

Q3

INTERIM REPORT JULY-SEPTEMBER 2023

Another quarter with increased market shares in the Nordics – strengthened margin in Viva eCom

JULY - SEPTEMBER 2023

- Net sales increased by 5.6% to SEK 952 (902) million. Organic growth was 4.5% (-4.9).
- EBITA, adjusted, decreased to SEK 77 (87) million. EBITA margin, adjusted, was 8.1% (9.6). The change is mainly explained by negative currency effects.
- Cash flow from operating activities decreased to SEK 14 (68) million.
- Operating profit decreased to SEK 45 (116) million. Operating margin was 4.8% (12.8). Much of the difference can be attributed to positive non-recurring effects from the sale of a warehouse property in Q3 2022.
- Market share ¹⁾ increased to 26.3% (25.3) in Sweden, 19.2% (15.9) in Finland and 5.8% (5.0) in Norway.
- Earnings per share was SEK 0.43 (0.96).

SIGNIFICANT EVENTS DURING THE QUARTER

- Viva eCom started delivering from its new centralised e-commerce warehouse outside Mainz in Germany.
- Viva Wine Group AB appointed ABG Sundal Collier (ABGSC) as liquidity provider for the company's shares listed on Nasdaq Stockholm.

JANUARY-SEPTEMBER 2023

- Net sales increased by 4.0% to SEK 2,882 (2,772) million. Organic growth was 2.9% (-5.0).
- EBITA, adjusted, decreased to SEK 222 (278) million. EBITA margin, adjusted, was 7.7% (10.0). The change is mainly explained by negative currency effects.
- Cash flow from operating activities decreased to SEK 120 (221) million.
- Operating profit decreased to SEK 130 (249) million. Operating margin was 4.5% (9.0).
- Market share ¹⁾ increased to 26.3% (25.4) in Sweden, 18.9% (16.1) in Finland and 5.8% (5.2) in Norway.
- Earnings per share was SEK 1.19 (2.34).

CONSOLIDATED FINANCIAL SUMMARY

SEK million	Quarter			Period			Full year	
	2023	2022	Change %	2023	2022	Change %	RTM	2022
Net sales	952	902	5.6	2,882	2,772	4.0	3,935	3,825
Gross margin (%) ²⁾	18.7	21.3		19.8	23.3		23.5	23.0
EBITA ²⁾	73	150	-51.3	210	333	-37.1	309	433
EBITA margin (%) ²⁾	7.6	16.6		7.3	12.0		7.9	11.3
EBITA, adjusted ²⁾	77	87	-11.1	222	278	-20.1	321	377
EBITA margin, adjusted (%) ²⁾	8.1	9.6		7.7	10.0		8.2	9.8
Operating profit (EBIT) ²⁾	45	116	-60.8	130	249	-47.8	191	310
Operating margin (%) ²⁾	4.8	12.8		4.5	9.0		4.9	8.1
Net profit	43	94	-53.7	114	227	-49.9	165	278
Net debt ²⁾	567	545						492
Equity ratio (%) ²⁾	50.3	48.9						47.7
Basic/diluted earnings per share (SEK)	0.43	0.96		1.19	2.34		1.71	2.86
Average number of employees				302	345			333

¹⁾ Measured in litres.

²⁾ APM, Alternative Performance Measure, see Key Performance Indicator definitions on page 23.



Continued strong growth in the Nordics and well positioned for expansion in Europe

Our European e-commerce platform has now been consolidated after the launch of the new warehouse in Germany. We are consequently well positioned for further expansion in Europe. At the same time, we are continuing to increase market shares in all our Nordic markets.

SALES INCREASE DESPITE WEAK MARKET

Our sales increased in all markets in the third quarter, despite challenging market conditions and continued weak consumer sentiment. In the Nordics, we continue to have strong momentum with high volume growth. Net sales increased overall by 5.6 percent in the quarter.

Adjusted EBITA margin was 8.1 percent, down on the previous year. Our hard work to balance currency effects with strict cost control and balanced price adjustments have - in light of very unfavourable exchange rates - resulted in a satisfactory margin.

STRONG VOLUME GROWTH IN THE NORDICS

We are continuing to see strong growth in the Nordic markets. Once again, we are proving that our business model works. We know what customers want and are quick to the market.

In Finland and Norway, volume growth reached record high levels, on the back of a long-term effort to boost the range of white wines, rosés and sparkling wines. In Finland, our sales volume increased by as much as 16.9 percent, while the market decreased by 2.9 percent. Norway also performed above expectations, with an increase in volume of 15.8 percent in a market that declined by 1.1 percent.

STRENGTHENED MARGIN IN ECOM

Viva eCom delivered stable net sales in the quarter and slightly improved its adjusted EBITA margin to 10.3 percent. We see signs of the market having bottomed out, and our assessment is that our e-commerce business has a brighter outlook.

SYNERGIES THAT SIMPLIFY FURTHER EXPANSION

In Viva eCom we have laid the final brick in our efforts to achieve synergies. Our new centralised e-commerce logistics hub was launched during the quarter. We started delivering on schedule and in time for the important fourth quarter with both Black Week and Christmas trading. The new warehouse also boosts capacity for our planned growth in Europe. During the quarter, we established our e-commerce concept Weinfürst in two new markets, Romania and Switzerland, and we are planning for further market expansion in the future.

Our new e-commerce hub not only puts us in a good position to grow organically but also provides a platform to quickly capitalise on potential future acquisitions. In addition to the search for major candidates for acquisition, we also see potential in bolt-on acquisitions that can complement our European operations. During the quarter, we successfully refinanced our debt and added a revolving credit facility that further strengthens our capacity for acquisitions.



FOCUS ON GROWTH IN EASTERN EUROPE

Following the Supreme Court's decision in July by which distance selling to Sweden from other European countries was confirmed as being legal, we have assessed what this means for Viva. As part of the assessment we have evaluated potential in relation to other European e-commerce markets, especially in Eastern Europe. We will, of course, continue to monitor the Swedish e-commerce market, but will for the time being focus on continued e-commerce expansion in Eastern Europe. At the same time, we welcome the fact that Systembolaget is strengthening its e-commerce offering to Swedish consumers, which is important for our Swedish business.

PROGRESS IN SUSTAINABILITY

The roll-out of our Group-wide sustainability platform continued throughout our Nordics business segment in the quarter. As part of this roll-out and preparations for the forthcoming Corporate Sustainability Reporting Directive, an upgraded software solution for efficient climate data collection is being implemented. With this, we are further strengthening our procedures for measuring and monitoring the climate impact from our business and supply chain.

A ROBUST BUSINESS MODEL

We are living in challenging times with major events rocking the global economy. Something consumers and businesses are experiencing alike. Inflation and rising interest rates eroding purchasing power and demand creates a challenging situation where currency exposed companies such as Viva Wine Group are hit hard.

It is easy to be successful when experiencing tailwind. Delivering results in headwind is more difficult. So I am incredibly proud that we are able to show good growth and take market shares in the current market situation. We have a fantastic organisation with the ability to adapt our offering quickly to new conditions and changing demand - a business model that delivers even in challenging times.

Emil Sallnäs, CEO Viva Wine Group
Stockholm, November 2023

Group performance

MARKET

The third quarter of 2023 meant continued negative currency effects, persistently high inflation, increasing costs and rising interest rates in Viva Wine Group's markets. This has led to challenging conditions for many consumers in both Europe and the Nordics, with a continued impact on consumer sentiment.

