

# Q3

## INTERIM REPORT JULY-SEPTEMBER 2022

### Strengthened market position and positive one-off effects

#### JULY-SEPTEMBER 2022

- Net sales increased 8.5% to SEK 902 (831) million.
- Operating profit increased by 48% to SEK 116 (78) million. The operating margin was positively impacted by one-off effects and amounted to 12.8% (9.4).
- EBITA increased 63% to SEK 150 (92) million, including positive one-off effects of SEK 65 million from the sale of a warehouse property.
- EBITA, adjusted, decreased to SEK 87 (98) million. EBITA margin, adjusted, was 9.6% (11.8).
- Earnings per share amounted to SEK 0.96 (0.70).
- Market share increased to 25.3% (25.2) in Sweden, to 15.9% (15.5) in Finland and to 5.0% (3.9) in Norway.

#### SIGNIFICANT EVENTS DURING THE QUARTER

- Sale of warehouse property in Germany as part of streamlining e-commerce operations in Europe. The impact on EBITA was SEK 65 million in the quarter.

#### JANUARY-SEPTEMBER 2022

- Net sales increased 20.5% to SEK 2,772 (2,300) million.
- Operating profit improved by 11.7% to SEK 249 (223) million. Operating margin was 9.0% (9.7).
- EBITA increased by 37% to SEK 333 (243) million.
- EBITA, adjusted, increased to SEK 278 (255) million. EBITA margin, adjusted, was 10.0% (11.1).
- Earnings per share amounted to SEK 2.34 (2.25).
- Market share increased to 25.4% (25.2) in Sweden, to 16.1% (15.5) in Finland and to 5.2% (3.7) in Norway.

#### SIGNIFICANT EVENTS DURING THE PERIOD

- Vin och Vind AB, an associate of Viva Wine Group, purchased 81 percent of the shares in Viva Global AB (Viva China) on 1 June.
- Acquisition of MyTaste & Food AB (Vinklubben). The purchase price was SEK 120 million on a cash and debt-free basis. The transaction was completed on 1 April.
- Strengthened management team with new COO and CEO of Viva eCom.

#### CONSOLIDATED FINANCIAL STATEMENTS

SEK million	Quarter			Period			Full year	
	Jul-Sep	2021	Change	2022	2021	Change	RTM	2021
Net sales	902	831	8.5	2,772	2,300	20.5	3,803	3,331
Gross margin (%) <sup>1)</sup>	21.3	24.2		23.3	22.3		24.2	23.7
EBITA <sup>1)</sup>	150	92	63.1	333	243	36.9	654	564
EBITA margin (%) <sup>1)</sup>	16.6	11.0		12.0	10.6		17.2	16.9
EBITA, adjusted <sup>1)</sup>	87	98	-11.7	278	255	8.9	421	399
EBITA margin, adjusted (%) <sup>1)</sup>	9.6	11.8		10.0	11.1		11.1	12.0
Operating profit (EBIT) <sup>1)</sup>	116	78	48.4	249	223	11.7	547	521
Operating margin (%) <sup>1)</sup>	12.8	9.4		9.0	9.7		14.4	15.6
Net debt <sup>1)</sup>	545	1,284						545
Equity ratio (%) <sup>1)</sup>	48.9	16.7						45.5
Earnings per share (SEK)	0.96	0.70		2.34	2.25		5.79	6.63
Average number of employees				345	210			240

<sup>1)</sup> APM, Alternative Performance Measure, see Key performance indicator definitions on page 24.



# Increased market share in Nordic region and continued efficiency improvements in Europe

We had a stable performance in the Nordic monopoly markets and increased our market shares in all countries. Efforts to streamline and expand our e-commerce operations in Europe continue, and we sold a warehouse property in Germany during the quarter.

## MARKET SENTIMENT INFLUENCES CUSTOMER BEHAVIOUR

Retail monopoly sales volumes declined in the quarter, driven by both a society without Covid restrictions and generally weaker market sentiment due to inflation and recession fears. Given that customers also clearly demand wines in the lower price ranges, the fact that we have increased our market share shows the strength of our product range and our steady innovation and product development initiatives.

In the eCom segment, organic growth has been negative, which can mainly be attributed to a return to pre-covid purchasing patterns, but also to a general slowdown in the economy with increased price sensitivity. Here we see great benefits from our broad product offering and our digital D2C business, where we can meet customer demand for less expensive products. In that part of the business we see growth in the quarter.

## MARGINS LAG BEHIND

Some of the initial effects of the war in Ukraine have now been addressed, but the impact of the war in terms of increased input and distribution costs is negatively affecting margins. The weak Swedish krona is also pressuring our operating margins. We address this through currency hedging, but there is of course a balancing act as exchange rate movements are difficult to predict. We plan to gradually compensate for the increased costs, but there are delaying effects as price adjustments in the Nordic monopoly markets can only be made at predetermined pricing windows. In the Swedish market, this price adjustment window occurred in September and in Finland and Norway in October, which means that the effect will not have full impact until the fourth quarter. In eCom, the pricing mechanism is more immediate and we are also actively working on product mix and assortment. This means that we can more quickly offset cost increases, which is reflected in the improved profitability in the quarter.

## EFFICIENCY AND PROFITABLE EXPANSION IN ECOM

At the end of the quarter, we sold one of our warehouses in Germany. In addition to the positive effect of SEK 65 million on EBITA, the deal is an important step in creating an efficient organisation and logistics in the eCom segment. Significant synergies can be gained by centralising certain e-commerce functions and this is one of our key focus areas for eCom. We are also actively pursuing expansion into more markets, while



also exploring acquisition candidates that fit our structure. Our top priority is profitability with or without acquisitions.

## OUR SUSTAINABILITY AGENDA DELIVERS

One very positive effect of society without covid restrictions is that we have been able to visit our producers again. During the quarter, we resumed our own monitoring and enrolment of independent third party sustainability audits. It is indeed gratifying to see how Viva Wine Group's ambitious sustainability agenda inspires our producers. There is a strong willingness among producers to futureproof their farming practices and promote sustainable production. This is noticeable not least through investments in sustainability certifications as well as investments in water and energy efficiency improvements, including the installation of solar panels in order to reduce climate impact, increase electricity self-sufficiency and reduce energy costs. We are also pleased to note that this year's harvests have been excellent despite the turbulent weather with severe droughts. This is positive for the coming years and will contribute to more stable prices for our most important input product.

We are experiencing a market with weaker purchasing power and changing customer behaviour. At the same time, we continue to do what we do well. With high activity in the monopoly markets, we ensure that we offer good products that are in demand and therefore also increase our market share. In our eCom business, much remains to be done in terms of both efficiency and development, and we see great opportunities for the segment to grow profitably. This is the strength of our company.

**Emil Sallnäs, CEO Viva Wine Group**  
Stockholm, November 2022

# Development of the Group

## MARKET

In the third quarter and first nine months, Nordic retail monopolies' sales in terms of volume have declined compared with last year because of the return to a society without pandemic restrictions, allowing for increase in border trade, travel imports and restaurant visits. The war in Ukraine, as well as rising consumer and energy prices have also had a significant negative impact on market sentiment.

Sales volumes for the quarter fell in the Swedish and Nordic monopoly markets, with increased price sensitivity as noted in the shift to products in lower price segments. The premiumisation trend that was evident before the pandemic has now lost pace.

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

The return to a society without pandemic restrictions has also significantly slowed the development of European e-commerce, but the underlying trend of a shift from retail to e-commerce remains and is still at a higher level than before the pandemic. E-commerce is also seeing increased price sensitivity, with a shift towards lower-priced products.

## FINANCIAL TARGETS

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

- **Growth:** For the Swedish and Nordics segments, average annual organic growth is to be at least 4 percent over the medium term. For the Viva eCom segment, average organic growth is to be 10-15 percent over the medium term. In addition, Viva Wine Group intends to grow through acquisitions.
- **Profitability:** The adjusted EBITA margin shall be 10-12 percent in the medium term.
- **Debt/equity ratio:** Net debt in relation to EBITDA is not to exceed a multiple of 2.5. However, net debt in relation to EBITDA may exceed a multiple of 2.5 temporarily, for example in conjunction with acquisitions.

## NET SALES

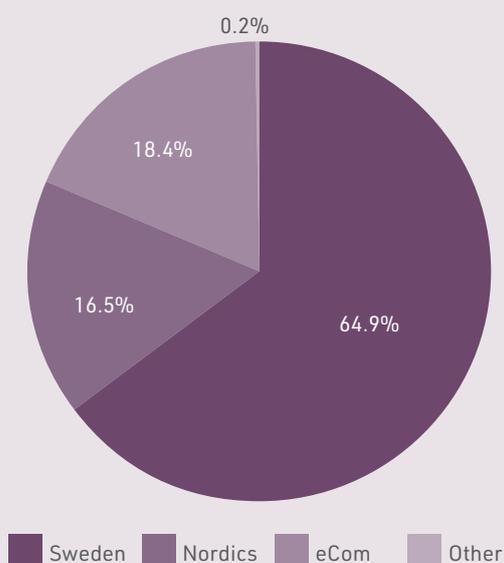
### The quarter

In the third quarter, Viva Wine Group's net sales increased by 8.5 percent to SEK 902 (831) million, compared with the same quarter of 2021. A significant part of the increase in net sales can be attributed to the acquisition of Norwegian Beverage Group, which contributed SEK 66 million. Viva eCom also made a positive contribution to net sales growth.

