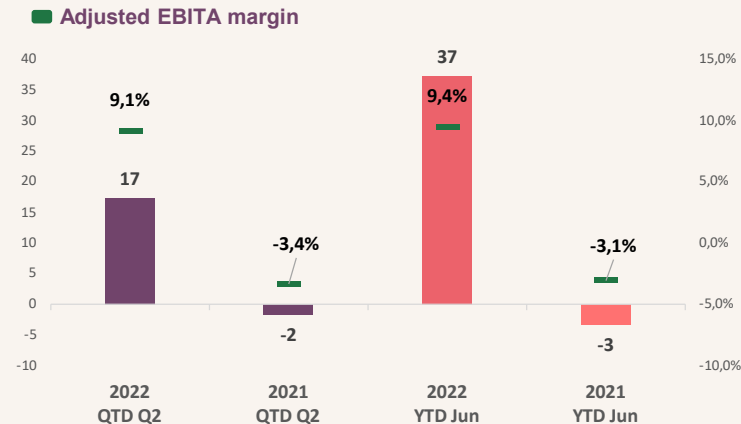


Segment Viva eCOM


Net Sales, SEKm



Adjusted EBITA, SEKm



Highlights and KPIs

- **New market entry:** Weinfürst live in Austria! 
- **Average order value increased** in all segments during the quarter.
- **Integration according to plan.** Wine in Black to be merged to Vicampo's tech stack in September; Berlin office has been closed.

- **The overall European e-commerce still meet high comparative numbers.** Mainly due to eased restrictions and good weather but also negative market sentiment due to the war in Ukraine and fear of inflation.
- **Net sales increased** to 189 SEKm, a significant increase vs Q2 2021, following the acquisition of Vicampo.
- **External organic growth was negative with -34,6%.** Organic growth consist of our historic e-com business which is currently under restructuring to gain future synergy effects.
- **Strong gross margins according to plan.** Current cost inflation has been compensated.
- **Adjusted EBITA increased** to 17 SEKm Q2 2022 and landed just below the medium-term target of 10-12% with an adjusted EBITA margin of 9,1% (-3,4%).

Number of orders (1 000)

32 216

Q2 2021 Q2 2022

Active customers (1 000)

53 479

Q2 2021 Q2 2022

Net sales from repeat customers

78 % 81 %

Q2 2021 Q2 2022

Sustainability



Sustainability update

Viva Wine Group outperforming peers in climate efficiency!

Swedish Drinks Business Climate Initiative

- Viva Wine Group's Swedish affiliates founding members and proud partners
- Measures CO2 emissions from scope 1, 2 and 3 (transports and packaging, but not farming)
- Industry average CO2 emissions increased 2021 vs 2020 (+17,5%)
- Viva Wine Group average CO2 emissions decreased 2021 vs 2020 (-4%)
- 32% lower CO2 emissions than wine and spirits importers' average 2021

➡ 0,32kgCO2eq/litre vs 0,47kgCO2eq/litre

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

Maintaining our course...

- Focus on pricing and margins
- Product development
- Realizing synergies across all Business Segments
- M&A

Q&A



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