In the third quarter, total sales volume in all the Nordic monopoly markets was down on 2022, while Viva Wine Group's sales increased, leading to increased market shares. Both our Finnish and Norwegian operations showed strong sales growth in the quarter despite declining total volumes in the local markets.

In the European markets, despite inflation and rising interest rates, we see signs of the market having bottomed out, and our assessment is that our e-commerce business has a brighter outlook. During the quarter, Viva eCom showed a slight increase in net sales compared to the same quarter of 2022.

FINANCIAL TARGETS

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

- **Growth:** For the Nordics segment, average annual organic growth is to be at least 4 percent in 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:** Adjusted EBITA margin is to be 10-12 percent in the medium term.
- **Indebtedness:** 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.
- **Dividend policy:** Taking into account the company's long-term financial stability, opportunities for growth and strategic initiatives, the intention is to distribute 50-70 percent of annual net profit to the Parent Company shareholders.

NET SALES

The quarter

In the third quarter, Viva Wine Group's net sales increased by SEK 51 million to SEK 952 (902) million compared to the same quarter of 2022. The monopoly markets in the Nordics accounted for most of the increase, explained by price increases and successful product launches. Sales in the eCom segment increased by 1.9 percent to SEK 169 million.

Organic sales growth increased to 4.5 percent in the quarter for the Group, compared to a decline of 4.9 percent in 2022. The Nordics segment is continuing

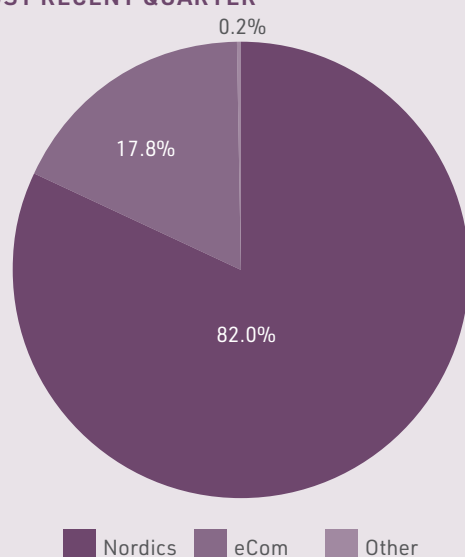
to both increase its organic growth and gain market shares.

The eCom segment declined by 0.4 percent during the quarter in 2023, which is an improvement on the previous year's decline of 21.2 percent.

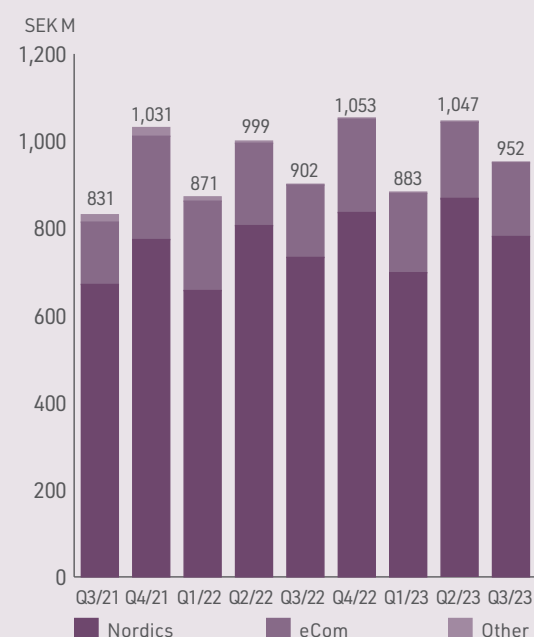
The period

For the first nine months of 2023, net sales increased by 4.0 percent to SEK 2,882 (2,772) million. Organic sales growth was 2.9 (-5.0) percent, mainly due to increased net sales in the Nordics.

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	2022
	2023	2022		2023	2022			
Nordics	781	733	6.6	2,346	2,194	6.9	3,181	3,029
eCom	169	166	1.9	528	560	-5.9	742	775
Other	3	4	-25.6	11	19	-43.5	15	24
Eliminations	-1	-1	10.3	-2	-2	-5.2	-3	-3
Total	952	902	5.6	2,882	2,772	4.0	3,936	3,825

ORGANIC SALES GROWTH (SEK MILLION)	Jul-Sep		Jan-Sep		Full year	
	2023	2022	2023	2022	RTM	2022
	Net sales	952	902	2,882	2,772	3,935
Acquisitions/disposals net sales	10	-104	31	-569	25	-575
Currency effect from translation at the exchange rate of the comparison period	-20	-7	-60	-17	-84	-41
Organic net sales	943	790	2,853	2,186	3,876	3,208
Sales for the comparison period	902	831	2,772	2,300	3,803	3,331
Organic sales growth (%)	4.5	-4.9	2.9	-5.0	1.9	-3.7

OPERATING PROFIT

The quarter

The Group's operating profit in the third quarter was SEK 45 (116) million, partly explained by the positive non-recurring effects that arose in Q3 2022 as a result of the sale of a warehouse property. Items affecting comparability for the third quarter of 2023 totalled SEK -4 million and consist of bonuses to the founders of the acquired e-commerce business. Adjusted EBITA totalled SEK 77 (87) million. The decline compared to the previous year is mainly due to an unfavourable EUR exchange rate in the Swedish and Norwegian operations. The eCom segment increased its adjusted EBITA compared to the previous year due to stable gross margins and good cost control.

The period

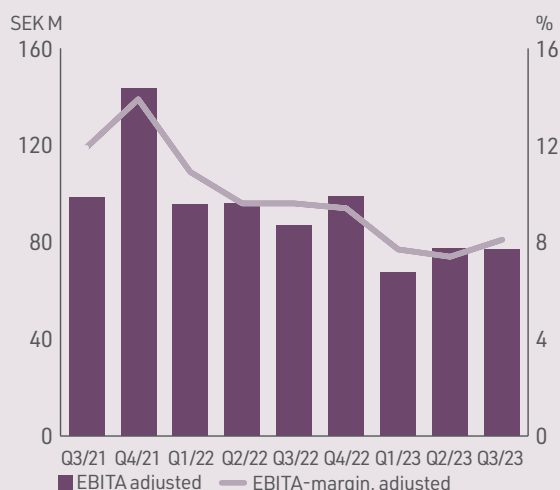
Operating profit for the first nine months of 2023 decreased to SEK 130 (249) million. Items affecting comparability during the quarter totalled SEK -12 million and consist of bonuses to the founders of the acquired e-commerce business. Adjusted EBITA totalled SEK 222 (278) million, most of which, as for the quarter, comes from an unfavourable exchange rate against EUR in the Swedish and Norwegian operations.

NET PROFIT

The quarter

Net profit for the third quarter of 2023 was SEK 43 (94) million. Net financial items totalled SEK -20 million, compared to SEK 6 million in 2022. Exchange rate effects had a highly positive impact in the previous year. With effect from 1 October 2022, the Group applies hedge accounting, cash flow hedging, of foreign currency purchases. Changes in the value of the effective portion of forward exchange contracts are recognised in other comprehensive income and are

PROFIT FOR THE PERIOD (SEK MILLION)



accumulated in the hedging reserve in equity. Amounts in the hedging reserve are subsequently included in the cost of inventories and thus affect the profit and loss item Goods for resale. In 2023, interest expenses of SEK 11 (4) million have been charged to the quarter. Deferred tax attributable to surplus values in Germany was adjusted during the period due to a decrease in the local tax rate. This has had a positive impact on the profit and loss item Tax.