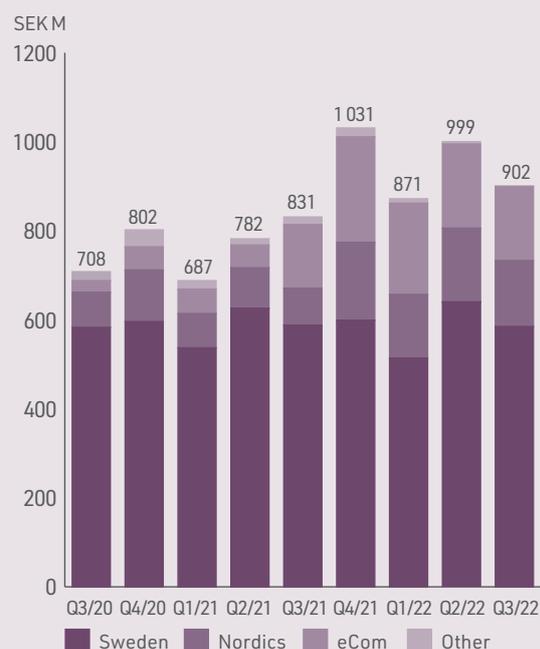
### The period

For the first nine months of 2022, net sales increased by 20.5 percent to SEK 2,772 (2,300) million. Organic sales growth was slightly negative, with all segments impacted by a rebound in society following the Covid pandemic, as well as by the war in Ukraine, runaway inflation and the energy crisis.

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



### NET SALES PER SEGMENT



NET SALES (SEK MILLION)	Quarter			Period			Full year	
	Jul-Sep		Change %	Jan-Sep		Change %	RTM	2021
	2022	2021		2022	2021			
Sweden	585	588	-0.6	1,738	1,751	-0.7	2,337	2,350
Nordics	148	83	79.9	458	250	83.0	634	426
eCom	166	143	16.4	560	249	125.2	798	486
Other	4	18	-79.3	19	52	-62.8	40	73
Eliminations	-2	-1	184.1	-4	-3	65.7	-6	-4
<b>Total</b>	<b>902</b>	<b>831</b>	<b>8.5</b>	<b>2,772</b>	<b>2,300</b>	<b>20.5</b>	<b>3,803</b>	<b>3,331</b>

ORGANIC SALES GROWTH (SEK MILLION)	Jul-Sep		Jan-Sep		Full year	
	2022	2021	2022	2021	RTM	2021
	<b>Net sales</b>	<b>902</b>	<b>831</b>	<b>2,772</b>	<b>2,300</b>	<b>3,803</b>
Acquisitions/disposals net sales	-104	-121	-569	-166	-834	-431
Currency effects	-7	10	-17	22	-21	17
<b>Organic net sales</b>	<b>790</b>	<b>720</b>	<b>2,186</b>	<b>2,155</b>	<b>2,948</b>	<b>2,918</b>
Sales for the comparison period	831	708	2,300	2,043	3,093	2,845
<b>Organic sales growth (%)</b>	<b>-4.9</b>	<b>1.7</b>	<b>-5.0</b>	<b>5.5</b>	<b>-4.7</b>	<b>2.6</b>

## OPERATING PROFIT

### The quarter

The Group's operating profit for the third quarter was SEK 116 (78) million. The change was largely attributable to non-recurring items. Items affecting comparability include the divestment of the warehouse property in Butzbach which had an impact on EBITA of SEK 65 million, and bonuses to the founders of the acquired e-commerce business of SEK -2 million for the quarter.

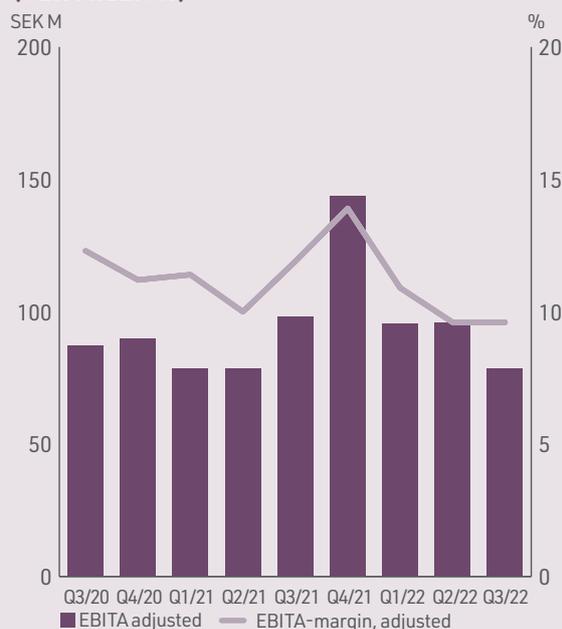
Adjusted EBITA amounted to SEK 87 (98) million, a decrease mainly from the Sweden segment, which was negatively impacted during the quarter mainly by unfavourable exchange rates against the EUR and increased transport and material costs.

### The period

Operating profit for the first nine months of 2022 was SEK 249 (223) million. The change was largely attributable to non-recurring items. Items affecting comparability, in addition to the amounts affected the quarter, include additional bonuses to the founders of the acquired e-commerce business which had an impact on EBITA of SEK -8 million.

Adjusted EBITA totalled SEK 278 (255) million. The increase comes mainly from the acquired businesses, Vicampo and Norwegian Beverage Group.

## ADJUSTED EBITA FOR THE PERIOD (SEK MILLION)



OPERATING PROFIT (EBIT)	Quarter			Period			Full year	
	Jul-Sep		Change	Jan-Sep		Change	RTM	2021
SEK million	2022	2021	%	2022	2021	%		
Sweden	47	76	-37.9	155	205	-24.5	241	291
Nordics	13	10	24.4	47	27	75.3	70	49
eCom	55	-9	700.1	50	-16	409.9	53	-13
Other	2	1	15.8	-3	7	-145.5	183	193
Eliminations	-	-	-	-	-	-	-	-
<b>Total</b>	<b>116</b>	<b>78</b>	<b>48.4</b>	<b>249</b>	<b>223</b>	<b>11.7</b>	<b>547</b>	<b>521</b>

EBITA, ADJUSTED	Quarter			Period			Full year	
	Jul-Sep		Change	Jan-Sep		Change	RTM	2021
SEK million	2022	2021	%	2022	2021	%		
Sweden	49	76	-35.3	159	205	-22.5	246	292
Nordics	18	10	77.6	63	27	133.6	89	53
eCom	16	7	150.6	54	3	1,552.1	83	33
Other	3	6	-41.4	2	20	-90.6	3	21
Eliminations	-	-	-	-	-	-	-	-
<b>Total</b>	<b>87</b>	<b>98</b>	<b>-11.7</b>	<b>278</b>	<b>255</b>	<b>8.9</b>	<b>421</b>	<b>399</b>

## NET PROFIT

### The quarter

Net profit for the third quarter of 2022 was SEK 94 (59) million and was positively impacted by non-recurring items, as well as by the acquired businesses Vicampo and Norwegian Beverage Group. Net financial items for the quarter was SEK 6 (-2) million, mainly due to positive currency effects.

### The period

Net profit for the first nine months of 2022 was SEK 227 (181) million and was positively impacted by non-recurring items, as well as by the acquired businesses Vicampo and Norwegian Beverage Group.

## FINANCIAL POSITION AND LIQUIDITY

Consolidated equity at 30 September 2022 was SEK 1,806 (503) million, and the equity ratio was 49 (17) percent.

On 30 September, Viva eCom Group, Viva Wine Group's e-commerce business, divested a warehouse property in Germany in a sale-and-leaseback transaction as part of the ongoing integration of existing and acquired e-commerce operations in order to achieve efficiencies and synergies. The sale price exceeded the book value of the asset and had a positive impact on the Group's financial position. The lease contract is to be considered as a short-term lease in accordance to IFRS 16 and is therefore not included.

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 has total assets of SEK 14 million at the time of the acquisition. The purchase price was SEK 121 million and was paid in cash. For further information, see note 9.

Cash and cash equivalents at 30 September 2022 totalled SEK 302 (280) million. In addition, at the end of the period there were unused credit lines of SEK 155 million. The net debt of the Group, including lease liabilities under IFRS 16, remained on the same amount of SEK 545 million at 30 September 2022. Net debt/EBITDA, for the last 12-month period, was 0.8.

## CASH FLOW

Cash flow from operating activities after changes in working capital decreased to SEK 68 (124) million in the third quarter. The year-on-year change is mainly attributable to higher working capital.

Cash flow from investing activities totalled SEK 108 (-1,046) million for the quarter, the divestment of the warehouse property having a cash flow impact of SEK 111 million.

Cash flow from financing activities is related to repayments of loans from credit institutions of SEK -41 (-159) million, part of which was repaid in conjunction with the disposal of the warehouse property. Other cash flows from financing activities totalled to SEK -7 million.

