



**ANNUAL &  
SUSTAINABILITY  
REPORT 2022**







We are the leading wine group in Sweden, with a strong position in the Nordic region and on the European e-commerce market for wine.



**MARKET OVERVIEW AND BUSINESS SEGMENTS**  
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Pages 82-125 comprise the annual Report audited by Ernst & Young. The auditor's report can be found on page 126. The statutory sustainability report can be found on pages 42-65, 66-69 and 130-133 and has been prepared in accordance with GRI Standards 2021. The GRI index can be found on pages 136-137. The auditor's review report, which includes the opinion on the statutory sustainability report, is on page 138.

*This is an unofficial translation of the original Swedish text. In the event of any discrepancy between the English translation and the Swedish original, the Swedish version shall govern.*

Production: Korp Kommunikation AB  
Design: Formgårda AB



# 1

## Introduction

Viva Wine Group is a group of entrepreneurial companies with a passion for wine, business development, sustainability and profitable growth.





# This is Viva Wine Group

*Viva Wine Group is a group of entrepreneurial companies with a passion for wine and business development. We develop, market and sell both our own and other brands with a focus on the Nordic region and European e-commerce.*

## OUR OFFERING

The Viva Wine Group product portfolio includes everything from award-winning consumer favourites to recognised prestige brands. We offer affordable, quality wines from around the world and develop wines of all styles and flavours. We also offer wines from a large number of world-leading partner producers. We care about how our products are made and are particularly proud of our commitment to sustainability.

## OUR MARKET

Viva Wine Group is the leading wine supplier in the Nordic monopoly markets. We are also growing in Europe, where we focus on e-commerce sales to consumers in an increasing number of countries, including Germany, Switzerland, Austria, the Czech Republic, France and the Netherlands.

## Our business model – Viva Way

Our entrepreneurial subsidiaries are at the heart of our business. Their combined knowledge of the market, the consumer and production has made us the leading player in wine in the Nordic monopoly markets and one of the leading wine online retailers in Europe.

The key to our success is our wine expertise, our decentralised business model, Viva Way, and our common platform for knowledge sharing and administration. This model and platform provides the subsidiaries with economies of scale and efficient management while maintaining a degree of freedom for the entrepreneurs. We also have a shared product development process that ensures responsiveness to trends and consumer preferences and enables a short path from idea to market.

## Our production

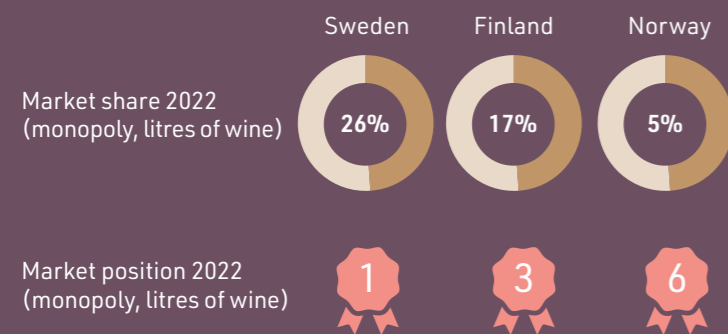
The wine we offer is produced by more than 200 producers in more than 15 countries on five continents. Producers range from large corporate wine groups to member-owned co-operatives and small family producers.

## Our sales markets

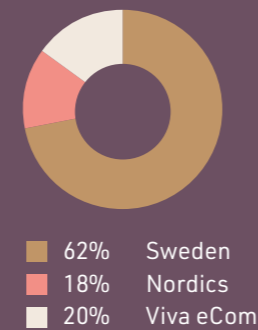
## The origin of our beverages



## Viva Wine Group is the market leader in wine in the Nordic monopoly markets



## Market segment breakdown



Data for full-year 2022

## Sustainability in Viva Wine Group

Our commitment to sustainable development is a given. Sustainability is crucial for our planet, agriculture and the future of our business. We are convinced that caring for people and the environment is also good for business, especially in the long run.



We have a sustainable workplace in which we promote innovation and development.



We aim to achieve sustainable cultivation and production and require all of our producers to comply with the amfori BSCI Code of Conduct.



We aim to achieve sustainable packaging and transport and are a driving force behind the Swedish Beverage Industry's Climate Initiative.



We are pioneers and market leaders in organic and ethically certified wine.



We promote moderate and responsible marketing, sale and consumption of alcohol.

# The year in review

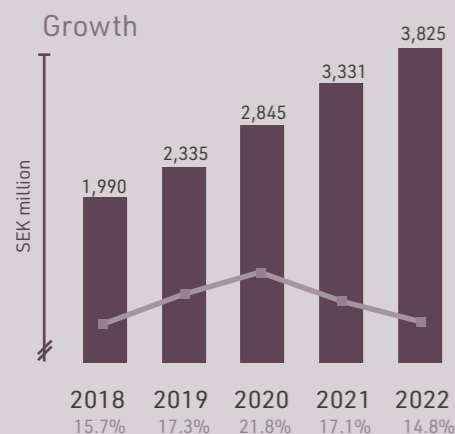
2022 was yet another eventful year in the market. Our agile business model has enabled us to quickly adapt our operations in response to new market conditions.

A turbulent year has come to an end. In 2022, Viva Wine Group has had to address issues such as a shortage of input goods, supply chain challenges, a weaker SEK and NOK and a decline in consumer sentiment. Despite lower sales, Viva Wine Group gained market share in all three Nordic countries. At the same time, we continued to invest in our e-commerce business. With steps towards a common organisation, a common warehouse and three sales platforms, we are ready to continue our expansion in Europe.



→ Transport by train across Europe

## Net sales per year, SEK million



**14.8%**

Net sales growth

**9.8%**

Adjusted EBITA-margin

**278**

Net profit for the year, SEK million

Financial performance	2018	2019	2020	2021	2022
Net sales, SEK million	1,990	2,335	2,845	3,331	3,825
Gross margin, %	17.1	17.5	18.8	23.7	23.0
EBITA, SEK million	138	165	291	564	433
EBITA margin, %	6.9	7.1	10.2	16.9	11.3
EBITA margin, adjusted, %	6.9	7.1	10.3	12.0	9.8
Operating profit, SEK million	137	156	281	521	310
Operating margin, %	6.9	6.7	9.9	15.6	8.1
Net debt, SEK million	104	176	133	545	491
Net profit for the year, SEK million	123	133	219	465	278
Equity ratio, %	20.4	20.3	28.3	45.5	47.7
Average number of employees	61	118	130	240	333

## Divestment of warehouse property streamlines e-commerce operations

In September 2022, a warehouse property in Butzbach, Germany, was divested as part of the strategy to streamline our European e-commerce and concentrate operations in a single location. The selling price exceeded the book value of the asset. The proceeds of the transaction will be used to strengthen the Company's balance sheet and finance new growth opportunities.

## Acquisition of Vinklubben – Sweden's largest online community for wine

In April, the acquisition of Mytaste Food & Beverage AB ("Vinklubben") was finalised. With an online community of 1.6 million members, Vinklubben is a leader in performance-based wine marketing. Vinklubben is a strategically important acquisition and further strengthens Viva Wine Group's relationship with Swedish consumers.

## Expanded Board and management team

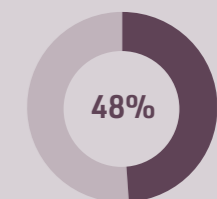
During the year, Viva Wine Group made several important changes in both the Board and the management team. In March, Group management was expanded with the appointment of Anna Möller as Viva Wine Group's Chief Operating Officer Nordics and Christian Fricke as Managing Director Viva eCom. During the annual general meeting in May, Lars Ljungälv, CEO of Bergendahl & Son, was elected as an ordinary Board member of the Company.

## Leading player in sustainability

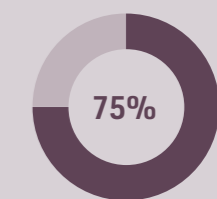
Viva Wine Group is one of the leading sustainability players in the Swedish and Nordic wine industry. As a result of the Group's comprehensive sustainability work, the company has been nominated for the Swedish Environmental Strategy Award 2022.

Sustainability (Sweden)	2018	2019	2020	2021	2022
Sales, million litres	45.26	48.36	56.37	56.66	54.23
Emissions tonnes CO <sub>2</sub> eq, direct emissions from own activities (Scope 1)	45.62*	32.32	38.48	36.14	37.60
Emissions tonnes CO <sub>2</sub> eq, indirect emissions from own activities (Scope 2 - Market Based approach)	4.34	5.36	5.38	5.69	4.59
Emissions tonnes of CO <sub>2</sub> eq, indirect emissions supply chain (Scope 3)	16,988*	16,910*	18,687	17,969	16,708
Emissions kg CO <sub>2</sub> eq per litre sold	0.38	0.35	0.33	0.32	0.31
Percentage of climate-efficient packaging, %	69	70	72	73	75
Share of certified organic/ethical volume, %	41	48	49	49	48
Percentage of producers that have confirmed the amfori BSCI Code of Conduct, %	100	100	100	100	100
Percentage of volume audited for sustainability from at-risk countries, %	45.76	47.25	50.01	39.06	64.70
Staff turnover, %	10.6	3.5	8.6	14.7	14.3
Absence due to illness %	2.96	2.72	2.18	1.31	2.48

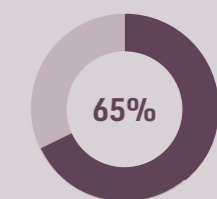
\*Data has been updated due to improved data quality



Share of volume certified organic and or ethical



Share of volume in climate-efficient packaging



Share of volume from risk countries audited for social and environmental risks





## The share and shareholders

The Viva Wine Group share has been listed on Nasdaq First North Premier Growth Market since 14 December 2021. The stock's ticker symbol is VIVA. The market capitalisation of Viva Wine Group at year-end was SEK 3,977 million, divided over 88,831,884 shares, with a closing price of SEK 45 per share on 31 December 2022.

### OWNERSHIP

The three founders, who are also members of the management team, own a large portion of the shares. At year-end, there were 6,825 registered shareholders, with institutional owners representing 15.2% of the total number of shares and private owners representing 84.8%. Foreign shareholders owned 12.75% of shares. The ten largest shareholders accounted for 90.25% of the total number of shares in the company.

### SHARE PERFORMANCE AND MARKET CAPITALISATION

Viva Wine Group was listed on 14 December 2021 on First North Premier Growth Market and 2022 was the first full year the share was traded. The closing price for the year was SEK 45. Viva Wine Group's market capitalisation at year-end was SEK 3,997 (5,284) million.

### DIVIDEND POLICY

Viva Wine Group intends to use generated cash flow for dividends to shareholders after considering long-term financial stability, growth opportunities and strategic initiatives. Taking these considerations into account, Viva Wine Group intends to distribute 50%–70% of the annual profit attributable to the shareholders of the Parent Company as dividends.

### INCENTIVE PROGRAMME BOARD OF DIRECTORS AND MANAGEMENT TEAM

At an extraordinary general meeting held on 5 December 2021, a resolution was passed to issue warrants as part of the introduction of a series 2021:3 incentive programme for the management and series 2021:4 for the Board of Directors. Series 2021:3 comprises 411,552 warrants and series 2021:4 comprises 232,560 warrants. For both series, the warrants may be utilised during the 15-day period beginning immediately following the day after the publication of the Company's interim report for the fourth quarter of 2024, although not later than from 1 March 2025 to 15 March 2025. The exercise price for the warrants for both series 2021:3 and 2021:4 will correspond to SEK 63.70. The terms of the warrants contain customary conversion provisions and valuation was carried out according to Black-Scholes. If all warrants in the incentive programmes are utilised for the subscription of new shares, the share capital in the Company will increase by approximately SEK 5,367.60, corresponding to approximately 0.73% of the Company's share capital.

## Five reasons to own shares in Viva Wine Group

- 1 Nordic market leader**  
Market leading position in the stable Nordic monopoly markets
- 2 Great potential in e-commerce**  
Strong and profitable position in the large and attractive European E-commerce market
- 3 Profitable organic growth**  
History of combining attractive growth and profitability
- 4 Successful acquisitions**  
Proven strategy for driving growth and consolidation through acquisitions
- 5 Industry pioneer in sustainability**  
Pioneers and industry leaders in organic and ethically certified wine and low climate impact from transport and packaging

### Trend for the year

In 2022, the Viva Wine Group share had a stable trend despite the market situation that has weighed down the Swedish and international stock market since February 2022.

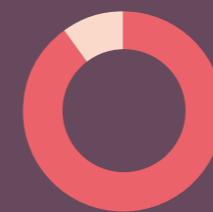
The share price fluctuated between SEK 43 and 62 during the year, with a peak of SEK 62 in January 2022. The listing price December 2021 was 49 SEK.

Source: Holdings

### Distribution of ownership



85% Private individuals  
15% Institutions



88% Swedish shareholders  
12% Foreign shareholders

OWNER	SHARE	SHARE OF CAPITAL	SHARE OF VOTES	LAND
Late Harvest Holding 1971 AB	23,273,482	26.2%	26.2%	Sweden
Vin & Vind AB	23,273,482	26.2%	26.2%	Sweden
Legendum Capital AB	9,405,889	10.6%	10.6%	Sweden
Bergendahl & Son Aktiebolag	6,942,857	7.8%	7.8%	Sweden
Svolder	4,188,370	4.7%	4.7%	Sweden
Capital Group	4,081,633	4.6%	4.6%	The US
Erik Selin	3,859,133	4.3%	4.3%	Sweden
Arinto AB	3,149,160	3.5%	3.5%	Sweden
Danica Pension	1,172,891	1.3%	1.3%	Denmark
Varma Mutual Pension Insurance Company	825,000	0.9%	0.9%	Finland
<b>Total 10 largest owners</b>	<b>80,171,897</b>	<b>90.3%</b>	<b>90.3%</b>	
<b>Other shareholders</b>	<b>8,659,987</b>	<b>9.7%</b>	<b>9.7%</b>	
<b>TOTAL NUMBER OF SHARES</b>	<b>88,831,884</b>	<b>100%</b>	<b>100%</b>	

Reg. (year)	Event	NUMBER OF SHARES		SHARE CAPITAL	
		Change	Total	Change	Total
2018	Formation	50,000	50,000	50,000	50,000
2019	Split (1:100)	4,950,000	5,000,000	–	50,000
2021	Bonus issue	–	–	450,000	500,000
2021	Split (1:12)	55,000,000	60,000,000	–	–
2021	New share issue	4,342,089	64,342,089	36,184	536,184
2021	New share issue, listing	24,489,795	88,831,884	204,083	740,266



## A WORD FROM THE CEO

*Strengthened despite a challenging world*

*The past year was truly tumultuous. At the beginning of the year, we had our hands full becoming established as a listed company, integrating our acquisition of Vicampo and continuing to develop our market-leading position in the Nordic region. Then Russia invaded Ukraine and we experienced a historically challenging year with skyrocketing fuel and raw material prices, material shortages, volatile currencies and a sharp decline in consumer sentiment.*

I am incredibly proud of how we managed to overcome all these historic challenges together, while staying focused on our goals. We closed 2022 with revenue growth, including acquisitions, of 14.8% and profitability of 9.4 %.

**A PERFECT STORM OF GLOBAL CHALLENGES**

In 2022, we experienced a perfect storm of input shortages, logistics bottlenecks, a record weak SEK, deteriorating market sentiment and a return to pre-pandemic purchasing patterns. We noticed a clear break in the trend during the year, with customer demand shifting to products in slightly lower price ranges.

**STRENGTHENED POSITION IN THE NORDIC REGION**

We have built up a strong position in the Nordic monopoly markets through organic growth and successful acquisitions, and at the same time we see good opportunities for synergies in areas such as product development. We therefore strengthened the organisation with a new COO with a clear mission to optimise our operations in the Nordic region. The effects are already becoming apparent. While sales decreased in all Nordic markets in 2022, we managed to increase our market share in all three countries and made several joint product launches. As part of our effort to strengthen our marketing outreach, we acquired Sweden's largest online community for wine, Vinklubben.

**E-COMMERCE PLATFORM ESTABLISHED**

The European e-commerce market greatly benefited from the pandemic in 2020-2021 and the decline in

sales in 2022 was therefore expected. Our strength is a broad product portfolio in different price ranges and we have seen a clear increase in sales of our competitively priced wholly owned brands.

The work to streamline our already profitable e-commerce business is now almost complete and by summer, we will have established an even more cost-efficient e-commerce business with one warehouse, one team and three customer segmented platforms.

**CONTINUED AMBITIOUS SUSTAINABILITY AGENDA**

Our goal of being the most sustainable player in our industry remains unchanged and we aim to achieve a 50% reduction in climate impact per litre of wine sold by 2030.

Once the pandemic restrictions were lifted, we were able to revisit our producers and resume our follow-ups and sustainability audits. It is gratifying to see how our producers are inspired by our sustainability work and note a strong desire to promote sustainable production. As a result of our sustainability work, we were nominated for the 2022 Swedish Environmental Strategy Award.

**CONFIDENCE FOR 2023**

This year was an excellent demonstration of the effectiveness of our business model. We quickly adapted to new customer behaviours and preferences and were able to offer the market the products that were in demand. We established an efficient organisation that we believe will give us good results, both organically and through acquisitions. There are still challenges, but we approach 2023 with confidence.

”

I am proud and grateful that we have reached this point together.

*Emil Sallnäs, CEO, Viva Wine Group*

# Goals & Outcomes

At Viva Wine Group, the entrepreneurial spirit and drive of all our employees is our greatest asset. We are a value-driven company that focuses on business development, people and the environment. Our guiding principles are at the foundation of everything we do.

Key performance indicators - sustainability*	Explanation	Goals 2023	Goals 2030	Outcome 2022
Share of sustainability-certified volume	Share of total sales volume certified organic and/or ethical	50%	67%	48%
Share of volume audited for sustainability	Share of volume from at-risk country approved in independent sustainability audit	67%	100%	65%
Share of climate-efficient packaging	Share of volume sold in climate-smart packaging	75%	90%	75%
CO <sub>2</sub> eq/liter	Climate impact of transport and packaging per litre of wine	0.30 kg	0.17 kg	0.31 kg

\*Key performance indicators and targets apply to the Swedish operation and its supply chain.

## Sustainability is good for business

For us, sustainability is top of mind throughout our business, from grape to glass. Sustainability is crucial for our planet, agriculture and the future of our business. We know that caring for people and the environment is good for business, especially in the long run. We aim to be the most sustainable player in our industry and we hope to inspire competitors and partners to follow our example. Our goal is to achieve a 50% reduction in climate impact per litre of wine sold by 2030!



Mikael Sundström  
Sustainability Director  
Viva Wine Group

14.8%

Net sales growth Group 2022

9.2%

Net sales growth Sweden and the Nordic region 2022

59.3%

Net sales growth eCom 2022



Linn Gäfvert  
CFO  
Viva Wine Group

## Stable growth and profitability despite deteriorating consumer sentiment, cost increases and volatile currencies

Net sales increased by SEK 493 million, corresponding to a growth rate of 14.8%. Viva eCom and Norwegian Beverage Group, the 2021 acquisitions in the Nordics segment, accounted for the majority and increased net sales by SEK 288 million, primarily through the acquisition of Vicampo. Adjusted EBITA increased by 6% to SEK 377 million. The adjusted EBITA margin ended up at 10% for 2022.

Financial targets	Explanation	Target	Outcome 2022
Organic growth in monopoly markets	For the Sweden and Nordics segments, the average annual organic growth will be at least 4% in the medium term	4% medium term	2.1%
Organic growth e-commerce	For the E-commerce segment, average annual organic growth is to total at least 10-15% over the medium term.	10-15% medium term	-21%
Adjusted EBITA-margin	The adjusted EBITA margin is to be 10-12% over the medium term.	10-12% medium term	10%
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.	2.5 x medium term	1.1 x
Dividend	Taking into account long-term financial stability, growth opportunities and strategic initiatives, 50-70% of the profit for the year will be distributed to the shareholders of the Parent Company.	50-70%	54%





1. The wine is tasted before bottling to ensure it has the right style and quality. 2. Careful assessment before bottling. 3. The bottling process is monitored to ensure maximum efficiency and quality. 4. Bottles are washed and filled with wine before being sealed, packed and sent by train to stores in the Nordic countries.

# 2

## Vision & strategy

Since its inception, Viva Wine Group has multiplied its sales – with good profitability. Our success is based on our proximity to customers, our focus on sustainability and our unique business model, Viva Way.







## *Vision, strategy and business model*

*We are proud of our profitable growth journey – and we are committed to becoming even better. Our goal is to become the leading wine group in Europe, with a leading position both in the Nordic region and in the European e-commerce market for wine. Our unique business model, Viva Way, provides the foundation.*

The embryo of Viva Wine Group started in Sweden, and within a few years became the leading wine supplier on the Swedish market. Over the years, we have established a strong position in all Nordic monopoly markets, becoming the leading wine supplier in the Nordic region, while making significant investments in European wine e-commerce, based in Germany. Our goal is to become the leading wine group in Europe with a leading position both in the Nordic region and in the European wine e-commerce market.

Since its inception, we have multiplied our sales, both through organic growth and acquisitions, while maintaining a high level of profitability. Our success is based on being close to our customers and consumers, a strong focus on sustainability and profitable growth – and our unique business model: Viva Way.

### OUR GOAL

*Viva Wine Group shall be the leading wine group in Europe with a leading position both in the Nordic monopoly markets and in the European e-commerce market for wine.*

### STRATEGIES – HOW WE WILL ACHIEVE OUR VISION

#### UNIQUE OFFERING

We have a strong brand portfolio with wholly owned brands, exclusive brands and partner brands, with products for all tastes in all price ranges. We want to offer products that our customers want. That's why our product development starts with the customer. By analysing data, trends and the market, we constantly develop our offer to always match current consumer preferences.

#### LEADER IN SUSTAINABILITY

Consideration for people and the environment is integral to our business and the engine of our growth. Sustainability is top of mind throughout our business, from producer to consumer. We want to be pioneers and a role model in developing a sustainable wine industry. We support good working conditions in cultivation and production, focus on organic farming to promote biodiversity, and invest in innovative and climate-efficient transport arrangements and packaging solutions. Last but not least, we want our products to be enjoyed responsibly.

#### PROFITABLE GROWTH

Viva Wine Group works for continued growth in existing markets in the Nordic region and Europe, including through product development and complementary strategic acquisitions. At the same time, we are expanding our e-commerce business into new countries. With a common platform for knowledge sharing, analysis of data and customer preferences, logistics, sustainability and finance, we create synergies and profitability in the business, both in the Nordic region and in our European e-commerce business.

#### OUR BUSINESS MODEL – VIVA WAY

At Viva Wine Group, we want to offer wines that consumers want. This is why we place great emphasis on analysing consumer preferences when we develop our wines. Entrepreneurs play a key role in business development and are given a high degree of freedom in our decentralised organisation. Our common platform allows room for innovation. We call this business model the Viva Way.



# Viva Way – our business model

*Viva Wine Group is a unique wine company. Rather than relying solely on a traditional sourcing process, over the years we have developed an innovative, efficient and agile business process where we work with partner producers to select and develop wines that customers demand.*

At Viva Wine Group, we work faster than more traditional companies in the industry. Instead of just reactively buying and selling what we like, we use market analysis and consumer trends to find out what customers want, and also proactively develop wines based on the results.

## RUN THEIR OWN BUSINESSES

Our employees practice an agile approach, leveraging their customer and market expertise. They run their businesses in co-operation and competition with the other entrepreneurs of the Group. The Group provides an administrative platform that simplifies the work of the subsidiaries while creating synergies and economies of scale.

## RELEVANT BRANDS

By working closely with our amazing producers, a thorough understanding of the market and consumer insight, our entrepreneurs keep the brands relevant and accessible to consumers. This is how we always offer wines that consumers want.

Our strong local roots, our sustainability work throughout the value chain and our global reach give us a unique position in the market. We call this business model the Viva Way.

## VIVA WAY

### DECENTRALISED ORGANISATION

Our decentralised organisation provides a high degree of freedom to the entrepreneurs and employees who run the individual subsidiaries. We have created a model in which we share know-how and consumer insights, while being spurred on by each other's successes.

### OUR COMMON PLATFORM

Viva Wine Group is more than a collection of companies - the whole is greater than the sum of its parts. A common platform streamlines administration, finance and logistics. In this way, we create economies of scale, improved conditions for profitability and leave room for innovation.

### OUR UNIQUE BUSINESS PROCESS

We have a unique process for meeting consumer demand, with rapid steps from idea to action. The process always begins with an analysis of consumer preferences. We work closely with our producers to select and develop new products. With smart logistics solutions and data-driven marketing, we create an efficient flow from producer to consumer.

## OUR BUSINESS PROCESS



1

### ANALYSIS OF CONSUMER TRENDS

Trends are constantly changing, as are consumer preferences. Through careful analysis of sales statistics and direct consumer feedback through our social media platforms and customer clubs, we get a unique picture of how consumers perceive our brands and products. We base our product development on customer and consumer feedback and preferences.

2

### PRODUCT DEVELOPMENT BASED ON CONSUMER TRENDS

The product development process begins with an analysis of market and consumer trends to identify new opportunities. Next is a test phase, followed by an overall assessment to decide whether or not to launch the product. This decision is usually made at a decentralised level, by the entrepreneurs at the individual subsidiaries.

3

### PRODUCTION IN CLOSE CO-OPERATION WITH PRODUCER

The wine we offer is made by our fantastic producers all over the world. Producers range from large corporate wine groups to member-owned co-operatives and small family producers. Producers actively contribute to the development of new products and brands. Our strong and long-term partnerships with producers have helped us to build a sustainability-based product portfolio that offers great variety and high quality.

4

### TRANSPORT WITH SMART LOGISTICS SOLUTIONS

We are continually on the lookout for smart, efficient and reliable logistics solutions with minimal environmental impact. Where possible, we shift transports from trucks to trains and ships. Logistics are further enhanced at our central bottling plant in France, as well as our main warehouses in Mainz, Stockholm, Oslo and Turku, which deliver to customers and consumers in our main markets.

5

### DATA-DRIVEN MARKETING

Our marketing, both in the Nordic region and our European e-commerce, is largely data-driven, optimised and customised. Our platforms within Viva eCom have different product offerings and marketing strategies aimed at their respective customer groups. In the Nordic region, our wine clubs are an important channel for communicating our products along with appropriate pairings with food and consumption occasions.

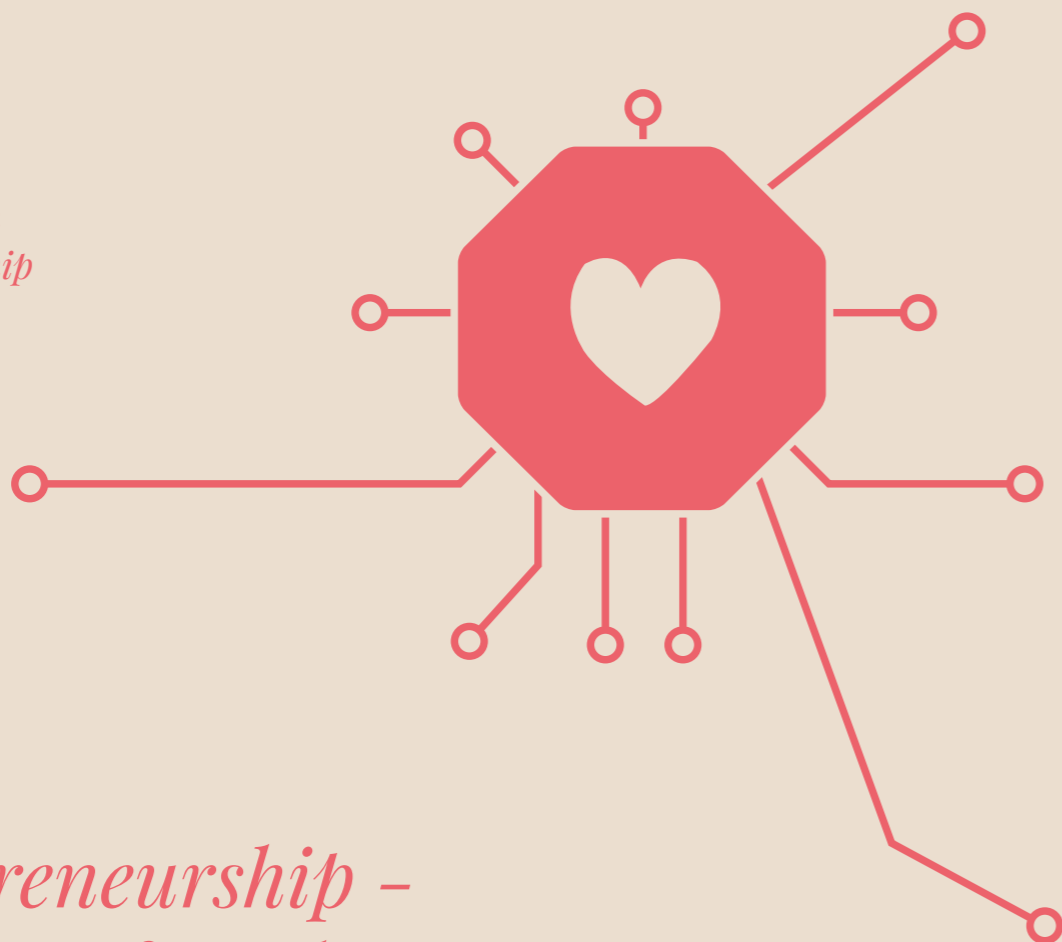
6

### MULTI-CHANNEL SALES

A large part of the Group's sales are made through the fixed-product ranges of the state-owned sales monopolies in the Nordics, as well as offerings from their on-demand range. With its three segmented platforms, our European e-commerce is our other important sales channel, which is growing in several European markets and has great potential for expansion in the future.



*We build our growth through entrepreneurship*



## *Entrepreneurship – the heart of our business*

*Viva Wine Group is an agile, sustainable and values-driven company with entrepreneurship in its blood. The entrepreneurial spirit of our talented employees is our greatest asset. They drive our business and profitable growth. Our guiding principles underpin everything we do.*

Viva Wine Group is based on entrepreneurship. Since its inception, Viva Wine Group has grown organically and acquired and developed several companies, each with a unique position in their respective markets. The founders often remain partners and continue to be involved in operational activities. In addition, entrepreneurial employees in existing operations have been given opportunities to start their own businesses within the Group. These entrepreneurs and their teams drive our business and growth.

### **A CREATIVE ENVIRONMENT THAT FOSTERS INNOVATION**

The wine expertise, producer relationships and collective market and consumer knowledge of our entrepreneurial employees have driven our development to become the largest wine player in the

Nordic monopoly markets and profitable in European wine e-commerce with strong growth potential.

Our decentralised corporate structure provides a creative environment in which innovation, sustainability and an entrepreneurial spirit permeate work with our products. We create value through the producer relationships, product and market knowledge of our employees.

### **PUTTING PEOPLE AND THE ENVIRONMENT AT THE CORE**

Viva Wine Group is a values-driven company that puts people and the environment first. It is important to us that all our employees share our values and work according to our guiding principles.

## OUR GUIDING PRINCIPLES



### **PASSION AND RELIABILITY**

We invest in our producers and build long-term partnerships. It is only together with them that we can develop the best wine.



### **VALUE-DRIVEN ENTREPRENEURSHIP**

We ensure that entrepreneurs retain their autonomy and the ability to grow. We are guided by a clear compass of ethics and responsibility in relation to all of our stakeholders.



### **COMPETITION AND COOPERATION**

Our companies will be encouraged to become even better through healthy internal competition. At the same time, a group-wide platform contributes to administrative efficiency, market-leading sustainability and economies of scale.



### **INNOVATION AND TRADITION**

We think innovatively, but cherish tradition. We listen to our customers and their preferences, but never compromise on quality.



### **OWNER-DRIVEN AND INCLUSIVE**

Everyone should feel involved. Every employee should feel important and everyone's contribution makes a difference.





# 3

## Markets

Viva Wine Group is the market leader in the Nordic monopoly markets and has a strong position in the European e-commerce market for wine.

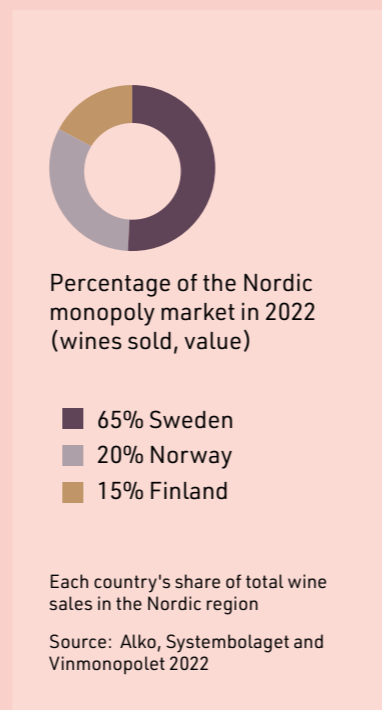




# The Swedish and Nordic market

Viva Wine Group has a strong base in Sweden, Norway and Finland, which are divided into the Sweden and Nordics segments, respectively. These countries all have a legislated monopoly market for alcohol sales, which is an approved exemption from EU competition law and is justified, in part, on public health grounds.

The Swedish Systembolaget, Norwegian Vinmonopolet and Finnish Alko all have exclusive rights to sell alcohol. The Nordic monopoly market offers serious industry players an equal and competitively neutral sales channel, as well as stable and secure growth conditions. The Nordic monopolies are also tasked with educating the public about the risks of alcohol consumption and providing good service and knowledge about alcohol. To achieve their goals for the responsible sale of alcohol, the Nordic alcohol monopolies attach great importance to good service and consumer care and are therefore adapting to demand, for example by offering home delivery.



There are two entry channels for wine in the Nordic monopoly market.

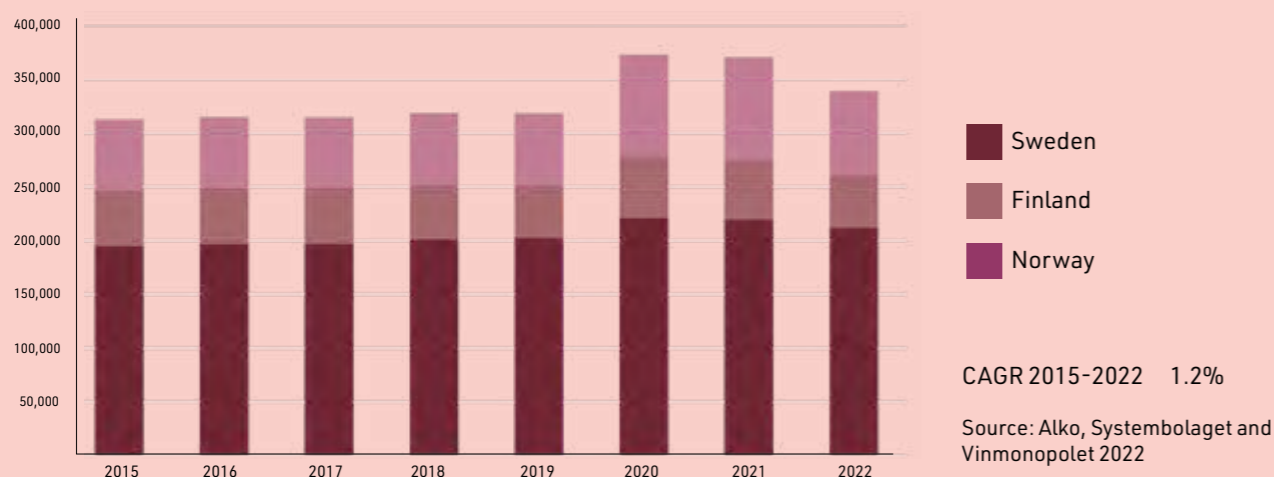
- 1 Bidding process and fixed-product range** – a structured process that can culminate in the product becoming part of the monopoly's fixed-product range; criteria are based on factors such as broader societal trends, consumer demand and sustainability requirements.
- 2 On-demand range** – an alternative where the supplier can offer any products to consumers for ordering. Products with adequate sales in the on-demand range may become part of the fixed-product range in stores.



## Competitive situation in the Nordic monopoly market

The ongoing consolidation in the Nordic wine market has resulted in a concentrated market situation with few major players. Five actors account for approximately half of the volume of wine sold in the Nordic monopoly market. The remainder of the market consists of a number of medium-sized and smaller players who together account for a significant portion of wine sales.

NORDIC MONOPOLY MARKET  
Value of wines sold in Nordic monopoly markets



## Sweden

Systembolaget was founded in 1955 as Nya Systemaktiebolaget through the consolidation of 41 local state-owned liquor stores into one nationwide company. Systembolaget has about 448 stores, about 800 beverage suppliers and sales of SEK 36.7 billion. As part of Sweden's attitude of responsibility toward the sale of alcohol, there is, for example, a regulation stating that advertising is permitted only for products under 15% ABV. At Systembolaget in Sweden, the supplier sets the price. In addition to the supplier price, there are various mark-ups and taxes such as Systembolaget's own mark-ups, mark-ups for packaging, alcohol tax and VAT.