The period

Net profit for the first nine months of 2023 was SEK 114 (227) million. Net financial items totalled SEK -18 million, compared to SEK 42 million in 2022.

OPERATING PROFIT (EBIT)	Quarter			Period			Full year	
	Jul-Sep		Change %	Jan-Sep		Change %	RTM	2022
	2023	2022		2023	2022			
SEK million								
Nordics	52	59	-12.5	148	202	-26.6	222	276
eCom	-5	55	-109.9	-13	50	-126.9	-17	47
Other	-1	2	-180.6	-5	-3	-54.7	-14	-12
Eliminations	-	-	-	-	-	-	-	-
Total	45	116	-60.8	130	249	-47.8	191	310

EBITA, ADJUSTED	Quarter			Period			Full year	
	Jul-Sep		Change %	Jan-Sep		Change %	RTM	2022
	2023	2022		2023	2022			
SEK million								
Nordics	59	67	-11.5	169	222	-23.8	251	304
eCom	17	16	6.0	53	54	-1.9	77	78
Other	0	3	-87.8	0	2	-96.5	-7	-5
Eliminations	-	-	-	-	-	-	-	-
Total	77	87	-11.1	222	278	-20.1	321	377

FINANCIAL POSITION AND LIQUIDITY

Group equity at 30 September 2023 totalled SEK 1,740 (1,806) million. Equity ratio was 50.3 (48.9) percent.

During the third quarter, Viva Wine Group proactively renegotiated its financing, securing a solid financial position to support the strategy for future growth. The previous term loan of EUR 66 million was repaid, and a new term loan of EUR 50 million was established at the end of September. A new EUR 40 million revolving credit facility (RCF) was established at the same time, both via a banking syndicate consisting of SEB and Danske Bank. The SEK 150 million overdraft facility was increased to SEK 200 million. The refinancing creates improved liquidity management for the Group. Both the overdraft facility and the RCF were unused at 30 September 2023.

Cash and cash equivalents at 30 September 2023 totalled SEK 43 (302) million. In addition, at the end of the quarter there were unused credit lines of SEK 200 million and unused RCF of EUR 40 million. Group net debt, including lease liabilities under IFRS 16, increased in comparison to the third quarter of the previous year by SEK 23 million to SEK 567 million. Net debt/EBITDA, for the last twelve-month period, was 1.7 (1.1).

CASH FLOW

The quarter

Cash flow for the third quarter was SEK -176 (128) million. Cash flow from operating activities before changes in working capital in the third quarter was SEK 41 (89) million. Cash flow from change in working capital was SEK -26 (-21) million.

Cash flow from investing activities totalled SEK 1 (108) million during the quarter. In the previous year a warehouse property in Germany was divested, with a cash flow impact of SEK 111 million.

Cash flow from financing activities totalled SEK -191 (-48) million. The refinancing done during the quarter had an impact on cash flow of SEK -187 million. The refinancing will have a positive effect on cash flow in coming quarters.

The period

Cash flow for the period totalled SEK -297 (-38) million. Cash flow from operating activities before changes in working capital in the first nine months of the year totalled SEK 109 (235) million. Cash flow from change in working capital was SEK 11 (-14) million.

Cash flow from investing activities totalled SEK -15 (-4) million. During the first nine months tax on gain on the sale of the warehouse property that was divested in Germany in 2022 of SEK 12 million has been settled.

Cash flow from financing activities totalled SEK -402 (-255) million. The refinancing done during the quarter had a negative impact on cash flow of SEK 187 million. Repayment of loans from credit institutions in addition to refinancing totalled SEK -43 (-84) million. During the period, SEK -160 (-155) million was distributed, of which SEK -138 (-133) million to the Parent Company's shareholders.

EQUITY

Viva Wine Group's equity increased during the quarter by SEK 40 million to SEK 1,740 million. The change consisted mainly of profit for the quarter.

SEGMENTS

Nordics

Our position in the Nordics was further strengthened during the quarter. Once again, Viva Wine Group outperformed the market and increased its market share in all the Nordic countries. In Finland, we achieved record-high market shares, despite continued weak consumer sentiment.

The total sales volume of the Nordic monopolies decreased by 2.3 percent compared to the same quarter of 2022. At the same time, Viva Wine Group increased sales by 4.0 percent in volume terms. As a result, our total market share in the Nordic monopoly markets at the end of the quarter was 20.8 percent, an increase of 1.2 percentage points on the third quarter of 2022.

In Sweden, Viva Wine Group's sales volume increased by 1.4 percent, which is better than the market as a whole, which decreased by 2.5 percent. Market share increased to 26.3 (25.3) percent, up 1.0 percentage points on the previous year. This further strengthens our position as the largest supplier.

In Finland, sales volume increased by as much as 16.9 percent, significantly better than the Finnish market as a whole, which dropped by 2.9 percent. Viva Wine Group's market share consequently increased by 3.2 percentage points to a record high of 19.2 (15.9) percent.

In Norway, Viva Wine Group's sales volume also increased substantially in the quarter, by as much as 15.8 percent, while the Norwegian monopoly market decreased by 1.1 percent. This resulted in an increase in market share to 5.8 (5.0) percent.

SALES

Total net sales for the Nordics segment increased in the third quarter by 6.6 percent to SEK 781 (733) million, and organic growth was 5.8 (-1.2) percent. The increase in sales continues to be due to our effective pricing strategy combined with a successful product mix – a result of long-term efforts in Finland and Norway in particular to boost the range of white wines, rosés and sparkling wines.

SEK million	Jul-Sep		Change %	Jan-Sep		Change %	Full year	
	2023	2022		2023	2022		RTM	2022
Net sales	781	733	6.6	2,346	2,194	6.9	3,181	3,029
EBITA	59	67	-11.5	169	222	-23.8	251	304
EBITA adjusted	59	67	-11.5	169	222	-23.8	251	304
EBITA margin, adjusted (%)	7.6	9.1		7.2	10.1		7.9	10.0
Operating profit (EBIT)	52	59	-12.5	148	202	-26.6	222	276
Operating margin (%)	6.7	8.1		6.3	9.2		7.0	9.1

Organic sales growth (SEK million)	Jul-Sep		Jan-Sep		Full year	
	2023	2022	2023	2022	RTM	2022
Net sales	781	733	2,346	2,194	3,181	3,029
Acquisitions/disposals net sales	-	-67	-2	-213	-25	-237
Currency effect from translation at the exchange rate of the comparison period	-6	-3	-17	-9	-29	-21
Organic net sales	775	662	2,328	1,972	3,126	2,771
Sales for the comparison period	733	671	2,194	2,000	2,970	2,776
Organic sales growth (%)	5.8	-1.2	6.1	-1.4	5.3	-0.2