## EQUITY

Viva Wine Group's equity increased during the year by SEK 69 million to SEK 1,806 million. Accumulated profit for the year amounts to SEK 227 million. During the period, a total of SEK 155 million was distributed, of which SEK 133 million to the parent company's shareholders.

## SEGMENT

# Sweden

We continue to strengthen our position in the Swedish market and further increased our market share in the third quarter. The market is showing a clear return to pre-pandemic consumer behaviour and the retail monopoly's total sales decreased by -1.8% in terms of volume. The market is also characterised by generally lower market sentiment and increased concerns about increased living costs.

Our Swedish business outperformed the market with a change in sales volume of -1.1 percent in the quarter compared with the market's -1.8 percent. This resulted in a strengthened market share of 25.3 (25.2) percent. We are consequently consolidating our position as the largest supplier in the Swedish market.

### SALES

Net sales decreased to SEK 585 (588) million in the third quarter and organic growth was -0.9 percent, which is less than the volume decline and better than the market trend as a whole. Net sales decreased by -0.7 percent to SEK 1,738 (1,751) million in the first nine months of the year, and organic growth was -1.0 percent. The decrease can be attributed in part to pandemic effects with restrictions lifted, resulting in more restaurant visits and increased travel imports.

### PROFIT

Operating profit was SEK 47 (76) million in the third quarter. Adjusted EBITA margin was 8.4 (12.9) percent in the quarter. Price adjustments implemented in September have not yet had full impact on margins in the quarter.

Operating profit was SEK 155 (205) million for the first nine months of the year. Adjusted EBITA margin was 9.1 (11.7) percent in the half year. During the period, the Swedish business was negatively affected in particular by an unfavourable exchange rate against the EUR, as well as increased transport and material costs.

The weak SEK has a direct impact on operating profit and EBITA margin. The outcome of currency hedging is recognised in net financial income.

SEK million	Jul-Sep			Jan-Sep			Full year	
	2022	2021	Change %	2022	2021	Change %	RTM	2021
Net sales	585	588	-0.6	1,738	1,751	-0.7	2,337	2,350
EBITA	49	76	-35.3	159	205	-22.5	246	292
EBITA, adjusted	49	76	-35.3	159	205	-22.5	227	273
EBITA margin, adjusted (%)	8.4	12.9		9.1	11.7		9.7	11.6
Operating profit (EBIT)	47	76	-37.9	155	205	-24.5	241	291
Operating margin (%)	8.0	12.8		8.9	11.7		10.3	12.4

Organic sales growth (SEK million)	Jul-Sep		Jan-Sep		Full year	
	2022	2021	2022	2021	RTM	2021
Net sales	585	588	1,738	1,751	2,337	2,350
Acquired net sales	-2	-	-5	-5	-5	-5
Currency effects	-	-	-	-	-	-
Organic net sales	583	588	1,733	1,746	2,332	2,345
Sales for the comparison period	588	593	1,751	1,706	2,369	2,268
Organic sales growth (%)	-0.9	-0.8	-1.0	2.3	-1.5	3.4

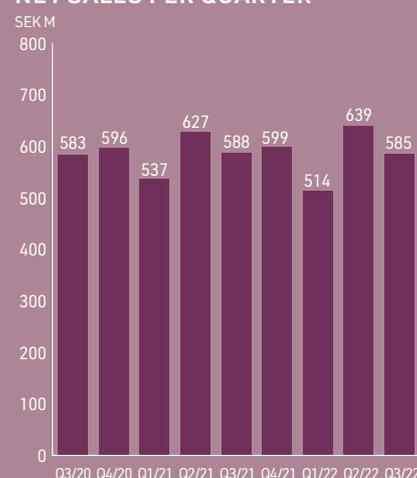
## SWEDEN SEGMENT SHARE OF NET SALES IN THE QUARTER

# 64.9%

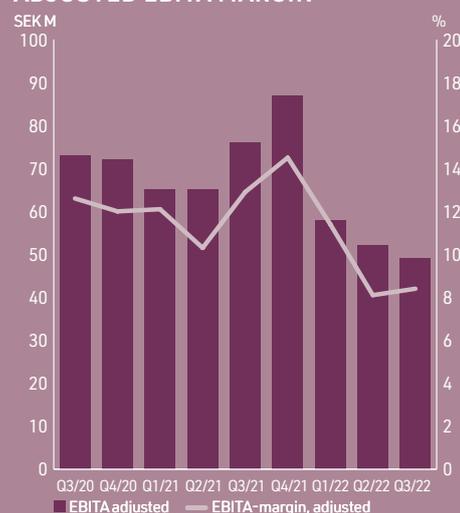
## VIVA WINE GROUP SWEDEN MARKET SHARE (VOLUME)

# 25.3%

### NET SALES PER QUARTER



### ADJUSTED EBITA AND ADJUSTED EBITA MARGIN



## SEGMENT

# Nordics

Our Nordic operations significantly outperformed the market as a whole, and we increased market share in both Finland and Norway. Both the Norwegian and Finnish retail monopolies experienced significant sales declines in the quarter in volume terms due to eased pandemic restrictions and reopened borders, combined with consumer's concern about increasing living costs. Overall for the quarter, the Nordic market decreased -16.3 percent, the Norwegian market having decreased by -20.4 percent and the Finnish market by -9.1 percent.

Viva Wine Group strengthens its position in the Nordic markets. Sales in volume terms fell by -4.2 percent, which was significantly less than the market decline.

Sales, by volume, in Norway increased by 0.9 percent in the quarter, compared with the Norwegian retail monopoly's overall decline of -20.4 percent. The market share in volume terms increased to 5.0 (3.9) percent during the quarter.

Our Finnish operations also outperformed the market despite a -6.5 percent decline in sales volume, while the Finnish market declined by -9.1 percent. The market share in volume terms was 15.9 (15.5) percent in the quarter.

## SALES

Net sales for the entire segment increased in the quarter to SEK 148 (83) million, mainly related to the acquisition of Norwegian Beverage Group, which took place in the fourth quarter of 2021. Organic growth in the Finnish business was -3.1 percent in the quarter, which is less than the volume decline and better than the market trend.

## PROFIT

Operating profit increased to SEK 13 (10) million in the quarter, with operations in Norway contributing SEK 5 million. Operating profit in the Finnish operations deteriorated by SEK -3 million in the quarter year-over-year, mainly due to increased purchase prices and transport costs. The gross margin strengthened in the third quarter as a result of the acquisition of Norwegian Beverage Group. The adjusted EBITA margin for the Nordic segment was 12.1 percent in the quarter, down 0.1 percentage points year-on-year.

SEK million	Jul-Sep			Jan-Sep			Full year	
	2022	2021	%	2022	2021	%	RTM	2021
Net sales	148	83	79.9	458	250	83.0	634	426
EBITA	18	10	77.6	63	27	133.6	89	53
EBITA, adjusted	18	10	77.6	63	27	133.6	89	53
EBITA margin, adjusted (%)	12.1	12.2		13.8	10.8		14.1	12.4
Operating profit (EBIT)	13	10	24.4	47	27	75.3	70	49
Operating margin (%)	8.4	12.2		10.3	10.8		11.0	11.6

Organic sales growth (SEK million)	Jul-Sep		Jan-Sep		Full year	
	2022	2021	2022	2021	RTM	2021
Net sales	148	83	458	250	634	426
Acquired net sales	-66	-	-208	-	-274	-65
Currency effects	-3	3	-9	10	-7	12
Organic net sales	80	86	241	260	353	373
Sales for the comparison period	83	79	250	237	367	353
Organic sales growth (%)	-3.1	8.5	-3.8	10.1	-3.7	5.6

## NORDICS SEGMENT SHARE OF NET SALES IN THE QUARTER

# 16.5%

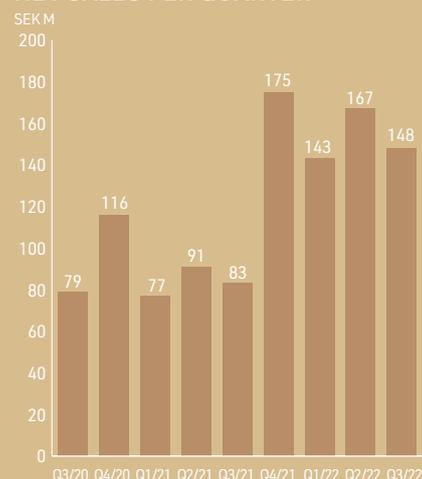
## VIVA WINE GROUP FINLAND MARKET SHARE (VOLUME)

# 15.9%

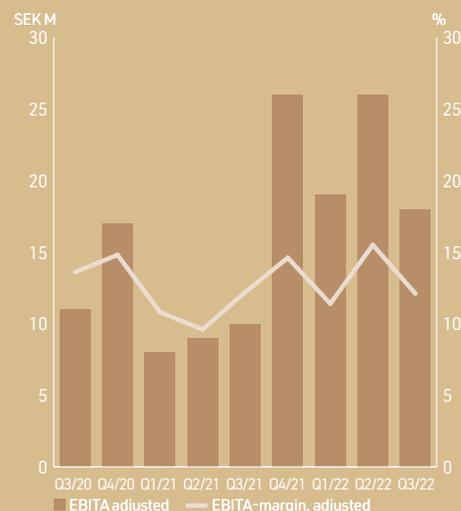
## VIVA WINE GROUP NORWAY MARKET SHARE (VOLUME)

# 5.0%

## NET SALES PER QUARTER



## ADJUSTED EBITA AND ADJUSTED EBITA MARGIN



## SEGMENT

# Viva eCom

The slowdown in the European e-commerce market continued during the quarter, also affecting the wine market. As expected, the return to a society without pandemic restrictions has led to some channel shifting and a return to traditional shopping patterns. At the same time, general economic concerns have affected demand, as is also reflected in increased price sensitivity and product choice. The underlying trend of a shift from retail to e-commerce persists, and sales remain at a higher level than before the pandemic.