## Norway

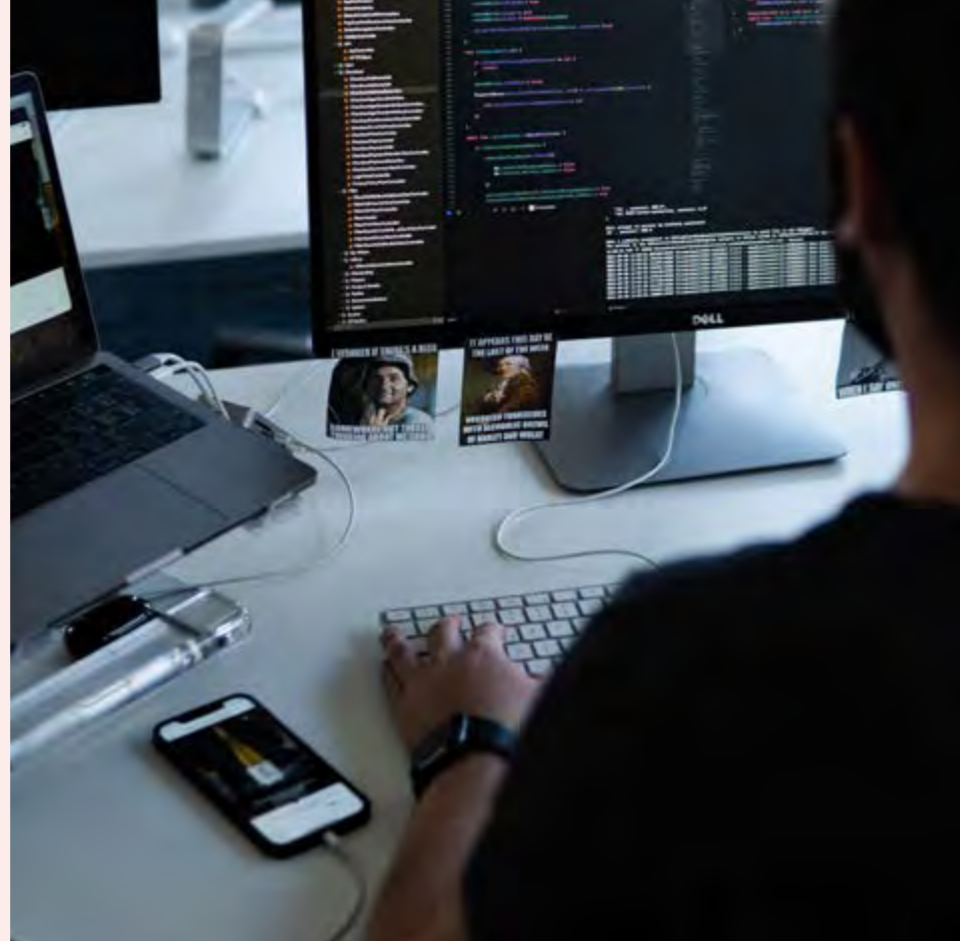
Vinmonopolet in Norway was established as a private company under state control in 1922. The private owners were eventually bought out, and in 1939 Vinmonopolet became a fully state-owned company. Vinmonopolet has about 337 stores, about 468 beverage suppliers and sales of NOK 20.6 billion. In Norway, there is a ban on advertising alcoholic beverages, which covers both Vinmonopolet and individual suppliers of alcohol. At Vinmonopolet in Norway, the suppliers also largely govern the pricing of wine and other types of alcoholic beverages.

## Finland

In Finland, Alko has a monopoly fixed by law on the retail sale of alcoholic beverages over 5.5% ABV. Alko has approximately 364 stores, about 780 beverage suppliers and SALES of EUR 1.3 billion. Finland has a regulation that restricts alcohol operators from marketing products with more than 22% alcohol by volume. At Alko in Finland, the final consumer price is based on a "back door" price that excludes alcohol tax and mark-ups for recycling. This means that the supplier provides a price on the product that initially includes both alcohol tax and mark-ups for recycling.

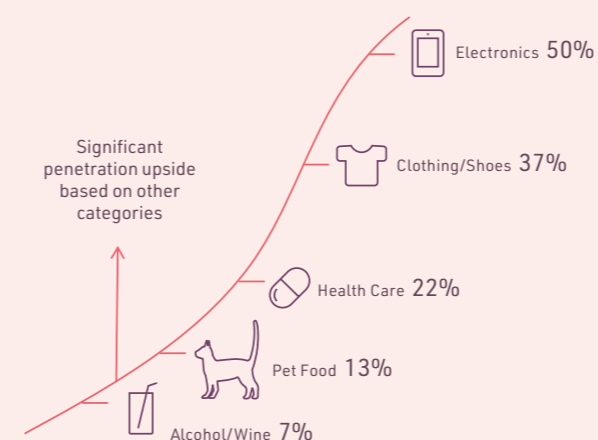


*The European e-commerce market for wine has undergone strong growth in recent years and there is still great potential in the market going forward.*



## E-COMMERCE MARKET IN EUROPE

### Market penetration



Source: Euromonitor International, Alcoholic Drinks 2022ed

### Product characteristics

	Wine	Electronics	Home Goods	Clothing	Mobile
Low cyclicality	✓	✓			
High average order value	✓		✓		✓
High frequency of purchases	✓	✓		✓	
Packaging similarity	✓				
Long product life cycles	✓		✓		
Low return rates	✓	✓	✓		✓
Low online penetration	✓	✓			
Information accessibility for purchase decision	✓				✓

# E-commerce market in Europe

*The European e-commerce market for wine has undergone strong growth in recent years and there is still great potential in the market going forward.*

Historically, the share of wine sold online has been low compared with, for example, electronics and clothing, but this has increased in recent years from 3.8% in 2015 to 6.5% in 2020 in Western Europe. Volume-based e-commerce sales for the Western European market accelerated further during the coronavirus pandemic, with growth of over 43% in 2020. This growth was largely driven by lockdowns and government restrictions, which benefited e-commerce, and when these were fully lifted in 2022, growth retreated by around 20% and volumes normalised, albeit at slightly higher levels, compared with the pre-pandemic period.

### FRAGMENTED LANDSCAPE FOR ONLINE WINE

The market for online wine sales is currently very fragmented with many players operating in different channels and through different business models.

The differences lie mainly in the extent to which brand refinement is carried out in each channel.

- B2C (business to consumer) – traditional e-commerce where e-merchants buy products from third-party operators and sell them to consumers. Since the product range is rarely unique, margins are lower as consumers are able to compare prices between e-retailers.
- Marketplaces – do not own the products being sold, but merely act as a platform on which third-party operators are connected to consumers and can therefore often have very large product ranges.
- D2C (direct to consumer) – e-commerce where only own-brand products are sold. Sales do not include third-party products. This leads to higher margins, but requires smart marketing strategies to build product and brand awareness among consumers.

## Why is wine well suited for e-commerce?

### LOW CYCLICALITY

Wine can be characterised as a non-cyclical commodity with stable sales, regardless of the economy, and large inventories do not accumulate when market conditions deteriorate.

### HIGH AVERAGE ORDER VALUE

The order value for online wine is relatively high and ancillary costs such as shipping represent a relatively low proportion of the total order value.

### HIGH REGULARITY OF PURCHASE

Products such as wine, which are purchased on a regular basis, are well suited to e-commerce as these purchases are associated with less need for physical evaluation before purchasing.

### HOMOGENEOUS PRODUCT DESIGN

Wine bottles and boxes are homogeneous in design, which simplifies transport logistics and minimises excess space, making shipping more cost effective and environmentally efficient.

### LONG PRODUCT LIFE CYCLES

Products, like wine, with long life cycles do not carry the same risk as clothing, for example, as they are less likely to go out of style or wear out.

### LOW RETURN RATES

Wine has low return rates compared with other online purchases. Returns increase climate impact and administrative costs, while also adding shipping costs and logistical complexity.

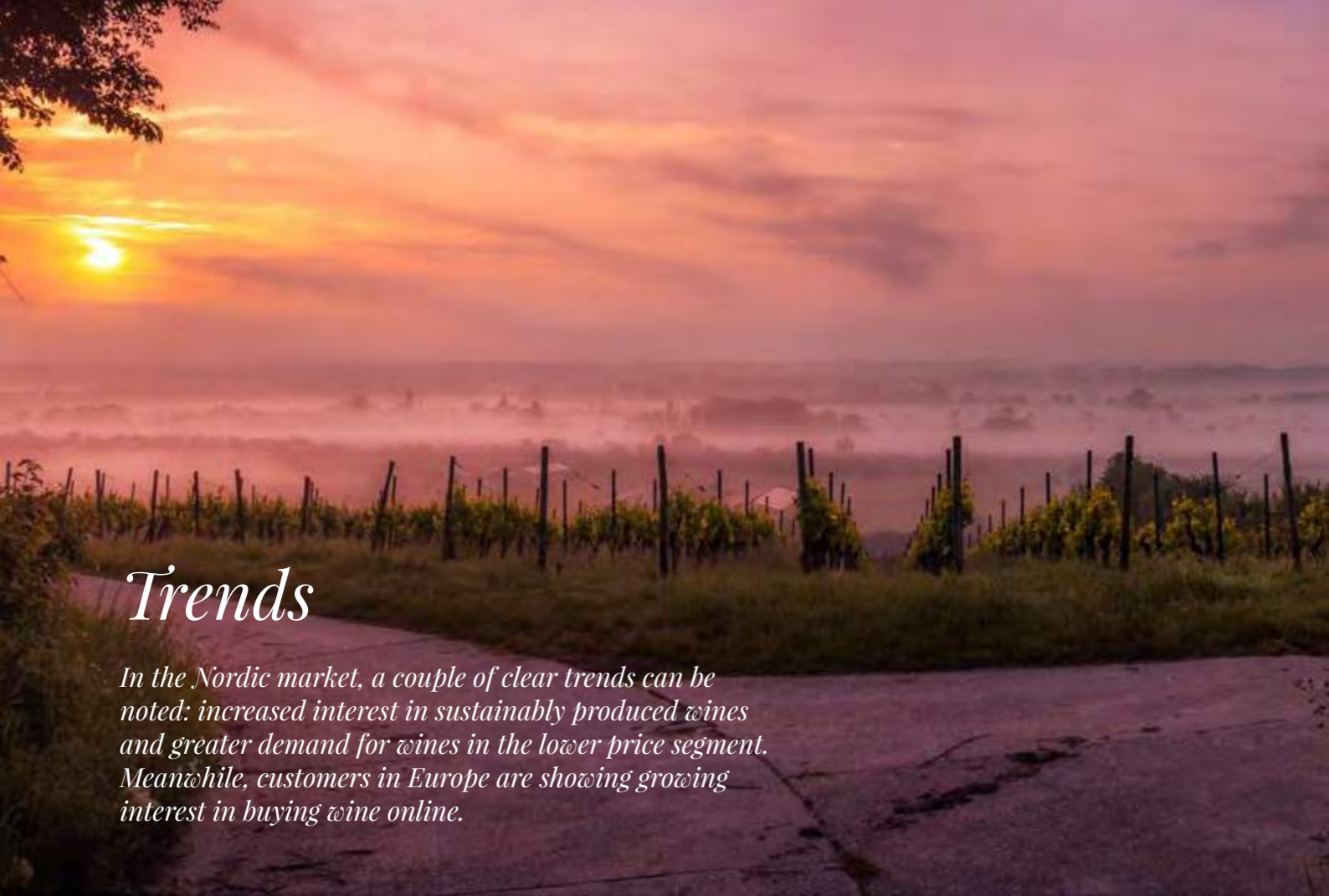
### LOW ONLINE PENETRATION RATE

Wine has a low online penetration rate, which creates opportunities for e-retailers to generate future growth as online penetration increases.

### INFORMATION ACCESSIBILITY FOR PURCHASE DECISIONS

Consumers are given ample opportunity to obtain information about the producer and the product before making purchasing decisions.





# Trends

*In the Nordic market, a couple of clear trends can be noted: increased interest in sustainably produced wines and greater demand for wines in the lower price segment. Meanwhile, customers in Europe are showing growing interest in buying wine online.*

## 1 Growing interest in sustainably grown and produced wines

The shift towards the organic wine segment in recent years has been complemented by increased interest in sustainably grown and produced wines offered in climate efficient packaging. The trend is most evident in Sweden, where consumer awareness of social and environmental issues has significantly increased. Public interest in wine has increased and consumers are becoming more knowledgeable, based on new consumer influences and increased interest in the origin, growing conditions, production and climate impact of wines.

### CLIMATE-SMART PRODUCTS

The Nordic state sales monopolies have accommodated and actively encouraged consumer interest in sustainably grown and produced wines in lightweight, climate-efficient packaging. They have done so by greatly increasing the number of calls for bids, the requirements for production conditions and the climate performance of packaging, as well as through labelling and information campaigns that have enhanced the visibility of these products in stores and online.



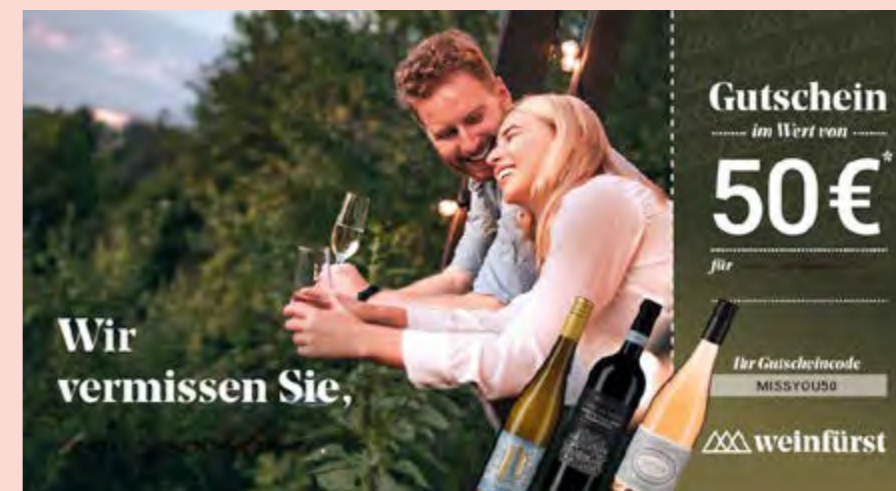
### ENVIRONMENT AND SUSTAINABILITY

In turn, the increased environmental and social awareness of the state sales monopolies and of Nordic consumers has a positive impact on the rest of the value chain. The increased awareness of the sales monopolies matches new generations of producers, whose values and ambitious concern for the environment are driving changes towards more sustainable cultivation and production, as well as the introduction of climate-efficient packaging and transport.

## 2

### Market climate boosts low-cost wines

In 2022, the market situation became more uncertain, with consumer sentiment affected by the war in Ukraine, supply chain challenges and especially inflation. The previous premiumisation trend levelled off and the trend shifted towards wines in the lower price ranges, both in the state monopoly stores in the Nordic region and in European e-commerce. This has been particularly evident in Germany. Despite the market climate, wine suppliers with broader product mixes have fared well and even shown good growth, especially in low-price segments.



## 3

### Strong trends expected to drive e-commerce growth in Europe

The proportion of the population that can be called "digital natives" is increasing. Their willingness to shop online will reinforce the shift to e-commerce for many product categories. As they get older, more affluent and reach an age where wine consumption is increasing, this will help to increase online penetration of wine.

A growing interest among consumers in food and wine pairing is also a driver, as these purchases are more planned and therefore lend themselves to ordering. Wine is a product where consumers often seek information before buying, for which purpose the digital channel is well suited. Digital media simplify the availability of information and the option to communicate with the buyer. The unique customer experience and customisable online offer, as well as the advantages of e-commerce for wine, such as customer reviews, detailed information and convenient home delivery, help keep customers shopping online.







# 4

## Business segments

Viva Wine Group divides its activities into three segments: Sweden, Nordics, and European e-commerce in Viva eCom





# VIVA WINE GROUP



## GIERTZ VINIMPORT

Largest wine importer in Sweden with wines from all over the world. Pioneer in organic and ethical wine, and the leader in Italian Prosecco.



## WINE TEAM GLOBAL

Sweden's largest importer of organic wines. Passionate developer of wholly owned brands. Focus on wines from Italy, France and the US.



## CHRIS WINE & SPIRITS

Experienced importer of quality wines for consumers and restaurants and well-known spirits brands from United Drinks.



## ICONIC WINES

Diversified portfolio with large portion of wholly owned brands in innovative packaging. Most are ethically and organically certified.



## WINEMARKET NORDIC

Importer with a wide range of affordable quality wines - from everyday to super premium - from reputable partner producers. Leader in wines from South Africa.



## TRYFFELSVINET

Specialising in premium and super-premium wines from small-scale producers from around the world.

## Sweden

<b>#1</b> Market position	<b>2.8%</b> Net sales growth	<b>46%</b> Wholly owned brands
<b>26%</b> Market share volume	<b>&gt;500</b> Listings	<b>54%</b> Partner brands

# Sweden

*We are the leading supplier of wine and have a market share of 26%. The Swedish market is our largest market and accounted for 62% of net sales in 2022.*

In recent decades, wine has become increasingly popular among Swedish consumers. Wine is currently the most popular alcoholic beverage, accounting for 45% of alcohol sales at Systembolaget. Of the total consumption of alcohol by Swedes, more than 76% comes from Systembolaget. The remainder comes mainly from restaurants, travel imports and grocery stores (beer with a maximum alcohol content of 3.5%).

### OUR PRODUCTS

In Sweden, Viva Wine Group sells over 54 million litres of wine annually. We have a large portfolio of wholly owned and partner brands and own most of the Swedes' favourite wines. The share of wholly owned brands has gradually grown and now accounts for 46%. Our portfolio consists of wines in all price ranges and styles from all over the world. We have six subsidiaries operating in the Swedish market and each company develops its own product portfolio in healthy internal competition. Some of our companies occupy more of a niche, such as Tryffelvinet, which clearly focuses on premium wines from a number of selected growers and producers.

### OUR CUSTOMERS

We sell the majority of our wines through the state-owned sales monopoly Systembolaget. Ultimately, the consumer determines the assortment at Systembolaget. Systembolaget has a fixed-product offering and an on-demand range. The selection for the fixed-product range is mainly done through bid processes, with several selection parameters where consumer preferences are important. If demand for a particular product falls, distribution is reduced and if it is too low, it is removed from the fixed-product range. The on-demand range is based on demand from consumers, who can order products that are not on the shelves. If there is sufficient demand, the product is added to the fixed-product range.

Sweden		2018	2019	2020	2021	2022
Sales volume	million litres	45.3	48.4	56.4	55.6	54.2
Sales	SEK million	1,774	1,925	2,268	2,350	2,354
EBITA, adjusted	SEK million	118	151	241	292	211
EBITA margin, adjusted	%	6.7	7.8	10.6	12.4	9.0
Average number of employees	number	50	56	67	76	91

### Developments in 2022

2022 was characterised by deteriorating consumer sentiment due to war in Europe, increased fuel prices and higher interest costs. Nevertheless, our sales remained stable. In total, our sales in 2022 increased by 2.8% to SEK 2,354 million, corresponding to 54 million litres of wine.

### Focus moving forward

We have an ambitious goal to continue our growth journey in Sweden. We will follow our successful strategy by continuing to listen and understand our consumers' preferences and ensure that they have access to the wines they want. Our consumer sites play a central role in this effort, and with the recent acquisition of Vinklubben we are strongly positioned for continued growth.



Anastasia de Re  
Vice President Giertz Vinimport

### Increased awareness about environmental impact of wine

Awareness of the environmental performance of wines has greatly increased among customers and consumers, with new labels emerging to best guide consumers in their purchasing decisions. Viva Wine Group is today the proud market leader in organic wines and also has the most products that meet Systembolaget's new Sustainable Choice label and its strict requirements for traceability, good growing conditions and climate-efficient packaging. We continue to gain market share and during the year we have mainly seen growth in our low-price wine segment. We aim to further strengthen our position in Sustainable Choice, which we see as a growing segment for the future.

Being responsive to our customers and consumers is therefore crucial. This requires us to continuously analyse statistics and launch new products that follow consumer preferences and trends. In addition, it is important to have a wide range of products in order to have good flexibility if demand changes. Our own customer clubs are an important channel for getting quick feedback from our consumers. In 2022, the Group added another customer club with the acquisition of Vinklubben, Sweden's largest online wine community with 1.6 million members.

### FOCUS ON SUSTAINABILITY AND CHANGING MARKET SENTIMENT

In Sweden, we see two clear trends: sustainability and changing market sentiment. In 2022, Systembolaget introduced the new "Hållbart Val" (Sustainable Choice) label. The label is given to products where the producer is willing to show full traceability down to farm level, where cultivation and production are environmentally certified, including good working conditions for employees, and the wine is sold in climate-efficient packaging. Viva Wine Group currently has a large number of wines that meet the Sustainable Choice criteria and we are the market leader in this new segment at Systembolaget, in terms of both volume and number of items. During the year, the market situation and consumer sentiment changed, partly due to the war in Ukraine. Market pressures including large increases in energy, transport and packaging prices have resulted in price increases at all levels. At the same time, we are strongly positioned to meet market needs with our broad portfolio of wines in all price ranges.





**CISA GROUP**

Cisa Group is a leader in new product launches in Finland and competes as the fastest growing alcohol importer for first place among Finnish wine importers. Cisa Group also owns Finland's largest wine and food club, with over two hundred thousand members.

**NORWEGIAN BEVERAGE GROUP**

**NORWEGIAN BEVERAGE GROUP**

Norwegian Beverage Group is rapidly growing in the profitable Norwegian market and imports wine, beer and spirits from all over the world with sales to Vinmonopolet, hotels and restaurants.

**Finland**

<b>#3</b> Market position	<b>3.9%</b> Net sales growth	<b>12%</b> Wholly owned brands
<b>16.8%</b> Market share	<b>&gt;240</b> Listings	<b>88%</b> Partner brands

**Norway**

<b>#6</b> Market position	<b>366*%</b> Net sales growth	<b>26%</b> Wholly owned brands
<b>5.3%</b> Market share	<b>&gt;50</b> Listings	<b>74%</b> Partner brands

\*Our Norwegian company transitioned from interest company to daughter company November 2021

Nordics		2018	2019	2020	2021	2022
Sales volume	million litres	4.1	5.8	8.6	10.1	12.4
Sales	SEK million	178	242	353	426	679
EBITA, adjusted	SEK million	14	23	46	53	93
EBITA margin, adjusted	%	7.8	9.3	12.9	12.4	13.7
Average number of employees	number	11	11	12	15	28

*Developments in 2022*

In total, our sales in the Nordic market in 2022 increased by 59% to SEK 679 million. In Finland in 2022, we had a total of over 240 listings in the fixed-product range and more than 429 listings in the on-demand range. In Norway in 2022, we had a total of over 59 listings in the fixed-product range and more than 281 listings in the on-demand range.

*Focus moving forward*

We aim to increase our market share in both Finland and Norway. In the Finnish market, our goal is to outpace market growth and to challenge our competitors for the position of market leader. In Norway, where marketing opportunities are extremely limited, the focus will therefore be on long-term growth, both organically and through acquisitions.

# Nordics

*The Nordic segment consists of Finland and Norway. In Finland, we are the third largest player through the Cisa Group with a market share of 16.8%. In Norway, we are the sixth largest wine importer through Norwegian Beverage Group with a market share of 5.3% at year-end.*

**MARKET**

The Nordic monopoly wine market has grown in sales by about 2% annually from 2015 to 2019. Between 2019 and 2021, growth in volume increased by 30 per cent, largely due to the impact of the pandemic. In 2022, sales began to return to 2020 pre-pandemic volumes. The general market development in the Nordic wine market has been negatively affected by changes and uncertainties in the outside world. Consumers have gradually returned to pre-pandemic spending patterns and consumer sentiment has been negatively affected by wartime anxiety, inflation and increased living costs. Nevertheless, our Nordic operations are growing. In Finland, our market share increased by 0.9 percentage points and in Norway by 0.8 percentage points in 2022.

**OUR PRODUCTS**

In Finland and Norway, Viva Wine Group's total sales in volume amounted to approximately 12 million litres in 2022. Our portfolio consists of both wholly owned brands and partner brands. The share of wholly owned brands is just under 12% in Finland and 24% in

Norway. We have a good mix of products from different parts of the world in most price ranges. We continue to increase our market share in both Finland and Norway as demand for our products steadily grows.

**OUR CUSTOMERS**

We sell most of our wines through the state monopolies Alko and Vinmonopolet. A smaller portion is sold through restaurants. The Finnish monopoly Alko has a similar process as the Swedish Systembolaget for introducing new products with a fixed-product range and an on-demand range. Demand determines whether the products then remain in the fixed-product range, or if other products take their place in the fixed-product range through the on-demand range.

In Finland, we operate what is by far the largest wine and food customer club, Rosa Viini & Ruoka, with over 200,000 members. This is a very important channel for promotion of our products.

In Norway, Vinmonopolet's procurement process is relatively detailed and often with clearly specified

requirements for the origin and quality of the wine. The Norwegian market also has much stricter marketing regulations, making it more difficult to launch new products and get a quick response from consumers. The potential to enter the fixed-product range via the on-demand range by creating local demand is therefore limited.

**MARKET DYNAMICS AND TRENDS**

In the Nordic region, sustainability plays an increasingly important role in the market, especially for new products. Organic wines are more in demand, along with a focus on traceability, good working conditions and climate-efficient packaging. While demand for premium wines remains high, interest in low-priced wines has grown in the Nordic region over the past year. With our diversified product portfolio, Viva Wine Group is well positioned to meet this demand.



Risto Suomio  
**CEO Cisa Group Oy**

*Our wine club is unique*

One of our strengths in the Finnish market is our food and wine club Rosa Viini & Ruoka. It is the largest customer club of its kind in Finland and an important channel for us to reach our end customers.



Petter Wulff  
**CEO Norwegian Beverage Group**

*Understanding of the market*

The Norwegian market does not allow marketing of wine. It is therefore extremely important to have a good understanding of the monopoly's requirements and purchasing processes in order to successfully launch new products.



**W Wine in Black**

Wine in Black is aimed at wine enthusiasts in the premium segment. Customers are introduced to an exciting new wine every day. The range varies greatly - from unknown winemakers to recognised prestige brands.

**weinfürst**

Weinfürst customers are price-conscious and want good quality at a competitive price. Weinfürst makes it easy to buy good affordable wines online. Weinfürst is our brand for launches in new markets such as the Czech Republic, Slovakia and Italy. Our offer consists almost exclusively of wholly owned brands through a pure D2C model.

**VICAMPO**

Vicampo is one of the leading online wine players in Germany, Austria and Switzerland. Customers are offered wines in all price ranges with over 15,000 wines, mainly our wholly owned brands or exclusive products, distributed directly from our warehouse.

*Weinfürst and Vicampo are both part of Vicampo.de GmbH, which was acquired in 2021.*

# Viva eCom

*Viva eCom is our key sales channel in the European market. In 2022, we successfully integrated critical functions from our three e-commerce brands and took steps towards a common warehouse. By centralising several functions, we enable future synergy and efficiency gains within Viva eCom.*

Viva eCom is our second largest segment and accounted for 20% of Viva Wine Group's net sales during the year. Viva Wine Group is one of the leading wine e-retailers in Europe.

**MARKET**

The e-commerce market for wine was characterised by a temporary downturn during the year. The post-covid effect, low consumer sentiment and inflation are just some of the challenges faced by wine e-retailers. Consumers tend to return to the buying patterns that were predominant before the pandemic and general consumer sentiment is low. Increased demand for wine in lower price ranges is a direct result of these trends. Viva eCom has been well positioned to deal with the change in the market, mainly through our diversified wine portfolio targeting different price segments. During the year, we saw strong demand for our products in the low-price segment with good growth for the low-price concept Weinfürst.

Smaller players in the fragmented European e-commerce market have struggled in the current market environment. For Viva Wine Group, this presents exciting opportunities for future acquisitions that can add value to Viva eCom's offering. We are actively seeking acquisition candidates who can fit into our organisational structure and business model.

**OUR PLATFORMS**

We are expanding our business across Europe from our logistics platform and commercial base in Germany. Our agile and pragmatic approach to internationalisation is the key to our success at Viva eCom. All our products are shipped from a centralised warehouse in Germany, minimising any logistical costs.

We offer products in all price classes and carry a wide range of premium brands, as well as our own affordable products. Over 75% of our sales are either wholly owned brands or exclusive products only available through our platforms.

**OUR CUSTOMERS**

We have over 451,000 active customers in eight countries across much of Europe. We communicate with our customers through our platforms and newsletters. By analysing customer behaviour, we increase our accuracy and adapt our offers. The unique online customer experience creates strong customer loyalty, which is reflected in a high proportion of sales from repeat customers, over 80%.

*Developments in 2022*

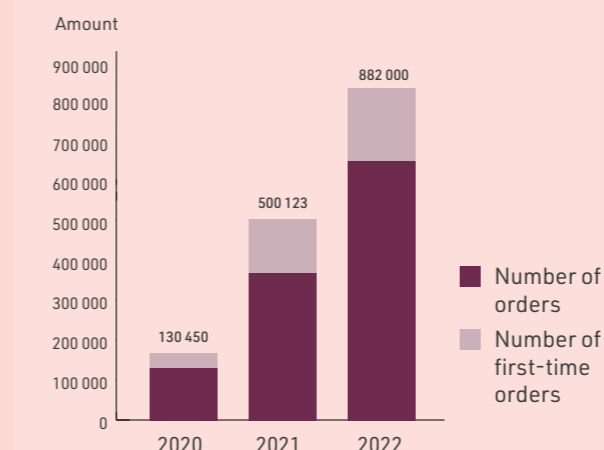
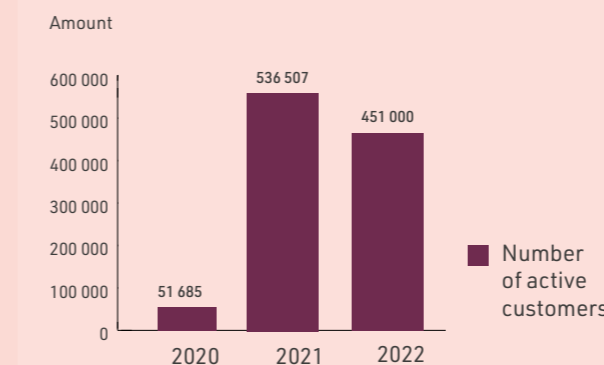
In 2022, we integrated Wine in Black, Vicampo and Weinfürst by centralising key functions within Viva eCom. This centralisation has created synergies between the platforms and a more efficient organisation, where a dedicated team works horizontally with all brands. During the year, we saw particularly strong growth for our low-price concept Weinfürst. Sales for Viva eCom amounted to SEK 775 million in 2022. The number of active customers decreased this year, but sales from repeat customers increased to more than 80%.

*Focus moving forward*

With clearly niched platforms and a strong portfolio of wine brands across all price segments, we will continue to leverage our agile capabilities for further expansion and growth in Europe. In parallel with organic growth, the goal is to identify acquisition candidates that can contribute to our long-term growth strategy. The current state of the market offers exciting opportunities for additional value-creating acquisitions. Another milestone is the opening of our new highly automated warehouse, which is under construction in Germany.



eCom		2019	2020	2021	2022
Sales volume	million litres	0.5	0.7	4.5	8,3
Sales	SEK million	92	137	486	775
EBITA, adjusted	SEK million	-12	-5	33	78
EBITA margin, adjusted	%	-12.5	-3.5	6.8	10.1
Average number of employees	number	29	24	130	206



Christian Fricke  
MD Viva eCOM Group

*Strong platform for growth*

The online wine market in Europe is still in its infancy and we see great potential. With our most recent acquisitions, we have created a strong platform for both organic and acquired growth. Our goal is to become Europe's leading player in wine e-commerce.





# 5

## Sustainability

At Viva Wine Group, sustainability is top of mind throughout our business, from grape to glass. Sustainability is essential for the planet and our future. We are convinced that caring for people and the environment is good for business, especially in the long run.





A WORD FROM THE DIRECTOR OF SUSTAINABILITY

# Sustainability as a driving force

*At Viva Wine Group, sustainability is top of mind throughout our business – from grape to glass. We want to be the most sustainable player in our industry and our goal is to offer consumers wine with the lowest environmental impact in the industry. As part of the effort to achieve this aim, in 2022 we adopted a new target in line with the research: To achieve a 50% reduction in climate impact per litre of wine sold by 2030!*

**A CHALLENGING BUT SUCCESSFUL YEAR**

Despite the global disruptions in society caused by the pandemic and wars, our sustainability performance continued to improve in 2022. Among other things, we succeeded in further increasing our measured climate efficiency, especially regarding transports and packaging. We reduced our total emissions from transports and packaging by an additional 2% per litre wine sold during the year. Despite the challenging environment, we at Viva Wine Group have continued to successfully do our part in ensuring the fulfilment of the global goals.

**STAYING THE COURSE & LAYING THE FOUNDATION**

We are laying the foundation for implementing our goals and working methods in our Nordic and European e-commerce business. We are also laying the groundwork to operate in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) and fulfil future Corporate Sustainability Reporting Directives (CSRD). We do so by analysing double materiality and deploying innovative software systems to digitalise, automate and streamline our Group-wide sustainability reporting, analysis and governance. Our new systems allow us to see in real time the climate performance of our products, both in total and per litre sold. It also allows our buyers and logisticians to easily run simulations to quickly see the effects of transport and packaging choices. We see that this advanced management of sustainability data will make a strong contribution to the business development of our subsidiaries and our common success.

**ENSURING FUTURE SUCCESS**

We are well aware of the impact of climate change

on wine growing and production conditions and are working with our supply chain partners to adapt and strengthen the resilience of our producer and grower levels. We are also working to reduce our overall climate impact so as not to contribute to increased problems. We are well prepared for stricter legislation and welcome increased expectations and demands from customers and consumers. The Nordic sales monopolies have committed to reducing their total CO2 emissions by 50% by 2030. Viva Wine Group is a critical part of their value chain, and we are confident that we will support them in reaching their goals by implementing our own ambitious sustainability targets.

**RAISE AMBITION & INSPIRE THE INDUSTRY**

We are working science-based to fulfil the Paris Agreement of a maximum 1.5 degree global temperature increase and achieve climate neutrality by 2050. We are committed to achieving a 50% reduction in CO2 emissions per litre of wine sold by 2030, with the aim of achieving net zero climate impact by 2050. We set, measure and monitor targets and develop new innovative software systems with partners. We are introducing a carbon budget for all companies and allowing the inherent entrepreneurial power of subsidiaries to act as a contributing engine in our overall Group-wide governance.

We are a leader in the Nordic wine sector in climate-efficient packaging. Currently, more than 74% of our products sold in Sweden are in lightweight climate-efficient packaging, which has 60-90% lower climate impact than regular glass bottles. Our goal is to offer 90% of our sales volume in climate-efficient packaging by 2030.



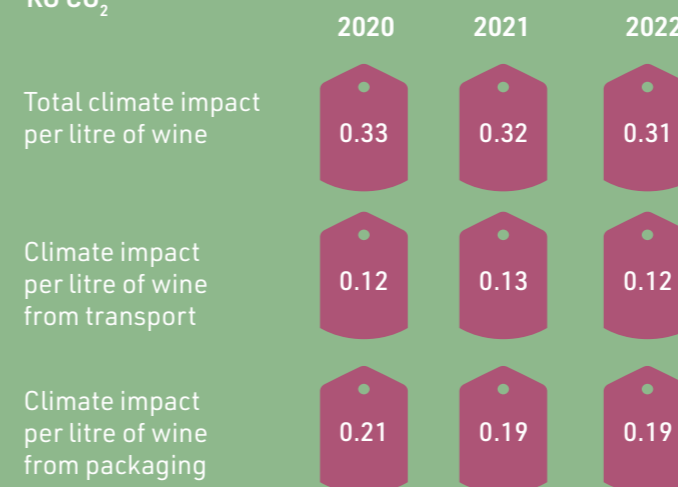
Our vision and goal is to be the most sustainable in our industry.

*Mikael Sundström  
Director of Sustainability,  
Communications and  
Investor Relations*

**SHARE OF ORGANIC AND/OR ETHICAL CERTIFIED WINE OF TOTAL VOLUME OF WINE**



**CLIMATE IMPACT  
KG CO<sub>2</sub>**



**SHARE OF VOLUME OF WINE IN CLIMATE-EFFICIENT PACKAGING**







## Accounting policies and framework

This report is Viva Wine Group's integrated Annual and Sustainability Report, in which the sustainability section is prepared in accordance with Global Reporting Initiative (GRI) Standards.

### SCOPE OF REPORTING

The Sustainability section of the 2022 Annual Report contains comprehensive and material information on the economic, social and environmental impact of Viva Wine Group's operations between 1 January 2022 and 31 December 2022. The report is prepared in accordance with the GRI Standards 2021. Sustainability data are limited to operations in Sweden and the goods sold on the Swedish market. Financial data refer to the Group as a whole. The integrated Annual and Sustainability Report is published on the Company's website once every calendar year. The previous Sustainability Report for 2021 was published on 27 April 2022.

### ENVIRONMENTAL DATA

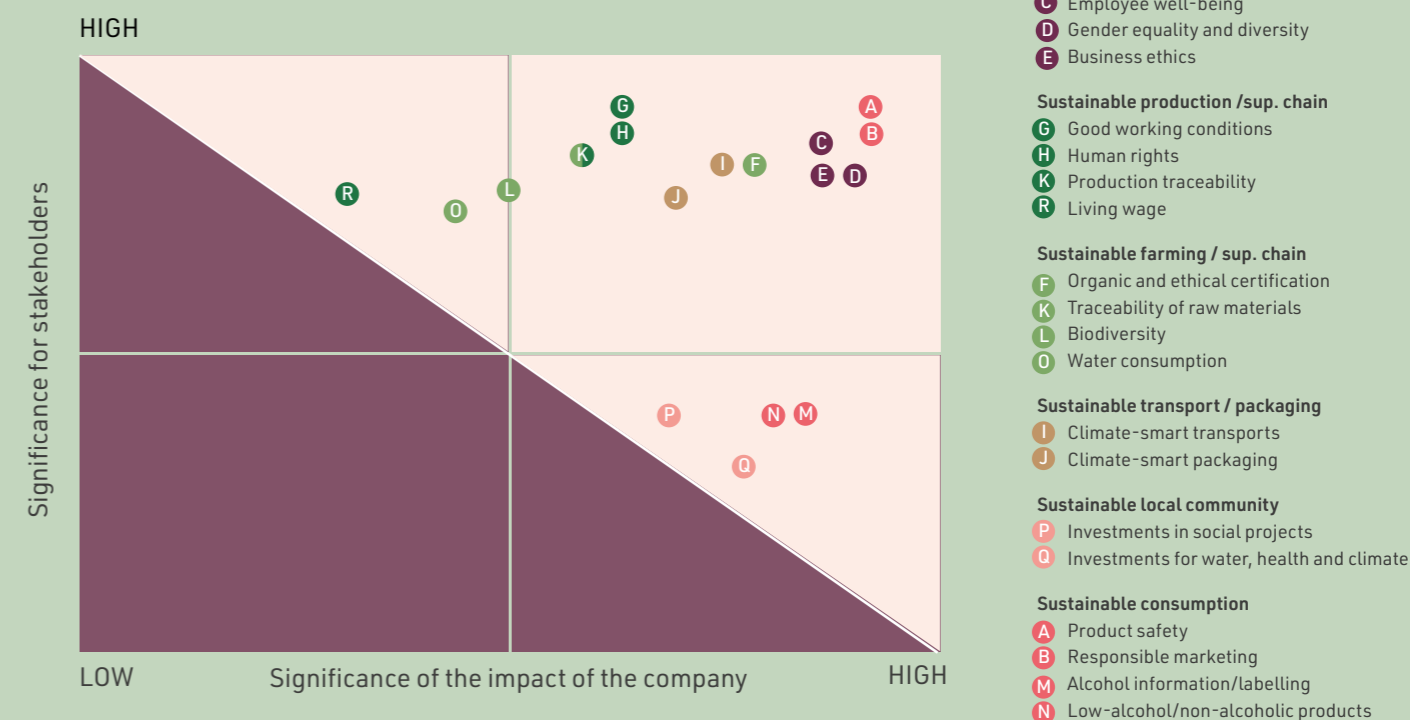
Viva Wine Group's reported environmental data cover its Swedish operations, the environmental impact of transporting goods to the Swedish market and the environmental impact of the packaging of these goods. The report also describes the environmental initiatives of

selected producers and other parts of the supply chain. Climate-warming emissions are calculated and reported in accordance with the GHG Protocol, only CO2 gases are included. In addition to reporting direct greenhouse gas emissions (Scope 1) and indirect greenhouse gas emissions (Scope 2), we also calculate and report large parts of the indirect emissions of our operations that are outside the direct control of our business (Scope 3). We do so because the significant majority of our environmental and climate impact occurs in the supply chain. All emission factors come from open sources. The majority of the emission factors come from authorities such as the Swedish Environmental Protection Agency and the Swedish Transport Administration, while a smaller part comes from product-specific reports. The IPCC AR5 is the source of the Global Warming Potential (GWP). All greenhouse gas emissions data contain inherent uncertainties due to incomplete scientific knowledge.