NORDICS SEGMENT SHARE OF NET SALES IN THE QUARTER

82.0%

VIVA WINE GROUP MARKET SHARE IN SWEDEN IN THE QUARTER

26.3%

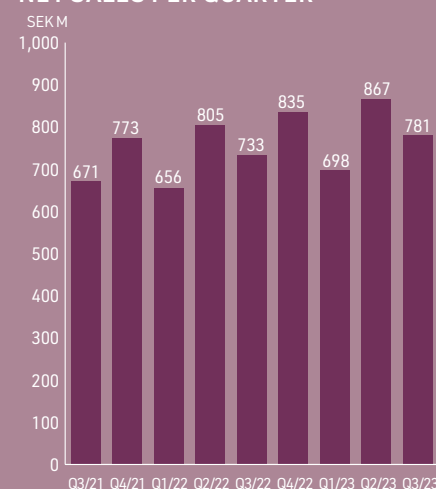
VIVA WINE GROUP MARKET SHARE IN FINLAND IN THE QUARTER

19.2%

VIVA WINE GROUP MARKET SHARE IN NORWAY IN THE QUARTER

5.8%

NET SALES PER QUARTER

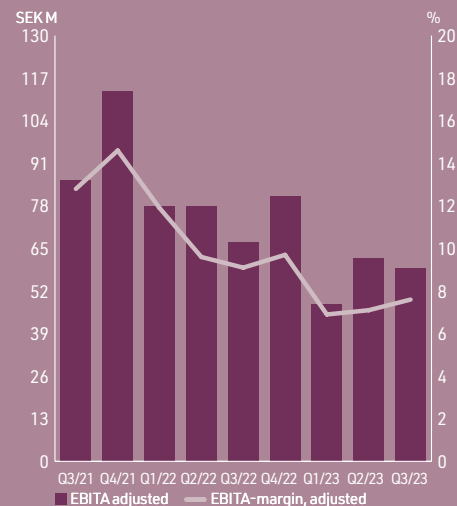


Nordics (continued)

PROFIT

Adjusted EBITA was SEK 59 (67) million in the third quarter, and adjusted EBITA margin was 7.6 (9.1) percent. In Sweden, adjusted EBITA declined by SEK 5 million during the quarter. In Norway, adjusted EBITA also declined by SEK 5 million. This is largely explained by the unfavourable exchange rate against the EUR, but is also due to increased freight and distribution costs. This has been mitigated to some extent by our good cost control. In our Finnish operation, adjusted EBITA in the quarter strengthened by SEK 3 million compared to the previous year, mainly due to increased sales.

ADJUSTED EBITA AND ADJUSTED EBITA MARGIN



SEGMENTS

Viva eCom

The e-commerce market in Europe remains weaker than the peaks seen during the pandemic years. However, we see signs of the market having bottomed out, and our assessment is that our e-commerce business has a brighter outlook.

Both sales and gross margin increased slightly during the quarter, due to our active work with average order value and product mix. Inflation continues to impact both consumer sentiment and purchasing power, creating challenging market conditions. In response, we are continuing to follow our strategy of balancing growth and profitability.

SALES

In the third quarter, Viva eCom's net sales increased by 1.9 percent to SEK 169 (166) million. Organic growth was -0.4 (-21.2) percent.

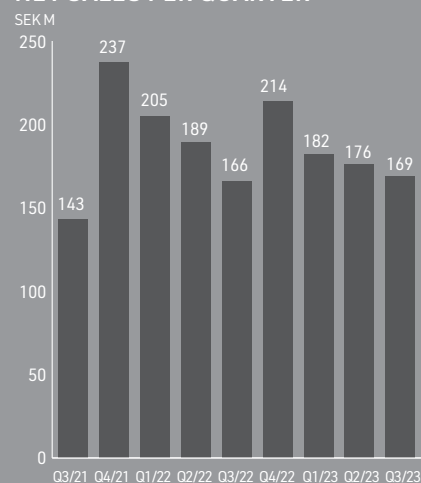
SEK million	Jul-Sep			Jan-Sep			Full year	
	2023	2022	Change %	2023	2022	Change %	RTM	2022
Net sales	169	166	1.9	528	560	-5.9	742	775
EBITA	13	79	-83.4	40	109	-63.0	66	134
EBITA adjusted	17	16	6.0	53	54	-1.9	77	78
EBITA margin, adjusted (%)	10.3	9.9		10.0	9.6		10.4	10.1
Operating profit (EBIT)	-5	55	-109.9	-13	50	-126.9	-17	47
Operating margin (%)	-3.2	32.8		-2.5	8.9		-2.2	6.0

Organic sales growth (SEK million)	Jul-Sep		Jan-Sep		Full year	
	2023	2022	2023	2022	RTM	2022
Net sales	169	166	528	560	742	775
Acquisitions/disposals net sales	10	-49	24	-371	24	-371
Currency effect from translation at the exchange rate of the comparison period	-14	-4	-43	-7	-54	-18
Organic net sales	165	112	509	183	711	385
Sales for the comparison period	166	143	560	249	798	486
Organic sales growth (%)	-0.4	-21.2	-9.2	-26.5	-10.9	-20.7

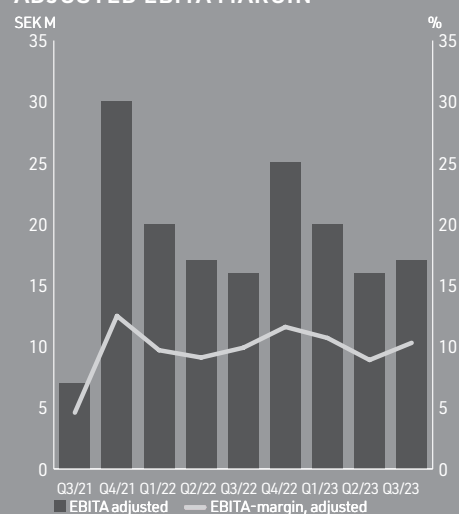
E-COMMERCE SEGMENT SHARE OF NET SALES IN THE QUARTER

17.8%

NET SALES PER QUARTER



ADJUSTED EBITA AND ADJUSTED EBITA MARGIN



SEGMENTS

Viva eCom (continued)

PROFIT

Viva eCom's adjusted EBITA for the third quarter was SEK 17 (16) million. Profit was positively impacted by the slightly higher net sales, stable gross margins and our good cost control. Adjusted EBITA margin for the eCom segment was 10.3 (9.9) percent in the quarter.

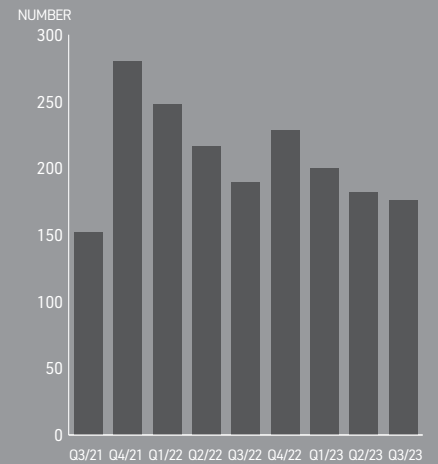
The number of orders and the number of first-time orders (i.e. the number of new customers) decreased compared to the same quarter of 2022 due to the external conditions mentioned above.

However, sales to repeat customers continued to increase. The number of active customers declined compared to the previous year, while the number of orders per active customer remained stable. Average order value increased in the quarter, partly due to a currency effect but mainly as a result of successful strategic efforts.