Viva eCom developed in line with the overall e-commerce market in the quarter, but continues to show stable gross margins. With the previous year's acquisition of Vicampo and its Vicampo and Weinfürst platforms, the segment's net sales increased significantly, and the profitable Vicampo business also had a positive impact on operating profit and operating margin.

### SALES

Net sales in the quarter totalled SEK 166 (143) million, SEK 139 million of which is attributable to Vicampo. Organic growth in eCom (Vicampo included with two months of net sales in the quarter) was -21.2 percent in the quarter, a result of high comparatives and restructurings that temporarily affected turnover but will provide future synergy effects

Customers are showing increased price sensitivity, which is reflected in the product mix. Having products available in all price ranges is therefore a great strength for Viva eCom.

### PROFIT

As part of our efforts to increase efficiency and synergies in eCom, we divested the warehouse property in Butzbach, Germany, during the quarter. Operating profit for the quarter was SEK 55 (-9) million, with the acquired Vicampo business contributing SEK 17 million before amortisation of surplus values of SEK -16 million. The increase can largely be attributed to the divestment of the warehouse property in Butzbach, which had a positive effect of SEK 65 million on EBITA. The adjusted EBITA margin for the quarter was 9.9 (4.6) percent.

Operating profit for the first nine months was SEK 50 (-16) million, with the acquired Vicampo business contributing SEK 54 million before amortisation of surplus values of SEK -46 million. The segment reports EBITA adjusted for items affecting comparability of SEK 54 million, an improvement of SEK 51 million on the previous year. Adjusted EBITA margin increased to 9.6 percent (1.3) percent as a result of the acquisition of Vicampo.

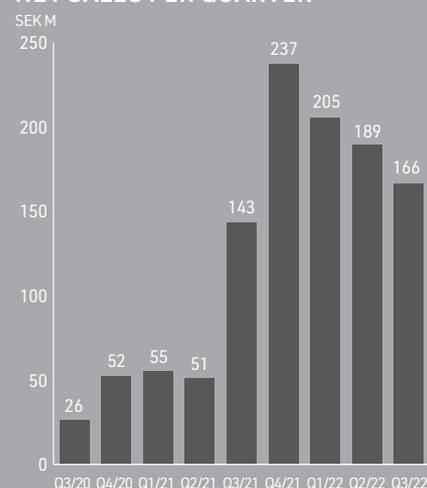
SEK million	Jul-Sep			Jan-Sep			Full year	
	2022	2021	%	2022	2021	%	RTM	2021
Net sales	166	143	16.4	560	249	125.2	798	486
EBITA	79	3	2,778	109	-1	19,887	129	19
EBITA, adjusted	16	7	150.6	54	3	1,553	124	33
EBITA margin, adjusted (%)	9.9	4.6		9.6	1.3		15.5	6.8
Operating profit (EBIT)	55	-9	700.1	50	-16	409.9	53	-13
Operating margin (%)	32.8	-6.4		8.9	-6.5		6.6	-2.7

Organic sales growth (SEK million)	Jul-Sep		Jan-Sep		Full year	
	2022	2021	2022	2021	RTM	2021
Net sales	166	143	560	249	798	486
Acquired net sales	-49	-118	-371	-156	-568	-353
Currency effects	-4	6	-7	10	-12	4
Organic net sales	112	31	183	103	217	138
Sales for the comparison period	143	26	249	85	301	137
Organic sales growth (%)	-21.2	17.8	-26.5	21.5	-27.8	0.3

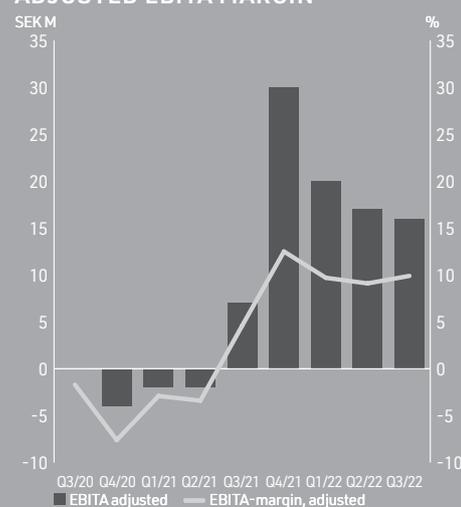
## SEGMENT E-COMMERCE SHARE OF NET SALES IN THE QUARTER

# 18.4%

### NET SALES PER QUARTER



### ADJUSTED EBITA AND ADJUSTED EBITA MARGIN



## SEGMENT

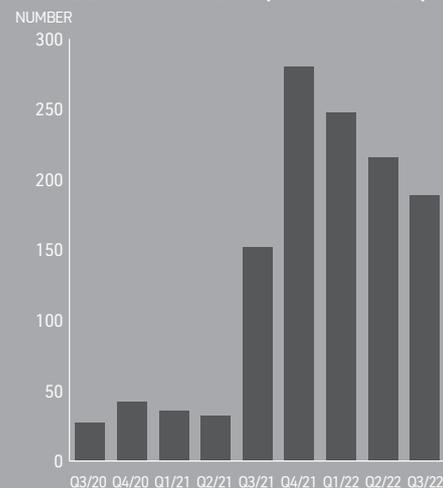
# Viva eCom (cont.)

The number of orders and the number of first-time orders (i.e. the number of new customers) were up for the quarter, year-over-year. The share of sales from repeat customers also increased in the quarter, but both the number of active customers and the number of orders per active customer decreased in the quarter.

Through focused efforts, the average order value has increased in all customer segments during the quarter.

The trend has been consistently stronger in the lower price brackets in terms of total orders and first-time orders.

## NUMBER OF ORDERS (THOUSANDS)



Order summary eCom	Jul-Sep		Change %	Jan-Sep		Change %	Full year	
	2022	2021		2022	2021		RTM	2021
Number of orders (thousands)	189	152	24.2	653	220	196.6	933	500
Number of first-time orders (thousands)	40	39	3.5	158	56	181.3	241	140
Number of active customers (thousands)	466	557	-16.3	466	557	-16.3	466	537
Number of orders per active customer*	2.0	2.1	-3.2	2.0	2.1	-3.2	2.0	2.1
Share of sales from repeat customers (%)	83.6	80.3		81.2	78.9		80.2	78.2
Average order value	857	840	2.1	840	977	-14.1	838	897

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

## SEASONAL VARIATIONS

There are significant seasonal variations in the consumption of alcoholic beverages that affect the net sales and cash flow of Viva Wine Group. Typically, the highest revenue is generated in the second and fourth quarters, while revenue in the first and third quarters of the year is usually lower. Sales in the summer months are also partly dependent on weather, with fine sunny summer weather driving sales in the Nordic monopoly markets, especially for the rosé product segment. In contrast, European e-commerce is negatively impacted by particularly good summer weather, as consumers turn to outdoor cafés and restaurants.

## RISKS AND UNCERTAINTIES

The business is also affected during the year by currency risks, related to exchange rates, and commodity risks, related to harvesting. There are also political and fiscal risks, with occasional rises in excise duties over the years. The effects of rises in excise duties are often temporary, with sales recovering within a few quarters and continuing to grow thereafter. For a full description of risks, see the Viva Wine Group Annual Report and Sustainability Report 2021.

## RELATED-PARTY TRANSACTIONS

Related-party transactions included transactions with associated companies and joint ventures and remuneration of senior executives and partners in the form of salary and pension. See more in Note 7.

## CHANGES IN GROUP MANAGEMENT

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

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

## SIGNIFICANT EVENTS DURING THE QUARTER AND AFTER THE END OF THE QUARTER

On 30 September, Viva eCom Group, Viva Wine Group's e-commerce business, divested a warehouse property in Germany in a sale-and-leaseback transaction as part of the ongoing integration of existing and acquired e-commerce operations in order to achieve efficiencies and synergies. The sale price exceeded the book value of the asset and had a positive impact on the Group's financial position. The lease contract is to be considered as a short-term lease in accordance with IFRS 16 and is therefore not included.

No significant events occurred after the end of the quarter.

## SUSTAINABILITY

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

During the quarter, Viva Wine Group's sustainability efforts were recognised, with two prestigious nominations in strategy and design.

Viva Wine Group was one of the finalists for the 2022 Swedish Environmental Strategy Prize. The Environmental Strategy Prize is awarded once a year to a Swedish company that has designed and implemented an ambitious sustainability strategy that has resulted in tangible and measurable impact. Viva Wine Group was nominated for its circular approach and sustainable transport solutions, which have resulted in industry-leading climate efficiency. The Environmental Strategy Prize is awarded by the magazine Miljö & Utveckling.