### SOCIAL DATA

The social data reported by Viva Wine Group include information about wages and absence due to illness for employees in the Swedish operations. Reported staff data refer to the average of the previous year. We also monitor implementation of the amfori BSCI Code and Guidelines in the supply chain and provide descriptions of initiatives to promote sustainable local communities in producer countries.

## MATERIALITY ANALYSIS



### STAKEHOLDER DIALOGUE

The views of our stakeholders are our main drivers for prioritising and further developing our business and corporate responsibility. We want our actions to meet and preferably exceed the expectations of our stakeholders, while balancing them against what is within our control and then prioritising them based on business benefit. We check in regularly with key stakeholders, and in preparation for the GRI adaptation of our 2020 Sustainability Report and our updated materiality analysis, we arranged to have a comprehensive and systematic stakeholder dialogue with structured interviews conducted by Enact Sustainable Strategies. The results of the stakeholder dialogue form the basis for the information and data reported in this integrated Annual and Sustainability Report.

### OUR KEY STAKEHOLDERS

We have divided our key stakeholders into ten main groups: Shareholders, Employees, Producers, Suppliers, Carriers, Customers, Consumers, Politicians, Decision makers and Authorities, NGOs, Media. We have regular dialogue with all of our key stakeholders, usually through trainings, workshops, meetings, trade fairs and events, surveys, audits and reporting - such as this integrated Annual and Sustainability Report.

### KEY SUSTAINABILITY ISSUES

Based on our stakeholders' expectations and concerns, as well as the impact of our business and control over this impact, a number of overarching areas and related sustainability issues have been identified as material. Our sustainability work focuses on these overarching areas and issues, which we target, implement, measure

and report. It is important to point out that we are not the owners of the vast majority of production and farming, which takes place in our supply chain. However, as buyers and partners, we do have the opportunity to exert influence through our purchasing requirements, including the Code of Conduct.

- Sustainable workplace with a focus on health, equal opportunity and diversity.
- Sustainable production with a focus on working conditions and human rights.
- Sustainable farming with a focus on biodiversity, fertiliser use and water consumption.
- Sustainable transport and packaging with a focus on climate, packaging materials and recycling issues.
- Sustainable consumption with a focus on responsible marketing, alcohol information and moderation.

### OTHER SUSTAINABILITY ISSUES

Some issues have been judged, on balance, to be less important in the structured dialogue with key stakeholders. At Viva Wine Group, we have chosen to work and report on these areas as well, since we consider them to be of importance to the business where we have some opportunity to indirectly influence their development. We feel that sustainable local communities, especially among producers in countries with socioeconomic challenges, are crucial to development and long-term functional viticulture. We therefore have a chapter on Sustainable Communities, focusing on our work to promote fair trade and investment in social projects to create better living conditions and prospects in vulnerable areas.





# A sustainable approach – from grape to glass

*At Viva Wine Group, we want to promote sustainable development, from grape to glass. Sustainability is crucial for our planet, agriculture and the future of our business. We know that caring for people and the environment is good for business, especially in the long run.*

### A SUSTAINABLE VISION

Our vision is to be the most sustainable player in our industry and we hope to inspire competitors and partners to follow our example. We achieve this by focusing on a sustainable supply chain, a sustainable transport chain and a sustainable customer and consumer offering.

### A SUSTAINABLE GOAL

Our goal is to offer consumers wine with the lowest environmental impact in the industry. As part of the effort to achieve this aim, in 2022 we adopted a new target in line with the scientific community: To achieve a 50% reduction in climate impact per litre of wine sold by 2030! As a result, we are also developing a new roadmap for transport, packaging, cultivation and production.

### A SUSTAINABLE SUPPLY CHAIN

At Viva Wine Group, we aim to achieve the highest possible quality, at every stage. This applies to not only the contents of the bottle but also packaging and transportation. At our producers, we promote decent working conditions and environmental considerations. We train, set requirements according to amfori BSCI and follow up. We engage in constant dialogue and cooperate with local and global organisations.

### A SUSTAINABLE TRANSPORT CHAIN

We co-distribute and create innovative circular solutions with our transport partners to minimise our climate impact. Most of the goods are transported by ship and rail, while trucks are only used in exceptional cases.

### A SUSTAINABLE OFFERING

Our range spans many wine styles and origins and we are pioneers and market leaders in organic and ethically certified wines. We offer most of our wine in lightweight, climate-efficient packaging and are investing heavily in new packaging solutions.

### SUSTAINABLE CONSUMPTION

We promote responsible consumption of our products and unique social gathering places. We want our activities to contribute to a sustainable planet and to quality of life.

## FOCUS AREAS AND PRIORITIES

\* The COVID-19 pandemic prevented planned on-site sustainability audits for producers

Focus areas	Target	Global goal	Results 2020	Results 2021	Results 2022	Goal 2023	Goal 2030
Sustainable farming and production	Share of producers with an approved code of conduct	Goal 8	100%	100%	100%	100%	100%
	Share of volume audited for sustainability	Goals 8, 12, 13, 15	50%	39%*	65%	67%	100%
	Share of volume certified organic and/or ethical	Goals 12, 15	49%	49%	48%	50%	75%
Sustainable transports and packaging	Share of climate-efficient packaging	Goals 12, 13	72%	73%	75%	75%	90%
	Climate impact CO <sub>2</sub> eq/litre from transport	Goal 13	0.13 kg	0.13 kg	0.12 kg	0.11 kg	0.06 kg
	Climate impact CO <sub>2</sub> eq/litre from packaging	Goal 13	0.21 kg	0.19 kg	0.19 kg	0.19 kg	0.11 kg
Sustainable workplace	Absence due to illness	Goals 5, 8	2.18%	1.31%	2.48%	2.0%	2.0%
			Climate impact CO <sub>2</sub> eq/litre total	Goal 13	0.33 kg	0.32 kg	0.31 kg
Sustainable consumption	Warning text on advertisements	Goal 3	100%	100%	100%	100%	100%

Our 7 selected UN global goals

### Global Goals

At the 2015 UN Summit, 17 goals were agreed, setting out the direction for work by all Member States until 2030.

### GOAL 3: HEALTH AND WELL-BEING

We develop and sell alcoholic beverages and want them to be consumed in a way that provides pleasure and well-being. We promote moderation, both in marketing and through financial support for health promotion projects. [Read more 62-63](#)

### GOAL 5: GENDER EQUALITY AND WORKPLACE SAFETY

We take responsibility on the ground in Sweden, in our own organisation. We want to offer an equitable and safe workplace where everyone is given the opportunity to reach their full potential. The gender distribution in management positions should be equal and reflect the composition of the company as a whole. [Read more 60-61](#)

### GOAL 6: CLEAN WATER AND SANITATION

Water is in short supply in many places around the world, which is why we encourage producers to implement smart irrigation systems. [Read more 48-49](#)

### GOAL 8: DECENT WORK AND ECONOMIC GROWTH

For us it is important that workers in the fields and vineyards have good working conditions. That is why we are part of the amfora BSCI and regularly visit our producers. [Read more 34-35](#)

### GOAL 12: RESPONSIBLE CONSUMPTION AND PRODUCTION

We promote organic and ethical farming and invest in climate-smart and recyclable packaging to thereby promote effective use of natural resources. [Read more 48-57](#)

### GOAL 13: COMBAT CLIMATE CHANGE

Farming, transports and packaging all affect the climate. If we don't succeed in curbing global warming, it will become increasingly difficult to grow grapes for good wine. [Read more 50-51](#)

### GOAL 15: LIFE ON LAND

Farming can both deplete and enhance biodiversity. We are dedicated to ensuring that wine is cultivated in a way that has as little impact on the ecosystem as possible. [Read more 48-49](#)





Caroline Strindmar  
**SUSTAINABILITY MANAGER**  
**VIVA WINE GROUP**

### *Success for organic wines*

We are proud to offer quality wine with a very low environmental impact.

In organic farming, there are more restrictions on fertilisers and pesticides than in conventional farming. In recent years, the demand for organic wines has steadily increased. Viva Wine Group has been a leader in this trend.



#### **HEALTHY FOR EMPLOYEES**

Organic farming without chemical pesticides not only benefits biodiversity, it is also healthier for workers in the vineyard.



#### **NATURAL FARMING**

Organic farming prohibits the use of unnatural chemical pesticides. Instead, weeds and pests are kept away naturally.



#### **KIND PRODUCTION**

Organic production means less use of sulphur in winemaking.

## *Sustainable farming*

*For us at Viva Wine Group, sustainable farming means safeguarding the soil, water and biodiversity in the vineyard. We do this by optimising production methods based on local conditions and working to reduce chemical use, as well as energy and water consumption.*

#### **ORGANIC FARMING AND WINEMAKING**

For a wine to be labelled and sold as organic, both the farming and winemaking processes must be organic. This means that the grapes are grown without artificial fertilisers, chemical herbicides or pesticides. Organic farming uses nature's own pest control methods, such as ladybirds. The excipients used in vinification are also organic. In addition, the use of sulphur and copper are also restricted. To be certified, organic farming methods must be used for at least three consecutive years.

#### **BIODIVERSITY**

The natural methods of organic farming promote biodiversity and provide a rich variety of plants, which

also benefits the wildlife on the farm, reduces the impact on groundwater and ensures that vineyard workers are not exposed to herbicides while at work.

#### **EFFICIENT WATER USE**

The vine is a hardy plant, with deep roots, which means limited water requirements. The amount of water also affects the quality of the wine and watering is therefore often strictly regulated. Watering is usually done using smart drip irrigation systems that do not give the vines more water than they really need, and reduce the risk of water evaporation.

#### **CERTIFICATION MAKES A DIFFERENCE**

Organic farming is time consuming, which can affect the price to the consumer. At the same time, it contributes to rich, diverse and productive ecosystems, preserves biodiversity and reduces the amount of poisons in nature. However, there are other ways to contribute to sustainable farming besides organic farming, and many winegrowers are working systematically to reduce their environmental impact without being certified organic.

"We are convinced that by increasing biodiversity, we create ecosystems that are healthier, more resilient to climate change and consistently produce better quality wines."

*Yealand Wine Group*

#### **CASE YEALANDS WINE GROUP**

### *The Crossings*

The Yealands Wine Group, which produces New Zealand's The Crossings brand, has been working on sustainability since 2008 and is making great efforts to promote biodiversity. Its Yealands Biodiversity Plan provides for restoration and protection of sensitive nature in the area, both within and beyond the vineyards, over the next thirty years. Yealands has worked with landscape architects, regional authorities and local residents to find the right measures for its plan, which includes wetlands and waterways, as well as coastal and mountainous areas at risk of erosion.

#### **MEASURES IN THE VINEYARD**

Cover crops and wild flowers are being planted within the vineyard. Plants are chosen based on their ability to prevent nutrient drainage and soil erosion, while contributing to a better and healthier soil structure. The flowers attract beneficial insects that keep pests away from the wine.

#### **RESTORE WETLANDS AND WATERWAYS**

Large areas that are not optimal for viticulture are being restored to their former function. One vineyard has restored its original waterways. In total, over 250 hectares of original vegetation and wetlands have been restored by planting native shrubs and plants. Wetlands contribute to biodiversity by providing habitats for birds and beneficial insects, capturing excess water, sequestering carbon dioxide, filtering nutrients and preventing erosion.



## Impact of climate change on growing conditions

*For Viva Wine Group, the consequences of climate change are already a reality. We are therefore systematically investing in both mitigation and prevention measures to reduce and respond to them. Producers and growers report volatile and unstable weather conditions, but also more far-reaching effects where geographical areas are permanently affected.*

### IMPACT OF CLIMATE CHANGE ON VITICULTURE

Warmer temperatures and drier climates have a direct impact on wine quality, as these conditions increase the sugar content of grapes. This in turn increases the alcohol content, which means there are already examples of producers being forced to de-alcoholise their wines.

Unstable weather conditions can affect when budding occurs and in recent years harvesting has had to start earlier than expected in many locations. Extreme weather events occur more frequently, such as hail, high winds and driving rain, which damage or destroy plants and fruit. Climate change also causes vegetation zones to shift over time, and with them vineyards, which producers need to take into account when planning for the future.

### ACTIONS BY PRODUCERS AND GROWERS

Facing these challenges is nothing new for many winemakers and growers. Many are reviewing the composition of grape varieties and investing in switching to more resistant varieties. In some cases, old varieties are being reintroduced, while in others, new varieties are being developed with specifically desirable characteristics. Producers are also working to make nature more resilient to climate change by restoring areas around the vineyard that previously created higher species diversity, absorbed water and reduced soil erosion. In some places, vines are pruned in new ways, so that the foliage forms a protective canopy against sun, weather and wind.

More and more producers are getting involved in trying to minimise their climate impact and slow down the trend. They measure their climate impact, set climate targets and follow up through measures such as installing solar panels, energy efficient technologies, water-saving and recycling systems, and reducing the use of artificial fertilisers.

### SCIENTIFIC TARGETS

We work systematically to reduce our impact and that of the beverage industry. We are working in accordance with science to fulfil the Paris Agreement of a maximum 1.5 degree global temperature increase and achieve climate neutrality by 2050. We are committed to achieving a 50% reduction in CO2 emissions per litre of wine sold by 2030, with the aim of achieving net zero climate impact by 2050. We set, measure and monitor targets and develop new innovative software systems with partners.

### MITIGATION AND ADAPTATION

We encourage our producers' efforts to reduce their climate impact through solar panels, energy-efficient technologies, water-saving systems and growing without artificial fertilisers. We also welcome producers' ambitions to experiment with more drought-tolerant grape varieties, establish vineyards in new locations and restore areas that have proved less suitable for viticulture, in order to improve the resilience of the remaining parts of the vineyard.



### CASE GRUBER RÖSCHITZ

#### *Bergh*

On behalf of our subsidiary Wine Team, the family business Gruber Röschtitz, which produces the Bergh brand, has developed completely climate-neutral products. The total climate impact of the product and the implemented measures have been carefully calculated in this effort.

### THIRD-PARTY AUDIT RESULTS

The calculations included climate impacts from all stages: cultivation and production, packaging and transport, as well as consumer behaviour, and were carried out in accordance with the Greenhouse Gas Protocol – The Product Life Cycle Accounting and Reporting Standard. The study was conducted by the consultancy Zero Mission and was third-party audited by the audit firm Ernst & Young.

### CLIMATE-NEUTRAL PRODUCTS

The result was three climate-neutral products and increased knowledge about which part of each product's value chain has the most climate impact and how this can be addressed. The carbon footprint of the products was extremely low as a result of organic farming, rail transport and lightweight glass. The remaining climate impact was offset through investments in certified carbon offsets. The producer Gruber Röschtitz was inspired by the project and is now planning further climate measures, such as installing solar panels, replacing diesel with HVO and completely eliminating artificial cleaning agents in the winery.

"In comparison with other studies on wines carried out in recent years, the Ludwig Bergh product line is in the lower range of measured carbon footprints. This can be attributed to the brand's already established environmental profile and the measures it has taken for areas with a high climate impact."

*Zero Mission*





# Sustainable production

*Viva Wine Group expects to have good working conditions in all parts of the supply chain and we set detailed requirements for our producers and growers based on the amfori BSCI Code of Conduct and Working Practices.*

## AMFORI BSCI

amfori BSCI is an international initiative based on the UN Declaration of Human Rights and ILO Conventions. It presumes that all workers should have the right to decent working hours, proper pay and the opportunity to organise. Discrimination is not permitted, and the health and safety of workers must be respected. Naturally, all forms of child and forced labour are forbidden.

## HUMAN RIGHTS DUE DILIGENCE

We regularly monitor the sustainability performance of producers. Viva Wine Group is a member of amfori in order to be able to act on or prevent any risk of non-compliance with the amfori BSCI guidelines, by being able to commission and carry out independent audits. We have a particular focus on our 76 producers in risk countries (Argentina, Bulgaria, Chile, Moldova, Italy and South Africa). Each year, producers and products with increased social and environmental risks are identified, and a prioritisation and timetable is formulated for further controls.

Checks are carried out by independent audit firms. Each audit lasts two to five days, during which the producer's operations and the working conditions of the employees are examined in detail. In accordance with amfori BSCI's cascading principle of respecting human rights throughout the supply chain, the producer's largest growers are also included in the audit and scrutinised according to the same criteria.

## Amfori BSCI Guidelines

-   
FAIR PAY
-   
PROTECTION OF THE ENVIRONMENT
-   
FREEDOM OF ASSOCIATION
-   
PROTECTION FOR YOUNG PEOPLE
-   
NO FORCED LABOUR
-   
NO CORRUPTION
-   
LEGAL WORKING HOURS
-   
LEGAL EMPLOYMENT
-   
NO DISCRIMINATION
-   
NO CHILD LABOUR
-   
HEALTH AND SAFETY

## PRODUCERS IN RISK COUNTRY\*

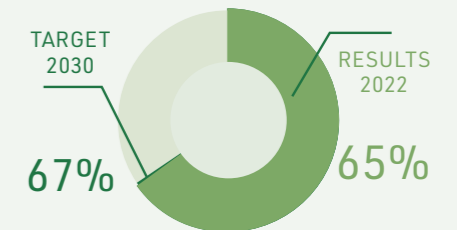
76 100%

Total number of producers 2022

Percentage that certified compliance with the Amfori BSCI code of conduct

## VOLUME AT-RISK COUNTRY\*

Share of volume where labour conditions and human rights have been independently audited by a third party



\*At risk countries have been identified as Argentina, Bulgaria, Chile, Italy, Moldova, South Africa. There may be particular challenges related to corruption and working conditions, such as equal treatment, health and safety, working hours and pay.

In the event of any deviations, we help the producer put together action plans in order to address the problems over the coming months. The results of these efforts are subsequently reviewed again with a new site visit. If after a follow-up audit the producer has not addressed the shortcomings, the partnership may be terminated, which did not occur in 2022.

## ACT ON ABUSES

The Viva Wine Group is committed to early detection and action on signals of potential wrongdoing from employees, as well as from producers, agents, customers and other business partners. We recommend contacting someone in a position of authority or a union representative in the first instance, but in cases where anonymity is desirable, we have an external reporting tool in collaboration with Lantero whistleblowing system. This tool is available to all Viva Wine Group employees, as well as to our partners.

## SUSTAINABILITY DIALOGUE WITH PRODUCERS

For our business to be sustainable at all stages of the chain and an integral part of our business, it is essential

to maintain a continuous dialogue with producers on sustainability issues. The Nordic monopolies' focus on sustainable product lines reinforces the need to develop products with more sustainable packaging, credible certifications and traceability at all stages.

Therefore, in 2022, Viva Wine Group developed a tool for dialogue that all employees, regardless of their position, can use in meetings with producers and growers. The tool contains information on sustainability, suggested questions or possible observations where the answers can give an indication of the producer's sustainability performance. The answers can be documented and personal comments can be recorded for possible follow-up or reminders for the next meeting.

## WHISTLEBLOWING SYSTEM

We are committed to sustainable workplaces and good working conditions throughout our supply chain. To support this, we use a whistleblowing system in cooperation with Lantero. The system is being rolled out at the production level. No incidents were reported in 2022.





### Fairtrade & Fair for life

Fairtrade and Fair for Life are two recognised global certifications to ensure good working conditions, fair trade and sustainable communities.

## Sustainable local community

*Viva Wine Group has far-reaching partnerships with key producers and together we have developed several certified products and projects.*

#### FINANCIAL SECURITY

With Fairtrade and Fair for Life certification, winemakers receive a guaranteed minimum price for their grapes and a guaranteed buyer of the harvest each year. They also have access to loans and credit, free technical assistance and advice, insurance in case of production losses and a premium per kilo of grapes sold. For every litre of certified wine sold, a sum goes directly back to the local community, often hundreds of thousands of Swedish kronor per year. The producer and the growers' employees jointly decide how to invest this money.

#### SOCIAL SUSTAINABILITY

The Fairtrade and Fair for Life certifications fund several projects through the premium. Since 2010 alone, our sales of certified products have contributed nearly SEK 20 million in Argentina, Bulgaria and South Africa.

1940  
Founded

500  
Families

2006  
Fair Trade certification



#### CASE ECOLOGICA

### La Riojana

#### COOPERATIVE WITH TRADITION

The La Riojana wine cooperative is located in northwestern Argentina. The cooperative was founded in 1940 and since then four generations and several hundred families have been involved in growing grapes for Ecologica. Most are small-scale producers with less than 2-3 hectares of land per family.

Since its certification in 2006, La Riojana has implemented over 30 projects funded by the Fairtrade premium. The largest project is a technical agricultural high school built in 2010 in the small village of Tilimuqui with funding from COOP in the UK and the Viva company Giertz Vinimport in Sweden. Since its opening, the school has grown from around 30 students to over 600 and is the first technical high school to be built in the province of La Rioja. It is also one of the largest Fairtrade-funded projects in the world. The latest addition is a health centre that will provide healthcare to around 10,000 people in the region.



2008  
Start

Leva  
Foundation

2014  
Fair for Life certification

#### CASE LEVA

### Vinex Slavyantsi

Bulgaria's winemaking tradition dates back thousands of years. Vinex Slavyantsi, which produces the Leva wines, is located in the eastern part of the Rose Valley, a region with a long history of growing and producing wine. With its mild winters and cool summers, the region is well suited for wine growing. However, the social and economic situation for ethnic minorities is very difficult in Bulgaria, especially for the Roma population and the area around Vinex Slavyantsi is home to many people of Roma background.

#### LEVA PROMOTES INTEGRATION

In 2008, the Viva company Giertz Vinimport and Vinex Slavyantsi, together with representatives of the Roma population, set up a foundation to improve living conditions and future opportunities in the neighbourhood. Known as the LEVA Foundation, since 2008 Giertz Vinimport has contributed more than SEK 8 million.

The money has been used to support three kindergartens with 120 children, grants for families to pay for their children to attend preschool, support for school pupils and scholarships for higher education. We have also supported small health projects, provided legal assistance to employed workers, supplied a dance group with folk costumes, and organised sports activities and school trips during the holidays.

#### ETHICALLY CERTIFIED

In 2014, Vinex Slavyantsi and Leva Foundation were ethically certified by the Swiss regulatory body IMO and its internationally recognised "Fair for Life" scheme. In addition to fair working conditions and trade agreements, this internationally recognised ethical certification for fair trade also includes requirements for a good environment, both in and around the vineyard.

#### CASE FOOT OF AFRICA

### Kleine Zalze

#### KLEINE ZALZE TRAINING PROGRAM

Kleine Zalze and the Viva company Winemarket have set up an education fund that aims to finance higher education for vineyard workers and their families. Each year, three to four individuals are given the opportunity to obtain a university degree or equivalent. The aim is to create role models in the local community while providing the wine industry with access to more highly trained staff in the long term. Kleine Zalze sees the power of people's dreams as enormous. Through the scholarship, they help workers in the winery, vineyard and surrounding villages realise their full potential while serving as inspiring role models for others.

#### CASE HOPE

### Du Toitskloof

#### THE TRAVELLING LIBRARY

The Travelling Library, a purpose-built mobile library, hit the road in South Africa's Breedekloof in 2022. Du Toitskloof and Viva company Iconic Wines have made a commitment to offer the children of vineyard workers the opportunity to visualise their potential and future dreams by funding and enabling the library. Many schools in the region do not have access to computers or books, and many children are unable to access public libraries. The solution is for the library to come to them. It offers computers with desk space, printed books, e-books, tablets, learning toys and games. A dedicated librarian is always at hand. The bus visits nine schools at least once every two weeks, reaching over 1,400 children.







# Sustainable transports and packaging

*Viva Wine Group sees sustainable transports and packaging solutions as key factors in radically reducing the climate impact of its operations and meeting its climate neutrality targets.*

We know that shipping, warehousing and packaging have a significant environmental impact and together with our partners we strive to constantly develop smart solutions and innovative projects.

### OPTIMISED LOGISTICS

Together with our partners, our logisticians create efficient co-distribution solutions with good reliability, minimal environmental impact and maximum fill rate. We have successfully switched most of our transport within Europe to Sweden from trucks to trains. For longer distances, ships are used. Our choice to switch from trucks to trains and ships has radically reduced emissions. Some products are transported long distances in tanks, after which the wine is bottled or boxed in Denmark or France. This reduces transport weight and thus the climate impact. Once in Sweden, our warehouse partner has a train terminal, which means that our products roll by train all the way into the warehouse, where they are unloaded using electric forklifts.

### SMART PACKAGING

Packaging is one of the areas of the business with the greatest climate impact because of its weight, the manufacturing process and its potential recyclability. In collaboration with suppliers and customers, we therefore prioritise climate-smart packaging, i.e. bag-in-box, tetra, lightweight glass and PET. We already offer 75% of our volumes in climate-smart packaging.

### WORLD-LEADING RECYCLING

We take active producer responsibility in Sweden for the recycling of our products through the financing and development of Svensk Glasåtervinning (SGÅ) and Förpacknings- och Tidningsinsamlingen (FTI). Together with other industry participants, we have helped to build the Swedish and Nordic glass and paper recycling systems into world leaders.

### BEVERAGE INDUSTRY CLIMATE INITIATIVE

The joint framework for the Swedish beverage industry, DKI, was initiated in 2017 by Systembolaget, the Swedish Brewers Association (Sveriges Bryggerier) and the Swedish Wine and Spirits Suppliers Association (Sprit & Vinleverantörsföreningen, SVL). Viva Wine Group companies have been involved from the outset, driving the collaboration forward with a third-party audited calculation tool and common goals.

### EFFICIENT E-COMMERCE

We work systematically to reduce our carbon footprint in our non-Nordic e-commerce. Low return rates and partnerships with delivery companies that run exclusively on renewable fuels help to reduce climate impact. Studies also show that e-commerce itself can reduce climate impact compared with consumers going to the store for their purchases.

### Glass recycling

93 per cent of glass collected in Sweden is turned into new bottles.



### Efficient logistics and climate-smart warehousing

Most of our transports in Europe are by train, and the wine is shipped by rail all the way to our Swedish warehouse in Jordbro.

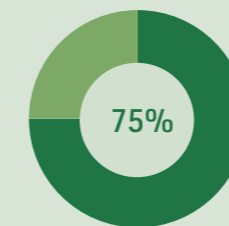


### Joint venture

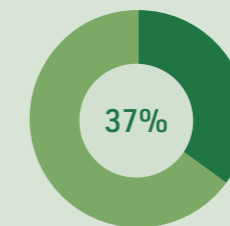
Leading players in the beverage industry work together to reduce climate impact.



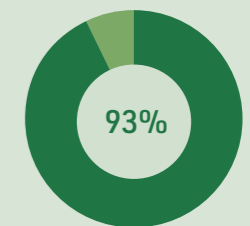
### SHARE OF VOLUME IN CLIMATE-SMART PACKAGING



### SHARE OF VOLUME IN LIGHTWEIGHT GLASS OF TOTAL GLASS

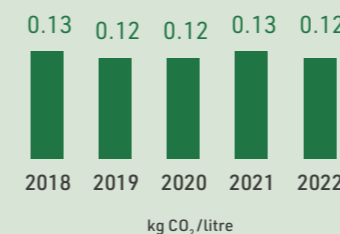


### RECYCLING RATE IN GLASS



### EMISSIONS 2022

Climate impact, transport



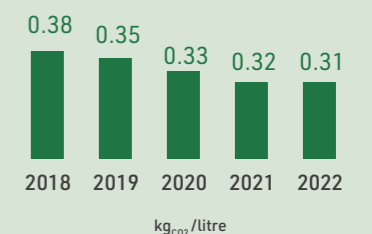
### EMISSIONS 2022

Climate impact, packaging



### EMISSIONS 2022

Climate impact, total



**IN EUROPE,** the majority of transports are by train instead of by truck

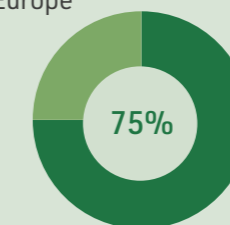


**OUTSIDE EUROPE** shipping is by sea



### THE CLIMATE IMPACT OF TRAINS IS

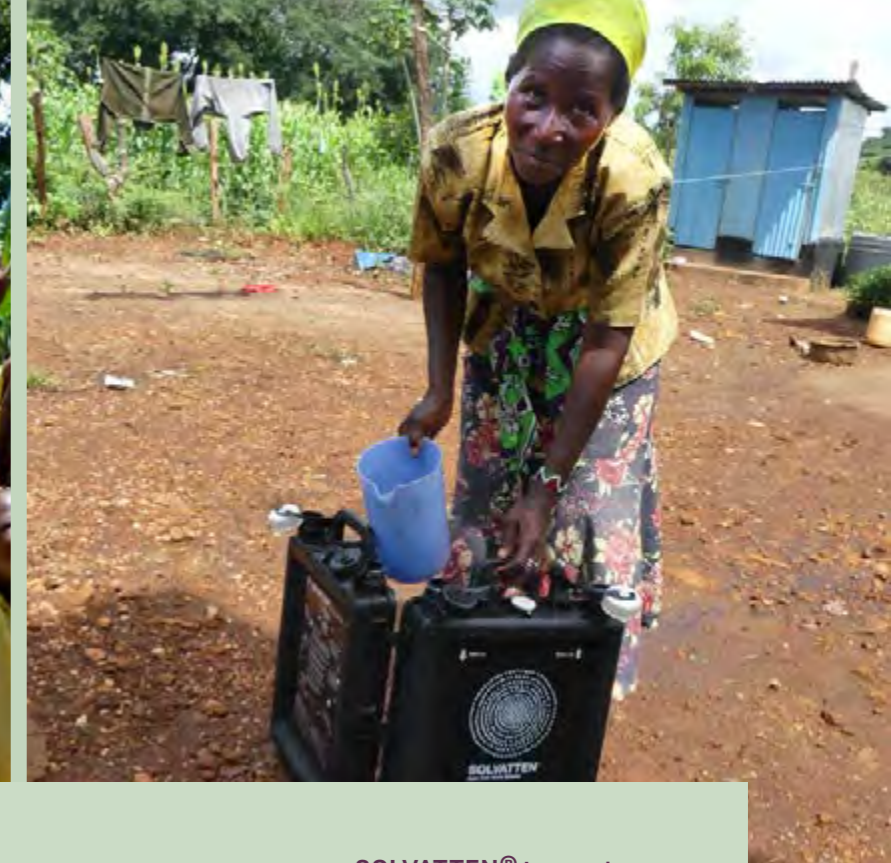
about 75% lower than that of trucks for comparable routes in Europe



### CLIMATE-COMPENSATED FREIGHT







# Climate budget and climate compensation

We use climate budgets as a policy tool in our Swedish business and we offset emissions from the transport chain and the climate impact of heavy glass packaging. Our investments are made in partnership with recognised organisations to reduce climate impact globally and create social benefits locally. Social added value such as health and gender equality are at the core.

## Climate budget

For our Swedish subsidiaries, a climate budget is calculated each year based on the previous year's climate impact and the targets set for 2030. The climate budget indicates the total climate investment the company must make in order for the impact of its operations from transports and heavy packaging to be climate neutral. The more climate-efficient the organisation, the less that has to be spent from the budget on climate investments, and the more that can be invested elsewhere, or paid out as profit. Climate budgeting has become a powerful tool to help guide companies to reduce their impact.

## Climate investments

Viva Wine Group companies are developing several different climate projects with key producers. Investments in recent years have included the installation of solar panels, solar-powered water pumps and composting machines. The purpose of the investments is twofold: to reduce the climate impact at the production stage and to make producers self-sufficient and less dependent on purchased energy and electricity. Ultimately, the ambition is for producers to be able to produce a net surplus that can be sold back to the grid.

## Climate compensation

The basis of our work to combat climate change is to reduce the climate impact from our own operations and our supply chain as much as possible. We do this by making climate-smart choices and efficiency improvements. Remaining impact from our own operations as well as climate impact from our transports we compensate for. In order to make transports to Sweden climate neutral the remaining climate impact is compensated for through investments in Solvatten. Solvatten is an innovative water purification solution that contributes to improved health, increased gender equality and reduced climate impact. We always invest more than our actual emissions.



## Solvatten 2018-2022

8,937 →	56,214
Entities	Saved trees
62,559 →	3,750,859
Estimated tonnes of CO <sub>2</sub>	m <sup>3</sup> of clean water

## SOLVATTEN® Innovative water treatment solution

- Heated water in 2-6 hours
- Yields about 6,000 litres per year
- Indicator shows when the water is clean
- Used several times a day
- Easy to use and to carry
- No batteries, spare parts or chemicals needed
- Has a long life span, 7-10 years

## INNOVATIVE WATER TREATMENT SOLUTION

### Solvatten

Solvatten is an innovative water treatment solution that contributes to improved health, increased gender equality and reduced climate impact. The award-winning invention was developed by a Swedish family business and is used in several villages in Kenya in co-operation with International Aid Services.

The solar water device is filled with water from nearby streams. When placed in the sun, a process is activated that purifies the water from harmful bacteria and microorganisms and makes it safe to drink. The water is heated at the same time, making cooking, washing and personal hygiene more convenient. At the same time, the need for fuel such as wood or pellets is reduced. With less wood needed, more trees are left standing to bind soil, thereby preventing desertification, while sequestering carbon dioxide, all of which benefit the climate.

## HEALTH BENEFITS

One unit of Solvatten has been confirmed to provide environmental and health benefits for at least seven years. Since the start of our partnership in 2017, our investment in Solvatten has so far resulted in a confirmed carbon offset above 2,000 tonnes of carbon dioxide. In total the investments made between 2018 and 2022 are estimated to result in a carbon offset above 62,000 tonnes of carbon dioxide.

## DIGITAL READING

The climate benefits are verified by Solvatten together with International Aid Services in Kenya. Development of a prototype with real-time digital readout and certification of new projects is ongoing.

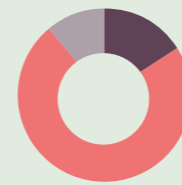
## CERTIFICATION

In 2022, work began to certify Viva Wine Group's and Solvatten's projects in Kenya according to the WWF Gold Standard.





## DISTRIBUTION OF EMPLOYEES 2022 (SWEDEN SEGMENT)



## AGE DISTRIBUTION

- 18% are younger than 30
- 70% are between 30 and 50
- 12% are older than 50



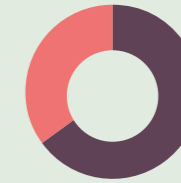
## GENDER DISTRIBUTION

- 35% men
- 65% women



## AGE DISTRIBUTION OF THE BOARD AND MANAGEMENT

- 0% are younger than 30
- 42% are between 30 and 50
- 58% are older than 50



## GENDER DISTRIBUTION OF THE BOARD AND MANAGEMENT

- 67% men
- 33% women

## Sustainable workplace

*Our employees, along with our producers, are Viva Wine Group's greatest asset. We bring together curious, committed, creative and knowledgeable people with a passion for beverages and entrepreneurship.*

### GOOD LEADERSHIP

For us at Viva Wine Group, it is important that everyone strives to be a good role model. Humanistic and value-driven leadership is therefore a hallmark of the business. The aim is to help both employees and the organisation to develop and grow. Together we create an open, fast-paced and inclusive work environment.

### CONSTANT DEVELOPMENT

We are committed to ensuring that all employees develop and reach their full potential. Further training is offered on an ongoing basis and internal mobility is encouraged. Our staff grow and develop with the company, and are given the opportunity to take on new roles with wider responsibilities.

### DIVERSITY IS AN ASSET

We hire based on merit and believe that people with different backgrounds, interests and personalities contribute to an innovative and progressive business. We consider internal and external differences to

be an asset, and we believe that an equitable and equal workplace benefits both the individual and the organisation. We also endeavour to achieve an even distribution in terms of gender and age, both among employees in general and among those with personnel responsibilities or other management positions.

### INVESTMENTS IN PERSONNEL

We value our employees and surveys show that we offer above-average pay in the industry. In 2022, the total wage payment in Sweden was SEK 57 million. In addition to the basic salary, bonuses are paid for good performance and achievement of targets. We offer all employees in Sweden a generous wellness allowance and voluntary health insurance. On top of that employees are offered parental leave, preferential parental allowance and consultation on pensions and insurances. We regularly offer mandatory courses on alcohol culture and addiction issues. Employees have the right to organise and bargain collectively, but in 2022 none of the employees in the Swedish operations were covered by a collective agreement.

### GOOD BUSINESS PRACTICE

We consider ethics and good business practice to be fundamental, as summarised in our anti-corruption policy. We will demonstrate good conduct and ethical judgment in all business relationships with employees, suppliers, customers and other stakeholders.