Order summary eCom	Jul-Sep			Jan-Sep			Full year	
	2023	2022	%	2023	2022	%	RTM	2022
Number of orders (thousands)	176	189	-6.8	558	653	-14.6	786	882
Number of first-time orders (thousands)	36	40	-9.6	111	158	-29.6	171	217
Number of active customers* (thousands)	393	466	-15.7	393	466	-15.7	393	451
Number of orders per active customer	2.0	2.0	-0.6	2.0	2.0	-0.6	2.0	2.0
Share of sales from repeat customers (%)	84.9	83.6		85.0	81.2		83.5	80.9
Average order value, SEK	947	857	10.5	926	840	10.3	929	853

*Number of customers who have placed at least one order in the last 12 months

NUMBER OF ORDERS (THOUSANDS)



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. The Group is also exposed to various types of financial risks through its operations: credit risk, interest-rate risk, liquidity risk and refinancing risk. 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 2022.

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.

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

Viva Wine Group has appointed ABG Sundal Collier as liquidity provider for its shares listed on Nasdaq Stockholm in order to improve the liquidity of the shares and reduce spread. This appointment came into effect on 5 September 2023.

During the quarter, Viva eCom Group, the e-commerce segment of Viva Wine Group, completed its plan to centralise its European e-commerce logistics in a new, modern and purpose-built e-commerce warehouse in Hochheim, Germany. The opening of the new warehouse marks the final step in Viva eCom's strategy to consolidate its various platforms into one head office, one warehouse and one integrated team.

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 Nordic market leader in organically and ethically certified wine and develops carbon-efficient transport and packaging together with its partners.

The roll-out of our Group-wide sustainability platform continued throughout our Nordics business segment in the quarter. As part of this roll-out and preparations for the forthcoming Corporate Sustainability Reporting Directive (CSRD), an upgraded software solution for efficient CO₂ data collection is being implemented.

EMPLOYEES

At 30 September, the average number of employees was 302, down from 345 in the previous year. The decrease is mainly due to the divestment of the business in China and the restructuring in the eCom segment.

PARENT COMPANY

Parent Company equity increased during the period by SEK 57 million to SEK 1,802 million, which is attributable to net profit for the period. The Parent Company made a dividend payment of SEK 138 million during the period. During the third quarter, the Group renegotiated its external financing, which meant that the Parent Company paid off in full the previous loan of SEK 758 million; the refinancing resulting in a new loan amounting to SEK 572 million at 30 September. Total assets decreased during the first nine months of the year by SEK 112 million to SEK 2,487 million.

PUBLICATION AND PRESENTATION

Viva Wine Group's interim report for the third quarter of 2023 will be published at 8:00 a.m. on 22 November 2023. At 11:00 a.m. on the same day, a videoconference will be held with CEO Emil Sallnäs and CFO Linn Gäfvert. The video conference can be accessed at the following link:

<https://financialhearings.com/event/45873>.

The presentation will also be made available at

<https://investors.vivagroup.se/>.

2023-2024 FINANCIAL CALENDAR

Interim report for Q3 2023, published 22 November 2023

Interim report for Q4 2023, to be published 22 February 2024

Interim report for Q1 2024, to be published 16 May 2024

Annual General Meeting, to be held 25 May 2024

Interim report for Q2 2024, to be published 28 August 2024

Interim report for Q3 2024, to be published 20 November 2024

CONTACT

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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 22 November 2023 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, 21 November 2023

Anders Moberg

Chairman of the Board

Mikael Aru

Member of the Board

Lars Ljungälv

Member of the Board

Emil Sallnäs

CEO

Anne Thorstvedt Sjöberg

Member of the Board

John Wistedt

Member of the Board

The interim report has been reviewed by the company's auditors.

Auditor's review report

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

INTRODUCTION

We have reviewed the condensed interim financial information (the interim report) for Viva Wine Group AB (publ) as of 30 September 2023 and for the nine-month period then ended. The Board of Directors and the Chief Executive Officer 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 financial information based on our review.

FOCUS AND SCOPE OF THE REVIEW

We conducted our review in accordance with International Standard on Review Engagements ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists in making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is different in focus and substantially narrower in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

The limited assurance 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. The conclusion based on a review therefore does not provide the same level of assurance as a conclusion based on an audit.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material aspects, in accordance with IAS 34 and the Annual Accounts Act and, with respect to the Parent Company, in accordance with the Annual Accounts Act.

Stockholm, November 21, 2023

Ernst & Young AB

Andreas Nyberg Selvring
Authorised Public Accountant

Condensed consolidated income statement

AMOUNTS IN SEK MILLION	NOTE	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	Full year 2022
Operating income						
Net sales	3,4,7	952	902	2,882	2,772	3,825
Other operating income		2	72	6	77	81
Operating income		954	974	2,888	2,849	3,905
Operating expenses						
Goods for resale	7	-774	-710	-2,310	-2,127	-2,945
Other external expenses		-49	-58	-173	-200	-271
Personnel expenses		-55	-52	-187	-180	-243
Depreciation, amortisation and impairment		-32	-39	-94	-100	-143
Profit from participations in associated companies and joint ventures		2	1	7	7	8
Other operating expenses		-1	-0	-1	-0	-0
Operating profit	4	45	116	130	249	310
Financial income		0	23	53	96	128
Financial expenses		-20	-17	-70	-54	-79
Profit after financial items	4	26	122	112	291	359
Tax		18	-28	2	-64	-81
Net profit for the period		43	94	114	227	278
Profit for the period attributable to						
Parent Company shareholders		38	85	105	208	254
Non-controlling interests		5	8	8	19	24
Earnings per share						
Basic/diluted earnings per share (SEK)	6	0.43	0.96	1.19	2.34	2.86

Condensed consolidated statement of comprehensive income

AMOUNTS IN SEK MILLION	NOTE	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	Full year 2022
Net profit for the period		43	94	114	227	278
<i>Items that will be reclassified to profit or loss</i>						
Translation difference		1	9	-16	17	22
Cash flow hedges, net of tax		-8	-	1	-	6
Other comprehensive income for the period		-7	9	-14	17	28
Comprehensive income for the period		37	103	99	243	305
Comprehensive income for the period attributable to						
Parent Company shareholders		40	89	87	210	264
Non-controlling interests		-3	14	12	33	41

Condensed consolidated statement of financial position

AMOUNTS IN SEK MILLION	NOTE	30 Sep 2023	30 Sep 2022	31 Dec 2022
ASSETS				
Non-current assets				
Goodwill		964	940	951
Other intangible assets		1,121	1,202	1,186
Tangible assets		7	9	10
Right-of-use assets		47	60	53
Financial assets		92	83	82
Deferred tax assets		10	8	8
Total non-current assets		2,241	2,302	2,290
Current assets				
Inventories		577	556	535
Trade receivables		473	428	670
Current tax assets		33	15	0
Derivative instruments	5	1	20	8
Other current receivables	7	92	71	62
Cash and cash equivalents		43	302	339
Total current assets		1,218	1,391	1,616
TOTAL ASSETS		3,459	3,693	3,905
EQUITY AND LIABILITIES				
Equity				
Equity attributable to Parent Company shareholders	6	1,655	1,720	1,770
Non-controlling interests		85	85	95
Total equity		1,740	1,806	1,865
Non-current liabilities				
Deferred tax liabilities		270	316	310
Other provisions		-	19	19
Non-current non-interest-bearing liabilities		56	1	3
Non-current interest-bearing liabilities	5	515	697	689
Lease liabilities		31	43	37
Total non-current liabilities		872	1,075	1,057
Current liabilities				
Current interest-bearing liabilities	5	56	88	89
Trade payables		431	375	427
Current tax liabilities		4	26	33
Lease liabilities		17	17	16
Derivative instruments	5	12	1	1
Other current liabilities and provisions	7	327	305	418
Total current liabilities		847	812	984
TOTAL EQUITY AND LIABILITIES		3,459	3,693	3,905