Viva Wine Group was also nominated for the 2022 Swedish Publishing Prize for best annual and sustainability report in 2021. The Swedish Publishing Prize is one of Sweden's leading communication and design competitions.

## EMPLOYEES

At 30 September, the average number of employees was 345, up from 210 compared to the previous year. The increase is partly due to organic growth but is mainly attributable to acquired companies, in particular Vicampo in Germany. Vicampo manages its own logistics and therefore has its own warehouse staff.

## PARENT COMPANY

The Parent Company's balance sheet increased slightly during the third quarter, with equity increasing by SEK 5 million to SEK 1,742 million, which is attributable to net profit for the year. Debts to credit institutions totalling SEK 20 million were repaid during the quarter, with total assets at the end of the quarter amounting to SEK 2,600 (1,841) million.

## PUBLICATION AND PRESENTATION

Viva Wine Group's interim report for the third quarter of 2022 will be published at 8:00 a.m. on 16 November 2022. At 11:00 a.m. on the same day, a videoconference will be held with CEO Emil Sallnäs and CFO Linn Gäfvert. The videoconference can be accessed at the following link:

<https://financialhearings.com/event/44428>. The presentation will also be made available at <https://investors.vivagroup.se/>.

## 2022 FINANCIAL CALENDAR

Year-end report 2021, published 24 February 2022

Annual report 2021, published 27 April 2022

Interim report Q1 2022, published 12 May 2022

Annual general meeting, was held 20 May 2022

Interim report Q2 2022, published 25 August 2022

Interim report Q3 2022, published 16 November 2022

Interim report Q4 2022, will be published 23 February 2023

Annual general meeting, will be held 16 May 2023

## CONTACT

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Linn Gäfvert, CFO, [linn.gafvert@vivagroup.se](mailto:linn.gafvert@vivagroup.se), +46 (0)73-086 89 90

Mikael Sundström, Director Sustainability, Corporate Communications & Investor Relations, [mikael.sundstrom@vivagroup.se](mailto:mikael.sundstrom@vivagroup.se), +46 (0)70-943 22 26

*This information is information that Viva Wine Group AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons listed above, on 16 November 2022 at 8:00 a.m. CET.*

## DECLARATION OF THE BOARD OF DIRECTORS

The Board of Directors and the Chief Executive Officer declare that this interim report gives a true and fair view of the Parent Company's and the Group's operations, financial position and results, and describes the principal risks and uncertainties that the Parent Company and the Group face.

Stockholm, 15 November 2022

### Anders Moberg

Chairman of the Board

### Anne Thorstvedt Sjöberg

Member of the Board

### Helen Fasth Gillstedt

Member of the Board

### John Wistedt

Member of the Board

### Lars Ljungälv

Member of the Board

### Mikael Aru

Member of the Board

### Emil Sallnäs

CEO

# Review report

Viva Wine Group AB (publ),  
corporate identity number 559178-4953

## INTRODUCTION

We have reviewed the condensed consolidated interim report for Viva Wine Group AB (publ) as at 30 September, 2022 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

## SCOPE OF REVIEW

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Statements Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Stockholm, November 15, 2022

Ernst & Young AB

Andreas Nyberg  
Authorized Public Accountant

## Condensed consolidated income statement

AMOUNTS IN SEK MILLION	NOTE	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Full year RTM	Full year 2021
<b>Operating income</b>							
Net sales	3.4	902	831	2,772	2,300	3,803	3,331
Other operating income		72	-1	77	5	80	8
<b>Total income</b>		<b>974</b>	<b>830</b>	<b>2,849</b>	<b>2,305</b>	<b>3,883</b>	<b>3,339</b>
<b>Operating expenses</b>							
Goods for resale		-710	-630	-2,127	-1,788	-2,882	-2,543
Other external expenses		-58	-62	-200	-165	-296	-261
Personnel expenses		-52	-46	-180	-115	-250	-185
Depreciation, amortisation and impairment		-39	-18	-100	-32	-128	-59
Profit from participations in associated companies and joint ventures		1	5	7	18	222	233
Other operating expenses		-0	-0	-0	-1	-2	-3
<b>Operating profit</b>	4	<b>116</b>	<b>78</b>	<b>249</b>	<b>223</b>	<b>547</b>	<b>521</b>
Financial income		23	9	96	24	112	40
Financial expenses		-17	-11	-54	-15	-61	-22
<b>Profit after financial items</b>		<b>122</b>	<b>76</b>	<b>291</b>	<b>232</b>	<b>598</b>	<b>539</b>
Tax		-28	-17	-64	-51	-87	-74
<b>Net profit for the period</b>		<b>94</b>	<b>59</b>	<b>227</b>	<b>181</b>	<b>511</b>	<b>465</b>
<b>Profit for the period attributable to</b>							
Parent Company shareholders		85	42	208	135	486	414
Non-controlling interests		8	17	19	46	24	51
<b>Earnings per share</b>							
Basic earnings per share (SEK)	5	0.96	0.70	2.34	2.25	5.79	6.63
Diluted earnings per share (SEK)	5	0.96	0.70	2.34	2.25	5.79	6.63

## Condensed consolidated statement of comprehensive income

AMOUNTS IN SEK MILLION	NOTE	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Full year RTM	Full year 2021
Net profit for the period		94	59	227	181	511	465
<i>Items that will be reclassified to profit or loss</i>							
Translation difference		9	2	17	1	24	7
<b>Other comprehensive income for the period</b>		<b>9</b>	<b>2</b>	<b>17</b>	<b>1</b>	<b>24</b>	<b>7</b>
<b>Comprehensive income for the period</b>		<b>103</b>	<b>61</b>	<b>243</b>	<b>182</b>	<b>534</b>	<b>472</b>
<b>Comprehensive income for the period attributable to</b>							
Parent Company shareholders		89	44	210	135	495	420
Non-controlling interests		14	17	33	46	39	52

# Condensed consolidated statement of financial position

AMOUNTS IN SEK MILLION	NOTE	30 Sep 2022	30 Sep 2021	31 Dec 2021
<b>ASSETS</b>				
<b>Non-current assets</b>				
Goodwill		940	591	821
Intangible assets		1,202	890	1,170
Tangible assets		9	49	50
Right-of-use assets		60	57	57
Participations in associated companies and joint ventures		61	77	54
Deferred tax assets		8	0	11
Other securities held as non-current assets		3	0	0
Other non-current receivables		19	19	19
<b>Total non-current assets</b>		<b>2,302</b>	<b>1,684</b>	<b>2,183</b>
<b>Current assets</b>				
Inventories		556	465	477
Trade receivables		428	480	730
Receivables from associated companies	7	13	11	12
Current tax assets		15	1	2
Other receivables		17	51	20
Derivative instruments		20	0	10
Prepaid expenses and accrued income		41	32	46
Cash and cash equivalents		302	280	331
<b>Total current assets</b>		<b>1,391</b>	<b>1,319</b>	<b>1,630</b>
<b>TOTAL ASSETS</b>		<b>3,693</b>	<b>3,003</b>	<b>3,813</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
	5			
Share capital		1	1	1
Other contributed capital		1,376	-	1,376
Reserves		6	-3	4
Retained earnings including net profit for the year		338	444	281
<b>Total equity attributable to Parent Company shareholders</b>		<b>1,720</b>	<b>442</b>	<b>1,662</b>
Non-controlling interests		85	61	75
<b>Total equity</b>		<b>1,806</b>	<b>503</b>	<b>1,736</b>
<b>Non-current liabilities</b>				
Overdraft facility		-	9	-
Other liabilities to credit institutions		697	751	732
Lease liabilities		43	42	41
Deferred tax liabilities		316	218	309
Other provisions		19	4	10
Other non-current liabilities		1	-	0
<b>Total non-current liabilities</b>		<b>1,075</b>	<b>1,025</b>	<b>1,092</b>
<b>Current liabilities</b>				
Liabilities to credit institutions		88	745	86
Trade payables		375	351	443
Advances from customers		0	4	6
Liabilities to associated companies	7	35	3	23
Current tax liabilities		26	33	29
Lease liabilities		17	16	17
Derivative instruments		1	6	1
Current provisions		6	-	5
Other current liabilities		222	275	333
Accrued expenses and prepaid income		42	43	41
<b>Total current liabilities</b>		<b>812</b>	<b>1,475</b>	<b>985</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,693</b>	<b>3,003</b>	<b>3,813</b>