### ANTI-CORRUPTION

In accordance with our values, guidelines and the amfori BSCI, we do not accept corruption in any form - neither bribery, extortion, abuse of power, or the like. Our employees may not give or receive bribes, or gifts that could be perceived as bribes. If an employee has doubts about a gift or a benefit, they should ask their supervisor for an opinion. We ensure that employees, agents and representatives are aware of, and follow, the guidelines in Systembolaget's policy for contacts between suppliers and Systembolaget staff. This policy aims to provide equal conditions for all suppliers of alcoholic beverages to become established on the Swedish market. We also follow the rules of the Swedish Wine and Spirits Suppliers Association (SVL) for member companies' conduct in relationships with customers and each other. Briefly, they focus on not taking unfair advantage of competitors.

### WHISTLEBLOWING SYSTEM

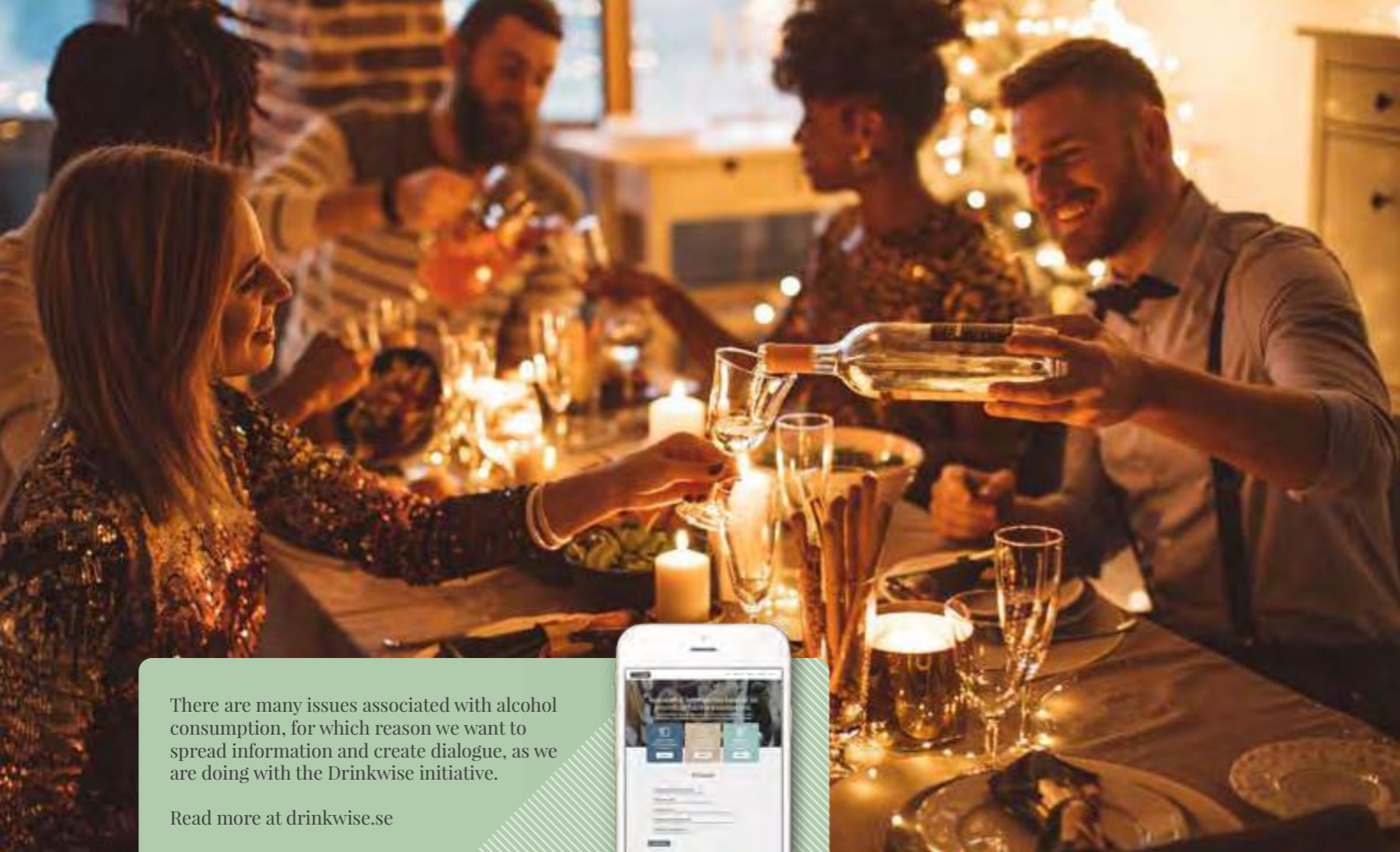
We are committed to sustainable workplaces and good working conditions in our supply chain. To support this, we use a whistleblowing system in cooperation with Lantero. No incidents on corruption, discrimination or other violations were reported in 2022. There were also no violations of the law that resulted in fines or other sanctions.



We are committed to early detection and action on signals of potential wrongdoing from employees, producers and others. For those who wish to remain anonymous, we have an external reporting tool in cooperation with the Lantero whistleblowing system.

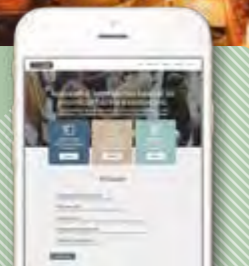
Read more on [lantero.se](https://lantero.se)





There are many issues associated with alcohol consumption, for which reason we want to spread information and create dialogue, as we are doing with the Drinkwise initiative.

Read more at [drinkwise.se](http://drinkwise.se)



## Responsible consumption

*At Viva Wine Group, we care about how our products are produced as well as how they are consumed. Alcoholic beverages are part of our dining culture and, for many, part of a complete dining experience.*

However, we are aware that alcohol consumed inappropriately can cause problems for individuals, their families and society at large. We therefore promote moderate and responsible consumption.

### CONTROLLED SALES

Viva Wine Group safeguards this Nordic model with controlled sales and responsible marketing. In Sweden, Finland and Norway, there is a strong desire to protect public health, for which reason alcohol is sold in shops through the state-owned companies Systembolaget, Alko and Vinmonopolet. The Nordic monopolies ensure controlled sales, equal treatment of origin and a breadth and depth of choice that is in many ways unparalleled in the world.

### SELF-REGULATION

Sweden and the Nordic countries have imposed many restrictions on communication and marketing related to alcohol. Viva Wine Group's companies are careful

to comply with the law and has, as part of the Swedish trade association SVL, contributed to the instalment of a code of ethics and the Swedish Alcohol Suppliers' Scrutineer (Alkoholgranskningsmannen, AGM).

The Swedish Alcohol Suppliers' Scrutineer (the AGM) is the alcohol industry's self-regulatory mechanism, which provides education and support, but also has the right to intervene against companies that violate laws and ethical guidelines and demand that marketing ceases. Anyone can report an advertisement to the AGM, which investigates, examines and decides on the matter.

### CONSUMER INFORMATION

In Sweden, we promote consumer information by developing the Drinkwise.se website together with other industry players. The website aims to be a thought-provoking platform for information, discussion and reflection on attitudes towards alcohol and how to consume it responsibly. With this initiative, we and other companies in the sector want to disseminate information, create dialogue and promote a more responsible approach to alcohol.

### INITIATIVE AGAINST YOUTH DRINKING

We work with the industry to reduce youth drinking and delay alcohol onset among young people. In 2006,



Patrik Stare  
CEO CHRIS WINE & SPIRITS AB

### Responsible consumption

The proactive efforts of the Swedish Wine and Spirits Suppliers Association (SVL), with common guidelines and self-regulatory mechanisms, have had a major impact on the increased accountability of the Swedish alcohol industry, thereby setting an international example.



the educational initiative Prata Om Alkohol (Talking About Alcohol) was started by companies within the Swedish Wine and Spirits Suppliers Association (SVL) and since 2010 the initiative has been run in collaboration with the Swedish Brewers Association. The Talk About Alcohol method is a conversation-based training programme that teaches young people to resist social pressure, raises their self-esteem and helps them to understand their own responsibility. All materials are free of charge and adapted for use in schools. A three-year scientific study conducted by Karolinska Institutet evaluated the Talk About Alcohol method and the results showed that students who completed the course had less risky drinking behaviour than comparable students who did not take the course.

### CUSTOMER CLUBS

We believe that wine should mainly be consumed in combination with a good meal. This is the essence of our Swedish, Nordic and European customer clubs. Viva Vin & Matklubb (Viva Wine and Food Club) is our largest customer club in Sweden and sends recipes and drink tips to interested consumers once a week. For consumers who want selected premium wines from small-scale vineyards and iconic producers, we have the Tryffelsvinet customer club. In Finland, our customer club is called Rosa. Viva Vin & Matklubb and Rosa are both available by email, as well as on Facebook and Instagram and focus on culinary pleasures and knowledge about beverages.



### Talk about alcohol with young people at school

Material adapted for schools, free of charge. Focus on teaching young people to resist social pressure, raise self-esteem and understand their own responsibilities.



### Viva Wine & Food Club

Every week we write about food and wine. Read more at [vivavinomat.se](http://vivavinomat.se)



A photograph of a wine cellar with rows of wooden barrels under a vaulted brick ceiling. The barrels are arranged in long, parallel rows that recede into the distance. The ceiling is made of brick and features a series of repeating arches. The lighting is warm and focused on the barrels, creating a sense of depth and atmosphere.

# 6

## Risks and governance

Effective risk management needs to be integrated into strategies and business models, and governance must ensure that it reaches everyone.







Linn Gäfvert  
CFO VIVA WINE GROUP

*Stronger through good governance*

Good governance, clear guidelines and a high level of risk awareness strengthen and protect our operations and continued expansion. Effective risk management needs to be integrated into strategies and business models, and governance must ensure that it reaches everyone.

## Risks and governance

*Good governance and control reduces risk and safeguards value in growing businesses. Effective risk management needs to be integrated into strategies and business models, and governance must ensure that it reaches everyone.*

### RISKS AND RISK MANAGEMENT

Viva Wine Group's risk management aims to support the realisation of the Group's strategy, continuity, risk identification and means to reduce the likelihood and impact of internal and external risks. Viva Wine Group's risk management is carried out in accordance with the COSO framework. The Group's risk management policy has been approved by the Viva Wine Group's Board of Directors.

### RISK POLICY

The Risk Management Policy describes the objectives, principles and responsibilities of Viva Wine Group's risk management and reporting. Risks are managed by the relevant business and operational area and are evaluated annually by the Group's management team. The results are monitored by the Board of Directors.

### RISK CATEGORIES

We categorise risks into six general classes: strategic risks, financial risks, operational risks, legal risks

and sustainability risks. Management and the Board assess these key risks and actions aimed at reducing the likelihood of their occurrence each year. Risks are evaluated based on the probability of occurrence and the consequences of their possible occurrence. The relevant time period for assessment is a 3-5 year horizon. In addition to risks within this short timeframe, we also monitor and address longer-term sustainability risks, including the impact of climate change on viticulture and developments in the wine industry.

### SIGNIFICANT RISKS

Our main risks are linked to financial, political and regulatory factors. The alcohol market is regulated and taxed. Predictability, equivalence and consistency in regulation and taxation are prerequisites for a well-functioning market. As with all international trade, there is also a significant currency risk, where the volatile SEK in particular can have a significant impact on our earnings. There are also significant seasonal variations in the consumption of alcoholic beverages that affect Viva Wine Group's net sales and cash flow during the year. Most of the revenue is generated in the second, third and fourth quarters. Between years, there may be differences between the first and second quarters depending on whether Easter falls in March or April.

Risk area	Risk factors	Significant risks	Risk management
<b>Financial risks</b> Currency, interest rate, liquidity and credit-related risks	Macroeconomic factors	Currency changes Volatile and weak SEK against EUR and USD	Currency hedging
<b>Strategic risks</b> Sector-specific risks that may hinder the realisation of the vision and the achievement of the set goals	Political and regulatory factors	Increased excise duties and changes to rules on accessibility and marketing	Dialogue and cooperation through relevant industry associations
<b>Operational risks</b> Risks related to the effective management of resources such as internal processes, systems and employees	Organisational factors	Redundant and inefficient governance	Maintaining local governance and entrepreneurship within a Group framework
<b>Regulatory compliance risks</b> Risk of financial and legal penalties related to own and others' compliance with laws and regulations	Legal factors	Trademark infringement Corruption in the supply chain	Trademark protection Anti-corruption and whistleblowing systems
<b>Security risks</b> Risks linked to farming, production and finished product	Quality factors	Product safety	Quality controls at producer, importer and retailer levels
<b>Sustainability risks</b> Risks related to growing conditions and the supply chain	Supply and quality factors	Climate change affecting conditions for quality, farming and production	Industry-wide climate work and climate adaptation of cultivation and production.





## Management approach

*Developing wine sustainably requires the know-how and commitment of several participants in a complex value chain, from cultivation and production, to transport, marketing and sales. Clear governance and responsiveness to key stakeholders have proven to be a recipe for success.*

### KEY STAKEHOLDERS

Our customers and consumers, together with our producers and growers, are our most important stakeholders. Most important among them all are the Nordic retail monopolies, i.e. Swedish Systembolaget, Finnish Alko and Norwegian Vinmonopolet. Other important customers are wholesalers and restaurants. Organisations such as KRAV, Fairtrade and Fair for Life are also important as we are committed to organic and ethical production.

### DIALOGUE AND COOPERATION

There is much that we can contribute on our own, but we can make the biggest difference when we work with others. The more of us who want to achieve the same thing, and make a concerted effort, the faster we will achieve large-scale change for the benefit of people and the environment. The Beverage Industry Climate Initiative is an example in Sweden of the positive force created when suppliers and customers decide to work together.

### MATERIAL IMPACT

Conditions for growing and producing wine are affected by external factors, not least climate change. Growing, producing, bottling and transporting wine also has an impact on the environment. These include water use, biodiversity and climate impact. Consumption in and of itself can also be problematic. Inappropriately consumed alcohol can lead to medical and social problems, for individuals, families and society at large. We are committed to informing consumers about the risks and invest heavily in projects that promote responsibility and moderation.

### CONTINUOUS IMPROVEMENTS

Viva Wine Group's companies are all strongly entrepreneurial, where action is more important than words. We focus on continuous improvement in collaboration with our partners in the value chain, getting better month by month, quarter by quarter and year by year.

### ORGANISATION AND STRUCTURE

Sustainability management at Viva Wine Group is based on the Board of Directors and its Audit Committee, the Group-wide sustainability policy and the Group-wide sustainability targets. Sustainability issues are managed strategically and operationally by the management team, of which the Group's Sustainability Director is a member. At Group level, there is a Group-wide sustainability department that leads, supports and follows up the subsidiaries' sustainability work, where each subsidiary has the opportunity to develop its own sustainability goals in line with the Group-wide goals.

### SUPPORT AND FOLLOW-UP

In addition to a Group-wide policy and objectives, the Group's subsidiaries are supported by a Group-wide administrative platform. The platform includes templates, systems and process support.

### REPORTING AND AUDITING

The Group's sustainability work is summarised in an annual sustainability report that is published together with the Group's annual report. The sustainability report is prepared in accordance with the GRI standards. Reported data for 2022 covers the Swedish operation and its value chain, including the environmental impact of transport and packaging and working conditions in cultivation and production. The annual sustainability report and its compliance with the GRI standards is reviewed by the Group's auditors.



Helen Fasth Gillstedt  
**BOARD MEMBER, CHAIRMAN OF THE AUDIT COMMITTEE**

### *Sustainability high on the agenda*

Sustainability is one of Viva Wine Group's key strategic success factors and is monitored quarterly by the Audit Committee and the Board of Directors. Together with the Management Team, the Group's sustainability department and the subsidiaries' sustainability coordinators the foundation is laid for further progress.

Once a year the Group's sustainability goals and results are presented and discussed by employees on a dedicated Sustainability Day.



**ANDERS MOBERG**

Chairman of the board

Elected: 2021

Born: 1950

Gender: Male

**Education:** Commercial Upper Secondary School (sw: *Handelshögskolan*)**Selection of other assignments:** Chairman of the Board of Bygghem AB and ITAB AB. Board member Citygross AB, Boconcept A/S, INGKA Foundation, IMAS Foundation, IKEA Foundation.**Selection of previous assignments:** Former CEO of the IKEA Group, Deputy CEO of Home Depot, CEO of Ahold and then CEO of the Majid AL Futtaim group in Dubai. Board member of Bergendahl Food AB, Bergendahl & Son AB, Zetadisplay AB**Independent:** Yes, in relation to the shareholders, the company and the management.**Holdings in the Company (including related parties):** Owns 205,000 shares and 58,140 warrants.**LARS LJUNGÄLV**

Board member, member of the Audit Committee

Elected: 2022

Born: 1969

Gender: Male

**Education:** Degree of Master of Science in Business and Economics from Lund University.**Selection of other assignments:** Board member of Bygghem AB, Ikano Bank AB and Annehem AB.**Selection of previous assignments:** Chairman of Lund University and Intersport Sverige AB. Many years of experience in leading positions in retail, banking and finance.**Independent:** Yes, in relation to owners, the Company and management.**Holdings in the Company (including related parties):** Owns 200,000 shares.**HELEN FASTH GILLSTEDT**

Board member, Chairman of the Audit Committee

Elected: 2021

Born: 1962

Gender: Female

**Education:** Master of Science in Business and Economics, Stockholm School of Economics and studies at Stockholm University/Stockholm Resilience Center**Selection of other assignments:** Board member Storytel AB, Munters Group AB, PowerCell AB, Sortera AB, Handelsbanken Fonder AB and their representative in nomination committees.**Selection of previous assignments:** Board member Samhall AB, Humana AB, AcadeMedia AB, Lindorff A/S, Intrum AB**Independent:** Yes, in relation to owners, the Company and management.**Holdings in the company (including related parties):** Owns 5,000 shares and 58,140 warrants.**MIKAEL ARU**

Board member, member of the Audit Committee

Elected: 2021

Born: 1953

Gender: Male

**Education:** Master of Science in Business and Economics, Linköping University**Selection of other assignments:** Chairman of the Board of AB Axel Granlund. Board member of Cloetta AB, AB Stenströms Skjortfabrik, Bröderna Börjesson Bil AB, Dr Per Håkansson's Stiftelse and Gorthon Stiftelsen.**Selection of previous assignments:** CEO of Procordia Food in Sweden, and senior positions in Kraft Foods and Nestlé.**Independent:** Yes, in relation to owners, the Company and management.**Holdings in the Company (including related parties):** Owns 10,200 shares and 58,140 warrants.**ANNE THORSTVEDT SJÖBERG**

Board member, member of the Remuneration Committee

Elected: 2021

Born: 1965

Gender: Female

**Education:** Master of Science in Business and Economics, Gothenburg School of Economics, University of Gothenburg**Selection of other assignments:** Board member Clas Ohlson.**Selection of previous assignments:** Global Vice President Marketing, Insights & Analytics, Electrolux as well as leading international positions in Marketing, Consumer & Analytics, Strategy, Organisational Development at Mondelez International, Kraft Foods, Procter & Gamble.**Independent:** Yes, in relation to owners, the Company and management.**Holdings in the Company (including related parties):** Owns 15,000 shares and 58,140 warrants.**JOHN WISTEDT**

Board member

Elected: 2018

Born: 1980

Gender: Male

**Education:** Master of Science in Business and Economics, Uppsala University; Master International Wine & Spirits Burgundy Business School. Executive Education, Harvard Business School**Selection of other assignments:** VD Wine Team Global AB. Deputy board member of Sprit & Vinleverantörsföreningen.**Independent:** No, represents majority shareholder, the company and management.**Holdings in the Company (including related parties):** Indirectly, through Legendum Capital AB, holds 9,405,889 shares and no warrants in the Company.

## Board of Directors

*The Board of Directors is responsible for the governance and performance of the Group and ensures the appropriate management of its activities. The Board approves the Group's strategy, financial targets, budget, major investments and risk management principles. The Board of Directors appoints and dismisses the company's CEO. The composition of the Board reflects the objective of a skilled, competent, experienced and efficient Board.*

The Board consists of six members, two women and four men. The Board has assessed that five directors are independent of the Company and the Company's major shareholders.





**EMIL SALLNÄS**  
**CEO Viva Wine Group**  
**Born:** 1971  
**Gender:** Male  
**Education:** Master of Science in Business and Economics, Uppsala University  
**Prior experience:** CEO and Partner Giertz Vinimport, Executive positions at Dagab.  
**Holdings in the Company (including related parties):** Indirectly, through Late Harvest Wine Holding 1971 AB, holds 23,273,482 shares and no warrants in the Company.



**CHRISTIAN FRICKE**  
**Managing Director Viva eCom**  
**Born:** 1979  
**Nationality:** German  
**Gender:** Male  
**Education:** Master Business Administration Leipzig Graduate School of Management  
**Prior experience:** CEO Wine in Black GmbH (Berlin), CEO BauerXcel Media (Hamburg/Sydney)  
**Holdings in the Company (including related parties):** Christian Fricke does not own any shares or warrants in the company



**LINN GÄFVERT**  
**CFO Viva Wine Group**  
**Born:** 1981  
**Gender:** Female  
**Education:** Master of Science in Business and Business Law, School of Economics and Business Management, Lund University  
**Previous experience:** Head of Business Control Viva Wine Group, Business Control Altia Group, auditor PWC.  
**Holdings in the Company (including related parties):** Owns 4,075 shares and 69,768 warrants.



**ANNA MÖLLER**  
**COO Nordics Viva Wine Group**  
**Born:** 1977  
**Gender:** Female  
**Education:** Bachelor of Political Science, Linköping University  
**Prior experience:** Commercial Director Spirits Scandinavia, Director Marketing Scandinavia Altia/Anora Group  
**Holdings in the Company (including related parties):** Owns 20 shares and no warrants.



**MIKAEL SUNDRÖM**  
**Director Sustainability, Communications and Investor Relations Viva Wine Group**  
**Born:** 1978  
**Gender:** Male  
**Education:** Master of Science in Business and Economics from Stockholm School of Economics. International Business EM Lyon.  
**Prior experience:** Senior Manager CSR, Sustainability and Public Affairs Pernod Ricard Nordic, Senior Consultant Enact Sustainable Strategies.  
**Holdings in the Company (including related parties):** Owns 3,500 shares and no warrants.

## CEO and management team

*The CEO and President are responsible for the day-to-day management of the Group in line with the instructions and objectives set by the Board. The CEO also ensures compliance with applicable laws and regulations. In addition to the CEO, the management team comprises other senior executives who assist the CEO in the implementation of the Group strategy. The management team is also responsible for the business and operational management of the Group.*

The management team consists of seven members, two women and five men. In 2022, the management team was expanded by two members; Anna Möller was hired for the new position of COO Nordics. Christian Fricke was appointed Managing Director Viva eCom.



**JOHN WISTEDT**  
**CEO The Wine Team Global**  
**Born:** 1980  
**Education:** Master of Science in Business and Economics, Uppsala University; Master International Wine & Spirits Burgundy Business School. Executive Education, Harvard Business School  
**Prior experience:** Buyer Systembolaget.  
**Holdings in the Company (including related parties):** Indirectly, through Legendum Capital AB, holds 9,405,889 shares and no warrants in the Company.



**BJÖRN WITTMARK**  
**Director Business Development Giertz Vinimport**  
**Born:** 1953  
**Gender:** Male  
**Education:** Bachelor of Applied Science, Canberra University, Australia  
**Prior experience:** Director Business Development and Partner Giertz Vinimport.  
**Holdings in the Company (including related parties):** Together with his wife Pamela Wilson and indirectly through Vin & Vind AB, holds 23,273,482 shares. Neither Björn Wittmark nor Pamela Wilson have any warrants.



# Corporate Governance Report

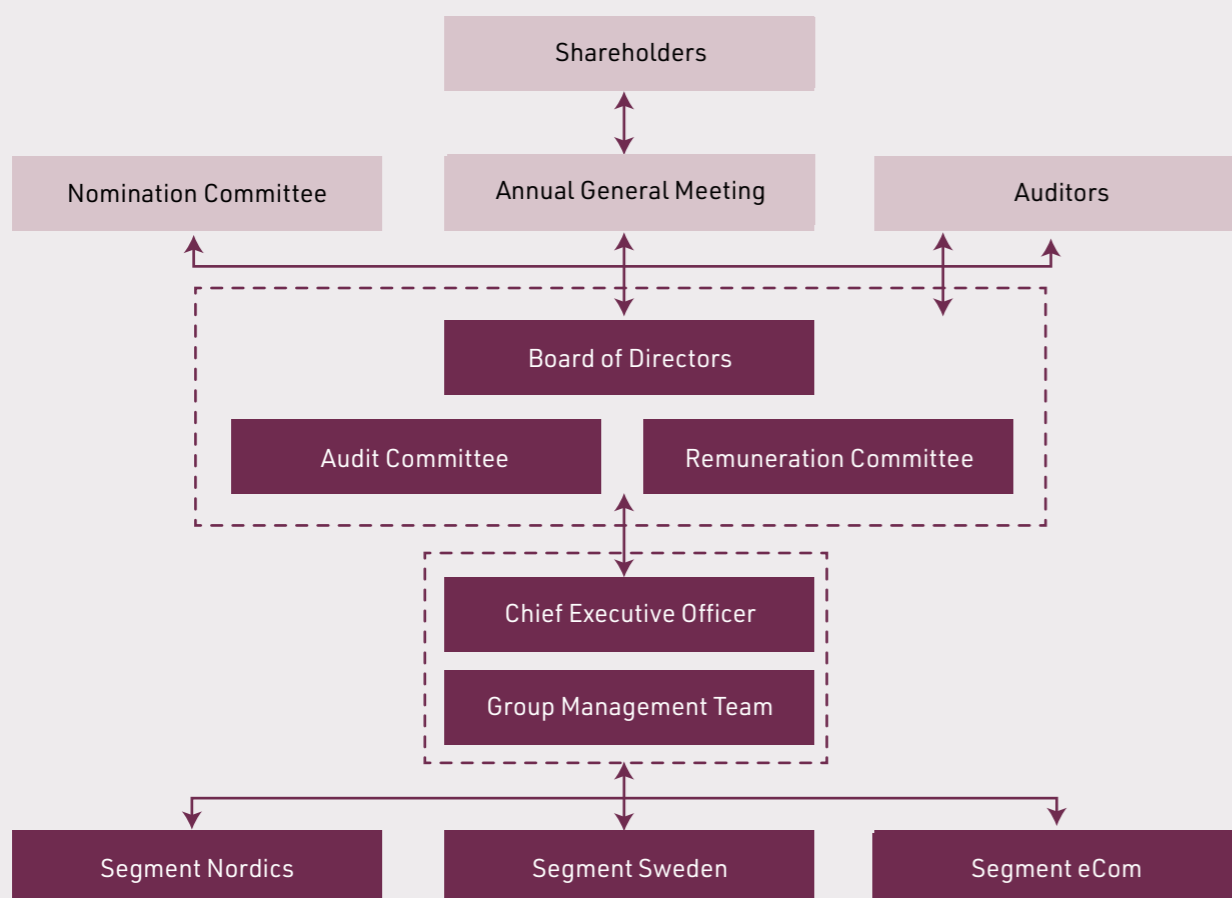
Viva Wine Group AB (publ) is a Swedish public limited company whose shares are listed on Nasdaq First North Premier Growth Market. According to the Company's Articles of Association, the object of its activities is to engage, directly or indirectly, in the business of developing and trading in wine and other alcoholic products, and to conduct other activities compatible therewith.

Good corporate governance entails ensuring that Viva Wine Group is managed sustainably, responsibly and as efficiently as possible for all shareholders. The overall objective is to increase shareholder value and thus meet the demands shareholders have for their invested capital.

## CORPORATE GOVERNANCE AT VIVA WINE GROUP

Viva Wine Group bases its corporate governance on applicable legislation, resolutions of the General Meeting, the listing agreement and the work of the Board and management. Viva Wine Group has also chosen to comply with the Swedish Code of Corporate Governance (the "Code"). The main internal governance instruments are the Articles of Association, the Rules of Procedure of the Board of Directors, the instructions for the Board Committees, the Instructions for the CEO including instructions for financial reporting and policies set by the Board of Directors.

The Board of Directors of Viva Wine Group is responsible for the organisation of the Company and the management of the Company's affairs. The CEO is responsible for the day-to-day management of the Company in accordance with the guidelines and instructions of the Board of Directors. In dialogue with the Chairman of the Board, the CEO also prepares an agenda for Board meetings and is otherwise responsible for providing the meetings with information and materials for use as a basis for decisions.



## GROUP STRUCTURE

The name of the group is Viva Wine Group, with the parent company Viva Wine Group AB. In Sweden, business is conducted through Giertz Vinimport AB, The Wine Team Global AB, Chris Wine & Spirits AB, Iconic Wines AB, Winemarket Nordic AB and Tryffelsvinet AB. In Finland, business is conducted through Cisa Group OY and in Norway through Norwegian Beverage Group AS. Outside the Nordic region, e-commerce is conducted through Viva eCom, which owns Wine in Black GmbH and Vicampo.de GmbH with the e-commerce platforms Vicampo and Weinfürst.

## SHAREHOLDERS

Viva Wine Group has been listed on Nasdaq First North Premier Growth Market since 14 December 2021. The ten largest shareholders at 31 December 2022 were Late Harvest 1971 Holding AB, Vin & Vind AB, Legendum Capital AB, Bergendahl & Son AB, Svolder, Capital Group, Erik Selin, Arinto AB, Danica Pension, Varma Mutual Pension with a combined shareholding of 90.3%. The remaining 9.7% is owned by other institutional owners and private individuals in Sweden and abroad. The Company has one class of shares that entitle holders to equal voting rights and dividends. When voting at a general meeting, each share entitles the holder to one vote and each person entitled to vote may vote for the full number of shares represented.

More information on the Viva Wine Group share and shareholder structure can be found in the section "Share and shareholders" on pages 10-11 of the Annual Report and on the Company's website, vivagroup.se.

## ANNUAL GENERAL MEETING

The general meeting is the highest decision-making body in a limited liability company and is the forum in which shareholders exercise their right to decide on the Company's affairs. The company's website, vivagroup.se, informs shareholders of their legal right to have a matter considered at a general meeting. Resolutions adopted by General Meetings are generally resolved by a simple majority, though according to the Swedish Companies Act, certain matters are to be resolved by a qualified majority.

The annual general meeting must be held each year within six months of the end of the financial year. The Annual General Meeting adopts resolutions concerning such matters as dividend, approval of the annual report, discharge of the Board of Directors and the President from personal liability, election and compensation of the Chairman and members of the Board of Directors and auditors, guidelines for determination of compensation payable to senior executives, and other matters of importance to the Company. Viva Wine Group's Annual General Meeting will take place in Stockholm.

Notices convening general meetings shall be given in the form of an announcement in Post- och Inrikes Tidningar and through publication of the notice on the Company's

website, vivagroup.se. Shareholders who have registered their intention to attend according to the instructions in the notice of the meeting are entitled to participate in the general meeting, in person or by proxy, to vote at the meeting for or against the proposals presented and to pose questions to the Board of Directors and the CEO.

## NOMINATION COMMITTEE

The Nomination Committee is appointed based on principles decided by the Annual General Meeting. The General Meeting also resolves on the instructions that shall apply for the Nomination Committee. The main task of the Nomination Committee is to propose the election of the Chairman at the Annual General Meeting, the election of the Chairman and the other members of the Board, the remuneration of the Board divided among the Chairman, the other Board members and any remuneration for committee work, and the election and remuneration of the auditor. The Nomination Committee's proposals are presented in the official notice of the annual general meeting.

The Nomination Committee shall take into account the rules on independence applicable to the Board and its committees. In preparing proposals for members of the Board, the Nomination Committee shall pay particular attention to the issue of diversity and gender balance in the Board and committees.

Shareholders are given the opportunity to submit proposals to the Nomination Committee. The Nomination Committee annually assesses the composition of the Board, primarily in terms of skills, experience and future needs. The Nomination Committee shall meet as often as necessary to fulfil its duties, but at least once a year.

## BOARD OF DIRECTORS

The Board of Directors is the highest administrative body of the Company under the General Meeting. The Board shall manage the affairs of the Company in the interests of the Company and all its shareholders and shall safeguard and promote a good corporate culture. The Board of Directors is responsible for ensuring that the Group's organisation is appropriate and continuously evaluates the Company's financial position, procedures and guidelines for management and investment of the Company's funds. The Board also safeguards the Company's financial accounting, internal controls and the quality of its financial reporting through the internal control system described in more detail under the heading Internal control over financial reporting.

The Board of Directors is responsible for the strategic direction of Viva Wine Group and sets the Group's long-term financial plan, monitors ongoing operations, makes decisions on major investments and divestments, and reviews and approves the financial statements.

The Board of Directors appoints the Chief Executive, approves the instructions for the Chief Executive Officer and supervises their work. The Board conducts an annual review of the work of the CEO.



The CEO's objectives for the upcoming financial year are set at that time. No management representative is present during this evaluation.

The rules of procedure of the Board are adopted annually at the statutory Board meeting. The rules of procedure include provisions on the role of the Chairman of the Board, instructions on the division of work between the Board and the Chief Executive Officer and instructions for financial reporting to the

#### **BOARD OF DIRECTORS. THE BOARD SHALL ALSO CONDUCT AN ANNUAL EVALUATION OF ITS OWN WORK.**

The Chairman of the Board is responsible for organising and directing the work of the Board and for ensuring that the Board fulfils its obligations. The responsibilities of the Chairman also include conveying the views of the shareholders to the Board.

According to the Articles of Association, the Board of Directors of Viva Wine Group shall consist of at least three and at most ten members elected by the General Meeting. The CEO is the rapporteur at the Board meetings and the Company's CFO is the secretary of the Board. The CEO and the CFO, in the role of Secretary to the Board, are not members of the Board but they attend Board meetings, except for matters where a conflict of interest may arise, or where it is otherwise inappropriate.

Viva Wine Group's Board of Directors has two ordinary committees: the Audit Committee and the Remuneration Committee. The work of the committees is reported to the Board on an ongoing basis. The Committees are to be seen as working committees of the Board and do not assume the responsibilities of the Board as a whole.

#### **AUDIT COMMITTEE**

The work of the Audit Committee is mainly of a preparatory and advisory nature, where the Committee, in its work and in dialogue with the auditor and Group management, provides the Board with information about the business. The work of the Audit Committee aims to ensure that the Company's executive management establishes and maintains effective procedures for internal governance, risk management and control. These should be designed to provide reasonable assurance in terms of reporting (financial reporting and operational risk) and compliance (laws, regulations and internal rules) and to ensure the effectiveness and efficiency of administrative processes. The Audit Committee also discusses other significant issues related to the Company's financial reporting and reports its findings to the Board. The Committee proposes measures to be adopted by the Board of Directors if necessary.

The Audit Committee is appointed annually by the Board. The Company's CFO is the rapporteur and the Group Accounting Manager is the secretary.

#### **REMUNERATION COMMITTEE**

The Remuneration Committee is responsible for preparing and evaluating matters relating to the remuneration and other terms and conditions of employment of the Chief Executive Officer and other members of the Group management, including the remuneration structure, pension plans, incentive schemes and other terms and conditions of employment. The Committee shall also monitor and evaluate ongoing and, during the year, completed variable remuneration programmes for senior executives and monitor and evaluate the application of the guidelines for remuneration of senior executives and the remuneration structures and levels in the Company. The Remuneration Committee is appointed annually by the Board.

#### **CHIEF EXECUTIVE OFFICER**

The Chief Executive Officer is appointed by the Board of Directors. The CEO manages the activities within the framework established by the Board. The duties of the Chief Executive Officer include ensuring that the Board of Directors is provided with such factual, comprehensive and relevant information prior to Board meetings as is necessary to enable the Board to take well-informed decisions. The Chief Executive Officer is also the rapporteur of the Board and makes reasoned proposals for decisions. The Chief Executive Officer provides monthly updates to the Board of Directors with the information necessary to monitor the position, liquidity and development of the Company and the Group, and keeps the Chairman of the Board of Directors regularly informed of the Company's and the Group's activities.

#### **GROUP MANAGEMENT**

In addition to the CEO, the Company's Group management consists of CFO, COO Nordics, Director of Sustainability, Communication and Investor Relations, as well as the CEO of Viva eCom, CEO of Wineteam Global and Business Development Manager of Giertz Vinimport.

Group management meets regularly and deals with issues such as corporate governance, reporting and strategy. Furthermore, Group management shall prepare matters requiring a decision by the Board of Directors in accordance with the Board's rules of procedure and assist the CEO in implementing decisions of the Board of Directors. In addition to the collective responsibility for the management of the Company, each member of Group management has an individual responsibility for their respective part of the Company. At the beginning of each financial year, Group management evaluates its work, focusing on the quality of decisions, agenda, meeting structure, execution and overall performance of the Executive Committee.

#### **AUDITORS**

The external auditors are appointed by the General Meeting for a term of office of between one and four years. According to the Articles of Association, the Annual General Meeting shall elect an auditor or an audit firm to audit the company's annual accounts and the management of the Board of Directors and the CEO.

The external auditors' mandate includes the audit of the management of the Board of Directors and the Chief Executive Officer and the annual report and accounts of the Company. They report regularly to the Audit Committee of the Board and report their findings in connection with the annual accounts.

#### **APPLICATION OF THE CODE AND OTHER REGULATIONS**

As a listed company on the Nasdaq First North Premier Growth Market, the Company has chosen to apply the Code on a voluntary basis. The Company has not deviated from the Code or stock exchange rules.

#### **INTERNAL CONTROL**

The Board of Directors and the CEO are responsible for organising internal control for the Viva Wine Group. The management team monitors the financial performance of the Group and each company ensures effective control of its own operations. The Viva Wine Group's CFO manages the financial reporting processes, which are evaluated by the Audit Committee. The Board of Directors monitors the financial situation of the Group.

Viva Wine Group has a set of internal regulations which, together with the external regulations, form the framework for its operations. The key regulations include the Articles of Association, the Rules of Procedure of the Board of Directors and the instructions for the respective committees, as well as the instructions to the CEO, including financial reporting instructions and policies. The Company has the following policies:

#### **Risk policy**

The Risk Policy describes Viva Wine Group's approach to identifying and managing risks to and within the business.