Condensed consolidated cash flow statement

AMOUNTS IN SEK MILLION	NOTE	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	Full year 2022
Operating activities						
Profit after financial items		26	122	112	291	359
Adjustment for non-cash items		42	-9	87	42	107
Dividends from associated companies		-	-	1	0	2
Tax paid		-27	-24	-91	-97	-106
Cash flow from operational activities before changes in working capital		41	89	109	235	362
Cash flow from changes i working capital						
Change in inventories		-32	-61	-38	-103	-63
Changes in operating receivables		156	190	172	243	54
Changes in operating liabilities		-150	-150	-123	-154	-67
Cash flow from operational activities		14	68	120	221	286
Investing activities						
Business combinations		-	-	-	-119	-119
Divestment of subsidiaries		-	-	-	9	9
Investments in/divestments of intangible assets		-	-0	-1	-1	-1
Investments in/divestments of tangible assets		1	108	-11	108	107
Change in other financial assets		-	-	-3	-0	-0
Cash flow from investing activities		1	108	-15	-4	-5
Financing activities						
Dividend paid to Parent Company shareholders		-	-	-138	-133	-133
Dividend paid to non-controlling interests		-	-	-23	-21	-21
Transactions with non-controlling interests		-	-1	-	-1	-1
Change in overdraft facility		-	-1	-	-0	-1
Borrowings		572	-	572	-	-
Repayment of debt		-759	-41	-801	-85	-105
Repayment of lease liability		-4	-4	-12	-14	-18
Cash flow from financing activities		-191	-48	-402	-255	-281
Cash flow for the period		-176	128	-297	-38	1
Cash and cash equivalents at the beginning of the period		219	169	339	331	331
Cash flow for the period		-176	128	-297	-38	1
Exchange rate differences in cash and cash equivalents		-0	4	1	8	7
Cash and cash equivalents at the end of the year		43	302	43	302	339
Interest received		2	1	6	1	2
Interest paid		-11	-4	-28	-13	-19
Non-cash items						
Depreciation, amortisation and impairment		32	39	94	100	143
Gain/loss on sale of non-current assets		0	-69	0	-70	-70
Exchange-rate effects		-2	16	-19	50	63
Change in market value of derivatives		8	6	6	-11	1
Change in provisions		3	2	10	9	6
Share of profit in associated companies		-2	-1	-7	-7	-8
Other		1	-3	2	-30	-29
TOTAL		42	-9	87	42	107

Condensed consolidated statement of changes in equity

AMOUNTS IN SEK MILLION	Share capital	Other contributed capital	Hedging reserve	Translation reserve	Retained earnings incl. net profit for the year	Equity attributable to Parent Company shareholders	Non-controlling interests	Total equity
OPENING EQUITY, 1 JAN 2022	1	1,376	-	4	281	1,662	75	1,736
Net profit for the period	-	-	-	-	208	208	19	227
Other comprehensive income for the period	-	-	-	2	-	2	14	17
Comprehensive income for the period	-	-	-	2	208	210	33	243
Transactions with the Group's owners								
Dividend	-	-	-	-	-133	-133	-21	-155
Transactions with non-controlling interests	-	-0	-	-	-18	-18	-1	-20
Total	-	-0	-	-	-151	-151	-23	-174
CLOSING EQUITY, 30 SEP 2022	1	1,376	-	6	338	1,720	85	1,806
OPENING EQUITY, 1 JAN 2023	1	1,376	4	8	382	1,770	95	1,865
Net profit for the period	-	-	-	-	105	105	8	114
Other comprehensive income for the period	-	-	1	-20	-	-19	4	-14
Comprehensive income for the period	-	-	1	-20	105	87	12	99
Transfer of cash flow hedge reserve to inventories and tax reversed to profit or loss	-	-	-11	-	-	-11	1	-10
Transactions with the Group's owners								
Dividend	-	-	-	-	-138	-138	-23	-160
Transactions with non-controlling interests	-	-0	-	-	-53	-54	-1	-54
Total	-	-0	-	-	-191	-191	-23	-215
CLOSING EQUITY, 30 SEP 2023	1	1,376	-6	-12	297	1,655	85	1,740

Condensed Parent Company income statement

AMOUNTS IN SEK MILLION	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	Full year 2022
OPERATING INCOME					
Net sales	–	–	–	–	–
Other operating income	3	2	8	5	7
Total income	3	2	8	5	7
Other external expenses	-5	-4	-15	-13	-18
Personnel expenses	-1	-2	-6	-5	-7
Operating profit	-3	-4	-12	-14	-19
Financial income and expenses	-6	10	214	175	188
Profit before tax	-9	6	202	161	170
Appropriations	-1	–	-2	–	-6
Tax	2	-1	-5	-3	-4
Net profit for the period	-8	5	195	158	161

Condensed Parent Company balance sheet

AMOUNTS IN SEK MILLION	30 Sep 2023	30 Sep 2022	31 Dec 2022
ASSETS			
Non-current assets	933	990	989
Current assets	1,539	1,459	1,366
Cash and cash equivalents	15	151	245
TOTAL ASSETS	2,487	2,600	2,599
EQUITY AND LIABILITIES			
Equity	1,802	1,742	1,745
Untaxed reserves	6	–	6
Non-current liabilities	515	698	689
Current liabilities	164	159	160
TOTAL EQUITY AND LIABILITIES	2,487	2,600	2,599

Notes

Note 1 Significant accounting policies

This interim report encompasses 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 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
	2023	2022	2023	2022	2022
Sweden	600	582	1,809	1,731	2,343
Germany	130	133	413	450	619
Finland	106	83	311	249	374
Norway	74	66	222	208	304
Other	42	38	127	134	184
Total	952	902	2,882	2,772	3,825

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

Note 2 Risks and uncertainties

Viva Wine Group is an international Group with wide geographical spread, which involves exposure to political, regulatory and financial risks of various kinds. The alcohol market, especially in the Nordics, is regulated and taxed. Predictability, equivalence and consistency in regulation and taxation are crucial to an efficient market. As with all international trade, there is also a significant currency risk, where the volatile Swedish krona in particular can have a significant impact on Group earnings. The Group regularly hedges purchases in foreign currencies, mainly in EUR, with the aim of minimising volatility in the cost of highly likely purchases of goods.

The Group's risk profile has not changed significantly from the Annual and Sustainability Report published on 25 April 2023.

Note 4 Operating segments

For accounting and monitoring purposes, the Group has divided its operations into three segments. The segments are 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. The Group has three customers that account for more than 10 percent of sales: Systembolaget in Sweden, its counterpart in Finland, Alko, and Vinmonopolet in Norway.