## Condensed consolidated cash flow statement

AMOUNTS IN SEK MILLION	NOTE	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Full year RTM	Full year 2021
<b>Operating activities</b>							
Profit after financial items		122	76	291	232	598	539
Adjustment for non-cash items		-9	25	42	4	-142	-180
Dividends from associated companies		-	7	0	14	-4	10
Tax paid		-24	-16	-97	-50	-120	-73
<b>Cash flow from operating activities before changes in working capital</b>		<b>89</b>	<b>92</b>	<b>235</b>	<b>200</b>	<b>332</b>	<b>297</b>
<b>Cash flow from change in working capital</b>							
Change in inventories		-61	38	-103	5	-85	23
Changes in operating receivables		190	175	243	156	32	-55
Changes in operating liabilities		-150	-182	-154	-236	-25	-106
<b>Net cash from operating activities</b>		<b>68</b>	<b>124</b>	<b>221</b>	<b>125</b>	<b>254</b>	<b>158</b>
<b>Investing activities</b>							
Business combinations	9	-	-1,043	-119	-1,043	-294	-1,217
Divestment of subsidiaries	9	-	-	9	-	9	0
Investments/divestments of intangible assets		-0	-2	-1	-105	-1	-105
Investments/divestments of tangible assets		108	-	108	-2	106	-4
Redemption of shares, purchase of minority interests		-	-	-	-	-265	-265
Change in other financial assets		-	-1	-0	5	-5	1
<b>Cash flow from investing activities</b>		<b>108</b>	<b>-1,046</b>	<b>-4</b>	<b>-1,144</b>	<b>-449</b>	<b>-1,589</b>
<b>Financing activities</b>							
New share issue*		-	-	-	-	1,152	1,152
Paid-up warrants		-	-	-	-	2	2
Dividend paid to Parent Company shareholders		-	-	-133	-31	-133	-31
Dividend paid to non-controlling interests		-	-	-21	-52	-21	-52
Transactions with non-controlling interests		-1	-	-1	-	-	-
Change in overdraft facility		-1	-115	-0	-50	-11	-60
Borrowings		-	1,468	-	1,570	-0	1,570
Repayment of debt		-41	-159	-85	-173	-766	-854
Repayment of lease liability		-4	-3	-14	-8	-18	-13
<b>Cash flow from financing activities</b>		<b>-48</b>	<b>1,191</b>	<b>-255</b>	<b>1,256</b>	<b>204</b>	<b>1,714</b>
<b>Cash flow for the period</b>		<b>128</b>	<b>269</b>	<b>-38</b>	<b>237</b>	<b>9</b>	<b>283</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>169</b>	<b>11</b>	<b>331</b>	<b>42</b>	<b>280</b>	<b>42</b>
Cash flow for the period		128	269	-38	237	8	283
Exchange rate differences in cash and cash equivalents		4	0	8	0	14	6
<b>Cash and cash equivalents at the end of the year</b>		<b>302</b>	<b>280</b>	<b>302</b>	<b>280</b>	<b>302</b>	<b>331</b>
Interest received		1	-	1	1	2	2
Interest paid		-4	-1	-13	-3	-24	-14
<b>Non-cash items</b>							
Depreciation, amortisation and impairment		39	18	100	32	127	59
Gain/loss on sale of fixed assets		-69	-	-70	-	-70	-
Change in market value of derivatives		6	1	-11	-13	-26	-28
Change in provisions		2	4	9	4	19	15
Share of profit in associated companies		-1	-5	-7	-18	-221	-233
Other		13	7	20	-0	28	8
<b>Total</b>		<b>-9</b>	<b>25</b>	<b>42</b>	<b>4</b>	<b>-142</b>	<b>-180</b>

\* New share issue includes issue expenses of SEK -48 million.

## Condensed consolidated statement of changes in equity

AMOUNTS IN SEK MILLION	Share capital	Other contributed capital	Translation reserve	Retained earnings incl. net profit for the year	Equity attributable to Parent Company shareholders	Non-controlling interests	Total equity
<b>OPENING EQUITY, 1 JAN 2021</b>	<b>0</b>	<b>-</b>	<b>-3</b>	<b>341</b>	<b>338</b>	<b>66</b>	<b>404</b>
Net profit for the period	-	-	-	135	135	46	181
Other comprehensive income for the period	-	-	-0	-	-0	1	0
<b>Comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-0</b>	<b>135</b>	<b>135</b>	<b>47</b>	<b>181</b>
<b>Transactions with the Group's owners</b>							
Bonus issue	0	-	-	-0	-	-	-
Dividend	-	-	-	-31	-31	-52	-83
Transactions with non-controlling interests	-	-	-	0	0	0	1
<b>Total</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-31</b>	<b>-31</b>	<b>-52</b>	<b>-82</b>
<b>CLOSING EQUITY, 30 SEP 2021</b>	<b>0</b>	<b>-</b>	<b>-3</b>	<b>445</b>	<b>442</b>	<b>61</b>	<b>503</b>
<b>OPENING EQUITY, 1 JAN 2022</b>	<b>1</b>	<b>1,376</b>	<b>4</b>	<b>281</b>	<b>1,662</b>	<b>75</b>	<b>1,736</b>
Net profit for the period	-	-	-	208	208	19	227
Other comprehensive income for the period	-	-	2	-	2	14	17
<b>Comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>208</b>	<b>210</b>	<b>33</b>	<b>243</b>
<b>Transactions with the Group's owners</b>							
Dividend	-	-	-	-133	-133	-21	-155
Transactions with non-controlling interests	-	-0	-	-18	-18	-1	-20
<b>Total</b>	<b>-</b>	<b>-0</b>	<b>-</b>	<b>-151</b>	<b>-151</b>	<b>-23</b>	<b>-174</b>
<b>CLOSING EQUITY, 30 SEP 2022</b>	<b>1</b>	<b>1,376</b>	<b>6</b>	<b>338</b>	<b>1,720</b>	<b>85</b>	<b>1,806</b>

## Condensed Parent Company income statement

AMOUNTS IN SEK MILLION	NOTE	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Full year RTM	Full year 2021
<b>OPERATING INCOME</b>							
Net sales		-0	-0	-0	-0	0	0
Other operating income		2	2	5	4	6	5
<b>Total income</b>		<b>2</b>	<b>2</b>	<b>5</b>	<b>4</b>	<b>6</b>	<b>5</b>
Other external expenses		-4	-4	-13	-13	-39	-39
Personnel expenses		-2	-1	-5	-3	-7	-4
<b>Operating profit</b>		<b>-4</b>	<b>-4</b>	<b>-14</b>	<b>-11</b>	<b>-40</b>	<b>-38</b>
Financial income and expenses		10	8	175	11	178	14
<b>Profit before tax</b>		<b>6</b>	<b>5</b>	<b>161</b>	<b>-0</b>	<b>138</b>	<b>-24</b>
Appropriations		-	-0	-	-0	79	79
Tax		-1	-	-3	-	-13	-10
<b>Net profit for the period</b>		<b>5</b>	<b>4</b>	<b>158</b>	<b>-0</b>	<b>203</b>	<b>45</b>

## Condensed balance sheet of the Parent Company

AMOUNTS IN SEK MILLION	NOTE	30 Sep 2022	30 Sep 2021	31 Dec 2021
<b>ASSETS</b>				
Non-current assets		990	194	866
Current assets		1,459	1,647	1,494
Cash and cash equivalents		151	-	232
<b>TOTAL ASSETS</b>		<b>2,600</b>	<b>1,841</b>	<b>2,592</b>
<b>EQUITY AND LIABILITIES</b>				
Equity		1,742	304	1,718
Non-current liabilities		698	739	713
Current liabilities		159	797	161
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,600</b>	<b>1,841</b>	<b>2,592</b>

## Notes

### Note 1 Significant accounting policies

This interim report relates to the Swedish parent company Viva Wine Group AB, corporate registration number 559178-4953, and its subsidiaries. The Group's principal activity is to trade in alcoholic beverages. Viva Wine Group develops, imports, markets and sells both own and partner brands in more than ten growing markets worldwide. The parent company is a limited liability company registered in and with its registered office in Stockholm, Sweden. The address of the head office is Blasieholmsgatan 4A, SE-111 48 Stockholm, Sweden.

Viva Wine Group applies International Financial Reporting Standards (IFRS) as adopted by the EU. The Group's interim report was prepared in accordance with IAS 34 Interim Financial Reporting and applicable parts of the Swedish Annual Accounts Act (1995:1554). The Parent Company applies the Swedish Annual Accounts Act and Recommendation RFR 2 Financial Reporting for Legal Entities. The same accounting policies, basis for calculations and assessments were applied by the Group and the Parent Company as those applied in the most recent annual report. A more detailed description of the Group's accounting policies, as well as new and upcoming standards, can be found in the latest published Annual Report.

Disclosures in accordance with IAS 34.16A are presented in the financial statements and related notes as well as in other parts of the interim report.

All amounts in this report are presented in millions of Swedish kronor (SEK million), unless otherwise stated. Rounding differences may occur.

### Note 2 Estimates and judgements

The preparation of financial statements requires that 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 of material adjustments in the carrying amounts of assets and liabilities during subsequent periods. Changes in estimates are recognised in the period when the change is made if the change affects that period only, or in the period when the change is made and in future periods if the change affects the period in question as well as future periods. A description of material estimates and judgements is provided in the 2021 Annual Report.

### Note 3 Revenue from customers

The Group's net sales are specified according to the following geographic markets, based on where the customer is located:

NET SALES PER GEOGRAPHIC MARKET;	Jul-Sep		Jan-Sep		Full year	
	2022	2021	2022	2021	RTM	2021
Sweden	582	586	1,731	1,742	2,327	2,339
Finland	83	83	249	250	359	361
Germany	133	116	450	190	643	383
Norway	66	22	208	56	275	66
Other	38	25	134	61	255	182
<b>Total</b>	<b>902</b>	<b>831</b>	<b>2,772</b>	<b>2,300</b>	<b>3,859</b>	<b>3,331</b>

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

## Note 4 Operating segments

For accounting and monitoring, the Group has divided its operations into four operating segments. The segments are Sweden, Nordics, eCom and Other. This division is based on geographic domicile and revenue stream. Segment reporting is based on the structure followed by management. Transactions between segments are carried out on the same terms as for external customers.