#### **Financial policy**

The Financial Policy sets Viva Wine Group's financial risk level and defines the objectives and guidelines for the Group's financial management.

#### **Internal control policy**

The policy defines the responsibilities and the reporting and internal control procedures for financial management.

#### **HR policy (Gender Equality and Equal Treatment Policy), only for Sweden**

The HR Policy sets out the overall framework with respect to employees in the Swedish part of the Group. It states that in order to meet the needs and expectations of its customers, the Group needs employees with diverse backgrounds and with a wide range of skills and experience.

#### **Sustainability Policy**

The Sustainability Policy describes Viva Wine Group's overall vision and guidelines for economic, environmental and social sustainability, focusing on sustainable cultivation, sustainable production, sustainable transport and packaging, sustainable communities and sustainable consumption.

#### **Human rights (HR) policy**

The HR policy describes Viva Wine Group's overall guidelines, boundaries and responsibilities to ensure the protection and promotion of human rights in its own operations and throughout its supply chain.

#### **Communication policy**

The Communication Policy describes the principles of Viva Wine Group's internal and external communication in order to contribute to consistent, clear and long-term effective communication between the Company's management, employees and its external stakeholders.

#### **Insider policy**

The Insider Trading Policy sets out the principles for trading in Viva Wine Group's shares and how the Company will handle inside information.

#### **Business Ethics and Anti-Corruption Policy**

The Business Ethics Policy states that the Company's culture should be based on responsibility, trust and a high standard of professional conduct.

#### **Internal Audit**

According to the Code, the Board of Directors must annually consider whether the company should have an internal audit function. The Board has considered that an internal audit function is not necessary at present and that the monitoring and evaluation of internal control is carried out by the Board as a whole.



## CORPORATE GOVERNANCE AT VIVA WINE GROUP 2022

### 2022 Annual General Meeting

The Annual General Meeting for the 2021 financial year was held on 20 May.

The 2022 Annual General Meeting resolved as follows:

- Dividend of SEK 1.50 per share for the 2021 financial year.
- Election of Anders Moberg (Chairman), Helen Fasth Gillstedt, Mikael Aru, Anne Thorstvedt Sjöberg, Lars Ljungälv and John Wistedt as members of the Board of Directors of Viva Wine Group.
- Adoption of the income statement and balance sheet for 2021 and discharge from liability of the members of the Board of Directors and the Chief Executive Officer.
- Adoption of the Rules of Procedure of the Nomination Committee.
- Authorisation to issue new shares corresponding to a maximum of 20% of the number of existing shares.

### Authorisation

The Annual General Meeting on 20 May 2022 authorised the Board of Directors to issue new shares corresponding to a maximum of 20% of the number of existing shares.

### Board of Directors

#### Composition

According to the Articles of Association, the Company's Board of Directors shall consist of a minimum of three and a maximum of ten members. At the end of 2022, Viva Wine Group's Board of Directors consisted of six members: Anders Moberg (Chair), Helen Fasth Gillstedt, Mikael Aru, Anne Thorstvedt Sjöberg, Lars Ljungälv and John Wistedt. Further information on the individual Board members and deputies can be found on pages 70-71 of the 2022 Annual Report.

#### Independence of the Board of Directors

According to the Nomination Committee, four out of six members of the Board of Directors are to be considered independent in relation to the Company's major shareholders, as well as to the Company and its management.

### Meetings

The Board convenes for six ordinary meetings a year and one statutory meeting. In addition to the ordinary meetings, the Board of Directors shall be convened for additional meetings at the request of any member of the Board or of the Chief Executive Officer. The auditor's report is presented to the Audit Committee at the Board meeting during which the annual accounts are presented.

#### Remuneration to the Board of Directors

Remuneration to the Board of Directors for the period from the 2022 Annual General Meeting up to and including the 2023 Annual General Meeting has been paid in accordance with the resolution of the 2022 Annual General Meeting. No Board fees were paid to Board members employed by Viva Wine Group.

For more information on board fees in 2022, see Note 7 in the Company's 2022 Annual Report.

#### Work of the Board in 2022

During the period from 1 January 2022 to 31 December 2022, the Board has held nine board meetings and one statutory board meeting. At all regular Board meetings, the Board received an overall presentation from the CEO and discussed the performance of the Company and its associated companies, as well as other projects and issues. All meetings during the year followed an approved agenda. Before each meeting, the draft agenda, including any documentation for each item on the agenda, was sent to the Board.

### Audit Committee

Members in 2022 were: Helen Fasth Gillstedt (Chair), Mikael Aru and Lars Ljungälv. In connection with the statutory board meeting after the General Meeting, Mikael Aru was replaced by Lars Ljungälv as a new member of the audit committee. The Chair of the Committee kept the Board informed of the Committee's work and decisions throughout the year. The number of meetings in 2022 totalled six. The Company's auditor and CFO attended all meetings of the Audit Committee in 2022.

### Remuneration Committee

Members in 2022 were Anders Moberg and Anne Thorstvedt Sjöberg. The Chief Executive Officer of the Company serves as rapporteur on certain issues, but is not a member of the Committee and is not present when the Committee prepares decisions related to remuneration of the Chief Executive Officer.

The Chair of the Committee has kept the Board informed of the Committee's work and decisions throughout the year. The Committee shall meet as often as necessary and at least twice a year.

### Group Management

In 2022, Viva Wine Group's Group management consisted of Emil Sallnäs, President and CEO, Linn Gäfvert, CFO, Mikael Sundström, Director Sustainability, Communication and Investor Relations, John Wistedt, CEO Wineteam Global AB (subsidiary of Viva Wine Group), Björn Wittmark, Director Business Development Giertz Vinimport (subsidiary of Viva Wine Group), Anna Möller, COO Nordics and Christian Fricke, Managing Director Viva eCom. Further information on the Company's Chief Executive Officer and other members of Group management's shareholdings in Viva Wine Group can be found on pages 72-73 of the 2022 Annual

Report.

Emil Sallnäs has no significant shareholdings or participations in companies with which Viva Wine Group has significant business relations.

### Remuneration for Group management

For information on the guidelines adopted by the AGM, see Note 7 of the 2022 Annual Report. For information on remuneration and other benefits for Group management, see Note 7 in the 2022 Annual Report.

### Audit and auditors

The 2022 General Meeting appointed EY AB as the Company's auditor for the period from 2022 until and including the 2023 AGM. In 2022, in addition to auditing, EY AB also provided consulting services to the Group for tax and audit-related services.

Andreas Nyberg is the auditor in charge. For information on remuneration to Viva Wine Group's auditors in 2022, see Note 6 Fees and expenses to auditors in the 2022 Annual Report.





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## Annual Report

Viva Wine Group AB (publ) is a Swedish public limited company whose shares are listed on Nasdaq First North Premier Growth Market.





# Directors' report

The Board of Directors of Viva Wine Group AB (publ), corporate registration number 559178-4953, hereby submit the Annual Report and the consolidated financial statements for the financial year 1 January 2022 - 31 December 2022. The Company has its registered office in Stockholm. The annual report has been prepared in Swedish kronor, SEK, all amounts are in SEK million, unless otherwise stated.

## INFORMATION ABOUT THE BUSINESS

Viva Wine Group is the leading wine group in the Nordic region with a strong position in the European online market for wine. The Company develops, markets and sells both wholly owned and partner brands in several markets.

The Group consists of several entrepreneurial companies that share a platform that provides economies of scale. The Group sells quality wines from around the world to consumers in 13 countries, including Sweden, Norway, Finland, Germany, Switzerland, Austria and the Czech Republic. The Group's business is conducted by ten entrepreneurial companies based in six countries. The operations are distinguished in the market through the Group's decentralised organisation which is characterised by creativity and entrepreneurship. In Sweden, the Group is the principal owner of the wine importers Giertz Vinimport AB, The Wine Team Global AB, Chris Wine Sweden AB, Iconic Wines AB, Winemarket Nordic AB and Tryffelsvinet AB. In Finland, the Group is the principal owner of Cisa OY, and in Norway the Group is the principal owner of Norwegian Beverage Group AS. In addition to the Nordic operations, the Group owns the Viva eCom Group in Germany with the companies Vicampo.de GmbH and Wine in Black GmbH. In addition, the company has operations in France and the US.

The Company divides its operations into four segments: (i) Sweden, (ii) Nordics (excluding Sweden), (iii) eCom and (iv) Other. The Sweden segment is the largest segment based on net sales, in which Systembolaget, the state retail monopoly, is the largest customer. In the Nordics segment, the main customers are the Finnish counterpart to Systembolaget, Alko, and the Norwegian counterpart, Vinmonopolet. Other customers in the Sweden and Nordics segments include wholesalers, hotels and restaurants. The eCom segment includes consumer e-commerce sales in Europe. The Other segment includes the Company's pilot sales to B2B customers in the US, as well as management and administration of the Group, Parent Company and Group-wide activities.

## SIGNIFICANT EVENTS DURING THE YEAR

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; see Note 13 for more information.

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); see Note 29 for more information. With this acquisition, Viva Wine Group further strengthen its relationship with Swedish consumers and continues the strategy of strengthening the Group's growth with strategically important acquisitions.

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

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.

## FINANCIAL DEVELOPMENTS DURING THE FINANCIAL YEAR

### Net sales

In 2022, net sales increased by 14.8 percent to SEK 3,825 (3,331) million. All segments were negatively impacted by the resumption of normal life society following the Covid pandemic, as well as by weak consumer sentiment due to the war in Ukraine, rising inflation and the energy crisis.

Net sales in the Sweden segment increased to SEK 2,354 (2,350) million as a result of continued increased distribution of existing products and successful new product launches.

Net sales in the Nordics segment increased in 2022 to SEK 679 (426) million, mainly attributable to the acquisition of NBG, where SEK 232 million relates to the 2022 period with no corresponding comparative figures in 2021, since the acquisition was made in November 2021.

Net sales in the eCom segment increased substantially during the year as a result of the acquisition of Vicampo. Net sales amounted to SEK 775 (486) million, of which SEK 371 million is attributed to the period in 2022 when Vicampo had no corresponding comparative figures in 2021, since the acquisition occurred in August 2021.

### Operating profit

Operating profit in 2022 decreased to SEK 310 (521) million.

Operating profit in the Sweden segment decreased to SEK 204 (291) million during the year. The Swedish business in particular was negatively impacted by the unfavourable exchange rate against the EUR during the year, as well as by increased transport and material costs. The weak SEK directly impacts operating profit and operating margin. The positive effects from currency hedges have mainly been recognised in net financial

income.

Operating profit in the Nordic segment increased to SEK 71 (49) million. The acquired business in Norway contributed SEK 26 million in the months of 2022 for which they do not have corresponding comparative figures in 2021, since the acquisition occurred in November 2021.

Operating profit for full-year 2022 in the eCom segment was SEK 47 (-13) million; the change largely related to non-recurring items. Items affecting comparability in 2022 mostly relates to the restructuring of the eCom segment and include the positive effect of the disposal of the warehouse property in Butzbach and impairment of the surplus value where the logistics operations of Wine Logistix and the Vinexus e-commerce platform will be wound down. Net effect on operating profit was SEK 50 million.

Operating loss in the Other segment was SEK -12 (193) million. The change was largely attributable to non-recurring items in 2021. Items affecting comparability in 2021 include the non-cash effect from the revaluation of the previous associated company share in the acquisition of NBG of SEK 213 million, as well as listing costs of SEK -32 million.

### Net profit

Net profit for full-year 2022 was SEK 278 (465) million, where 2021 was strongly impacted by non-recurring items recognised under consolidated operating profit for full-year 2022. Net financial income for the year was SEK 49 (18) million, where the Group has positive currency effects.

### Financial position and liquidity

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 positively impacted the Group's financial position with an effect on EBITA of SEK 65 million. The lease is less than 12 months and is therefore excluded under the applied short-term lease exemption.

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 further strengthen its relationship with Swedish consumers and continues the 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. See Note 29 for more information.

Cash and cash equivalents at 31 December 2022 totalled SEK 339 (331) million. In addition, at the end of the period there were unused credit lines of SEK 155 million. Group net debt, including lease liabilities under IFRS 16, totalled SEK 491 (545) million at 31 December 2022. Net debt/EBITDA, for the last 12-month period, was 1.1 (0.9).

### Cash flow

Cash flow from operating activities increased by SEK 128 million to SEK 286 (158) million in 2022.

Cash flow from investing activities totalled SEK -5 (-1,589) million. Cash flow during the year includes the sale of the warehouse property in Butzbach, which had a positive cash flow effect of SEK 111 million, and the business combination of Vinklubben i Norden AB, which had a cash flow effect of SEK -119 million.

Cash flow from financing activities totalled SEK -281 (1,714) million. Cash flow for the year is related to repayments of loans from credit institutions of SEK -105 million, dividends of SEK -133 million to the shareholders of the Parent Company and SEK -21 million to non-controlling interests. Other cash flows from financing activities totalled SEK -21 million.

Cash flow for the year totalled SEK 1 million and after exchange rate differences in cash and cash equivalents of SEK 7 million, the Group's cash and cash equivalents increased to SEK 339 million.

### Equity

Consolidated equity at 31 December 2022 was SEK 1,865 (1,736) million, and the equity ratio was 48 (46) percent. Profit for the year amounts to SEK 278 million. During the period, a total of SEK -155 million was distributed, of which SEK -133 million was distributed to shareholders of the Parent Company.

### FUTURE DEVELOPMENTS

The process of streamlining the Group's European e-commerce business, which began in connection with the acquisition of Vicampo, has been underway throughout the year and is now almost complete. From 2023 our e-commerce business will be optimized for continued profitable growth.

The Group intends to continue working to achieve synergies between the Swedish and Nordic business segments in the efficient organisation that is now in place in both Nordic monopoly markets.

Based on the combination of organic growth in several segments and a continued acquisition strategy, the Group is expected to continue to grow.

### RISKS AND UNCERTAINTIES

The Group's profitability is sensitive to changes in exchange rates, particularly in EUR/SEK and EUR/NOK, for which reason the Group works with currency hedging through futures and other instruments. As of 1 October 2022, the Group applies hedge accounting, cash flow hedging, for forward exchange contracts entered into after this date. The hedge accounting relates to hedging of foreign currency purchases. Changes in the value of the effective portion of forward exchange contracts are recognised in other comprehensive income and 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. A more detailed description of risks and uncertainties can be found in Note 22 and in the Risk section for operational risk on pages 66-67.



**ENVIRONMENTAL IMPACT**

The Group is aware of its sustainability impact and works systematically to reduce the negative effects of its operations and to create business solutions that have a positive impact on people and the environment. The Company is convinced that caring for people and the environment will benefit its business, particularly over the long term. The Group also recognises the impact of climate change on its operations and is actively working to mitigate it. For more information on the Group's sustainability work, see the Sustainability chapter on pages 41-63 and the related notes on pages 130-132. Each company in the Group holds the necessary permits for the import and handling of alcoholic beverages.

**THE SHARE**

The Viva Wine Group share has been listed on Nasdaq First North Premier Growth Market since 14 December 2021 and 2022 was the first full year during which the share was traded. The closing price for the year was SEK 45. Viva Wine Group's market capitalisation at year-end was SEK 3,997 (5,284) million.

**Largest shareholders 31 Dec 2022**

NAME	NUMBER OF SHARES	CAPITAL, %	VOTES, %
Late Harvest Wine Holding 1971 AB	23,273,482	26.20	26.20
Vin & Vind AB	23,273,482	26.20	26.20
Legendum Capital AB	9,380,889	10.56	10.56
Bergendahl & Son Aktiebolag	6,942,857	7.82	7.82
Svolder	4,181,370	4.71	4.71
Capital Group	4,081,633	4.59	4.59
Erik Selin	3,859,133	4.34	4.34
Arinto AB	3,149,160	3.55	3.55
Danica Pension	1,172,891	1.32	1.32
Varma Mutual Pension Insurance Company	825,000	0.93	0.93
<b>Total 10</b>	<b>80,139,897</b>	<b>90.22</b>	<b>90.22</b>
Other	8,691,987	9.78	9.78
<b>Total number of shareholders</b>	<b>8,232</b>		
<b>TOTAL NUMBER OF SHARES</b>	<b>88,831,884</b>		

**SUSTAINABILITY REPORT**

In accordance with Chapter 6, Section 11 of the Swedish Annual Accounts Act, Viva Wine Group has chosen to prepare the statutory sustainability report as a separate report from the annual report. The sustainability report has been submitted to the auditor at the same time as the annual report. The sustainability report can be found on pages 6-23, 41-63, 68-69 and 130-132 of this document.

**NUMBER OF EMPLOYEES**

The average number of employees in the Group was 333 in 2022, up from 240 in the previous year. The proportion of women was 50 percent and 50 percent men (54 percent women and 46 percent men).

**REMUNERATION POLICY FOR SENIOR EXECUTIVES**

The Board's proposed remuneration policy for senior executives, to be presented at the 2023 Annual General Meeting of Shareholders for approval, is consistent

with the policy approved by the AGM on 20 May 2022. Information on the current remuneration policy for senior executives, which was approved by the AGM, can be found in Note 7 and in the Corporate Governance Report on pages 74-79.

**MULTI-YEAR OVERVIEW**

GROUP (SEKM)	2022	2021	2020	2019
Net sales	3,825	3,331	2,845	2,335
Profit after financial items	359	539	276	169
Operating margin, %	8.1	15.6	9.9	6.7
Total assets	3,905	3,813	1,426	1,206
Equity ratio, %	47.7	45.5	28.3	20.3
Average number of employees	333	240	130	118

PARENT COMPANY (SEKM)	2022	2021	2020	2019
Profit/loss after financial items	170	-24	178	169
Total assets	2,599	2,592	520	379
Equity ratio, %	67.1	66.0	63.0	44.6
Average number of employees	2	1	0	0

**PROPOSAL FOR APPROPRIATION OF PROFIT**

The following profits are at the disposal of the Annual General Meeting:

Profit brought forward	207,635,425
Share premium reserve	1,376,033,917
Net profit/loss for the year	160,596,130
	<b>1,744,265,472</b>

The Board of Directors proposes that profits be appropriated as follows:

To be paid to shareholders (SEK 1.55 per share)	137,689,420
To be carried forward	1,606,576,051
	<b>1,744,265,472</b>

The proposed record date for the right to receive dividends is Friday 19 May 2023, with payment expected on Wednesday 24 May 2023.

The Board of Directors has proposed that the 2023 AGM resolves on the appropriation of profits, which means that SEK 1.55 per share will be distributed to the shareholders. The proposed dividend amounts to SEK 138 million. The Board of Directors considers the proposed dividend to be justified in accordance with Chapter 18, Section 4 of the Swedish Companies Act.

The Group's equity attributable to the shareholders of the Parent Company at 31 December 2022 was SEK 1,770 million and the Parent's unrestricted equity was SEK 1,744 million. With reference to the above and other information brought to the attention of the Board of Directors, the Board of Directors is of the opinion that the proposed dividend is justifiable with reference to the demands that the nature, scope and risks of the business place on the size of the Company's and the Group's equity, as well as on Company's and the Group's level of consolidation, liquidity and position in general.

**Consolidated statement of profit or loss**

AMOUNTS IN SEK MILLION	NOTE	2022	2021
<b>OPERATING INCOME</b>			
Net sales	3,4	3,825	3,331
Other operating income	5	81	8
<b>Total income</b>		<b>3,905</b>	<b>3,339</b>
<b>OPERATING EXPENSES</b>			
Goods for resale		-2,945	-2,543
Other external expenses	6	-271	-261
Personnel expenses	7	-243	-185
Depreciation, amortisation and impairment of intangible and tangible assets	12,13	-143	-59
Profit from participations in associated companies and joint ventures	15	8	233
Other operating expenses		-0	-3
<b>Operating profit</b>		<b>310</b>	<b>521</b>
<b>FINANCIAL INCOME AND EXPENSES</b>			
Financial income	8	128	40
Financial expenses	9	-79	-22
<b>Profit/loss after financial items</b>		<b>359</b>	<b>539</b>
Tax	10	-81	-74
<b>NET PROFIT FOR THE YEAR</b>		<b>278</b>	<b>465</b>
<b>Net profit for the year attributable to</b>			
Parent Company shareholders		254	414
Non-controlling interests		24	51
<b>Earnings per share</b>			
Basic earnings per share (SEK)	11	2.86	6.63
Diluted earnings per share (SEK)	11	2.86	6.63

**Consolidated statement of comprehensive income**

AMOUNTS IN SEK MILLION	NOTE	2022	2021
<b>Net profit/loss for the year</b>		<b>278</b>	<b>465</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Items that may be reclassified to profit or loss (after tax)</b>			
Translation difference		22	7
Cash flow hedges, net of tax		6	-
<b>Other comprehensive income for the year, net of tax</b>		<b>28</b>	<b>7</b>
<b>Comprehensive income for the year, net of tax</b>		<b>305</b>	<b>472</b>
<b>Comprehensive income for the year attributable to</b>			
Parent Company shareholders		264	420
Non-controlling interests		41	5



## Consolidated statement of financial position

AMOUNTS IN SEK MILLION	NOTE	31 Dec 2022	31 Dec 2021
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Goodwill	12	951	821
Other intangible assets	12	1,186	1,170
Tangible assets	13	10	50
Right-of-use assets	14	53	57
Participations in associated companies and joint ventures	15,16	61	54
Deferred tax assets	10	8	11
Other securities held as non-current assets	16	3	0
Other non-current receivables	16	19	19
<b>Total non-current assets</b>		<b>2,290</b>	<b>2,183</b>
<b>CURRENT ASSETS</b>			
Inventories	17	535	477
Trade receivables	16	670	730
Receivables from associated companies	16	5	12
Current tax assets		0	2
Other receivables	16	21	20
Derivative instruments	16	8	10
Prepaid expenses and accrued income	18	37	46
Cash and cash equivalents	19	339	331
<b>Total current assets</b>		<b>1,616</b>	<b>1,630</b>
<b>TOTAL ASSETS</b>		<b>3,905</b>	<b>3,813</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital	22	1	1
Other contributed capital		1,376	1,376
Reserves		11	4
Retained earnings including net profit for the year		382	281
<b>Total equity attributable to the shareholders of the Parent Company</b>		<b>1,770</b>	<b>1,662</b>
Non-controlling interests		95	75
<b>Total equity</b>		<b>1,865</b>	<b>1,736</b>
<b>NON-CURRENT LIABILITIES</b>			
Liabilities to credit institutions	22	689	732
Lease liabilities	14	37	41
Deferred tax liabilities	10	310	309
Other non-current provisions	23	19	10
Other non-current liabilities	22	3	0
<b>Total non-current liabilities</b>		<b>1,056</b>	<b>1,092</b>
<b>CURRENT LIABILITIES</b>			
Liabilities to credit institutions	22	89	86
Trade payables	22	427	443
Advances from customers	22	3	6
Liabilities to associated companies	22	44	23
Current tax liabilities		33	29
Lease liabilities	14	16	17
Derivative instruments	16,22	1	1
Current provisions	23	3	5
Other current liabilities	24	318	333
Accrued expenses and prepaid income	25	50	41
<b>Total current liabilities</b>		<b>984</b>	<b>985</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,905</b>	<b>3,813</b>

## Consolidated statement of changes in equity

AMOUNTS IN SEK MILLION	NOTE	Equity attributable to the shareholders of the Parent Company							Non-controlling interests	Total equity
		Share capital	Other contributed capital	Hedging reserve	Translation reserve	Retained earnings incl. net profit for the year	Total equity attributable to Parent Company shareholders			
<b>OPENING EQUITY, 1 JAN 2021</b>	21	0	-	-	-3	341	338	66	404	
Net profit for the year		-	-	-	-	414	414	51	465	
Other comprehensive income for the year		-	-	-	6	-	6	1	7	
<b>Comprehensive income for the year</b>		-	-	-	6	414	420	52	472	
<b>Transactions with the Group's owners</b>										
New share issue net of transactions costs and tax *		0	1,374	-	-	-	1,374	-	1,374	
Bonus issue		0	-	-	-	-0	-	-	-	
Issue of warrants		-	2	-	-	-	2	-	2	
Non-controlling interests arising from the acquisition of subsidiaries		-	-	-	-	-	-	53	53	
Transactions with non-controlling interests		-	-	-	-	-442	-442	-45	-487	
Dividend		-	-	-	-	-31	-31	-52	-83	
<b>Total</b>		<b>1</b>	<b>1,376</b>	<b>-</b>	<b>-</b>	<b>-473</b>	<b>903</b>	<b>-43</b>	<b>860</b>	
<b>CLOSING EQUITY, 31 DEC 2021</b>		<b>1</b>	<b>1,376</b>	<b>-</b>	<b>4</b>	<b>281</b>	<b>1,662</b>	<b>75</b>	<b>1,736</b>	
<b>OPENING EQUITY, 1 JAN 2022</b>		<b>1</b>	<b>1,376</b>	<b>-</b>	<b>4</b>	<b>281</b>	<b>1,662</b>	<b>75</b>	<b>1,736</b>	
Net profit for the year		-	-	-	-	254	254	24	278	
Other comprehensive income for the year		-	-	6	4	-	10	17	27	
<b>Comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>6</b>	<b>4</b>	<b>254</b>	<b>264</b>	<b>41</b>	<b>305</b>	
<b>Transfer of cash flow hedge reserve to inventories and tax reversed to profit or loss</b>		<b>-</b>	<b>-</b>	<b>-2</b>	<b>-</b>	<b>-</b>	<b>-2</b>	<b>-</b>	<b>-2</b>	
<b>Transactions with the Group's owners</b>										
Transactions with non-controlling interests		-	-0	-	-	-20	-20	0	-19	
Dividend		-	-	-	-	-133	-133	-22	-155	
<b>Total</b>		<b>-</b>	<b>-0</b>	<b>-</b>	<b>-</b>	<b>-153</b>	<b>-153</b>	<b>-21</b>	<b>-174</b>	
<b>CLOSING EQUITY, 31 DEC 2022</b>		<b>1</b>	<b>1,376</b>	<b>4</b>	<b>8</b>	<b>382</b>	<b>1,770</b>	<b>95</b>	<b>1,865</b>	

\* New share issue includes issue expenses of SEK -48 million and tax effect of the issue expenses of SEK 10 million.



## Consolidated statement of cash flows

AMOUNTS IN SEK MILLION	NOTE	2022	2021
<b>OPERATING ACTIVITIES</b>			
Profit after financial items		359	539
Adjustment for non-cash items	26	107	-180
Dividends from associated companies		2	10
Tax paid		-106	-73
<b>Cash flow from operating activities before changes in working capital</b>		<b>362</b>	<b>297</b>
<b>Cash flow from change in working capital</b>			
Change in inventories		-63	23
Changes in operating receivables		54	-55
Changes in operating liabilities		-67	-106
<b>Net cash from operating activities</b>		<b>286</b>	<b>158</b>
<b>INVESTING ACTIVITIES</b>			
Business combinations	29	-119	-1,217
Divestment of subsidiaries	29	9	-
Acquisition of intangible assets		-1	-105
Acquisition of tangible assets		-4	-4
Divestment of tangible assets		111	-
Redemption of shares, purchase of minority interests		-	-265
Change in other financial assets		-0	1
<b>Cash flow from investing activities</b>		<b>-5</b>	<b>-1,589</b>
<b>FINANCING ACTIVITIES</b>			
New share issue*	21	-	1,152
Payment of warrants		-	2
Dividend paid to Parent Company shareholders		-133	-31
Dividend paid to non-controlling interests		-21	-52
Transactions with non-controlling interests		-1	-
Change in overdraft facility		-1	-60
Borrowings		0	1,570
Repayment of debt		-105	-854
Repayment of lease liability		-18	-13
<b>Cash flow from financing activities</b>		<b>-281</b>	<b>1,714</b>
<b>CASH FLOW FOR THE YEAR</b>			
Cash and cash equivalents at the beginning of the year		331	42
Exchange rate differences in cash and cash equivalents		7	6
<b>Cash and cash equivalents at the end of the year</b>		<b>339</b>	<b>331</b>
<b>Interest with cash flow impact included in operating activities</b>			
Interest received		2	2
Interest paid		-19	-14

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

## Parent Company income statement

AMOUNTS IN SEK MILLION	NOTE	1 Jan 2022 - 31 Dec 2022	1 Jan 2021 -31 Dec 2021
<b>OPERATING INCOME</b>			
Other operating income		7	5
<b>Total income</b>		<b>7</b>	<b>5</b>
<b>Other external expenses</b>			
Other external expenses	6	-18	-39
Personnel expenses	7	-7	-4
<b>Operating profit</b>		<b>-19</b>	<b>-38</b>
<b>Profit from participations in Group companies</b>			
Profit from participations in Group companies	20	169	-
Profit from participations in associated companies	15	1	7
Interest income and similar income items	8	135	22
Interest expenses and similar income items	9	-117	-14
<b>Profit after financial items</b>		<b>170</b>	<b>-24</b>
<b>Appropriations</b>			
Appropriations	10,28	-6	79
<b>Profit before tax</b>		<b>164</b>	<b>55</b>
<b>Tax on net profit for the year</b>			
Tax on net profit for the year	10	-4	-10
<b>NET PROFIT FOR THE YEAR</b>		<b>161</b>	<b>124</b>

## Parent company statement of comprehensive income

AMOUNTS IN SEK MILLION	NOTE	2022	2021
Net profit for the year		161	124
Other comprehensive income		-	-
<b>Comprehensive income for the year</b>		<b>161</b>	<b>124</b>



## Parent Company balance sheet

AMOUNTS IN SEK MILLION	NOTE	31 Dec 2022	31 Dec 2021
<b>ASSETS</b>			
<b>Financial assets</b>			
Participations in Group companies	15	986	866
Participations in associated companies	20	0	0
Participations in other holdings		3	–
<b>Total financial assets</b>		<b>989</b>	<b>866</b>
<b>Total non-current assets</b>		<b>989</b>	<b>866</b>
<b>Current assets</b>			
Receivables from Group companies	28	1,364	1,491
Other receivables		1	3
Prepaid expenses and accrued income		1	0
Cash and bank balances	19	245	232
<b>Total current assets</b>		<b>1,610</b>	<b>1,725</b>
<b>TOTAL ASSETS</b>		<b>2,599</b>	<b>2,592</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	21	1	1
<b>Restricted equity</b>		<b>1</b>	<b>1</b>
Överkursfond		1,376	1,376
Retained earnings		208	296
Net profit for the year		161	45
<b>Unrestricted equity</b>		<b>1,744</b>	<b>1,717</b>
<b>Total equity</b>		<b>1,745</b>	<b>1,718</b>
<b>Untaxed reserves</b>			
Tax allocation reserve	10	6	–
<b>Total untaxed reserves</b>		<b>6</b>	<b>–</b>
<b>Non-current liabilities</b>			
Borrowing from credit institutions	22	689	713
<b>Total non-current liabilities</b>		<b>689</b>	<b>713</b>
<b>Current liabilities</b>			
Trade payables		1	11
Liabilities to Group companies	28	67	69
Borrowing from credit institutions	22	87	80
Other current liabilities		4	1
Accrued expenses and prepaid income		1	1
<b>Total current liabilities</b>		<b>160</b>	<b>161</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,599</b>	<b>2,592</b>

## Parent company statement of changes in equity

AMOUNTS IN SEK MILLION	NOTE	Restricted equity			Total equity
		Share capital	Share premium reserve	Retained earnings incl. net profit for the year	
<b>OPENING EQUITY, 1 JAN 2021</b>	21	<b>0</b>	<b>–</b>	<b>327</b>	<b>327</b>
Net profit for the year		–	–	45	45
<b>Comprehensive income for the year</b>		<b>–</b>	<b>–</b>	<b>45</b>	<b>45</b>
<b>Transactions with owners of the Parent Company</b>					
New share issue net of transactions costs and tax *		0	1,374	–	1,374
Bonus issue		0	–	–0	–
Issue of warrants		–	2	–	2
Dividends paid		–	–	–31	–31
<b>Total</b>		<b>1</b>	<b>1,376</b>	<b>–31</b>	<b>1,345</b>
<b>Closing equity, 31 Dec 2021</b>		<b>1</b>	<b>1,376</b>	<b>341</b>	<b>1,718</b>
<b>OPENING EQUITY, 1 JAN 2022</b>		<b>1</b>	<b>1,376</b>	<b>341</b>	<b>1,718</b>
Net profit for the year		–	–	161	161
<b>Comprehensive income for the year</b>		<b>–</b>	<b>–</b>	<b>161</b>	<b>161</b>
<b>Transactions with owners of the Parent Company</b>					
Dividends paid		–	–	–133	–133
Warrants		–	–0	–	–0
<b>Total</b>		<b>–</b>	<b>–0</b>	<b>–133</b>	<b>–134</b>
<b>Closing equity, 31 Dec 2022</b>		<b>1</b>	<b>1,376</b>	<b>368</b>	<b>1,745</b>

\* New share issue includes issue expenses of SEK -48 million and tax effect of the issue expenses of SEK 10 million.



## Parent company statement of cash flows

AMOUNTS IN SEK MILLION	NOTE	2022	2021
<b>OPERATING ACTIVITIES</b>			
Profit after financial items		170	-24
Adjustment for non-cash items	26	93	–
Tax paid		-4	–
<b>Cash flow from operating activities before changes in working capital</b>		<b>259</b>	<b>-24</b>
<b>Cash flow from change in working capital</b>			
Changes in operating receivables		100	-977
Changes in operating liabilities		-9	-63
<b>Net cash from operating activities</b>		<b>350</b>	<b>-1,064</b>
<b>INVESTING ACTIVITIES</b>			
Acquisition of participations in Group companies	29	-122	-559
<b>Cash flow from investing activities</b>		<b>-122</b>	<b>-559</b>
<b>FINANCING ACTIVITIES</b>			
Dividends paid		-133	-31
New share issue*	21	–	1,152
Payment of warrants		–	2
Loans raised from credit institutions		–	1,575
Repayment of debt		-82	-782
Change in overdraft facility		–	-61
<b>Cash flow from financing activities</b>		<b>-215</b>	<b>1,855</b>
<b>Cash flow for the year</b>		<b>13</b>	<b>232</b>
Cash and cash equivalents at the beginning of the year		232	–
<b>Cash and cash equivalents at the end of the year</b>		<b>245</b>	<b>232</b>
<b>Interest with cash flow impact included in operating activities</b>			
Interest received		28	17
Interest paid		-17	-12

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

## Notes for the Group

### Note 1 Significant accounting policies

This Annual Report and the consolidated financial statements relate to the Swedish Parent Company Viva Wine Group AB with 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 most growing markets worldwide.

The Parent Company is a limited liability company with its registered office in Stockholm, Sweden. The address of the head office is Blasieholmsgatan 4A, SE-111 48 Stockholm, Sweden.

On 24 April 2023, the Board of Directors approved this Annual Report and Consolidated Financial Statements, which will be presented for adoption at the Annual General Meeting on 16 May 2023.

#### BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRIC) as adopted by the European Union (EU). The Group has also applied the Swedish Annual Accounts Act (1995:1554) and Recommendation RFR 1 "Supplementary Accounting Rules for Groups", issued by the Swedish Financial Reporting Board.

The consolidated accounts have been prepared based on the assumption of a going concern. Assets and liabilities are measured based on cost, with the exception of certain financial instruments that are measured at fair value. The consolidated accounts have been prepared in accordance with the acquisition method, and all subsidiaries in which a controlling interest is held have been consolidated as of the date this interest was received.

The preparation of financial statements in accordance with IFRS requires the use of several accounting estimates by management for accounting purposes. Those areas that include a high level of judgement, that are complex or such areas where assumptions and estimates are of material importance for the consolidated accounts are stated in Note 2 Key estimates and judgements. These judgements and assumptions are based on historical experience and on other factors considered reasonable under the prevailing circumstances. Actual outcomes may differ from judgements made if such judgements are changed or other circumstances are in place.

The Parent Company has applied the same accounting policies as those applied in the consolidated financial statements except as set out below in the section "Parent Company's accounting policies". The Parent Company applies the Swedish Annual Accounts Act (1995:1554) and Recommendation RFR 2 Financial Reporting for Legal Entities. The deviations that occur are caused by restrictions on the possibilities of applying IFRS in the Parent Company as a result of the Annual Accounts Act and current tax rules.

Unless otherwise indicated, the accounting policies stated below were applied consistently to all periods presented in the consolidated financial statements.

#### BASIS OF PREPARATION OF THE PARENT COMPANY'S FINANCIAL STATEMENTS

The Parent Company has prepared its annual accounts in accordance with the Annual Accounts Act (1995:1554) and the recommendation RFR 2 "Accounting for Legal Entities" issued by the Swedish Financial Reporting Board. The Parent Company applies the same accounting policies as the Group with the exceptions and additions set out in RFR 2. This means that IFRS is applied with the exceptions set out below. The accounting policies stated below were applied consistently to all periods presented in the Parent Company's financial statements, unless stated otherwise.

The income statement and balance sheet for the Parent Company are prepared in accordance with the presentation requirements of the Annual Accounts Act, while the statement of comprehensive income, statement of changes in equity and statement of cash flows are based on IAS 1 Presentation of Financial Statements and IAS 7 Statement of Cash Flows, respectively.

#### CONSOLIDATION

##### Subsidiaries

Subsidiaries are all entities over which Viva Wine Group AB has a controlling interest. The Group controls an entity when it is exposed or

has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the entity. Subsidiaries are included in the consolidated accounts from the date on which controlling influence is transferred to the Group, and are eliminated from the consolidated accounts from the date on which the controlling interest ceases.

Subsidiaries are recognised using the acquisition method. This method entails that the acquisition of a subsidiary is viewed as a transaction through which the Group indirectly acquires the assets of the subsidiary and assumes its liabilities. The acquisition analysis determines the fair value on the acquisition date of the identifiable assets, assumed liabilities and any non-controlling interests. Any transaction costs that arise, except for transaction costs attributable to issues of equity instruments or debt instruments, are recognised directly in net profit for the year. In the case of business combinations where the transferred consideration exceeds the fair value of the acquired assets and assumed liabilities that are to be recognised separately, the difference is recognised as goodwill. Should the difference be negative, which is known as a bargain purchase, it is recognised directly in net profit for the year.