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

Jul-Sep 2023	Nordics	eCom	Other	Total segments	Eliminations	Group
Net sales, external	781	169	2	952	-	952
Net sales, intra-Group	-	-	1	1	-1	-
Net sales	781	169	3	953	-1	952
<i>Organic growth (%)</i>	<i>5.8</i>	<i>-0.4</i>				<i>4.5</i>
Gross profit	107	69	2	178	-	178
<i>Gross margin (%)</i>	<i>13.7</i>	<i>40.8</i>	<i>68.6</i>	<i>18.7</i>		<i>18.7</i>
Operating profit (EBIT)	52	-5	-1	45	-	45
EBITDA	61	15	2	78	-	78
EBITA	59	13	0	73	-	73
Bonus eCom acquisition	-	4	-	4	-	4
Adjusted EBITA	59	17	0	77	-	77
<i>Adjusted EBITA-margin (%)</i>	<i>7.6</i>	<i>10.3</i>	<i>14.9</i>	<i>8.1</i>		<i>8.1</i>
Profit after financial items	57	-24	-8	26	-	26
Goodwill	310	654	-	964	-	964
Total assets	916	1,546	2,596	5,058	-1,599	3,459
Total liabilities	940	1,615	763	3,318	-1,599	1,719

Jul-Sep 2022	Nordics	eCom	Other	Total segments	Eliminations	Group
Net sales, external	733	166	3	902	-	902
Net sales, intra-Group	-0	-	1	1	-1	-
Net sales	733	166	4	902	-1	902
<i>Organic growth (%)</i>	<i>-1.2</i>	<i>-21.2</i>				<i>-4.9</i>
Gross profit	122	67	3	192	-	192
<i>Gross margin (%)</i>	<i>16.7</i>	<i>40.2</i>	<i>85.2</i>	<i>21.3</i>		<i>21.3</i>
Operating profit (EBIT)	59	55	2	116	-	116
EBITDA	68	82	5	155	-	155
EBITA	67	79	3	150	-	150
Disposal of warehouse property	-	-65	-	-65	-	-65
Bonus eCom acquisition	-	2	-	2	-	2
Adjusted EBITA	67	16	3	87	-	87
<i>Adjusted EBITA-margin (%)</i>	<i>9.1</i>	<i>9.9</i>	<i>90.7</i>	<i>9.6</i>		<i>9.6</i>
Profit after financial items	65	49	8	122	-	122
Goodwill	315	626	-	940	-	940
Total assets	923	1,603	2,661	5,188	-1,495	3,693
Total liabilities	854	1,639	889	3,382	-1,495	1,887

Note 4 Operating segments (cont.)

Jan-Sep 2023	Nordics	eCom	Other	Total segments	Eliminations	Group
Net sales, external	2,346	528	9	2,882	-	2,882
Net sales, intra-Group	0	-	2	2	-2	-
Net sales	2,346	528	11	2,884	-2	2,882
<i>Organic growth (%)</i>	<i>6.1</i>	<i>-9.2</i>				<i>2.9</i>
Gross profit	351	213	8	572	-	572
<i>Gross margin (%)</i>	<i>15.0</i>	<i>40.3</i>	<i>77.2</i>	<i>19.8</i>		<i>19.8</i>
Operating profit (EBIT)	148	-13	-5	130	-	130
EBITDA	173	45	6	224	-	224
EBITA	169	40	0	210	-	210
Bonus eCom acquisition	-	12	-	12	-	12
Adjusted EBITA	169	53	0	222	-	222
<i>Adjusted EBITA-margin (%)</i>	<i>7.2</i>	<i>10.0</i>	<i>0.6</i>	<i>7.7</i>		<i>7.7</i>
Profit after financial items	140	-60	32	112	-	112
Jan-Sep 2022	Nordics	eCom	Other	Total segments	Eliminations	Group
Net sales, external	2,194	560	17	2,772	-	2,772
Net sales, intra-Group	-0	-	2	2	-2	-
Net sales	2,194	560	19	2,774	-2	2,772
<i>Organic growth (%)</i>	<i>-1.4</i>	<i>-26.5</i>				<i>-5.0</i>
Gross profit	412	222	11	645	-	645
<i>Gross margin (%)</i>	<i>18.8</i>	<i>39.6</i>	<i>55.1</i>	<i>23.3</i>		<i>23.3</i>
Operating profit (EBIT)	202	50	-3	249	-	249
EBITDA	226	116	7	349	-	349
EBITA	222	109	2	333	-	333
Disposal of warehouse property	-	-65	-	-65	-	-65
Bonus eCom acquisition	-	10	-	10	-	10
Adjusted EBITA	222	54	2	278	-	278
<i>Adjusted EBITA-margin (%)</i>	<i>10.1</i>	<i>9.6</i>	<i>9.5</i>	<i>10.0</i>		<i>10.0</i>
Profit after financial items	232	34	25	291	-	291
Jan-Dec 2022	Nordics	eCom	Other	Total segments	Eliminations	Group
Net sales, external	3,029	775	21	3,825	-	3,825
Net sales, intra-Group	-	-	3	3	-3	-
Net sales	3,029	775	24	3,827	-3	3,825
<i>Organic growth (%)</i>	<i>-0.2</i>	<i>-20.7</i>				<i>-3.7</i>
Gross profit	556	309	14	880	-	880
<i>Gross margin (%)</i>	<i>18.4</i>	<i>39.9</i>	<i>58.5</i>	<i>23.0</i>		<i>23.0</i>
Operating profit (EBIT)	276	47	-12	310	-	310
EBITDA	308	144	2	454	-	454
EBITA	304	134	-5	433	-	433
Disposal of warehouse property	-	-65	-	-65	-	-65
Bonus eCom acquisition	-	9	-	9	-	9
Adjusted EBITA	304	78	-5	377	-	377
<i>Adjusted EBITA-margin (%)</i>	<i>10.0</i>	<i>10.1</i>	<i>-22.9</i>	<i>9.8</i>		<i>9.8</i>
Profit after financial items	305	25	29	359	-	359
Goodwill	318	633	-	951	-	951
Total assets	1,116	1,533	2,660	5,309	-1,403	3,905
Total liabilities	978	1,581	885	3,444	-1,403	2,041

Note 5 Fair value of financial instruments

The valuation principles and classification of the Group's financial instruments, as described in the Annual and Sustainability Report 2022 in Note 16, have been applied consistently during the reporting period. Financial instruments measured at fair value through other comprehensive income consist of currency derivatives (level 2) where hedge accounting is applied in accordance with IFRS 9. If hedge accounting is not applied, changes in the fair value of derivatives are recognised in financial items in the income statement. Derivative contracts with positive fair values totalled SEK 1 (20) million, and derivative contracts with negative fair values totalled SEK 12 (1) million as of 30 September 2023. Derivative transactions entered into are recognised gross. Financial liabilities measured at amortised cost, recognised as non-current and current liabilities to credit institutions, totalled SEK 571 (785) million in carrying amount, which corresponded to fair value.

Note 6 Number of shares and Earnings per share

	Jul-Sep		Jan-Sep		Full year
	2023	2022	2023	2022	2022
EARNINGS PER SHARE					
Parent Company shareholders					
Basic earnings per share (SEK)	0.43	0.96	1.19	2.34	2.86
Diluted earnings per share (SEK)	0.43	0.96	1.19	2.34	2.86
Profit/loss for the period (SEK million)	38	85	105	208	254
Average number of shares, before dilution (thousands)	88,832	88,832	88,832	88,832	88,832
Average number of shares, after dilution (thousands)	88,832	88,832	88,832	88,832	88,832

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 and the Board of Directors.