July-September 2022	Sweden	Nordics	eCom	Other	Total segments	Eliminations	Group total
Net sales, external	584	148	166	3	902	-	902
Net sales, internal	1	0	-	1	2	-2	-
Other operating income	1	1	71	15	87	-15	72
<b>Total income</b>	<b>586</b>	<b>149</b>	<b>237</b>	<b>19</b>	<b>991</b>	<b>-17</b>	<b>974</b>
Goods for resale	-493	-120	-99	-1	-712	2	-710
Other external expenses	-35	-5	-25	-7	-72	15	-58
Personnel expenses	-9	-5	-31	-7	-52	-	-52
Depreciation, amortisation and impairment	-2	-6	-27	-4	-39	-	-39
Profit from participations in associated companies and joint ventures	-	-	-	1	1	-	1
Other operating expenses	-	-	-0	-	-0	-	-0
<b>Operating profit</b>	<b>47</b>	<b>13</b>	<b>55</b>	<b>2</b>	<b>116</b>	<b>-</b>	<b>116</b>
EBITDA	49	19	82	5	155	-	155
EBITA	49	18	79	3	150	-	150
Financial income	10	8	0	11	29	-5	23
Financial expenses	-10	-1	-6	-6	-23	5	-17
<b>Profit before tax</b>	<b>47</b>	<b>19</b>	<b>49</b>	<b>8</b>	<b>122</b>	<b>-</b>	<b>122</b>
Goodwill	76	238	626	-	940	-	940
Total assets	425	499	1,603	2,661	5,188	-1,495	3,693
Total liabilities	596	259	1,639	896	3,390	-1,495	1,895

July-September 2021	Sweden	Nordics	eCom	Other	Total	Eliminations	Group total
Net sales, external	588	83	143	18	831	-	831
Net sales, internal	0	-	-	0	1	-1	-
Other operating income	1	0	1	12	14	-14	-1
<b>Total income</b>	<b>589</b>	<b>83</b>	<b>143</b>	<b>30</b>	<b>845</b>	<b>-15</b>	<b>830</b>
Goods for resale	-464	-68	-88	-11	-631	1	-630
Other external expenses	-41	-2	-26	-7	-76	14	-62
Personnel expenses	-11	-2	-24	-9	-46	-	-46
Depreciation, amortisation and impairment	2	-1	-14	-6	-18	-	-18
Profit from participations in associated companies and joint ventures	-0	-	-	5	5	-	5
Other operating expenses	-	-	-0	-0	-0	-	-0
<b>Operating profit</b>	<b>76</b>	<b>10</b>	<b>-9</b>	<b>1</b>	<b>78</b>	<b>-</b>	<b>78</b>
EBITDA	73	11	5	7	96	-	96
EBITA	76	10	3	3	92	-	92
Financial income	9	0	0	5	15	-6	9
Financial expenses	-7	-0	-5	-4	-17	6	-11
<b>Profit before tax</b>	<b>77</b>	<b>10</b>	<b>-14</b>	<b>3</b>	<b>76</b>	<b>-</b>	<b>76</b>
Goodwill	1	6	585	-	591	-	591
Total assets	795	142	1,763	1,904	4,603	-1,600	3,003
Total liabilities	561	137	1,818	1,582	4,099	-1,600	2,498

## Note 4 Operating segments (cont.)

January-September 2022	Sweden	Nordics	eCom	Other	Total	Eliminations	Group total
Net sales, external	1,736	458	560	17	2,772	-	2,772
Net sales, internal	2	0	-	2	4	-4	-
Other operating income	4	2	72	43	121	-44	77
<b>Total income</b>	<b>1,742</b>	<b>460</b>	<b>633</b>	<b>63</b>	<b>2,898</b>	<b>-49</b>	<b>2,849</b>
Goods for resale	-1,422	-363	-338	-9	-2,133	6	-2,127
Other external expenses	-122	-13	-83	-24	-243	43	-200
Personnel expenses	-38	-17	-96	-30	-180	-	-180
Depreciation, amortisation and impairment	-5	-19	-66	-10	-100	-	-100
Profit from participations in associated companies and joint ventures	-	-	-	7	7	-	7
Other operating expenses	-	-	-0	-	-0	-	-0
<b>Operating profit</b>	<b>155</b>	<b>47</b>	<b>50</b>	<b>-3</b>	<b>249</b>	<b>-</b>	<b>249</b>
EBITDA	160	66	116	7	349	-	349
EBITA	159	63	109	2	333	-	333
Financial income	56	10	1	45	113	-16	96
Financial expenses	-32	-4	-17	-17	-71	16	-54
<b>Profit before tax</b>	<b>179</b>	<b>53</b>	<b>34</b>	<b>25</b>	<b>291</b>	<b>-</b>	<b>291</b>

January-September 2021	Sweden	Nordics	eCom	Other	Total	Eliminations	Group total
Net sales, external	1,750	250	249	51	2,300	-	2,300
Net sales, internal	1	-	-	1	3	-3	-
Other operating income	3	1	2	42	47	-42	5
<b>Total income</b>	<b>1,754</b>	<b>251</b>	<b>250</b>	<b>94</b>	<b>2,349</b>	<b>-45</b>	<b>2,305</b>
Goods for resale	-1,381	-208	-165	-38	-1,792	4	-1,788
Other external expenses	-130	-7	-39	-30	-206	41	-165
Personnel expenses	-36	-7	-44	-28	-115	-	-115
Depreciation, amortisation and impairment	-2	-2	-19	-9	-32	-	-32
Profit from participations in associated companies and joint ventures	-0	-	-	18	18	-	18
Other operating expenses	-	-	-1	-0	-1	-	-1
<b>Operating profit</b>	<b>205</b>	<b>27</b>	<b>-16</b>	<b>7</b>	<b>223</b>	<b>-</b>	<b>223</b>
EBITDA	206	29	3	16	254	-	254
EBITA	205	27	-1	12	243	-	243
Financial income	9	0	0	5	15	-	15
Financial expenses	-7	-0	-5	-4	-17	-	-17
<b>Profit before tax</b>	<b>77</b>	<b>10</b>	<b>-14</b>	<b>3</b>	<b>76</b>	<b>-</b>	<b>76</b>

## Note 4 Operating segments (cont.)

January–December 2021	Sweden	Nordics	eCom	Other	Total	Eliminations	Group total
Net sales, external	2,348	426	486	72	3,331	-	3,331
Net sales, internal	2	-	-	1	4	-4	-
Other operating income	4	1	3	56	64	-57	8
<b>Total income</b>	<b>2,354</b>	<b>427</b>	<b>489</b>	<b>129</b>	<b>3,400</b>	<b>-61</b>	<b>3,339</b>
Goods for resale	-1,838	-346	-312	-53	-2,549	6	-2,543
Other external expenses	-175	-13	-70	-59	-316	55	-261
Personnel expenses	-48	-12	-81	-43	-185	-	-185
Depreciation, amortisation and impairment	-2	-6	-38	-13	-59	-	-59
Profit from participations in associated companies and joint ventures	-	-	-	233	233	-	233
Other operating expenses	-0	-	-3	0	-3	-	-3
<b>Operating profit</b>	<b>291</b>	<b>49</b>	<b>-13</b>	<b>193</b>	<b>521</b>	<b>0</b>	<b>521</b>
EBITDA	293	55	25	206	580	0	580
EBITA	292	53	19	200	564	-0	564
Financial income	40	0	1	15	56	-16	40
Financial expenses	-13	-2	-13	-10	-38	16	-22
<b>Profit before tax</b>	<b>318</b>	<b>48</b>	<b>-26</b>	<b>198</b>	<b>539</b>	<b>-</b>	<b>539</b>

## Note 5 Number of shares and Earnings per share

EARNINGS PER SHARE	Jul-Sep		Jan-Sep		Full year	
	2022	2021	2022	2021	RTM	2021
<b>Parent Company shareholders</b>						
Basic earnings per share (SEK)	0.96	0.70	2.34	2.25	5.79	6.63
Diluted earnings per share (SEK)	0.96	0.70	2.34	2.25	5.79	6.63
Net profit/loss for the period (SEK million)	85	42	208	135	486	414
Average number of shares, before dilution (thousands)	88,832	60,000	88,832	60,000	84,027	62,403
Average number of shares, after dilution (thousands)	88,832	60,000	88,832	60,000	84,027	62,403

## Note 6 Financial instruments

The Group's financial assets comprise trade receivables, other receivables, securities held as non-current assets, receivables from associated companies, non-current receivables, cash and cash equivalents and derivative instruments. Financial liabilities comprise trade payables, other liabilities, interest-bearing liabilities, liabilities to associated companies, other non-current liabilities and derivative instruments. Derivative instruments are measured at fair value through profit or loss (Level 2), while the Group's other financial assets and liabilities are measured at amortised cost.

For all financial assets and liabilities, the carrying amount corresponds to the fair value.