For step acquisitions, goodwill is determined on the date on which controlling interest arises. Previous holdings are measured at fair value and the change in value is recognised in profit or loss. If further participations are acquired after controlling interest has been received, these are recognised in equity as a transaction between owners.

##### Non-controlling interests

Non-controlling interests, i.e. shares in subsidiaries that are directly or indirectly attributable to a parent company, are recognised separately in equity. Changes in participating interest that do not cause the parent company to lose its controlling interest are recognised as an equity transaction.

##### Related-party transactions

The Group's related parties include its owners, Group management, subsidiaries, joint ventures and associated companies. Related-party transactions in the consolidated accounts comprise remuneration to senior executives as well as purchases from and sales to joint ventures and associated companies. For information about related-party transactions, refer to Note 28.

##### Associated companies and jointly controlled entities

Shareholdings in associated companies in which the Group holds no less than 20% and not more than 50% of the votes or in another manner have a significant influence are recognised in accordance with the equity method. The equity method entails that the carrying amount of the shares in associated companies and joint ventures recognised in the Group corresponds to the Group's participations in the associated companies' and joint ventures' equity and consolidated surpluses or deficits. The equity method is applied until the date on which the significant influence ceases or the jointly owned company ceases to be jointly owned.

##### Transactions eliminated on consolidation

Intra-Group receivables and liabilities, revenue or expenses, and unrealised gains or losses arising in intra-Group transactions between Group companies are eliminated in their entirety when preparing the consolidated accounts.

#### CURRENCY

##### Functional currency and presentation currency

The functional currency of the Parent Company is Swedish kronor (SEK), which is also the presentation currency for the Parent Company and the Group. All amounts in this report are presented in millions of Swedish kronor (SEK million) unless otherwise stated. Rounding differences may occur.

##### Transactions in foreign currency

Transactions in foreign currency are translated into the functional currency at the exchange rate on the transaction date. Monetary assets and liabilities in foreign currency are translated into the functional currency at the exchange rate on the balance-sheet date. Non-monetary items measured at historical cost in a foreign currency are not translated. Exchange rate differences that arise during translation are recognised in net profit for the year as financial items.

##### Translation of foreign subsidiaries

Assets and liabilities in foreign operations are translated from the foreign operations' functional currency to the Group's presentation currency at the exchange rate prevailing on the balance-sheet date. Revenue and expenses in foreign entities are translated to SEK at the average exchange



rate, which constitutes an approximation of the foreign-exchange rates prevailing on each transaction date. Translation differences arising from currency translation of foreign operations are recognised in other comprehensive income and accumulated in the translation reserve in equity. When the controlling influence in foreign operations ceases, the associated translation differences are reclassified from the translation reserve in equity to profit or loss.

#### CLASSIFICATION

Non-current assets and non-current liabilities consist essentially of amounts that are expected to be recovered or paid more than 12 months from the balance-sheet date. Current assets consist essentially of amounts that are expected to be realised during the Group's normal operation cycle, which is 12 months after the reporting period. Current liabilities consist essentially of amounts that are expected to be settled during the Group's normal operation cycle, which is 12 months after the reporting period.

#### SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM is the function that is responsible for allocating resources and assessing the results of the operating segments. In the Group, this function was identified as Group management. An operating segment is a part of the Group that conducts operations from which revenue can be generated and costs incurred, and for which independent financial information is available. The division of the Group into segments is based on the internal structure of the Group's business operations, which means that the Group's operations have been divided into four reporting segments: Sweden, Nordics, eCom and Other. The Sweden segment is the largest segment based on net sales, in which Systembolaget, the state retail monopoly, is the largest customer. In the Nordic segment, which includes Finland and Norway, the largest customers are the Finnish state retail monopoly, Alko, and the Norwegian equivalent, Vinmonopolet. Other customers in the Sweden and Nordics segments include wholesalers, hotels and restaurants. The eCom segment includes consumer e-commerce sales in Europe. The Other segment includes the Company's pilot sales to B2B customers in the US, as well as management and administration of the Group, Parent Company and Group-wide activities. The same accounting policies are used in the segments as for the Group.

#### REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group recognise revenue when the Group satisfies a performance obligation, which is when a promised good or service is delivered to the customer and the control of the good or service is passed to the customer. Control of a performance obligation can be transferred over time or at a point in time. The revenue comprises the amount that the Company expects to receive as consideration for the goods or services transferred. The Group's recognition of revenue from contracts with customers requires each customer contract to be analysed in accordance with the five-step model set out in the standard:

- Step 1: Identify an agreement between at least two parties where there is a right and an obligation.
- Step 2: Identify the distinct promises (performance obligations) in the contract.
- Step 3: Determine the transaction price, that is, the amount of consideration that the Company expects to receive in exchange for the promised goods or services. The transaction price should be adjusted for variable elements, such as any discounts.
- Step 4: Allocating the transaction price to the different performance obligations.
- Step 5: Recognise revenue when the performance obligations are met, i.e. when control is transferred to the customer. The obligation may be satisfied at a point in time or over time if any of the criteria set out in the standard are met.

The Group's significant revenue is derived from trading in alcoholic beverages, primarily wine. Its revenue is mainly distributed between the following streams of revenue: sales to monopoly companies (Systembolaget, Alko and Vinmonopolet), sales to restaurant customers, sales to wholesalers, E-commerce and B2B sales (in China and the US). Contracts with the Group's customers encompass sales of goods with only one performance obligation that includes several distinct services such as customer service and transportation. Revenue is recognised at a point in time when the goods have been delivered to the customer.

#### EMPLOYEE BENEFITS

##### Short-term benefits

Short-term employee benefits such as salaries, social security contributions and holiday pay are expensed in the period when the employees perform the services.

#### Defined contribution pension plans

The Group has only defined contribution pension plans. A defined contribution pension plan is a pension plan under which the Group pays fixed contributions to a separate legal entity. The Group has no legal or informal obligations to pay additional contributions if this legal entity does not have sufficient assets to pay all employee benefits that relate to the employees' service during current or prior periods. The Group thus has no additional risk. The Group's obligations pertaining to fees for defined contribution pension plans are recognised as an expense in profit or loss at the rate they are vested as the employees perform services for the Group during the period.

#### Termination benefits

An expense for benefits in connection with the termination of employment is recognised only if the Company is demonstrably obligated, without any realistic possibility of withdrawal, by virtue of a formal detailed plan to prematurely terminate an employment contract. When benefits are paid as an offer to encourage voluntary redundancy, an expense is recognised if it is probable that the offer will be accepted and the number of employees who will accept the offer can be reliably estimated.

#### FINANCIAL INCOME AND EXPENSE

##### Financial income

Financial income comprises interest income and capital gains on sales of financial assets as well as currency effects. Interest income is recognised in accordance with the effective interest rate method. The effective interest rate discounts estimated future receipts and disbursements during the financial instrument's expected term to the recognised net value of the financial asset or the liability. The calculation also encompasses all fees paid or received by the contracting parties that are part of the effective interest rate, transaction costs and all other share premiums and discounts. Financial income is recognised in the period to which it pertains.

Dividends are recognised when the right to receive payment is considered certain. Proceeds from the sale of subsidiaries are recognised when control of the subsidiary is transferred to the buyer.

##### Financial expenses

Financial expenses consist primarily of interest expenses on liabilities, which are calculated based on application of the effective interest rate method, and interest expenses on lease liabilities as well as currency effects. Financial expenses are recognised in the period to which they are attributable.

#### INCOME TAX

Income tax comprises current tax and deferred tax. Income tax is recognised in net profit for the year, except when the underlying transaction is recognised in other comprehensive income or in equity, in which case the associated tax effect is also recognised in other comprehensive income or in equity.

Current tax is tax to be paid or refunded relating to the current year, with the application of the tax rates enacted, or in practice enacted, as of the balance-sheet date. Current tax also includes adjustments of current tax attributable to prior periods.

Deferred tax is recognised in its entirety, according to the balance sheet method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Temporary differences are not taken into consideration in the recognition of goodwill or on initial recognition of the acquisition of an asset, since the acquisition does not affect either recognised or taxable profit. Nor are temporary differences attributable to shares in subsidiaries that are not expected to be reversed in the foreseeable future taken into consideration. The valuation of deferred tax is based on how and in which jurisdiction the underlying assets or liabilities are expected to be realised or settled. Deferred tax is calculated by applying the tax rates and rules that have been enacted or announced on the balance-sheet date and that are expected to apply in that jurisdiction when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets on deductible temporary differences and loss carry-forwards are only recognised to the extent that it is likely that these will be possible to utilise. The value of the deferred tax assets is reduced when it is no longer considered probable that they can be utilised.

#### EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net earnings attributable to the Parent Company's shareholders by a weighted average of the number of shares outstanding during the year.

Diluted earnings per share is calculated by dividing the net earnings attributable to the shareholders of the Parent Company (adjusted where

applicable) by the sum of the weighted average number of ordinary shares outstanding and potential ordinary shares that may give rise to a dilutive effect. The dilutive effect of potential ordinary shares is only recognised if a conversion to ordinary shares would lead to a decrease in earnings per share after dilution.

#### INTANGIBLE ASSETS

An intangible asset is recognised when it is probable that future economic benefits that can be attributed to the asset will accrue to the Company and if the cost of the asset can be reliably calculated. An intangible asset is measured at cost on initial recognition in the financial statements. Intangible assets with definite useful lives are recognised at cost less amortisation and any impairment. Intangible assets with indefinite useful lives are tested annually for impairment and in cases where there is indication that impairment may be required. The useful life of intangible assets with indefinite useful lives is reappraised at the end of every reporting period as well; see Note 12 for more information.

#### Goodwill

Goodwill represents the difference between the cost of a business combination and the fair value of net assets acquired. Goodwill is measured at cost less any accumulated impairment. Goodwill is distributed to cash-generating units that are expected to benefit from the synergy effects of the business combination. The factors that comprise recognised goodwill are primarily synergies, employees, know-how and strategically important producer contacts. Goodwill is considered to have an indefinite useful life and is therefore tested for impairment on at least an annual basis.

#### Internally generated intangible assets

The Group's internally generated assets are divided into two phases in accordance with IAS 38: the research phase and the development phase. Costs arising in the research phase are continuously expensed as they arise and are never capitalised afterwards. Costs arising in the development phase are capitalised as intangible assets when, in the opinion of management, it is probable that they will result in future financial advantages for the Group, the criteria for capitalisation have been met and the costs can be reliably measured.

Internally generated intangible assets are recognised at cost less any accumulated impairment during the development phase. The expenditures that are capitalised encompass expenditures for materials, direct salaries and other expenditures directly attributable to projects. All other costs that do not meet the criteria for capitalisation are charged to earnings as they arise.

#### Depreciation policies

Intangible assets are amortised systematically over the estimated useful life of the asset. The useful life is reviewed at the end of each reporting period and adjusted as necessary. Once the amortisable amount of the asset has been determined, the residual value is taken into account where applicable. Amortisation is recognised in pace with the anticipated consumption of the economic benefits flowing from intangible assets with definite useful lives. Goodwill with an indefinite useful life is tested for impairment annually, or as soon as indications arise that the asset in question has decreased in value. Intangible assets with a definite useful life are amortised from the date they are available for use. The estimated useful lives of material intangible assets are as follows:

IT platforms	3–5 years
Customer relationships	3–15 years
Producer relationships	15 years
Brands	15 years – Indefinite
Internally generated intangible assets	5 years
Goodwill	Indefinite

#### TANGIBLE ASSETS

Tangible assets are recognised as an asset in the balance sheet if it is probable that future economic benefits will accrue to the Company and the cost of the asset can be reliably calculated. Tangible assets are recognised in the Group at cost less accumulated depreciation and any impairment. Cost includes the purchase price and expenditures directly attributable to the acquisition of the asset for bringing the item to the location and in the condition for its intended use.

The carrying amount of an asset is derecognised from the balance sheet when it is disposed or divested or when no future economic benefits are expected from the use or disposal/divestment of the asset. Gains or losses arising from the sale or disposal of an asset consist of the difference between the selling price and the asset's carrying amount less direct selling expenses. Gains and losses are recognised as other operating income/expenses.

#### Additional expenditures

Additional expenditures are added to the cost only to the extent that it is probable that the future economic benefits associated with the asset will accrue to the Group and the cost can be reliably calculated. All other additional expenditures are recognised as an expense in the period in which they arise.

#### Depreciation policies

Depreciation takes place straight-line over the estimated useful life of the asset. The estimated useful lives are:

Buildings	33 years
Leasehold improvements	3–25 years
Equipment, tools, fixtures and fittings	3–8 years

The depreciation methods applied, residual values and the useful lives of the assets are assessed at each year end.

#### LEASES

When a contract is signed, the Group establishes whether the contract is or contains a lease based on the substance of the agreement. A contract is or contains a lease if the contract transfers the right during a given period to determine the use of an identified asset in exchange for remuneration. The Group only has leases in the form of lessees.

#### Lease liabilities

On the start date of a lease, the Group recognises a lease liability corresponding to the present value of the lease payments to be made over the lease term. The lease term is defined as the non-cancellable period along with periods for extending or terminating the lease if the Group is reasonably certain that it will exercise these options. The lease payments include fixed payments (less any benefits received in conjunction with signing the lease), variable lease payments that depend on an index or a rate (for example, a reference interest rate) and amounts that are expected to be paid under residual value guarantees. Additionally, the lease payments include the exercise price for an option to purchase the underlying asset, or penalties to be paid for termination in accordance with a termination option, if it is reasonably certain that such options will be exercised by Viva Wine Group. Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period to which they are attributable.

For calculation of the present value of lease payments, the Group uses the implicit rate in the contract if it can be determined, otherwise the incremental borrowing rate as of the start date of the lease. After the start date of a lease, the lease liability increases to reflect the interest rate on the lease liability and decreases with lease payments paid. Additionally, the value of the lease liability is remeasured as a result of modifications, changes to the lease term, changes in lease payments or changes in an assessment of whether to purchase the underlying asset.

#### Right-of-use assets

The Group recognises right-of-use assets in the statement of financial position as of the start date of the lease (meaning the date on which the underlying asset becomes available for use). Right-of-use assets are measured at cost less accumulated depreciation and any impairment, and adjusted for remeasurements of lease liabilities, with the exception of currency translations. The cost of right-of-use assets includes the initial value recognised for the attributable lease liability, initial direct costs, and any advances paid on or before the start date of the lease less any incentives received. Provided that Viva Wine Group is not reasonably certain that the right of use for the underlying asset will be assumed upon expiration of the lease, the right-of-use asset is depreciated straight-line over the shorter of the lease term and the useful life.

#### Application of practical exemptions

Viva Wine Group tests for impairment in the event that there are indications of a decline in value in tangible or intangible assets, meaning whenever events or changes in circumstances indicate that the carrying amount is not recoverable. Short-term leases are defined as leases with an initial lease term of no more than 12 months after taking into account any options to extend the lease. Leases where the underlying asset is of low value include, for example, office furniture in the Group. Lease payments for short-term leases and leases where the underlying asset is of low value are expensed on a straight-line basis over the lease term.

#### Parent Company

The lease accounting rules under IFRS 16 are not applied in the Parent Company. This means that lease payments are recognised as an expense on a straight-line basis over the lease term, and that rights of use and



lease liabilities are not included in the Parent Company's balance sheet. However, leases are identified in accordance with IFRS 16, in that a contract is or contains a lease if the contract transfers the right during a given period to determine the use of an identified asset in exchange for remuneration.

#### PARTICIPATIONS IN SUBSIDIARIES

Participations in subsidiaries are accounted for in the Parent Company in accordance with the cost method. This means that participations are recorded at cost less any impairment losses. Any transaction costs are included in the carrying amount of the holding. Where the book value exceeds the consolidated value of the companies, an impairment loss is recognised and charged to the income statement. An impairment analysis is performed at the end of each reporting period. Where a previous impairment is no longer justified, it is reversed.

Assumptions are made about future conditions in order to calculate future cash flows that determine the recoverable amount. The recoverable amount is compared with the carrying amount of these assets and is the basis for any impairment or reversal. The assumptions that most affect the recoverable amount are future profitability, discount rate and useful life. If future environmental factors and conditions change, assumptions may be affected so that the carrying amounts of the Parent Company's assets change.

#### IMPAIRMENT OF NON-FINANCIAL ASSETS

The Group tests for impairment in the event that there are indications of a decline in value in tangible or intangible assets, meaning whenever events or changes in circumstances indicate that the carrying amount is not recoverable. This also applies to right-of-use assets attributable to leases. Moreover, assets with an indefinite useful life, meaning the Group's goodwill, are impairment tested annually by calculating the recoverable amount of the asset regardless of whether there are indications of a decline in value.

Impairment is recognised at the amount by which the carrying amount of the asset exceeds its recoverable amount. A recoverable amount is the higher of net selling price and value in use, which is an internally generated value based on future cash flows. When determining impairment requirements, assets are grouped down to the lowest level where separate identifiable cash flows (cash-generating units) exist. When impairment requirements are identified for a cash-generating unit (or group of units), the impairment amount is primarily allocated to goodwill. Other assets in the unit (or group of units) subsequently undergo proportional impairment. In calculating value in use, future cash flows are discounted at a discount rate that takes into account risk-free interest and the risk related to the specific asset. Impairment is charged to profit or loss.

Previously recognised impairment is reversed if the recoverable amount is deemed to exceed the carrying amount. However, there is no reversal of an amount greater than what the carrying amount would have been if impairment had not been recognised in previous periods. Any reversals are recognised in profit or loss. However, impairment of goodwill is never reversed.

#### APPROPRIATIONS AND SHAREHOLDERS' CONTRIBUTIONS

Shareholders' contributions paid are recognised as an increase in the value of shares and participations. A judgement is then made as to whether there is a need for impairment of the value of the shares and participations in question.

The Parent Company uses RFR 2's alternative rule for accounting for group contributions, which means that group contributions received and paid are recognised as appropriations in the income statement. The tax effect is recognised in the income statement in accordance with IAS 12.

Unlike the Group, the Parent Company recognises untaxed reserves in the balance sheet without a breakdown by equity and deferred tax liability. Similarly, the Parent Company does not allocate the portion of appropriations to deferred tax expense in the income statement.

#### FINANCIAL INSTRUMENTS

Financial instruments are every form of agreement that gives rise to a financial asset in one company and a financial liability or an equity instrument in another company. Financial instruments recognised in the balance sheet include on the assets side: securities held as non-current assets, non-current receivables, trade receivables, receivables from associated companies, other receivables, derivative instruments, and cash and cash equivalents. Liabilities include: overdraft facilities, other liabilities to credit institutions, other non-current liabilities, trade payables, advances from customers, liabilities to associated companies, derivative instruments, other current liabilities, and accrued expenses. Recognition depends on how the financial instruments have been classified.

#### Recognition and derecognition

Financial assets and liabilities are recognised when the Group becomes a party under the contractual terms of the instrument. Transactions with financial assets are recognised on the transaction date, which is the date when the Group undertakes to acquire or dispose of the assets. Trade receivables are recognised in the balance sheet once an invoice has been sent and the Group's right to remuneration is unconditional. Liabilities are recognised when the counterparty has performed and there is a contractual obligation to pay, even if the invoice has not yet been received. Trade payables are recognised once the invoice has been received.

A financial asset is derecognised from the balance sheet (in whole or in part) when the rights in the contract have been realised or expired, or when the Group no longer has control over it. A financial liability is derecognised from the balance sheet (in whole or in part) when the obligation in the agreement is fulfilled or in another way extinguished. A financial asset and a financial liability are offset and recognised net in the balance sheet when there is a legal right to offset the recognised amounts and the intention is either to settle the net amount or to realise the asset at the same time as the liability is settled. Gains and losses from derecognition in the balance sheet as well as modifications are recognised in profit or loss. On every reporting date, the company evaluates the need for impairment pertaining to expected credit losses for a financial asset or group of financial assets as well as any other existing credit exposure.

#### Classification and measurement

##### Financial assets

Debt instruments: classification of financial assets that are debt instruments is based on the Group's business model for asset management and the character of the contractual cash flows of the asset. The instruments are classified at:

- Amortised cost,
- Fair value through other comprehensive income, or
- Fair value through profit or loss.

Financial assets classified at amortised cost are held under the business model of collecting contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets classified at amortised cost are initially measured at fair value plus transaction costs. Following initial recognition, the assets are measured according to the effective interest rate method. The assets are subject to a loss allowance for expected credit losses. The Group's financial assets that constitute debt instruments classified at amortised cost are presented in Note 16 Financial instruments.

Derivatives are classified at fair value through profit or loss, except where hedge accounting is applied. See the Derivatives and hedge accounting section below. The Group does not hold any other financial assets classified at fair value through other comprehensive income. Nor does the Group hold any financial assets that constitute debt instruments classified at fair value through profit or loss.

Fair value is determined in accordance with the description in Note 16 Financial instruments.

##### Financial liabilities

Financial liabilities, except derivative instruments, are classified at amortised cost. Financial liabilities recognised at amortised cost are initially measured at fair value including transaction costs. Following initial recognition, they are measured at amortised cost using the effective interest rate method.

Borrowing is classified as current liabilities unless the Group has an unconditional right to postpone payment of the liability for at least 12 months after the balance-sheet date. Borrowing costs are recognised in profit or loss in the period to which they are attributable. Accrued interest is recognised as part of short-term borrowing from credit institutions in the event that settlement of the interest is expected within 12 months of the balance-sheet date.

Fair value is determined in accordance with the description in Note 16 Financial instruments.

##### Derivatives and hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and subsequently measured at fair value. The method of recognising the resulting gain or loss depends on whether or not the derivative is designated as a hedging instrument in hedge accounting. Changes in the fair value of derivatives are recognised in financial items where hedge accounting is not applied. The Group uses derivatives to hedge portions of future cash flows from forecast transactions in foreign currencies. IFRS 9 hedge accounting is applied for certain forward exchange contracts. Where hedging instruments are entered into with optionality, hedge accounting is not applied. For the conditions for hedge accounting to be met, the hedging relationship must be:

- Formally identified and designated
- Expected to fulfil the effectiveness criteria, and
- Be documented.

The Group assesses, evaluates and documents effectiveness both at hedge inception and on an ongoing basis. Hedge effectiveness is assessed by analysing the economic relationship between the hedged item and the hedging instrument and the effect of credit risk must not dominate changes in the value of the underlying item and instrument. In addition, the hedge ratio should be the same in the hedging relationship as in the actual hedge.

From 1 October 2022, the Group applies hedge accounting for cash flow hedges of foreign currency purchases for inventories: Changes in the fair value of a hedging instrument relating to the effective portion of the hedge are recognised in Other comprehensive income and accumulated as a separate component of equity, in the hedging reserve. Gains or losses arising from the ineffective portion of the hedge are recognised immediately in profit or loss. When the hedged forecast transaction results in the recognition of a non-financial asset, the amount accumulated in the hedging reserve is transferred to equity and included in the cost of inventories. The effect of the hedges, via the cost of the inventory, ultimately affects the item Goods for resale depending on the turnover rate of the inventory.

Hedge accounting cannot be terminated by decision.

Hedge accounting ceases when:

- The hedging instrument expires or is sold, terminated or exercised,
- Credit risk dominates the value changes resulting from the economic relationship
- When hedge accounting no longer meets the risk management objective.

For cash flow hedges, any gain or loss recognised in other comprehensive income and accumulated in equity at the date of discontinuation of the hedge remains in equity until the inventory is purchased. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

#### Parent Company

Because of the relationship between accounting and taxation, the rules on financial instruments under IFRS 9 are not applied in the Parent Company as a legal entity; instead, the Parent Company applies the cost method in accordance with the Swedish Annual Accounts Act. Accordingly, in the Parent Company, non-current financial assets are measured at cost and current financial assets at the lower of cost or market, with the application of an impairment loss for expected credit losses in accordance with IFRS 9 for assets that are debt instruments. In cases where the Parent Company enters into derivatives that are mirrored on to Group companies, these derivatives are valued as an item in a securities portfolio in accordance with RFR 2.

The Parent Company applies the exemption not to measure financial guarantee contracts in favour of subsidiaries, associates and joint ventures in accordance with the rules of IFRS 9, but instead applies the measurement principles of IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

#### IMPAIRMENT OF FINANCIAL ASSETS

Financial assets, except those classified at fair value through profit or loss, or equity instruments that are measured at fair value through other comprehensive income are covered by impairment for expected credit losses. Impairment of credit losses in accordance with IFRS 9 is forward-looking, and a loss allowance is made when there is an exposure to credit risk, normally on the initial recognition of an asset or receivable. Expected credit losses reflect the current value of all deficits in the cash flow attributable to defaults, either for the next 12 months or for the expected remaining tenor of the financial instruments, depending on the type of asset and on credit impairment since initial recognition.

The simplified model is applied for trade receivables. In the simplified model, a loss allowance is recognised for the expected remaining tenor of the receivable or asset.

For other items covered by expected credit losses, a three-stage impairment model is applied. Initially, and on every balance-sheet date, a loss allowance is recognised for the next 12 months, or alternately for a shorter period of time depending on the remaining tenor (stage 1). If there has been a substantial increase in credit risk since initial recognition that results in a rating below investment grade, a loss allowance is recognised for the remaining tenor of the asset (stage 2). For assets deemed to be credit impaired, provisions for expected credit losses continue to be made for the remaining tenor (stage 3). For credit-impaired assets and receivables, the calculation of interest income is based on the carrying amount of the asset, net of loss allowance, in contrast to the gross amount as in previous stages. The Group's assets are deemed to be at stage 1, meaning no material increase in credit risk has occurred.

The measurement of expected credit losses is based on different methods; refer to the Group's Note 22 Financial risks. Individual assessments are made for credit-impaired assets and receivables as well as receivables,

which take into account past, current and forward-looking information. The measurement of expected credit losses takes into account any collateral and other credit enhancement in the form of guarantees.

The financial assets are recognised at amortised cost in the balance sheet, meaning net of gross value and loss allowance. Changes in the loss allowance are recognised in profit or loss.

#### PARENT COMPANY

Financial assets, including intra-Group receivables, are written down for expected credit losses. For the methodology regarding impairment for expected credit losses, see note 22.

Expected credit losses on financial assets have not been recognised for the Parent Company, as the amount is deemed to be immaterial.

#### INVENTORIES

Inventories are measured at the lower of cost and net realisable value. When calculating the net realisable value, an assumption is made about discontinued items, surplus items, damaged goods and estimated sales value based on available information. See Note 17 for more information.

#### CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash as well as immediately available balances in banks and corresponding institutions. Utilised overdraft facilities are recognised as borrowings in non-current liabilities. Cash and cash equivalents are covered by loss allowance requirements for expected credit losses.

#### EQUITY

The Company's shares consist of ordinary shares, which are recognised as share capital. The share capital is recognised at its quota value, and the excess portion is recognised as Other contributed capital. Transaction costs that can be directly attributed to an issue of new shares are recognised, net of tax, in equity as a deduction from the issue proceeds.

#### PROVISIONS

A provision is recognised in the balance sheet when the Company has an existing legal or informal obligation as a result of an event that has occurred, it is probable that an outflow of financial resources will be required to settle the obligation, and the amount can be reliably estimated. Where the effect of when a payment is made is significant, provisions are calculated through the discounting of the anticipated future cash flow at an interest rate before tax that reflects current market assessments of the time value of money and, if applicable, the risks related to the liability. Provisions are reappraised at the end of every reporting period.

#### CONTINGENT LIABILITIES

A contingent liability is recognised when there is a possible commitment originating from events that have occurred and whose occurrence is confirmed only by one or several uncertain future events or when there is a commitment that is not recognised as a liability or provision because it is probable that an outflow of resources will be required.

#### CASH FLOW

The statement of cash flows is prepared using the indirect method. This means that earnings are adjusted for transactions that have not resulted in inflows or outflows during the period, and for any revenue or expenses attributable to investing and/or financing activities.



## Note 2 Key estimates and judgements

The preparation of financial statements requires that Executive Management and the Board of Directors make certain judgements and assumptions that impact the carrying amounts of asset and liability items, and revenue and cost 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 for material adjustments in the carrying amounts of assets and liabilities during the next financial year. 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. The judgements that are most material in preparing the company's financial statements are described below.

### Impairment testing of goodwill

To determine whether the value of goodwill has decreased, the cash-generating units to which the goodwill is attributable, meaning the respective segments, are measured by discounting the cash flows of the units. In applying this method, Viva Wine Group relies on a number of factors including results achieved, business plans, economic forecasts and market data. Changes in circumstances for these assumptions and estimates could have a material effect on the value of goodwill.

### Options

The Group has acquired part of the minority shareholding in the Group company, while at the same time the minority shareholders have an option to sell the remaining shares in the Group company to Viva Wine Group.

In accordance with IFRS 3, a liability is recognised for an estimated purchase price for the remaining shares. The Group makes estimates of the amounts that are expected to be paid to sellers. For the remaining shares of the minority in the company, an assessment has been made with regard to the estimated acquisition price, which is essentially based on the assumptions made at the time of the acquisition of the shares already transferred.

### Acquisition analyses

Where subsidiaries are acquired, an acquisition analysis is carried out wherein the fair value, on the acquisition date, of acquired identifiable assets and liabilities and contingent liabilities assumed is recognised. Acquisition analyses are based on significant estimates and judgements of future events. Actual values may therefore differ from those included in the acquisition analysis.

### Deferred tax

In preparing the financial statements, the Company calculates income tax for each tax jurisdiction in which the Company operates as well as deferred tax on temporary differences. Deferred tax assets that are mainly attributable to loss carryforwards and temporary differences are recognised if the tax assets are expected to be recovered through future taxable income. Further information on tax is provided in Note 10.

## Note 3 Operating segments

For accounting and monitoring, the Group has divided its operations into four operating segments. The segments are Sweden, Nordic (excluding Sweden), 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.

1 Jan 2022 - 31 Dec 2022	Sweden	Nordics	eCom	Other	Total segments	Eliminations	Group total
Net sales, external	2,350	679	775	21	3,825	–	3,825
Net sales, intra-Group	3	0	–	3	6	-6	–
Other operating income	6	3	74	53	136	-55	81
<b>Total income</b>	<b>2,360</b>	<b>682</b>	<b>849</b>	<b>77</b>	<b>3,967</b>	<b>-62</b>	<b>3,905</b>
<b>Operating expenses</b>							
Goods for resale	-1,938	-541	-465	-10	-2,954	9	-2,945
Other external expenses	-158	-19	-115	-32	-324	53	-271
Personnel expenses	-52	-25	-125	-40	-243	–	-243
Depreciation, amortisation and impairment of intangible and tangible assets	-8	-25	-97	-14	-143	–	-143
Profit from participations in associated companies and joint ventures	–	–	–	8	8	–	8
Other operating expenses	-0	–	-0	–	-0	–	-0
<b>Operating profit</b>	<b>204</b>	<b>71</b>	<b>47</b>	<b>-12</b>	<b>310</b>	<b>–</b>	<b>310</b>
<b>Other disclosures</b>							
Goodwill	76	242	633	–	951	–	951
Investments	2	–	4	–	5	–	5
Total assets	524	592	1,533	2,660	5,310	-1,404	3,905
Total liabilities	652	327	1,581	885	3,445	-1,404	2,041

1 Jan 2021 - 31 Dec 2021	Sweden	Nordics	eCom	Other	Total segments	Eliminations	Group total
Net sales, external	2,348	426	486	72	3,331	–	3,331
Net sales, intra-Group	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>
<b>Operating expenses</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 of intangible and tangible assets	-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>–</b>	<b>521</b>
<b>Other disclosures</b>							
Goodwill	1	234	586	–	821	–	821
Investments	–	0	5	103	109	–	109
Total assets	563	515	1,554	2,660	5,293	-1,480	3,813
Total liabilities	735	281	1,618	921	3,556	-1,480	2,077

Viva Wine Group has three customers that account for more than 10 percent of sales: Systembolaget in Sweden and its counterpart in Finland, Alko, and in Norway, Vinmonopolet. The total revenue from Systembolaget amounted to SEK 2,269 (2 290) million and is recognised as part of the Sweden segment. The total revenue from Alko amounted to SEK 363 (417) million and is recognised as part of the Nordics segment. The total revenue from Vinmonopolet amounted to SEK 289 (63) million and is recognised as part of the Nordics segment.



### Note 3 Operating segments (cont.)

Disclosures per country in which the Group has operations	Revenue from external customers	Non-current assets
Sweden	2,343	340
Finland	374	11
Germany	619	1,417
Norway	304	525
Other countries	184	0
<b>Total</b>	<b>3,825</b>	<b>2,293</b>

External revenue is based on where the customers are located and the carrying amounts of the non-current assets are based on where the assets are located.

### Note 4 Revenue from contracts with customers

Group	31 Dec 2022	31 Dec 2021
<b>Contract liabilities</b>		
Opening balance	6	9
Material changes in contract liabilities attributable to normal business	1	-3
Disposals	-4	-
Translation effect	0	1
<b>Closing balance</b>	<b>3</b>	<b>6</b>
	<b>1 Jan 2022 - 31 Dec 2022</b>	<b>1 Jan 2021 - 31 Dec 2021</b>
Revenue recognised during the year that was incl. as contract liability on 1 January	6	9

Contract liabilities are advance payments from customers for which performance obligations have not been satisfied, which mainly arise in the eCom segment. Contract liabilities are recognised as revenue when the performance obligation of the contract has been satisfied. For the above contractual liabilities as of 31 December, performance obligations corresponding to 100% are expected to be met in the first quarter of 2023. All revenue from contracts with customers is recognised at a point in time.

### Note 5 Other operating income

Group	1 Jan 2022 - 31 Dec 2022	1 Jan 2021 - 31 Dec 2021
Commission revenue	2	2
Capital gains on sales of tangible and intangible assets	70	-
Foreign exchange gains	-	1
Other	8	5
<b>Total</b>	<b>81</b>	<b>8</b>

### Note 6 Other external expenses

Group	1 Jan 2022 - 31 Dec 2022	1 Jan 2021 - 31 Dec 2021
Costs of premises	-7	-9
Consumable equipment and material	-10	-5
Other selling expenses	-10	-16
Freight and transportation	-1	-1
Travel costs	-7	-3
Advertising and PR	-174	-141
Office supplies	-3	-3
Other external expenses including consultancy expenses	-57	-79
Other	-3	-5
<b>Total</b>	<b>-271</b>	<b>-261</b>

Parent Company	1 Jan 2022 - 31 Dec 2022	1 Jan 2021 - 31 Dec 2021
Other external expenses including consultancy expenses	-15	-38
Other	-3	-1
<b>Total</b>	<b>-18</b>	<b>-39</b>

Group	1 Jan 2022 - 31 Dec 2022	1 Jan 2021 - 31 Dec 2021
<b>Ernst &amp; Young AB</b>		
Audit engagement	-2	-2
Other auditing activities	-1	-7
Tax advisory services	-0	-0
<b>Total</b>	<b>-3</b>	<b>-9</b>
<b>Other auditors</b>		
Rödl & Partner	-1	-0
Deloitte	-1	-0
<b>Total</b>	<b>-1</b>	<b>-0</b>

Parent Company	1 Jan 2022 - 31 Dec 2022	1 Jan 2021 - 31 Dec 2021
<b>Ernst &amp; Young AB</b>		
Audit engagement	-1	-0
Other auditing activities	-	-7
<b>Total</b>	<b>-1</b>	<b>-7</b>

Audit engagement refers to the auditor's work on the statutory audit, and auditing activities refers to various types of quality-assurance activities. Other services are such services that are not included in the audit engagement or tax advisory services.

### Note 7 Employees and personnel costs

Group	1 Jan 2022 - 31 Dec 2022			1 Jan 2021 - 31 Dec 2021		
	Average number of employees	Of whom women, %	Of whom men, %	Average number of employees	Of whom women, %	Of whom men, %
<b>Average number of employees</b>						
Parent Company	2	45	55	1	0	100
<b>Subsidiaries in:</b>						
Sweden	89	64	36	76	66	34
Finland	16	56	44	13	46	54
Germany	206	44	56	130	48	52
Norway	12	50	50	2	44	56
China	8	50	50	18	56	44
<b>Total, Group</b>	<b>333</b>	<b>50</b>	<b>50</b>	<b>240</b>	<b>54</b>	<b>46</b>

Group	1 Jan 2022 - 31 Dec 2022			1 Jan 2021 - 31 Dec 2021		
	Average number of employees	Of whom women, %	Of whom men, %	Average number of employees	Of whom women, %	Of whom men, %
<b>Gender distribution, board and senior executives</b>						
Board and other senior executives	12	33	67	9	33	67
<b>Total</b>	<b>12</b>	<b>33</b>	<b>67</b>	<b>9</b>	<b>33</b>	<b>67</b>

Group	1 Jan 2022 - 31 Dec 2022	1 Jan 2021 - 31 Dec 2021
	<b>Personnel expenses</b>	
Salaries and other benefits	-181	-138
Social security contributions	-40	-32
Pension costs	-9	-7
Other personnel costs	-13	-8
<b>Total</b>	<b>-243</b>	<b>-185</b>

Parent Company	1 Jan 2022 - 31 Dec 2022	1 Jan 2021 - 31 Dec 2021
	<b>Personnel expenses</b>	
Salaries and other benefits	-3	-2
Social security contributions	-1	-1
Pension costs	-0	-0
Other personnel costs	-3	-1
<b>Total</b>	<b>-7</b>	<b>-4</b>

Group	31 Dec 2022			
	Salaries	Board fee	Pension costs	Total
<b>Remuneration of the Board of Directors and senior executives</b>				
Anders Moberg, Chairman of the Board	-	-1	-	-1
John Wistedt, Member of the Board (included in senior executives)	-1	-0	-0	-2
Helen Fasth Gillstedt, Member of the Board	-	-0	-	-0
Anne Thorstvedt Sjöberg, Member of the Board	-	-0	-	-0
Mikael Aru, Member of the Board	-	-0	-	-0
Lars Ljungälv, Member of the Board	-	-0	-	-0
Emil Sallnäs, CEO	-2	-	-0	-2
Other senior executives, 5 people	-7	-	-0	-8
<b>Total</b>	<b>-10</b>	<b>-2</b>	<b>-1</b>	<b>-13</b>

Group	31 Dec 2021			
	Salaries	Board fee	Pension costs	Total
<b>Remuneration of the Board of Directors and senior executives</b>				
Anders Moberg, Chairman of the Board	-	-0	-	-0
John Wistedt, Member of the Board (included in senior executives)	-1	-0	-0	-2
Helen Fasth Gillstedt, Member of the Board	-	-0	-	-0
Anne Thorstvedt Sjöberg, Member of the Board	-	-0	-	-0
Mikael Aru, Member of the Board	-	-0	-	-0
Emil Sallnäs, CEO	-2	-	-0	-2
Other senior executives, 3 people	-6	-	-0	-6
<b>Total</b>	<b>-9</b>	<b>-1</b>	<b>-1</b>	<b>-11</b>



## Note 7 Employees and personnel costs (cont.)

### Remuneration of the Board of Directors, CEO and other senior executives

#### Remuneration to the Board of Directors

The chairman of the Board of Directors and other board members are paid a fee in accordance with the resolution of the Annual General Meeting. The Annual General Meeting on 20 May 2022, resolved to pay a fee of SEK 650,000 to Anders Moberg, Chairman of the Board, SEK 300,000 each to Board members Anne Thorstvedt Sjöberg, Mikael Aru, Helen Fasth Gillstedt, and Lars Ljungälv, SEK 100,000 to Helen Fast Gillstedt, Chairman of the Audit Committee, and SEK 60,000 to Lars Ljungälv, Audit Committee member. It was further resolved that board members who are employed by the Company would not receive any fee.