ASSOCIATED COMPANIES AND JOINT VENTURES	Jul-Sep		Jan-Sep		Full year
	2023	2022	2023	2022	2022
Sale of goods/services	1	1	2	2	2
Purchase of goods/services	83	84	256	210	283

ASSOCIATED COMPANIES AND JOINT VENTURES	30 Sep 2023	30 Sep 2022	31 Dec 2022
Receivables on balance-sheet date	9	13	5
Liabilities on balance-sheet date	54	35	44

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

GROSS MARGIN

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 in the period.

AMOUNTS IN SEK MILLION	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	Full year 2022
Net sales	952	902	2,882	2,772	3,825
Goods for resale	-774	-710	-2,310	-2,127	-2,945
Gross profit	178	192	572	645	880
Gross margin (%)	18.7	21.3	19.8	23.3	23.0

EBITDA

Operating profit before depreciation, amortisation and impairment of tangible and intangible assets. This measure is used to analyse the profitability of the business, independently of depreciation and amortisation.

AMOUNTS IN SEK MILLION	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	Full year 2022
Operating profit (EBIT)	45	116	130	249	310
Depreciation, amortisation and impairment	-32	-39	-94	-100	-143
EBITDA	78	155	224	349	454

EBITDA MARGIN, %

EBITDA as a percentage of net sales. EBITDA margin is used to show the profitability of operational activities.

AMOUNTS IN SEK MILLION	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	Full year 2022
EBITDA	78	155	224	349	454
Net sales	952	902	2,882	2,772	3,825
EBITDA margin (%)	8.1	17.2	7.8	12.6	11.9

EBITA

Operating profit before amortisation and impairment of intangible assets. This measure is used to analyse the profitability of the business, independently of the amortisation of intangible assets, which mainly consists of the surplus value of acquisitions made.

AMOUNTS IN SEK MILLION	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	Full year 2022
Operating profit (EBIT)	45	116	130	249	310
Amortisation of intangible assets	-27	-34	-80	-85	-122
EBITA	73	150	210	333	433

EBITA MARGIN, %

EBITA as a percentage of net sales. EBITA margin is used to show the profitability of operational activities.

AMOUNTS IN SEK MILLION	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	Full year 2022
EBITA	73	150	210	333	433
Net sales	952	902	2,882	2,772	3,825
EBITA margin (%)	7.6	16.6	7.3	12.0	11.3

ADJUSTED FOR ITEMS AFFECTING COMPARABILITY

Measure or amount adjusted for non-recurring items that are not directly related to planned future operations. This measure is used to analyse the profitability of operational activities, excluding items affecting comparability.

AMOUNTS IN SEK MILLION	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	Full year 2022
Disposal of warehouse property	-	-65	-	-65	-65
Bonus eCom acquisition	4	2	12	10	9
Items affecting comparability	4	-63	12	-55	-56

EBITA, ADJUSTED

EBITA adjusted for non-recurring items that are not directly related to planned future operations. Adjusted EBITA is a measure used to maintain transparency and comparability of profit or loss from operational activities excluding items affecting comparability over time.

AMOUNTS IN SEK MILLION	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	Full year 2022
EBITA	73	150	210	333	433
Items affecting comparability	4	-63	12	-55	-56
EBITA, adjusted	77	87	222	278	377

EBITA MARGIN, ADJUSTED %

Adjusted EBITA as a percentage of net sales. Adjusted EBITA margin is used to analyse the profitability of operational activities, excluding items affecting comparability.

AMOUNTS IN SEK MILLION	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	Full year 2022
EBITA, adjusted	77	87	222	278	377
Net sales	952	902	2,882	2,772	3,825
EBITA margin, adjusted (%)	8.1	9.6	7.7	10.0	9.8

OPERATING MARGIN (EBIT MARGIN), %

EBIT as a percentage of net sales. Operating margin is used to show the percentage of sales that remains after operating costs and that can be used for other purposes.

AMOUNTS IN SEK MILLION	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	Full year 2022
Operating profit (EBIT)	45	116	130	249	310
Net sales	952	902	2,882	2,772	3,825
EBITA margin, adjusted (%)	4.8	12.8	4.5	9.0	8.1

EQUITY RATIO, %

Total equity as a percentage of total assets. Equity ratio is used to analyse financial risk and shows the percentage of assets financed by equity. A high equity ratio is a measure of financial strength.

AMOUNTS IN SEK MILLION	30 Sep 2023	30 Sep 2022	31 Dec 2022
Equity	1,740	1,806	1,865
Assets	3,459	3,693	3,905
Equity ratio (%)	50.3	48.9	47.7

NET DEBT

Interest-bearing liabilities (including lease liabilities) minus cash and cash equivalents at the end of the period, excluding call/put options on non-controlling interests. Net debt is a key performance indicator showing the company's total net debt.

AMOUNTS IN SEK MILLION	30 Sep 2023	30 Sep 2022	31 Dec 2022
Non-current interest-bearing liabilities	546	740	726
Current interest-bearing liabilities	73	107	105
Current interest-bearing receivables	9	-	-
Cash and cash equivalents	43	302	339
Net debt	567	545	492

NET DEBT/EBITDA, FOR THE LAST TWELVE-MONTH PERIOD

Net debt in relation to EBITDA in the last 12 months. This measure shows how large the net debt is in relation to the company's net profit and is used to assess the company's indebtedness and ability to repay its loans.

AMOUNTS IN SEK MILLION	30 Sep 2023	30 Sep 2022	31 Dec 2022
Net debt	567	545	492
EBITDA (last 12-month period)	329	674	454
Net debt/EBITDA	1.7	0.8	1.1

EQUITY PER SHARE

Equity attributable to Parent Company shareholders as a percentage of the 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.

AMOUNTS IN SEK MILLION	30 Sep 2023	30 Sep 2022	31 Dec 2022
Total equity attributable to Parent Company shareholders	1,655	1,720	1,770
Average number of shares, before/after dilution	88,831,884	88,831,884	88,831,884
Equity per share	18.6	19.4	19.9

QUICK RATIO, %

Cash and cash equivalents in relation to current liabilities. Measured as (Current assets – inventories and work in progress) as a percentage of current liabilities. This measure shows the Company's ability to pay in the short term.

AMOUNTS IN SEK MILLION	30 Sep 2023	30 Sep 2022	31 Dec 2022
Current assets	1,218	1,391	1,616
Inventories	577	556	535
Current liabilities	847	812	984
Quick ratio (%)	75.7	102.9	109.8

ORGANIC GROWTH

Changes in net sales excluding currency, acquisition and divestment effects, compared to the same period of the previous year. Acquired companies are included in organic growth when they have been part of the Group throughout the comparison period. Organic growth is used to analyse the underlying net sales growth of the company.



Viva Wine Group in brief

Viva Wine Group is a wine group with a leading position in the Nordics and with 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, the Netherlands and the Czech Republic. The company's business is operated by ten entrepreneurial companies based in six countries.

The Nordic market segment, consisting of Sweden, Finland and Norway, is our largest market. The Swedish market is our largest market within the Nordics segment. 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 Finnish and Norwegian alcoholic beverage markets, like the Swedish market, are regulated with 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 segment and handles e-commerce with wine for consumers mainly in Germany, Switzerland, Austria, France, the Netherlands and the Czech Republic. 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 organically 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 climate-smart packaging. We carbon-offset emissions from transport and heavy packaging, and all our transport to Sweden is carbon-neutral. We cherish not only our producers but also 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.