## Note 7 Related-party transactions

The Group's related-party transactions comprise purchases from and sales to associated companies and joint ventures as well as costs of salaries and pensions for senior executives, partners and the Board of Directors.

ASSOCIATED COMPANIES AND JOINT VENTURES	Jul-Sep		Jan-Sep		Full year	
	2022	2021	2022	2021	RTM	2021
Sale of goods/services	1	2	2	5	2	5
Purchase of goods/services	84	60	210	197	272	259

ASSOCIATED COMPANIES AND JOINT VENTURES	30 Sep 2022	30 Sep 2021	31 Dec 2021
Receivables on balance-sheet date	13	11	12
Liabilities on balance-sheet date	35	3	23

REMUNERATION OF SENIOR EXECUTIVES AND BOARD OF DIRECTORS	Jul-Sep		Jan-Sep		Full year	
	2022	2021	2022	2021	RTM	2021
Salaries	3	2	9	5	14	10
Pension benefit	0	0	0	0	0	1

### Divestment of subsidiaries

On 1 June, Viva Wine Group AB completed a transaction in which 81 percent of the shares in the subsidiary Viva Global AB were sold to Vin och Vind AB, a company owned by Björn Wittmark, a senior executive. The value of the transaction is less than 1 percent of Viva Wine Group's market capitalisation. The transaction is taking place in cash at a value determined by a third-party valuation.

## Note 8 Pledged assets and contingent liabilities

PLEGGED ASSETS FOR OWN LIABILITIES TO CREDIT INSTITUTIONS	30 Sep 2022	30 Sep 2021	31 Dec 2021
Floating charges	1	188	1
Property mortgages	-	30	20
Guarantees	23	0	23
	<b>24</b>	<b>218</b>	<b>45</b>
<b>Contingent liabilities</b>	<b>30 Sep 2022</b>	<b>30 Sep 2021</b>	<b>31 Dec 2021</b>
	None	None	None

## Note 9 Business combinations

### Acquisitions

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

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

The acquisition of Vinklubben i Norden AB gave rise to goodwill of SEK 75 million in the form of a difference between the consideration transferred and the fair value of the acquired net assets. Goodwill primarily pertains to anticipated synergies from the merger of the operations of the acquired company with the operations of the acquirer. Goodwill is not expected to be tax deductible.

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

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

During the 6 months up until 30 September 2022, Vinklubben i Norden AB contributed with SEK 5 million to the Group's net sales and SEK -0 million to the Group's profit after tax. If the acquisition had taken place at the beginning of the financial year, Viva Group estimates that Vinklubben i Norden AB would have contributed SEK 9 million to the Group's net sales and SEK 1 million to the Group's profit after tax.

### Disposals

On 1 June, Viva Wine Group AB completed a transaction in which the shares in its subsidiary Viva Global AB were sold. The value of the transaction is less than 1 percent of Viva Wine Group's market capitalisation. The transaction is taking place in cash at a value determined by a third-party valuation. Viva Wine Group retains 19 percent of the shares after the divestment. The transaction was finalised on 1 June 2022. The deal is part of the Group's strategy to focus on its core business with a focus on growth in the Nordic monopoly markets and in the European wine e-commerce market.

## Performance indicators and share data

GROUP	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Full year RTM	Full year 2021
Gross margin (%)	21.3	24.2	23.3	22.3	24.2	23.7
EBITDA (SEK million)	155	96	349	254	674	580
EBITDA margin (%)	17.2	11.6	12.6	11.0	17.7	17.4
EBITA (SEK million)	150	92	333	243	654	564
EBITA margin (%)	16.6	11.0	12.0	10.6	17.2	16.9
EBITA, adjusted (SEK million)	87	98	278	255	421	399
EBITA margin, adjusted (%)	9.6	11.8	10.0	11.1	11.1	12.0
Operating profit (EBIT) (SEK million)	116	78	249	223	547	521
Operating margin (EBIT margin) (%)	12.8	9.4	9.0	9.7	14.4	15.6
Equity ratio (%)	48.9	16.7				45.5
Net debt	545	1,284				545
Equity per share (SEK)	19.4	7.4				18.7
Quick ratio (%)	103	58				117
Average number of employees			345	210		240

### Key performance indicator definitions

In accordance with the ESMA (European Securities and Markets Authority) guidelines regarding the disclosure of alternative performance measures, the definition and reconciliation of alternative performance measures for Viva Wine Group AB are presented here. The guidelines provide enhanced disclosures

regarding the financial measures not defined by IFRS. The key performance indicators shown below are presented in the interim report. They are used for internal control and monitoring. As not all companies calculate financial performance indicators in the same way, they are not always comparable with indicators used by other companies.

KEY PERFORMANCE INDICATORS	DEFINITION	PURPOSE
<b>EBITDA</b>	Operating profit before depreciation and amortisation of tangible and intangible non-current assets.	This measure is used to analyse the profitability of the business, independently of depreciation.
<b>EBITDA margin, %</b>	EBITDA/net sales	The EBITDA margin is used to show the profitability of the operating business.
<b>EBITA</b>	Operating profit before amortisation and impairment of intangible non-current assets.	This measure is used to analyse the profitability of the business, independently of the amortisation of intangible non-current assets, which mainly consists of the surplus value of acquisitions made.
<b>EBITA, adjusted</b>	EBITA adjusted for items affecting comparability.	Adjusted EBITA is a measure used to maintain transparency and comparability of operating results over time.
<b>Adjusted for items affecting comparability</b>	Measure or amount adjusted for 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.
<b>EBITA margin, %</b>	EBITA as a percentage of net sales.	EBITA margin is used to show the profitability of operating activities.
<b>EBITA margin, adjusted %</b>	Adjusted EBITA as a percentage of net sales.	Adjusted EBITA margin is used to analyse the profitability of the operating business, excluding items affecting comparability.
<b>Gross margin, %</b>	Net sales less costs of goods for resale, in relation to net sales.	This measure is used to illustrate profitability in terms of margin on goods sold during the period.
<b>Equity per share</b>	Equity attributable to equity holders in the parent company/number of shares at the end of the period.	Measures net value per share and shows whether the Company is increasing shareholder wealth over time.
<b>Quick ratio, %</b>	Cash and cash equivalents in relation to 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.
<b>Operating profit (EBIT)</b>	Operating profit before net financial items and tax. Net financial income refers to financial income less financial expenses.	This measure is used to understand the Company's profitability potential.
<b>Operating margin, %</b>	EBIT/net sales	Operating margin is used to show the percentage of turnover that remains after operating costs and that can be used for other purposes.
<b>Equity ratio, %</b>	Total equity/total assets	Equity ratio is used to analyse financial risk and shows the proportion of assets financed by equity. A high equity ratio is a measure of financial strength.
<b>Net debt (+)/Net cash (-)</b>	Interest-bearing liabilities minus cash and cash equivalents at the end of the period.	Net debt is a key performance indicator showing the company's total net debt.



# Viva Wine Group in brief

**Viva Wine Group is a wine group with a leading position in the Nordic monopoly markets and a strong and growing position in the European e-commerce market for wine. We develop, market and sell both our own and partner brands in more than ten growing markets around the world. The Group consists of several entrepreneurial companies that share a platform for economies of scale and value creation.**

## OUR BUSINESS

Our brands range from acclaimed consumer favourites to recognised prestige brands, and our producers are among the most prominent in the world, representing everything from large wine groups to member-owned cooperatives and small family producers. We care about how our products are made and are particularly proud of our commitment to sustainability.

## OUR MARKETS

We develop, market and sell both our own and partner brands in most growing markets. The company sells affordable quality wines from around the world to consumers in the Nordics, Germany, Switzerland, Austria, France and the Netherlands. The Company's business is conducted by ten entrepreneurial companies based in six countries.

The Swedish market is our largest. The Swedish alcohol market is regulated, and sales to consumers are made through the state retail monopoly Systembolaget. In Sweden, our business is conducted through the subsidiaries Giertz Vinimport, Wineteam Global, Chris Wine & Spirits, Iconic Wines, Winemarket Nordic and Tryffelsvinet.

The Nordic market segment, consisting of Finland and Norway, is our third largest market. The Finnish and Norwegian alcoholic beverage markets, like the Swedish market, are regulated by state retail monopolies. Our business in Finland is run by Cisa Group and in Norway by Norwegian Beverage Group.

The Viva eCom market segment is our second-largest and fastest growing segment, with consumers mainly in Germany, Switzerland, Austria, France and the Netherlands. The business consists of the Wine in Black, Vicampo and Weinfürst platforms.

## OUR RESPONSIBILITY

Sustainability is one of our main drivers and success factors. We integrate sustainability throughout the value chain, focusing on sustainable cultivation and production, sustainable packaging and transport, sustainable local communities and responsible consumption.

We are pioneers and market leaders in organic and ethically certified wine. We co-distribute and have switched most of our transport in Europe to rail. A significant proportion of our products are offered in carbon-smart packaging. We carbon-off-set emissions from transport and heavy packaging, and all our transport to Sweden is carbon-neutral. We care not only for our producers but also for our consumers, and therefore promote responsible marketing and consumption of our products. We want our activities to contribute to a sustainable planet and to people's quality of life.