The board members of the Company are not entitled to any benefits after resigning as members of the Board of Directors.

### Remuneration of the CEO and senior executives

Remuneration of the CEO and other senior executives is subject to an annual review in accordance with the Company's guidelines for remuneration.

### Guidelines for remuneration of senior executives

The following guidelines for remuneration of employees in the Company were adopted at the Annual General Meeting held on 20 June 2022.

#### General

These guidelines are intended to help establish the conditions for the Company to retain and recruit capable and committed employees to successfully carry out the Company's business strategy and fulfil the Company's long-term interests, including its sustainability. In order to achieve the Company's business strategy, it is necessary that the total annual remuneration is market based and competitive in light of the employee's profession and the individual's area of responsibility, authority and performance. Remuneration can include fixed salary, variable remuneration, other remuneration and pension.

### Variable remuneration

Variable remuneration is to be based on earnings in relation to established short-term (annual) financial targets or to targets that contribute to financial targets or to value creation for the Company's shares. The aim of remuneration is to fulfil the Company's business strategy and long-term targets in order to enable the Company to operate as a going concern. Remuneration is to be paid in cash. Short-term remuneration must not exceed 100% of the individual's annual salary without special approval by the Board of Directors.

Short-term performance targets are to include components for operating profit (Earnings Before Interest and Taxes, EBIT) and can encompass sustainability targets, targets concerning organic growth, individual targets or a combination thereof.

The Company can also work with long-term remuneration programmes such as warrants. Long-term performance targets should be linked to the development of the Company based on the share price of the Company. Long-term remuneration programmes in subsidiaries, where the share price is not relevant, should be based on other long-term targets such as growth and EBIT.

### Pensions and other benefits

Pensions are to be defined-contribution plans and amount to a maximum of 30% of fixed annual salary. The retirement age is generally 67 years. Other benefits can include health insurance, company car benefits and fitness subsidies.

### Preparation and decision-making processes

The remuneration committee is to review and approve the terms and conditions for the employment contract of the CEO. Decisions related to the remuneration of other senior executives are to be proposed by the CEO and decided on by the chairman of the board. Senior executives that are employees report directly to the CEO. The same principles apply to all levels in the Company's organisation, meaning that all remuneration decisions are proposed by the immediate manager and decided on by the individual to whom the immediate manager reports.

Concerning the CEO, all matters related to remuneration are to be handled by the Board of Director's remuneration committee and decided on by the Board of Directors. When the Board of Directors or remuneration committee addresses and decides on remuneration-related matters, senior executives must not be present or attend the meetings in question insofar as the matters concern them.

The remuneration committee is also to prepare board decisions concerning proposals for guidelines for senior executives, and to oversee and monitor the implementation and application of the guidelines. In addition, the Board of Directors is to prepare a remuneration report.

### Application and deviations from the guidelines

The Board of Directors has the right to decide to temporarily deviate from the guidelines, entirely or in part, if there are particular reasons in individual cases where a deviation is necessary to fulfil the Company's long-term interests. The remuneration committee is responsible for preparing proposals ahead of board decisions concerning remuneration, including deviations from the guidelines. For positions regulated by laws other than Swedish law, appropriate adaptations are made concerning pension benefits and other benefits to comply with the applicable legislation and local practice, wherein the overall aim of the guidelines is to be fulfilled to the greatest extent possible.

The guidelines have not been given preferential rights ahead of binding legislation or collective bargaining agreements applicable to employment terms and are not applied for agreements already entered into.

### Benefits for the CEO and other senior executives should the employment relationship be terminated

The CEO receives a fixed salary of SEK 125,000 per month that is subject to an annual review as of 1 January. The period of notice for both the CEO and the Company is twelve months. Upon termination of employment by the Company, the CEO has the right to severance pay amounting to twelve months' salary, in addition to termination pay. Upon termination, the CEO is also entitled to a maximum of 60% of the fixed monthly salary during the period in which the CEO is subject to a non-compete agreement, which applies for twelve months after the termination of employment.

Remuneration to other executives consists of fixed salary, pension and benefits. Other senior executives who are not major shareholders in the Company have the opportunity to receive an annual bonus based on performance in relation to set short-term (annual) financial targets, targets that contribute to financial targets or to value creation for the Company's shares.

## Note 8 Financial income

Group	1 Jan 2022 - 31 Dec 2022	1 Jan 2021 - 31 Dec 2021
<i>Assets and liabilities measured at fair value through profit or loss:</i>		
Changes in value of currency derivatives	1	28
<b>Total recognised in profit or loss</b>	<b>1</b>	<b>28</b>
<i>Assets measured at amortised cost:</i>		
Interest income, other financial assets	3	1
<b>Total interest income in accordance with effective interest rate method</b>	<b>3</b>	<b>1</b>
<i>Other financial income:</i>		
Foreign exchange gains	123	11
Other financial items	1	–
<b>Total other financial income</b>	<b>124</b>	<b>11</b>
<b>Total financial income</b>	<b>128</b>	<b>40</b>
<b>Parent Company</b>		
<i>Assets and liabilities measured at amortised cost:</i>		
Interest income on receivables from Group companies	26	17
Interest income on external receivables	2	0
<b>Total interest income in accordance with effective interest rate method</b>	<b>28</b>	<b>17</b>
<i>Other financial income:</i>		
Foreign exchange gains	102	5
Other financial items	6	0
<b>Total other financial income</b>	<b>108</b>	<b>5</b>
<b>Total interest income and similar income items</b>	<b>135</b>	<b>22</b>

## Note 9 Financial expenses

Group	1 Jan 2022 - 31 Dec 2022	1 Jan 2021 - 31 Dec 2021
<i>Assets and liabilities measured at fair value through profit or loss:</i>		
Changes in value of currency derivatives	-9	–
<b>Total recognised in profit or loss</b>	<b>-9</b>	<b>–</b>
<i>Liabilities measured at amortised cost:</i>		
Interest expenses on liabilities to credit institutions	-17	-13
Interest expenses on other financial liabilities	-1	-2
<b>Total interest expenses in accordance with effective interest rate method</b>	<b>-17</b>	<b>-15</b>
<i>Other financial expenses:</i>		
Foreign exchange losses	-49	-6
Interest expenses on lease liabilities	-1	-1
Other financial items	-2	–
<b>Total other financial expenses</b>	<b>-53</b>	<b>-7</b>
<b>Total financial expenses</b>	<b>-79</b>	<b>-22</b>
<b>Parent Company</b>		
<i>Assets and liabilities measured at amortised cost:</i>		
Interest expenses on liabilities to credit institutions	-17	-12
Interest expenses, Group companies	-1	-1
<b>Total interest expenses and similar expense items</b>	<b>-17</b>	<b>-12</b>
<i>Other financial expenses:</i>		
Foreign exchange losses	-69	–
Impairment of intra-group loans	-28	–
Origination fees for borrowings	-2	-2
<b>Total other financial expenses</b>	<b>-100</b>	<b>-2</b>
<b>Total interest expenses and similar expense items</b>	<b>-117</b>	<b>-14</b>



## Note 10 Tax

Group	1 Jan 2022 - 31 Dec 2022	1 Jan 2021 - 31 Dec 2021
<b>Current tax</b>		
Current tax on net profit for the year	-110	-51
<b>Total current tax</b>	<b>-110</b>	<b>-51</b>
<b>Deferred tax</b>		
Deferred tax attributable to temporary differences	29	-24
<b>Total deferred tax</b>	<b>29</b>	<b>-24</b>
<b>Recognised tax in profit or loss</b>	<b>-81</b>	<b>-74</b>
<b>Reconciliation of effective tax rate</b>	<b>1 Jan 2022 - 31 Dec 2022</b>	<b>1 Jan 2021 - 31 Dec 2021</b>
<b>Profit before tax</b>	<b>359</b>	<b>539</b>
Tax according to applicable tax rate for the Parent Company (20.6%)	-74	-111
<i>Tax effect of:</i>		
Non-deductible expenses	-8	-9
Non-taxable revenue	6	5
Non-deductible/taxable income from associates	1	48
Effect of foreign tax rates	7	3
Utilisation of previously non-capitalised loss carryforwards	2	0
Increase in loss carryforwards without a corresponding capitalisation of deferred tax assets	-11	-10
Temporary differences in leases	0	-0
Other	-4	-0
<b>Recognised tax</b>	<b>-81</b>	<b>-74</b>
Effective tax rate	22.5%	13.8%
<b>Parent Company</b>		
<b>Current tax</b>		
Current tax on net profit for the year	-4	-10
<b>Total current tax</b>	<b>-4</b>	<b>-10</b>
<b>Recognised tax in profit or loss</b>	<b>-4</b>	<b>-10</b>
<b>Reconciliation of effective tax rate</b>	<b>1 Jan 2022 - 31 Dec 2022</b>	<b>1 Jan 2021 - 31 Dec 2021</b>
<b>Profit before tax*</b>	<b>164</b>	<b>55</b>
Tax according to applicable tax rate for the Parent Company (20.6%)	-34	-11
<i>Tax effect of:</i>		
Non-taxable revenue	36	1
Non-deductible expenses	-6	-
Increase in loss carryforwards without a corresponding capitalisation of deferred tax	-	-
<b>Recognised tax</b>	<b>-4</b>	<b>-10</b>
Effective tax rate	-2%	-18%

\*The item is affected by appropriations of SEK -6 (0) million, consisting of the tax allocation reserve.  
Tax effects on issue costs of SEK 10 million in 2021 were recognised directly in equity.

## Note 10 Tax (cont.)

Disclosures on deferred tax assets and tax liabilities

The tables below specify the tax effect of temporary differences:

Group	Right of use assets	Tax loss carryforwards	Other	Total
<b>Deferred tax assets</b>				
<b>Opening carrying amount, 1 Jan 2022</b>	<b>1</b>	<b>10</b>	<b>-</b>	<b>11</b>
<i>Recognised:</i>				
Through profit or loss	-	-4	1	-3
Translation effect	-0	1	-0	-0
<b>Closing carrying amount, 31 Dec 2022</b>	<b>1</b>	<b>7</b>	<b>1</b>	<b>8</b>

Group	Right of use assets	Tax loss carryforwards	Other	Total
<b>Deferred tax assets</b>				
<b>Opening carrying amount, 1 Jan 2021</b>	<b>1</b>	<b>10</b>	<b>6</b>	<b>17</b>
<i>Recognised:</i>				
Through profit or loss	0	-22	-6	-28
Added through business combinations	-	22	-	22
Translation effect	-	-	-	-
<b>Closing carrying amount, 31 Dec 2021</b>	<b>1</b>	<b>10</b>	<b>-</b>	<b>11</b>

Group	Intangible assets	Other	Total
<b>Deferred tax liabilities</b>			
<b>Opening carrying amount, 1 Jan 2022</b>	<b>303</b>	<b>6</b>	<b>309</b>
<i>Recognised:</i>			
Through profit or loss	-29	-4*	-33
Through other comprehensive income	-	1	1
Added through business combinations	11	-	11
Translation effect	22	-	22
<b>Closing carrying amount, 31 Dec 2022</b>	<b>306</b>	<b>3</b>	<b>309</b>

Group	Intangible assets	Other	Total
<b>Deferred tax liabilities</b>			
<b>Opening carrying amount, 1 Jan 2021</b>	<b>12</b>	<b>-</b>	<b>12</b>
<i>Recognised:</i>			
Through profit or loss	-10	6	-4
Added through business combinations	326	-	326
Translation effect	-25	-	-25
<b>Closing carrying amount, 31 Dec 2021</b>	<b>303</b>	<b>6</b>	<b>309</b>

\*This item includes deferred tax on untaxed reserves.

There are tax loss carryforwards for which deferred tax assets have not been recognised in the balance sheet amounting to SEK 250 (147) million, of which SEK 2 million has a time limit within one year, SEK 1 million within two years and the rest have no time limit.

Deferred tax assets were not recognised for these items since it was not deemed probable that the Group would be able to utilise them to offset future taxable profit.



## Note 11 Earnings per share

	1 Jan 2022 - 31 Dec 2022	1 Jan 2021 - 31 Dec 2021
<b>Basic earnings per share</b>		
Net profit for the year attributable to the shareholders of the Parent Company (SEK million)	254	414
Average number of shares, diluted (thousands)	88,832	62,403
<b>Basic earnings per share (SEK)</b>	<b>2.86</b>	<b>6.63</b>
<b>Weighted average number of basic ordinary shares</b>	<b>1 Jan 2022 - 31 Dec 2022</b>	<b>1 Jan 2021 - 31 Dec 2021</b>
Number of shares at the beginning of the year (thousands)	88,832	60,000*
Number of shares at the end of the year (thousands)	88,832	88,832
<b>Weighted average number of shares (thousands)</b>	<b>88,832</b>	<b>62,403</b>

\*In light of the 1:12 share split that took place on 25 November 2021, the number of shares is adjusted as though the event had occurred at the beginning of the earliest period presented.

## Note 12 Intangible assets

Group Cost	Goodwill	Software including IT platforms	Customer relationships	Producer relationships	Brands	Capitalised expenditure for development	Total intangible assets excl. Goodwill
<b>As of 1 January 2022</b>	<b>821</b>	<b>77</b>	<b>300</b>	<b>305</b>	<b>548</b>	<b>4</b>	<b>1,234</b>
Acquisitions for the year	–	1	–	–	–	–	1
Business combinations	75	–	43	–	17	38	98
Reclassifications	–	2	–	–	–	-2	–
Translation effects	59	7	26	9	39	1	82
<b>As of 31 Dec 2022</b>	<b>955</b>	<b>87</b>	<b>369</b>	<b>314</b>	<b>603</b>	<b>41</b>	<b>1,415</b>
<b>Depreciation/amortisation</b>							
<b>As of 1 January 2022</b>	<b>–</b>	<b>-19</b>	<b>-25</b>	<b>-5</b>	<b>-14</b>	<b>-2</b>	<b>-64</b>
Depreciation/amortisation for the year	–	-24	-37	-21	-21	-3	-105
Reclassifications	–	–	–	–	-7	-30	-37
Translation effects	–	-3	-4	–	-1	–	-8
<b>As of 31 Dec 2022</b>	<b>–</b>	<b>-45</b>	<b>-66</b>	<b>-26</b>	<b>-42</b>	<b>-35</b>	<b>-214</b>
<b>Impairment</b>							
<b>As of 1 January 2022</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Impairment for the year	-4	-2	-6	–	-4	–	-13
Translation effects	–	–	-1	–	-1	–	-2
<b>As of 31 Dec 2022</b>	<b>-4</b>	<b>-2</b>	<b>-7</b>	<b>–</b>	<b>-5</b>	<b>–</b>	<b>-15</b>
<b>Closing carrying amount, 31 December 2022</b>	<b>951</b>	<b>40</b>	<b>295</b>	<b>289</b>	<b>556</b>	<b>6</b>	<b>1,186</b>

Cost	Goodwill	Software including IT platforms	Customer relationships	Producer relationships	Brands	Capitalised expenditure for development	Total intangi- ble assets excl. Goodwill
<b>As of 1 January 2021</b>	<b>19</b>	<b>9</b>	<b>32</b>	<b>11</b>	<b>16</b>	<b>3</b>	<b>71</b>
Acquisitions for the year	–	–	–	–	103	2	105
Business combinations	798	67	267	291	426	–	1,052
Translation effects	4	0	2	3	2	-1	6
<b>As of 31 Dec 2021</b>	<b>821</b>	<b>77</b>	<b>300</b>	<b>305</b>	<b>548</b>	<b>4</b>	<b>-1,234</b>
<b>Depreciation/amortisation</b>							
<b>As of 1 January 2021</b>	<b>–</b>	<b>-9</b>	<b>-7</b>	<b>-1</b>	<b>-2</b>	<b>-2</b>	<b>-20</b>
Depreciation/amortisation for the year	–	-9	-18	-4	-12	–	-43
Translation effects	–	-0	-0	-0	-0	–	-1
<b>As of 31 Dec 2021</b>	<b>–</b>	<b>-19</b>	<b>-25</b>	<b>-5</b>	<b>-14</b>	<b>-2</b>	<b>-64</b>
<b>Closing carrying amount, 31 December 2021</b>	<b>821</b>	<b>58</b>	<b>275</b>	<b>301</b>	<b>534</b>	<b>2</b>	<b>1,170</b>

## Note 12 Intangible assets (cont.)

### Impairment test

The Group tests intangible assets with indefinite useful lives, i.e. goodwill and to some extent brands, for impairment at least annually.

The Group's goodwill of SEK 951 (821) million arose in connection with the acquisition by Viva Wine Group AB of Vinklubben i Norden AB as at 1 April 2022 and Tryffelsvinet AB as at 31 January 2020 (included in the cash generating unit Sweden below), Cisa Oy as at 31 July 2015 and Norwegian Beverage Group as at 1 November 2021 (included in the Nordic region below), as well as Vicampo.de GmbH as of 3 August 2021, Wine in Black as at 1 January 2019 and the Vinexus Group as of 30 November 2020 (within

eCom below). In connection with the acquisition of Vicampo, part of the excess value was allocated to brands, some of which are considered to have an indefinite useful life and are therefore also tested for impairment as part of the Group's impairment test.

Impairment testing is carried out at the lowest levels where there are separate identifiable cash flows (cash-generating units), which for the Group is the acquired company. The carrying amount that is tested for impairment is allocated to cash-generating units as follows:

31 Dec 2022	Sweden	Nordics	eCom	Total
Goodwill	76	242	633	951
Brand	–	–	404	404
<b>31 Dec 2021</b>	<b>Sweden</b>	<b>Nordics</b>	<b>eCom</b>	<b>Total</b>
Goodwill	1	234	586	821
Brand	–	–	381	381

The impairment test for the Group's goodwill consists of assessing whether the recoverable amount of the unit is higher than its carrying amount for the respective cash-generating unit to which the asset belongs. The recoverable amount has been calculated on the basis of the value in use of the unit, which represents the present value of the expected future cash flows of the unit without taking into account any future business expansion and restructuring. These calculations use estimated future pre-tax cash flows based on financial budgets approved by Executive Management. The calculation of value in use has been based on:

31 Dec 2022	Sweden	Nordics	eCom
Pre-tax discount rate, %	7.4	7.4	7.4
Cash flow estimates for	5 years	5 years	5 years
Extrapolation of cash flows thereafter with a growth of, %	2	2	3

31 Dec 2021	Sweden	Nordics	eCom
Pre-tax discount rate, %	8.7	8.7	8.7
Cash flow estimates for	5 years	5 years	5 years
Extrapolation of cash flows thereafter with a growth of, %	2	2	2

In 2022, the estimated recoverable amount of the Viva Group's operations exceeded the carrying amount for all operating segments, for which reason no impairment charge was recognised. The Viva Group also analysed whether a negative adjustment to the assumptions made for discount rate, growth and operating profit would result in impairment.

Based on that analysis, there is no need for impairment for any of the operating segments. In sensitivity testing of the carrying amount to value in use, growth assumptions, operating profit and the discount factor have all been adjusted by - 1 percentage point each.



## Note 13 Tangible assets

Group	Land and buildings	Equipment, tools, fixtures and fittings	Leasehold improvements	Cars	Total tangible assets
<b>Cost, 1 January 2022</b>	<b>40</b>	<b>13</b>	<b>3</b>	<b>2</b>	<b>58</b>
Acquisitions for the year	1	3	–	–	4
Sales and disposals	-43	-0	-2	-1	-47
Translation effects	2	2	0	0	3
<b>Cost, 31 Dec 2022</b>	<b>–</b>	<b>17</b>	<b>1</b>	<b>1</b>	<b>19</b>
<b>Accumulated depreciation, 1 January 2022</b>	<b>-1</b>	<b>-5</b>	<b>-1</b>	<b>-0</b>	<b>-8</b>
Depreciation/amortisation for the year	-1	-2	-0	-0	-3
Sales and disposals	2	0	1	1	4
Reclassifications	0	-0	–	–	–
Translation effects	-0	-1	-0	-0	-1
<b>Accumulated depreciation, 31 Dec 2022</b>	<b>–</b>	<b>-8</b>	<b>-1</b>	<b>-0</b>	<b>-9</b>
<b>Closing carrying amount, 31 December 2022</b>	<b>–</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>10</b>
Group	Land and buildings	Equipment, tools, fixtures and fittings	Leasehold improvements	Cars	Total tangible assets
<b>Cost, 1 January 2021</b>	<b>39</b>	<b>7</b>	<b>2</b>	<b>–</b>	<b>49</b>
Acquisitions for the year	1	2	–	0	3
Acquired through business combinations	–	4	–	–	4
Reclassifications	–	-1	–	1	0
Translation effects	1	0	1	0	2
<b>Cost, 31 Dec 2021</b>	<b>40</b>	<b>13</b>	<b>3</b>	<b>2</b>	<b>58</b>
<b>Accumulated depreciation, 1 January 2021</b>	<b>0</b>	<b>-4</b>	<b>-1</b>	<b>–</b>	<b>-5</b>
Depreciation/amortisation for the year	-1	-1	-1	0	-4
Sales and disposals	–	–	–	0	0
Translation effects	0	0	0	0	0
<b>Accumulated depreciation, 31 Dec 2021</b>	<b>-1</b>	<b>-5</b>	<b>-1</b>	<b>0</b>	<b>-8</b>
<b>Closing carrying amount, 31 Dec 2021</b>	<b>39</b>	<b>8</b>	<b>2</b>	<b>1</b>	<b>50</b>

## Note 14 Leases

Viva Wine Group's material leases mainly comprise leases for office premises and vehicles. Viva Wine Group classifies its leases in the categories premises, vehicles and office equipment. The table below presents the Group's closing balances for right-of-use assets, lease liabilities and changes for the year:

Group	Right-of-use assets			Total	Lease liabilities
	Premises	Vehicles	Office equipment		
<b>Opening balance, 1 January 2021</b>	<b>34</b>	<b>3</b>	<b>0</b>	<b>37</b>	<b>38</b>
Additional leases*	31	1	0	32	32
Depreciation/amortisation	-11	-2	-0	-13	–
Interest expenses	–	–	–	–	1
Lease payments	–	–	–	–	-14
Currency effects	1	–	–	1	1
<b>Closing balance, 31 Dec 2021</b>	<b>54</b>	<b>3</b>	<b>0</b>	<b>57</b>	<b>58</b>
Additional leases*	10	3	–	13	13
Depreciation/amortisation	-15	-3	-0	-18	–
Disposals	-2	–	–	-2	-2
Interest expenses	–	–	–	–	1
Lease payments	–	–	–	–	-20
Currency effects	2	0	0	2	2
<b>Closing balance, 31 Dec 2022</b>	<b>52</b>	<b>4</b>	<b>0</b>	<b>53</b>	<b>53</b>

\*Additional contracts are mainly related to new leases but also include adjustments to existing contracts.

The amounts recognised in the consolidated statement of profit or loss for the year attributable to leasing activities are presented below:

	1 Jan 2022 - 31 Dec 2022	1 Jan 2021 - 31 Dec 2021
Depreciation of right-of-use assets	-18	-13
Interest expenses on lease liabilities	-1	-1
Expenses for short-term leases	-1	-0
Expenses for low-value leases	-0	-0
<b>Total</b>	<b>-20</b>	<b>-14</b>

Viva Wine Group recognised a cash outflow attributable to leases amounting to SEK 18 million for the 2022 financial year (SEK 13 million). For a maturity analysis of the Group's lease liabilities, refer to Note 22 Financial risks.



## Note 15 Participations in associated companies

The associated companies that were material for the Group as of 31 December 2022 are presented below. The companies listed below have a share capital consisting only of ordinary shares, which are owned directly by the Group. The share of equity is the same as the share of votes unless otherwise stated.

Group Company name	Country of registration and operation	Revenue 2022	Net profit 2022	Share of equity, %		Nature of the Company's commitment	Valuation method
				31 Dec 2022	31 Dec 2021		
Norwegian Beverage Group AS	Norway	–	–	–	–	Associated company	Equity method
SA Vins Biecher	France	469	25	25.0	25.0	Associated company	Equity method

### Norwegian Beverage Group AS

Last year, the former associated company Norwegian Beverage Group AS became a Group company after the Group acquired an additional 40 percent of the shares in the company, which means it now owns 89 percent of the shares. See note 20 for more information about the Company.

### SA Vins Biecher

The company is active in the purchase and bottling of wine. The investment was made to strengthen the partnership between the Group and an important sub-supplier.

Company name	31 Dec 2022	31 Dec 2021
Norwegian Beverage Group AS	–	–
SA Vins Biecher	59	53
Other holdings*	2	2
<b>Total investments recognised in accordance with the equity method</b>	<b>61</b>	<b>54</b>

\*In addition to holdings in associated companies as described above, the Group also has holdings in a number of associated companies and joint ventures that are individually insignificant, which have been recognised in accordance with the equity method.

### Condensed financial information for associated companies

The table below shows condensed financial information for the associated companies deemed by the Group to be material. The information shows the amounts that have been recognised in the financial statements for each associated company. They have been adjusted to reflect adjustments made by the Group when applying the equity method, including adjustments to fair value at the time of the acquisition and adjustments for differences in accounting policies.

	Norwegian Beverage Group AS	
	31 Dec 2022	31 Dec 2021
<b>Reconciliation of carrying amount</b>		
Opening carrying amount, 1 Jan	–	22
Change in Group structure	–	-236
Share of profit in associated company*	–	226
Dividends paid	–	-12
Translation difference	–	0
<b>Closing carrying amount, 31 Dec</b>	<b>–</b>	<b>–</b>

\*SEK 213 million relates to gain on revaluation of existing holding to fair value on acquisition of control

## Note 15 Participations in associated companies (cont.)

Condensed balance sheet	SA Vins Biecher	
	31 Dec 2022	31 Dec 2021
Non-current assets	47	45
Current assets	231	289
Current liabilities	123	177
Non-current liabilities	0	0
<b>Net assets</b>	<b>154</b>	<b>128</b>

Reconciliation of carrying amount	31 Dec 2022	31 Dec 2021
Opening carrying amount, 1 Jan	53	46
Share of profit in associated company	6	8
Dividends paid	-2	-2
Translation difference	2	0
<b>Closing carrying amount, 31 Dec</b>	<b>59</b>	<b>53</b>

In addition to holdings in associated companies as described above, the Group also has holdings in a number of associated companies and joint ventures that are individually insignificant, which have been recognised in accordance with the equity method.

Reconciliation of carrying amount	Other holdings	
	31 Dec 2022	31 Dec 2021
Opening carrying amount, 1 Jan	2	2
Investments	0	2
Disposals	-1	–
Share of profit in associated company	1	1
Impairment of participations in associated companies	–	-2
Dividends paid	-0	-2
Translation difference	0	–
<b>Closing carrying amount</b>	<b>2</b>	<b>2</b>

Parent Company Company name	Country of registration and operation	Share of equity, %		Nature of the Company's commitment	Valuation method
		31 Dec 2022	31 Dec 2021		
Larex AB	Sweden	30.0	40.0	Associated company	Equity method
Ecoviva AB	Sweden	39.0	39.0	Associated company	Equity method

Profit from participations in associated companies	1 Jan 2022	1 Jan 2021
	- 31 Dec 2022	- 31 Dec 2021
Dividends from associated companies	1	7
<b>Total profit from participations in associated companies</b>	<b>1</b>	<b>7</b>

Reconciliation of carrying amount	31 Dec 2022	31 Dec 2021
Opening carrying amount, 1 Jan	0	14
Change in Group structure	–	-14
Impairment of participations in associated companies	-0	–
<b>Closing carrying amount</b>	<b>0</b>	<b>0</b>



## Note 16 Financial instruments

### Measurement of financial assets and liabilities, 31 Dec 2022

Group	Financial assets/ liabilities measured at fair value through profit or loss	Financial assets/ liabilities measured at amortised cost	Total carrying amount	Fair value
<b>Financial assets</b>				
Other securities held as non-current assets	-	3	3	3
Other non-current receivables	-	19	19	19
Trade receivables	-	670	670	670
Receivables from associated companies	-	5	5	5
Other receivables	-	21	21	21
Prepaid expenses and accrued income	-	37	37	37
Derivative instruments	8	-	8	8
Cash and cash equivalents	-	339	339	339
<b>Total</b>	<b>8</b>	<b>1,093</b>	<b>1,102</b>	<b>1,102</b>
<b>Financial liabilities</b>				
Liabilities to credit institutions	-	778	778	778
Other non-current liabilities	-	3	3	3
Trade payables	-	427	427	427
Advances from customers	-	3	3	3
Liabilities to associated companies	-	44	44	44
Derivative instruments	1	-	1	1
Other current liabilities	-	318	318	318
Accrued expenses and prepaid income	-	50	50	50
<b>Total</b>	<b>1</b>	<b>1,622</b>	<b>1,623</b>	<b>1,623</b>

### Measurement of financial assets and liabilities, 31 Dec 2021

Group	Financial assets/ liabilities measured at fair value through profit or loss	Financial assets/ liabilities measured at amortised cost	Total carrying amount	Fair value
<b>Financial assets</b>				
Other securities held as non-current assets	-	0	0	0
Other non-current receivables	-	19	19	19
Trade receivables	-	730	730	730
Receivables from associated companies	-	12	12	12
Other receivables	-	20	20	20
Prepaid expenses and accrued income	-	46	46	46
Derivative instruments	10	-	10	10
Cash and cash equivalents	-	331	331	331
<b>Total</b>	<b>10</b>	<b>1,158</b>	<b>1,168</b>	<b>1,168</b>
<b>Financial liabilities</b>				
Liabilities to credit institutions	-	818	818	818
Trade payables	-	443	443	443
Advances from customers	-	6	6	6
Liabilities to associated companies	-	23	23	23
Derivative instruments	1	-	1	1
Other current liabilities	-	333	333	333
Accrued expenses	-	41	41	41
<b>Total</b>	<b>1</b>	<b>1,664</b>	<b>1,665</b>	<b>1,665</b>

The carrying amount of current receivables and liabilities, such as trade receivables and trade payables, and for non-current liabilities at variable interest, is deemed to be a good approximation of the fair value.

The Group has no financial assets or liabilities that are offset in the accounts or that are subject to legally binding netting agreements. The maximum credit risk of the assets comprises the net amount of the carrying amounts in the tables above. The Group has not received any pledged assets for the financial net assets.

## Note 16 Financial instruments (cont.)

### Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The table below shows financial instruments measured at fair value, based on the classification in the fair value hierarchy. The different levels are defined as follows:

Level 1 - Quoted prices (unadjusted) for identical assets or liabilities in active markets

Level 2 - Observable inputs for the asset or liability other than quoted prices included in Level 1, either directly (i.e. as price quotes) or indirectly (i.e. derived from price quotes)

Level 3 - Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs)

Financial assets measured at fair value, 31 Dec 2022	Level 1	Level 2	Level 3	Total
Derivative instruments	-	8	-	8

Financial assets measured at fair value, 31 Dec 2021	Level 1	Level 2	Level 3	Total
Derivative instruments	-	10	-	10

Financial liabilities measured at fair value, 31 Dec 2022	Level 1	Level 2	Level 3	Total
Derivative instruments	-	1	-	1

Financial liabilities measured at fair value, 31 Dec 2021	Level 1	Level 2	Level 3	Total
Derivative instruments	-	1	-	1

## Note 17 Inventories

Group	31 Dec 2022	31 Dec 2021
Finished goods and goods for resale	535	477
Advance payments to suppliers	-	1
<b>Carrying amount</b>	<b>535</b>	<b>477</b>
Of which, share recognised at net realisable value	1.2%	0.7%

## Note 18 Prepaid expenses and accrued income

Group	31 Dec 2022	31 Dec 2021
Accrued interest income	1	1
Accrued promotional income	1	2
Prepaid alcohol tax	15	15
Advance payments to supplier	9	18
Other prepaid expenses	10	11
<b>Carrying amount</b>	<b>37</b>	<b>46</b>

## Note 19 Cash and cash equivalents

Group	31 Dec 2022	31 Dec 2021
Bank balances	339	331
<b>Carrying amount</b>	<b>339</b>	<b>331</b>

The above amounts do not include any blocked bank balances.

Parent Company	31 Dec 2022	31 Dec 2021
Bank balances	245	232
<b>Carrying amount</b>	<b>245</b>	<b>232</b>



## Note 20 Group companies

The holdings of the Parent Company, Viva Wine Group AB, in direct and indirect subsidiaries included in the consolidated accounts are presented in the table below:

Group Company	Principle activities	Corporate Registration Number	Registered office	Share of equity/share of voting rights	
				31 Dec 2022	31 Dec 2021
Viva Wine Group AB	Holding company	559178-4953	Stockholm	Parent company	Parent company
Giertz Vinimport AB	Wine importer	556552-2066	Stockholm	97.5/97.5	97.5/97.5
The Wine Team Global AB	Wine importer	556782-5293	Stockholm	90.5/90.5	90.5/90.5
Winemarket Nordic AB	Wine importer	556884-7650	Stockholm	90/90	90/90
Iconic Wines AB	Wine importer	559013-0471	Stockholm	85/85	85/85
C-Wine Holding AB	Holding company	556898-1483	Stockholm	85/85	85/85
Chris-Wine Sweden AB	Wine importer	556500-2457	Stockholm	85/85	85/85
Viva Wine & Spirits AB	Wine importer	556898-1574	Stockholm	100/100	100/100
Bottle Shock AB	Holding company	559214-5105	Stockholm	83/83	80/80
Tryffelsvinet AB	Wine importer	556635-6860	Stockholm	83/83	80/80
Viva Global AB*	Holding company	556977-8722	Stockholm	19/19	100/100
Vinimundi AB	Wine importer	556823-8181	Stockholm	90.5/90.5	90.5/90.5
Wine a Porter AB	Dormant	559089-3946	Stockholm	97.5/97.5	97.5/97.5
Viva E-com Holding AB	Holding company	559230-3068	Stockholm	86.2/86.2	86.5/86.5
Viva E-Commerce AB	Holding company	559146-8102	Stockholm	86.2/86.2	86.5/86.5
House of Big Wines AB	Brand company	559169-4616	Stockholm	90.5/90.5	90.5/90.5
Casa Marrone AB	Brand company	559178-4912	Stockholm	90.5/90.5	90.5/90.5
Icon Wines AB	Brand company	559188-6576	Stockholm	90.5/90.5	90.5/90.5
Casa Vinironia AB	Brand company	559178-4920	Stockholm	97.5/97.5	97.5/97.5
Omni Wines AB	Brand company	559178-4946	Stockholm	97.5/97.5	97.5/97.5
Vinklubben i Norden AB	Marketing	556969-5504	Stockholm	100/100	-
Pietro di Campo AB	Brand company	559325-7743	Stockholm	100/100	100/100
Cisa Oy	Wine importer	1526323-3	Espoo, Finland	85/85	85/85
Cisa Drinks Oy	Wine importer	1825485-0	Espoo, Finland	85/85	85/85
Cisa Finland Oy	Dormant	1942989-4	Espoo, Finland	85/85	85/85
Realfi Oy	Dormant	1789116-1	Espoo, Finland	85/85	85/85
Norwegian Beverage Group AS	Wine importer	997862856	Lysaker, Norway	89/89	89/89
Momentum Wines AS	Wine importer	971587601	Lysaker, Norway	89/89	89/89
Exciting Wines AS	Wine importer	997532694	Lysaker, Norway	89/89	89/89
Hand Picked Wines AS	Wine importer	999121292	Lysaker, Norway	89/89	89/89
Silenus AS	Wine importer	914527279	Lysaker, Norway	89/89	89/89
United Brands AS	Wine importer	998854946	Lysaker, Norway	89/89	89/89
Viva eCom Group GmbH	Holding company	HRB 218519 B	Berlin, Germany	86.2/86.2	86.5/86.5
Wine in Black GmbH	E-commerce	HRB 142086 B	Berlin, Germany	86.2/86.2	86.5/86.5
Wine in Black France Holding UG	Holding company	HRB 144668 B	Berlin, Germany	86.2/86.2	86.5/86.5
Vinexus Deutschland GmbH	E-commerce	HRB 8515	Butzbach, Germany	86.2/86.2	86.5/86.5
Wine Logistix GmbH	Logistics	HRB 8513	Butzbach, Germany	86.2/86.2	86.5/86.5
Wein für Profis GmbH	E-commerce	HRB 8509	Butzbach, Germany	86.2/86.2	86.5/86.5
mydailywine GmbH**	E-commerce	HRB 8570	Butzbach, Germany	-/-	86.5/86.5
VIVA eCOM Butzbach Real Estate GmbH	Property company	HRB 222260 B	Butzbach, Germany	86.2/86.2	86.5/86.5
Viva eCommerce GmbH	Holding company	HRB 231676 B	Mainz, Germany	86.2/86.2	86.5/86.5
Vicampo.de GmbH	E-commerce	HRB 44108	Mainz, Germany	86.2/86.2	86.5/86.5
Shang Hai Wan Jie Supply Chain Co., Ltd*	Wine importer	91310115MA1H8HRN4P	Shanghai, China	17.1/17.1	90/90
Jiang Yin Lang Zun International Trade Co. Ltd*	Wine importer	91320281MA1X57Q197	Jiang Yin City, China	17.1/17.1	90/90
Hangzhou Weiwen Education Technology Co.,Ltd*	Wine importer	91330103MA2HX6MJ8E	Hang Zhou City, China	11.1/11.1	58.5/58.5
ViniMundi Wines Inc	Wine importer	7758996	Lewes, Delaware	76.9/76.9	76.9/76.9
GWB Holding Ltd.	Holding company	C73375	Valetta, Malta	100/100	100/100
Global Wine Brands Ltd	Brand company	C73457	Valetta, Malta	100/100	100/100

\*Viva Global AB along with the Chinese subsidiaries were partly divested during the year and are now classified as other holdings; see Note 29 for more information

\*\*The subsidiary mydailywine GmbH was merged into the other subsidiary Wein für Profis GmbH during the year

## Note 20 Group companies (cont.)

Parent Company		1 Jan 2022-	1 Jan 2021-					
Profit from participations in Group companies		31 Dec 2022	31 Dec 2021					
Dividend from subsidiaries		169	-					
<b>Total profit from participations in Group companies</b>		<b>169</b>	<b>-</b>					
Reconciliation of carrying amount		31 Dec 2022	31 Dec 2021					
Opening balance		866	67					
Acquisitions		123	836					
Capital contribution		-	3					
Disposals		-3	-39					
<b>Closing carrying amount</b>		<b>986</b>	<b>866</b>					
Company	Corporate Registration Number	Registered office	Equity 31 Dec 2022	Net profit 2022	Share of equity/ share of voting rights	Number of shares	Carrying amount 31 Dec 2022	Carrying amount 31 Dec 2021
Giertz Vinimport AB	556552-2066	Stockholm	114	75	97.5/97.5	10,217	29	29
The Wine Team Global AB	556782-5293	Stockholm	103	69	90.5/90.5	905	256	256
Winemarket Nordic AB	556884-7650	Stockholm	13	9	90/90	45,000	17	17
Iconic Wines AB	559013-0471	Stockholm	19	13	85/85	850	69	69
C-Wine Holding AB	556898-1483	Stockholm	71	20	85/85	42,500	47	47
Viva Wine & Spirits AB	556898-1574	Stockholm	0	-0	100/100	50,000	0	0
Bottle Shock AB	559214-5105	Stockholm	25	8	83/83	830	9	8
Viva Global AB	556977-8722	Stockholm	-	-2	19/19	-	-	3
Viva E-com Holding AB	559230-3068	Stockholm	42	-0	86.2/86.2	865	42	42
Vinklubben i Norden AB	556969-5504	Stockholm	10	-1	100/100	50,000	122	-
Pietro di Campo AB	559325-7743	Stockholm	7	7	100/100	1,000	104	104
Cisa Oy	1526323-3	Espoo, Finland	31	29	85/85	2,550	83	83
Norwegian Beverage Group AS	997862856	Lysaker, Norway	27	3	89/89	890	207	207
GWB Holding Ltd.	C73375	Valetta, Malta	6	-0	100/100	10,000	-	0
<b>Closing carrying amount</b>							<b>986</b>	<b>866</b>

## Note 21 Share capital and other contributed capital

Event	Number of shares		Share capital (SEK)		Other contributed capital (SEK)	
	Change	Total	Change	Total	Change	Total
<b>1 January 2021</b>		<b>5,000,000</b>		<b>50,000</b>		<b>-</b>
Bonus issue		5,000,000	450,000	500,000		-
Split (1:12)	55,000,000	60,000,000		500,000		-
New share issue	4,342,089	64,342,089	36,184	536,184	212,726,159	212,726,159
Warrants		64,342,089		536,184	2,134,846	214,861,005
New share issue	24,489,795	88,831,884	204,082	740,266	1,161,349,657	1,376,210,662
<b>31 December 2021</b>		<b>88,831,884</b>		<b>740,266</b>		<b>1,376,210,662</b>
Repurchase of warrants		88,831,884		740,266	-176,746	1,376,033,916
<b>31 December 2022</b>		<b>88,831,884</b>		<b>740,266</b>		<b>1,376,033,916</b>

### 2022 Share capital

The registered share capital of SEK 0.7 million consists of 88,831,884 shares. Viva Wine Group AB has only one class of shares, with all shares carrying equal voting rights. The quota value of the shares is SEK 0.0083 (0.0083).

Holders of ordinary shares are entitled to receive dividends that are determined at a later date and the shareholding carries entitlement to vote at the Company's general meetings with one vote per share. All shares have the same rights to Viva Wine's remaining net assets. All shares are fully paid up and no shares are reserved for transfer. No shares are held by the Company itself or its subsidiaries.

### Incentive programmes

During the year, 58,140 warrants of series 2021:3 were repurchased from staff who had left their employment. As of 31 December 2022, there are 411,552 of series 2021:3 and 232,560 of series 2021:4. Assuming that all warrants under the incentive programmes will be exercised for subscription of new shares, the Company's share capital will increase by approximately SEK 5,367.60, corresponding to approximately 0.73 percent

of the Company's share capital. The warrants can be exercised immediately after publication of the quarterly report for the fourth quarter of 2024 until 15 March 2025 at the latest. The exercise price for the warrants will correspond to SEK 63.70.

### 2021 Share capital

The registered share capital at SEK 0.7 million consists of 88,831,884 shares (5,000,000). Viva Wine Group AB has only one class of shares, with all shares carrying equal voting rights. The quota value of the shares is SEK 0.0083 (0.01).

Holders of ordinary shares are entitled to receive dividends that are determined at a later date and the shareholding carries entitlement to vote at the Company's general meetings with one vote per share. All shares have the same rights to Viva Wine's remaining net assets. All shares are fully paid up and no shares are reserved for transfer. No shares are held by the Company itself or its subsidiaries.



## Note 21 Share capital and other contributed capital (cont.)

### Issues

On 21 November 2021, an offsetting issue of 4,342,089 shares with a quota value of SEK 0.0083 was carried out to settle minority acquisitions made during the year by issuing capital instruments. The fair value of the shares issued amounted to SEK 213 million. On 14 December, Viva Wine Group's share was listed on Nasdaq First North Premier Growth Market; in connection with the listing a new issue of 24,489,795 shares with a quota value of SEK 0.0083 raised SEK 1,200 million before issue costs of SEK -48 million, with a tax effect on the issue costs of SEK 10 million through the issuance of capital instruments.

### Incentive programmes

At an extraordinary general meeting held on 5 December 2021, a resolu-

tion was passed to issue warrants as part of the introduction of a series 2021:3 incentive programme for current senior executives and other key employees in the Group and 2021:4 for members of the Board of Directors. Assuming that all the warrants, 469,692 in the series 2021:3 and 232,560 in the series 2021:4 incentive programmes, will be utilised for the subscription of new shares, the Company's share capital will increase by approximately SEK 5,852.10, corresponding to approximately 0.78% of the Company's share capital. For each warrant, SEK 3.04 was paid; the basis for the subscription price is the market value of the warrant. A total of SEK 9 million was received for the subscribed warrants. The warrants can be exercised immediately after publication of the quarterly report for the fourth quarter of 2024 until 15 March 2025 at the latest. The exercise price for the warrants will correspond to SEK 63.70.

## Note 22 Financial risks

The Group's earnings, financial position and cash flow are impacted by both changes in the business environment and the Group's own actions. The objective of risk-management activities is to define and analyse the risks faced by the Company and, to the greatest extent possible, to prevent and limit any negative effects.

Through its operations, the Group is exposed to different types of financial risks: credit risk, market risk (interest-rate risk, currency risk and other price risk) as well as liquidity risk and refinancing risk. The Board of Directors is ultimately responsible for the Group's risk activities, including financial risks. Risk activities include identifying, assessing and valuing the risks faced by the Group. Priority is assigned to the risks that are estimated to have the greatest negative impact on the Group, based on an overall assessment of potential effect, probability and consequences.

### Credit risk

Credit risk is the risk that the Group's counterparty in a financial instrument is unable to fulfil its obligations and thus causes a financial loss for the Group. The Group's credit risk primarily arises through receivables from customers and investing cash and cash equivalents. On each six-month reporting date, the Group evaluates the credit risk of existing exposures, taking into account forward-looking factors.

The financial assets for which the Group has made provisions for expected credit losses ("loss allowance") are presented below. In addition to the assets below, the Group also monitors its provisions requirements for other financial instruments. For cases in which the amounts are not deemed to be insignificant, loss allowances are also made for these financial instruments.

### Credit risk in trade receivables (simplified approach for credit risk provision)

Credit risk for the Group is primarily found in trade receivables and Viva

Wine Group's aim is to continuously monitor this credit risk. The Group's customers comprise both businesses and consumers. The Group has established guidelines to ensure that products are sold to customers with a suitable credit background. Payment terms are normally between 30 and 60 days depending on the counterparty. Past credit losses amount to insignificant amounts in relation to the Group's net sales.

For trade receivables, the Group has used the simplified approach under IFRS 9 to measure expected credit losses for the remaining tenor. The Group measures the loss allowance at an amount corresponding to the expected credit losses for the remaining tenor. Expected credit losses for trade receivables are calculated using a loss allowance matrix based on past experience and an analysis of customers' financial positions, adjusted for customer-specific factors, the general economic conditions in the industry in which the customers operate and an assessment of both current circumstances and forecasts for the reporting date. The Group's customers are divided into two segments: business customers and consumers. For individual major receivables that are more than 120 days past due for payment or where the credit risk is deemed material, the loss allowance for these receivables is assessed for each counterparty. These approaches are applied in combination with other known information and forward-looking factors, including information about individual customers and management's assessment of the impact of the economic conditions in the industry.

The Group has defined default as when payment of a receivable is 120 or more past due, or if other factors indicate default. In such cases, an individual assessment is performed to estimate the expected credit loss in addition to the expected loss. The Group writes off a receivable when there is no longer any expectation that payment will be received and when active measures to obtain payment have been discontinued.

### Group

	31 Dec 2022				31 Dec 2021			
	Gross	Impairment	Expected loss, %		Gross	Impairment	Expected loss, %	
Trade receivables not yet due	658	-0	0.01		704	-0	0.01	
<i>Past due trade receivables:</i>								
0-30 days	10	-0	0.01		22	-0	0.01	
31-60 days	1	-0	1.00		2	-0	1.00	
61-90 days	1	-0	5.00		0	-0	5.00	
91-120 days	0	-0	5.00		0	-0	5.00	
>120 days	2	-1	50.00		5	-3	50.00	
<b>Total</b>	<b>671</b>	<b>-1</b>			<b>733</b>	<b>-3</b>		

The credit quality of receivables that are not more than 90 days past due is deemed favourable, based on historically low customer losses and considering forward-looking factors.

	1 Jan 2022 - 31 Dec 2022	1 Jan 2021 - 31 Dec 2021
<b>Expected credit losses for trade receivables (simplified approach)</b>		
Opening carrying amount	-3	-1
Reversed reserves	3	1
Identified losses	-	-
Additional reserves	-1	-3
<b>Closing carrying amount</b>	<b>-1</b>	<b>-3</b>

### Cash and cash equivalents

The Group's credit risk also arises when depositing cash and cash equivalents and surplus liquidity. Viva Wine Group's aim is to continuously monitor credit risk attributable to deposits. For deposits in bank accounts, the aim is for the counterparty to have a minimum credit rating

of A- (S&P). One way of counteracting credit risk is for the Group to have bank accounts with more than one bank. For cash and cash equivalents, a general approach is applied based on the banks' probability of default and forward-looking factors. Due to short maturities and high credit ratings, the loss allowances amount to insignificant amounts.

## Note 22 Financial risks (cont.)

### Credit risk exposure and credit risk concentration

The Group's credit risk exposure comprises trade receivables and cash and cash equivalents. Cash and cash equivalents of SEK 339 (331) million are deposited with financial institutions with high credit ratings in various countries. The majority of cash and cash equivalents is deposited with banks with ratings of AAA and AA.

The Group's trade receivables are distributed among a number of customers with a credit-risk concentration with primarily three large corporate customers. Systembolaget AB accounts for the majority of the customer base, 59 (69) percent of sales, the Finnish equivalent Alko accounts for a further 17 (13) percent of sales and the Norwegian equivalent Vinmonopolet accounts for a further 8 (2) percent.

### Market risk

Market risk is the risk that the fair value of or future cash flows from a financial instrument will vary due to changes in market prices. IFRS divides market risks into three types: currency risk, interest rate risk and other price risks. The market risks that primarily impact the Group are interest-rate risks and currency risks.

### Interest-rate risk

Interest-rate risk is the risk that the fair value of or future cash flows from a financial instrument will vary due to changes in market interest rates. The aim is to not be exposed to future fluctuations in interest-rate changes that impact the Group's cash flow and results to a greater extent than Viva Wine Group can manage. A significant factor affecting interest-rate risk is fixed-rate terms. The Group is primarily exposed to interest-rate risk attributable to the Group's loans to credit institutions. The Group normally borrows at variable interest rates. Interest-rate risk is low since the Group's interest expense is low relative to its total earnings.

The table below specifies the terms and repayment dates of each interest-bearing debt:

	Currency	Date due	Interest	Carrying amount	
				31 Dec 2022	31 Dec 2021
Loan	EUR	4 Aug 2024	Variable	776	793
Loan	EUR	Refunded*	Variable	-	8
Loan	EUR	Refunded*	Variable	-	8
Loan	EUR	Refunded*	Fixed	-	5
Loan	EUR	< 365 days	Variable	2	4
<b>Total</b>				<b>778</b>	<b>818</b>

\*The loan was fully settled as part of the divestment of the warehouse property in the eCom segment

### Currency risk

Currency risk is the risk that the fair value of or future cash flows from a financial instrument will vary due to changes in foreign exchange rates. Currency risks mainly arise on the translation of foreign operations' assets and liabilities into the functional currency of the Parent Company, known as translation exposure. The Group's sales and purchases in foreign currencies, known as transaction exposure, comprise a currency risk. In summary, the Group conducts operations worldwide with a cost base in the local currency and is thus exposed to currency risk.

The Group regularly hedges purchases in foreign currency, primarily EUR. The Group operates internationally and is exposed to currency risks that arises from various currency exposures, mainly with regard to EUR. Currency risk arises through future business transactions and when recognised assets and liabilities are expressed in a currency that

is not the entity's functional currency. The risks are measured through a forecast of highly probably future payments in EUR. The goal is to minimise the volatility in expenses for highly probably purchases of goods. The Group's risk management policy is to hedge between 75% and 100% of the expected foreign currency cash flows for the purchase of goods in those countries with currency exposure, provided that the hedging cost of each hedge is acceptable. This level is continuously monitored by management to mitigate currency risk and may be changed by updated policy or decided deviation by the Board of Directors. Approximately 91% of purchases of goods were hedged against currency risk in the 2022 financial year. For hedge accounting applied, see the following section on hedge accounting. In the table below, operating costs refer to goods for resale and other external costs.

Currency exposure, %	1 Jan 2022 - 31 Dec 2022		1 Jan 2021 - 31 Dec 2021	
	Operating revenue	Operating expenses	Operating revenue	Operating expenses
EUR	31	85	29	86
CNY	0	0	2	2
NOK	8	1	2	1

Sensitivity analysis - Exchange-rate fluctuations against SEK	1 Jan 2022 - 31 Dec 2022			1 Jan 2021 - 31 Dec 2021		
	Effect on profit before tax	Effect on EBITA	Effect on equity	Effect on profit before tax	Effect on EBITA	Effect on equity
EUR						
1%	-18	-17	3	-16	-15	2
-1%	18	17	-3	16	15	-2

### Hedge accounting

The Group applies hedge accounting for cash flow hedges relating to purchases in foreign currency for inventories, in cases where hedging takes place via currency futures, for purchases from Swedish and Norwegian Group companies. Hedge accounting is applied to forward exchange contracts entered into by the Group from 1 October 2022.

The hedged risk consists of the forward rate, i.e. the entire forward exchange contract is identified for hedge accounting. The hedged item consists of highly probable expected payments denominated in foreign

currency, relating to purchases for inventories. The hedge ratio is 1:1. Sources of inefficiency may include imperfectly matching cash flows in hedging derivatives and in payments, as well as the effects of counterparty (credit) risk on the value of the derivative, known as CVA or DVA. Viva Wine enters into derivatives with banks with a high credit rating, so the effect of credit risk is not considered significant. Assessment of hedge effectiveness is based on critical terms: currency, notional amounts and timing of cash flows. For a description of the Group's risk management strategy, see the previous section on Currency risk.



## Note 22 Financial risks (cont.)

### Hedging instruments identified in hedging relationships at 31 December 2022

Hedging instruments - cash flow hedges				
Notional amounts, millions	within 3 months	3 months - 1 year	1-3 years	Total
Forward exchange contracts EUR/SEK	215	60	-	275
Average EUR/SEK forward rate	10.8638	10.7551	-	
Forward exchange contracts USD/SEK	3	-	-	3
Average USD/SEK forward rate	10.4839	-	-	

Effects of hedge accounting on financial position and performance - Current hedging relationships	Hedging instruments identified in hedging relationships at 31 December 2022			Hedged item on 31 December 2022	Period - change in fair value, for measurement of ineffectiveness	
	Notional amounts in foreign currency, SEK million	Carrying amount [asset (+) liability (-)]	Item in the statement of financial position	Carrying amount	Hedging instrument	Hedged item
<i>Cash flow hedging of currency risk</i>						
Forward exchange contracts EUR/SEK	275	7	Derivative instruments	NA*	4	-4
Forward exchange contracts USD/SEK	3	-0	Derivative instruments	NA*	-	-

\*) Hedged item consists of highly probable expected cash flows, relating to purchases denominated in foreign currency. These items are not recognised in the statement of financial position. No ineffectiveness has been recognised in profit or loss during the year.

In addition to the above derivative instruments for which hedge accounting is applied, the Group had further derivative instruments not subject to hedge accounting at the balance sheet date with a total market value of SEK 0 (9) million.

Effects of hedge accounting on financial position and performance	2022
Reconciliation of hedge reserve (cash flow hedge) SEK million	Hedging reserve
Opening carrying amount	-
<i>Additional items added during the period</i>	
Change in fair value of forward exchange contracts, recognised in other comprehensive income	7
<i>Outgoing items during the period</i>	
Amount included in the cost of inventories	-3
<b>Total</b>	<b>4</b>
Tax	-1
<b>Closing carrying amount</b>	<b>4</b>
<i>of which ongoing hedges</i>	4
<i>of which terminated hedges</i>	-

### Liquidity risk and refinancing risk

Liquidity risk is the risk that a company will have difficulties fulfilling its obligations associated with financial liabilities settled in cash or using another financial asset. The Company manages liquidity risk by continuously monitoring the operations and establishing a Group account structure that meets the companies' credit requirements. The Company regularly forecasts future cash flows based on different scenarios to ensure that financing takes place in time.

Risk is mitigated by the Group's healthy liquidity reserves, which are readily available. The Group's operations are partially financed through an overdraft facility and loans from credit institutions. The Group's covenants to the lender are net debt in relation to adjusted EBITDA. The credit amount granted to the Group for its overdraft facility is SEK 155 (155) million. The total liquidity reserve comprises cash and cash equivalents and unutilised overdraft facilities. On the balance sheet date, the utilised portion of the overdraft facility was SEK 0 (0) million.

Refinancing risk refers to the risk that financing of acquisitions or development cannot be retained, extended, expanded, refinanced or that such financing can only take place on terms and conditions that are unfavourable for the Company. Refinancing requirements are regularly reviewed

by the Company and the Board of Directors to ensure financing for the Company's expansion and investments. The aim is to ensure that the Group has continuous access to external borrowing without borrowing costs increasing significantly. Refinancing risk is reduced by commencing the refinancing process in good time and working in a structure manner. The Company is also in regular contact with several creditors.

The Group's contractual and undiscounted interest payments and repayments of financial liabilities are presented in the table below. Financial instruments carrying variable interest are calculated using the interest rate on the balance-sheet date. Liabilities are included in the earliest period that repayment can possibly be demanded.

### Management of capital risk

The capital structure should ensure the Group's ability to continue as a going concern, so that it can continue to generate returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to keep the cost of capital down. The Group assesses capital on the basis of net debt/EBITDA and the equity ratio. The equity ratio is calculated as total equity as a percentage of total assets. The equity ratio as of 31 December 2022 was 47.7 (45.5) percent and is therefore considered very good.

## Note 22 Financial risks (cont.)

Group	31 Dec 2022					Total
	<1 month	1-3 months	3-12 months	1-5 years	>5 years	
Liabilities to credit institutions	2	22	65	689	-	778
Other liabilities	5	0	1	3	-	8
Lease liabilities	2	3	12	36	1	53
Trade payables	333	102	1	0	-	436
Liabilities to associated companies	31	12	-	-	-	44
Derivative instruments	0	0	1	0	-	1
<b>Total</b>	<b>372</b>	<b>139</b>	<b>80</b>	<b>728</b>	<b>1</b>	<b>1,320</b>

Group	31 Dec 2021					Total
	<1 month	1-3 months	3-12 months	1-5 years	>5 years	
Liabilities to credit institutions	4	20	61	721	10	818
Other liabilities	-	-	-	0	-	0
Lease liabilities	2	3	13	40	1	58
Trade payables	349	92	5	2	-	448
Liabilities to associated companies	23	0	0	-	-	23
Derivative instruments	-	1	-	-	-	1
<b>Total</b>	<b>378</b>	<b>117</b>	<b>79</b>	<b>764</b>	<b>11</b>	<b>1,350</b>

Parent Company	31 Dec 2022					Total
	<1 month	1-3 months	3-12 months	1-5 years	>5 years	
Liabilities to credit institutions	-	22	65	689	-	776
Trade payables	1	-	-	-	-	1
Liabilities to Group companies	67	-	-	-	-	67
<b>Total</b>	<b>68</b>	<b>22</b>	<b>65</b>	<b>689</b>	<b>-</b>	<b>844</b>

Parent Company	31 Dec 2021					Total
	<1 month	1-3 months	3-12 months	1-5 years	>5 years	
Liabilities to credit institutions	-	20	60	713	-	793
Liabilities to Group companies	69	-	-	-	-	69
<b>Total</b>	<b>69</b>	<b>20</b>	<b>60</b>	<b>713</b>	<b>-</b>	<b>862</b>

The credit agreements/frameworks that Viva Wine Group has entered into are presented below:

Group	Amount	Utilised	Amount	Utilised
	31 Dec 2022	31 Dec 2022	31 Dec 2021	31 Dec 2021
Overdraft facility	155	-	155	-
<b>Total</b>	<b>155</b>	<b>-</b>	<b>155</b>	<b>-</b>

## Note 23 Provisions

Group	Restructuring measures	Other provisions	Total
<b>Reported 1 January 2021</b>	-	-	-
Provisions made during the year	5	10	15
<b>Recognised 1 January 2022</b>	<b>5</b>	<b>10</b>	<b>15</b>
Provisions made during the year	2	12	17
Provisions used during the year	-4	-3	-9
<b>Recognised 31 December 2022</b>	<b>3</b>	<b>19</b>	<b>22</b>
Of which current portion	3	-	3
Of which non-current portion	-	19	19

### Restructuring measures

A restructuring provision is recognised when the Group has established a detailed and formal restructuring plan and the restructuring has either commenced or been publicly announced. Of the provision made in the previous year, SEK 4 million was utilised during the year, with the remaining SEK 1 million to be settled in the first half of 2023. In connection with the sale of the warehouse property in Germany, a new provision of SEK 2 million was made and it is expected that this provision will be settled during the first half of 2023.

### Other provisions

The amount under this heading relates to the bonus commitment related to the acquisition of Vicampo. Part of this provision was settled during the year. The outstanding provision of SEK 19 million is expected to lead to an outflow of resources in the 2024 financial year.



### Note 24 Other current liabilities

Group	31 Dec 2022	31 Dec 2021
Alcohol tax	148	154
VAT	160	156
Personnel-related tax	4	8
Other	5	15
<b>Carrying amount</b>	<b>318</b>	<b>333</b>

### Note 25 Accrued expenses and prepaid income

Group	31 Dec 2022	31 Dec 2021
Holiday pay liability	7	6
Accrued payroll costs	4	3
Social security contributions	8	8
Accrued climate compensation	5	2
Accrued inventory items	4	8
Accrued audit costs	1	1
Accrued marketing costs	4	2
Other accrued expenses	18	11
<b>Carrying amount</b>	<b>50</b>	<b>41</b>

### Note 26 Statement of cash flows

Group	1 Jan 2022 - 31 Dec 2022	1 Jan 2021 - 31 Dec 2021
<b>Adjustments for non-cash items</b>		
<b>Adjustments in operating profit</b>		
Depreciation/amortisation	143	59
Share of profit in associated companies	-8	-233
Foreign exchange effects	63	4
Gain/loss on sale of fixed assets	-70	-
Provisions	6	15
Change in market value of derivatives	1	-28
Revaluation of receivables	-28	-
Other	-1	4
<b>Total</b>	<b>107</b>	<b>-180</b>

Parent Company	1 Jan 2022 - 31 Dec 2022	1 Jan 2021 - 31 Dec 2021
<b>Adjustments for non-cash items</b>		
<b>Adjustments in operating profit</b>		
Foreign exchange effects	63	-
Reversal of capitalised borrowing costs	2	-
Impairment of intra-group loans	28	-
<b>Total</b>	<b>93</b>	<b>-</b>

#### Change in liabilities attributable to financing activities

Group	1 Jan 2022	Cash flow from financing activities	Non-cash changes				31 Dec 2022
			Business combinations	Foreign exchange effects	Change in fair value	Asset acquisition	
Liabilities to credit institutions	818	-106	-	63	-	2	778
Lease liabilities	58	-18	-	-3	16	-	53
<b>Total liabilities attributable to financing activities</b>	<b>877</b>	<b>-124</b>	<b>-</b>	<b>60</b>	<b>16</b>	<b>2</b>	<b>831</b>

Group	1 Jan 2021	Cash flow from financing activities	Non-cash changes				31 Dec 2021
			Business combinations	Foreign exchange effects	Change in fair value	Changed Group structure	
Overdraft facility	61	-61	-	-	-	-	-
Liabilities to credit institutions	76	742	-	-	-	-	818
Other liabilities	2	-2	-	-	-	-	-
Lease liabilities	38	-11	30	1	-	-	58
<b>Total liabilities attributable to financing activities</b>	<b>178</b>	<b>668</b>	<b>30</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>877</b>

### Note 26 Statement of cash flows (cont.)

Parent Company	1 Jan 2022	Changes affecting cash flow	Non-cash changes	31 Dec 2022
Liabilities to credit institutions	793	-82	65	776
<b>Total liabilities attributable to financing activities</b>	<b>793</b>	<b>-82</b>	<b>65</b>	<b>776</b>

Parent Company	1 Jan 2021	Changes affecting cash flow	Non-cash changes	31 Dec 2021
Overdraft facility	61	-61	-	-
Liabilities to credit institutions	-	793	0	793
<b>Total liabilities attributable to financing activities</b>	<b>61</b>	<b>732</b>	<b>0</b>	<b>793</b>

### Note 27 Pledged assets and contingent liabilities

Group	31 Dec 2022	31 Dec 2021
<b>Pledged assets for own liabilities to credit institutions</b>		
Floating charges	-	1
Property mortgages	-	20
Guarantees	23	23
<b>Total</b>	<b>23</b>	<b>44</b>

Guarantees include collateral provided in Viva Wine & Spirits AB related to an office building and a guarantee provided in Viva Wine Group AB on behalf of the associated company Larex AB.

Parent Company	31 Dec 2022	31 Dec 2021
<b>Pledged assets for own liabilities to credit institutions</b>		
Guarantees	20	20
<b>Total</b>	<b>20</b>	<b>20</b>

Guarantees include collateral provided in the Parent Company on behalf of the associated company Larex AB.

Group	31 Dec 2022	31 Dec 2021
<b>Contingent liabilities</b>		
Personal guarantees	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Parent Company	31 Dec 2022	31 Dec 2021
<b>Contingent liabilities</b>		
Personal guarantees	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### Note 28 Related party transactions

A list of the Group's subsidiaries, which are also the companies that are related parties to the Parent Company, is presented in Note 20 Group companies. All transactions between Viva Wine Group AB and its subsidiaries have been eliminated in the consolidated accounts.

Viva Wine Group's others related-party transactions comprise purchases from and sales to associated companies and joint venture.

Group	1 Jan 2022 - 31 Dec 2022	1 Jan 2021 - 31 Dec 2021
<b>Associated companies and joint venture</b>		
Sale of goods/services	2	5
Purchase of goods/services	-283	-259
Receivables on balance-sheet date	5	12
Liabilities on balance-sheet date	44	23

Parent company	1 Jan 2022 - 31 Dec 2022	1 Jan 2021 - 31 Dec 2021
<b>Group company</b>		
Sale of goods/services	6	5
Purchase of goods/services	-7	-5
Group contributions received	-	81
Group contributions paid	-	-2
Dividends from Group companies	170	-
Receivables on balance-sheet date	1,364	1,491
Liabilities on balance-sheet date	67	69

Associated companies and joint venture	1 Jan 2022 - 31 Dec 2022	1 Jan 2021 - 31 Dec 2021
Dividends from associated companies	0	7

#### Board of Directors and senior executives

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 and is therefore not considered material. The transaction took place in cash at a value determined by a third-party valuation. See Note 29 for more information.

For information about remuneration to senior executives, refer to Note 7 Employees and personnel costs.

#### Warrants

At an extraordinary general meeting held on 5 December 2021, a resolution was passed to issue warrants as part of the introduction of a series 2021:3 incentive programme for current senior executives and other key employees in the Group and 2021:4 for members of the Board of Directors. Assuming that all warrants under the incentive programmes will be exercised for subscription of new shares, the Company's share capital will increase by approximately SEK 5,367.60, corresponding to approximately 0.73 percent of the Company's share capital.

The warrants can be exercised immediately after publication of the quarterly report for the fourth quarter of 2024 until 15 March 2025 at the latest. The exercise price for the warrants will correspond to SEK 63.70.

Of the issued warrants 2021, 302,208 were subscribed for by senior executives and the Board of Directors. They paid market consideration for the warrants. No change occurred in 2022 regarding the issued warrants subscribed for by senior executives and the Board of Directors.



## Note 29 Business combinations

### Acquisitions in 2022

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 acquisition. The purchase price was SEK 121 million and was paid in cash.

	Vinklubben i Norden AB
	Fair value
<b>Acquired net assets on the acquisition date</b>	
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

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.

<b>Total purchase consideration</b>	<b>121</b>
<b>Impact of the acquisition on the Group's cash flow</b>	<b>Vinklubben i Norden AB</b>
Cash portion of purchase consideration	121
Less:	
Cash (acquired)	2
<b>Net cash outflow</b>	<b>119</b>

During the nine months up until 31 December 2022, Vinklubben i Norden AB contributed SEK 5 million to the Group's revenue and SEK 3 million to the Group's profit after tax. If the acquisition had taken place at the beginning of the financial year, Viva Wine Group estimates that Vinklubben i Norden AB would have contributed SEK 9 million to the Group's revenue and SEK 2 million to the Group's profit after tax.

### 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 and is therefore not considered material. The transaction is taking place in cash at a value of SEK 11 million, as determined by a third-party valuation.

## Note 29 Business combinations (cont.)

### Acquisitions in 2021

On 3 August 2021, Viva Wine Group AB acquired 100% of the shares and votes in the German company Vicampo.de GmbH. The company is an e-commerce actor and operates two e-commerce platforms – Vicampo and Weinfürst – with sales in Germany, Switzerland, Austria, the Netherlands and France. Both of these platforms target the lower price segment and thus complement Viva Wine Group's existing business, which is targeted at a higher price segment. This acquisition also provides Viva Wine Group with a leading market position in Germany. The company expects positive synergistic effects by coordinating the operation of these companies and the platforms. Vicampo.de GmbH has total assets of

SEK 199 million. The purchase price was SEK 1,315 million and was paid in cash.

On 1 November 2021, Viva Wine Group AB acquired an additional 40% of the shares in the associated company Norwegian Beverage Group AS. The Group operates in Norway and consists of five operating companies in addition to the Parent Company. The acquisition strengthens Viva Wine Group's position in the Nordic market. Norwegian Beverage Group AS has total assets of SEK 124 million. The purchase price was SEK 193 million and was paid partly in cash and partly through shares in Viva Wine Group.

	Norwegian Beverage Group AS	Vicampo.de GmbH
	Fair value	Fair value
<b>Acquired net assets on the acquisition date</b>		
Intangible assets	296	756
Tangible assets	0	4
Right-of-use assets	3	27
Financial assets	0	-
Deferred tax assets	-	22
Inventories	29	42
Trade receivables and other receivables	20	30
Other receivables	3	-
Cash and cash equivalents	13	272
Deferred tax liabilities	-64	-262
Trade payables and other operating liabilities	-46	-148
<b>Identified net assets</b>	<b>255</b>	<b>743</b>
Non-controlling interests	-53	-
Goodwill	226	572
<b>Total purchase consideration</b>	<b>428</b>	<b>1,315</b>
<b>Purchase consideration</b>		
Cash	187	1,315
Issue of equity instruments	5	-
Fair value of shareholdings before business combination	236	-
<b>Total purchase consideration</b>	<b>428</b>	<b>1,315</b>

The acquisition of Vicampo.de GmbH gave rise to goodwill of SEK 572 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 Vicampo.de GmbH totalled SEK 11 million. The transaction costs were recognised as an expense in profit or loss under Other external expenses.

The acquisition of Norwegian Beverage Group AS gave rise to goodwill of SEK 222 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.

<b>Impact of the acquisition on the Group's cash flow</b>	<b>Norwegian Beverage Group AS</b>	<b>Vicampo.de GmbH</b>
Cash consideration	187	1,315
Less:		
Cash (acquired)	13	272
<b>Net cash outflow</b>	<b>174</b>	<b>1,043</b>

During the five months up until 31 December 2021, Vicampo.de GmbH contributed SEK 287 million to the Group's revenue and SEK 9 million to the Group's profit after tax. If the acquisition had taken place at the beginning of the financial year, Viva Wine Group estimates that Vicampo.de GmbH would have contributed SEK 743 million to the Group's revenue and SEK 42 million to the Group's profit after tax.

During the two months up until 31 December 2021, Norwegian Beverage Group contributed SEK 65 million to the Group's net sales and SEK 6 million to the Group's profit after tax. If the acquisition had taken place at the beginning of the financial year, Viva Wine Group estimates that Norwegian Beverage Group would have contributed SEK 261 million to the Group's revenue and SEK 6 million to the Group's profit after tax.



### Note 30 Events after the balance sheet date

No significant events has occurred after the balance sheet date.

### Note 31 Proposed appropriation of profits

#### Parent Company

The following profits are at the disposal of the Annual General Meeting:

	31 Dec 2022
Profit brought forward, SEK	207,635,425
Share premium reserve, SEK	1,376,033,917
Net profit for the year, SEK	160,596,130
<b>Total</b>	<b>1,744,265,472</b>

The Board of Directors proposes that profits be appropriated as follows:

To be paid to shareholders (SEK 1.55 per share)	137,689,420
To be carried forward	1,606,576,051
<b>Total</b>	<b>1,744,265,472</b>

To the General Meeting of Shareholders of Viva Wine Group AB, corporate registration number 559178-4953

## Signatures of the Board of Directors

The Board of Directors and Chief Executive Officer certify that these consolidated financial statements and Annual Report have been prepared in accordance with the International Financial Reporting Standards IFRS as adopted by the EU and generally accepted accounting principles, and gives a fair view of the Group's and Parent Company's financial position and earnings. The Administration Report gives a fair overview of the development of the Group's and Parent Company's operations, financial position and earnings, and describes the significant risks and uncertainties facing the Parent Company and the companies included in the Group. The Board of Directors and the Chief Executive Officer certify that a statutory sustainability report has been prepared. The sustainability report follows the GRI standards 2021. The company's annual accounts and consolidated accounts are included on pages 82-25 of this document. The scope of the statutory sustainability report can be found on page 3.

Stockholm, 24 April 2023

Anders Moberg  
Chairman of the board

Emil Sallnäs  
Chief Executive Officer

Helen Fasth Gillstedt  
Board member

Mikael Aru  
Board member

Anne Thorstvedt Sjöberg  
Board member

John Wistedt  
Board member

Lars Ljungälv  
Board member

Our audit report was submitted on 24 April 2023

Ernst & Young AB

Andreas Nyberg Selvring  
Authorized Public Accountant



To the general meeting of the shareholders of Viva Wine Group AB, corporate identity number 559178-4953

# Auditor's report

## Report on the annual report and consolidated accounts

### OPINIONS

We have audited the annual accounts and consolidated accounts of Viva Wine Group AB for the financial year 2022. The annual accounts and consolidated accounts of the company are included on pages 82 - 125 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2022 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2022 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

### BASIS FOR OPINIONS

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

### INFORMATION OTHER THAN THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 6 - 81. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and

consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE CHIEF EXECUTIVE OFFICER

preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

### AUDITOR'S RESPONSIBILITY

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

## Report on other legal and regulatory requirements

### OPINIONS

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Viva Wine Group AB for the financial year 2022 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

### BASIS FOR OPINIONS

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

### RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

### AUDITOR'S RESPONSIBILITY

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable



degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

Stockholm 24 April 2023  
Ernst & Young AB

Andreas Nyberg Selvring  
Authorized Public Accountant





# Sustainability notes

## Segment Sweden

### Note H1 Climate-impacting emissions, by scope

Climate-impacting emissions, Parent Company and Swedish subsidiaries and their supply chains	2022	2021	2020	2019	2018
Emissions tonnes CO <sub>2</sub> eq direct emissions own operations (scope 1)	38.71	36.14	38.48	32.32	45.62*
Emissions tonnes CO <sub>2</sub> eq indirect emissions own operations (scope 2 - Market Based Approach)	4.59	5.69	5.38	5.36	4.34
Emissions tonnes CO <sub>2</sub> eq indirect emissions own operations (scope 2 - Location Based Approach)	12.66	13.49	7.11	10.20	10.09
Emissions tonnes CO <sub>2</sub> eq indirect emissions own operations (scope 3)	265.89	84.06	87.15	195.53	236.38
Emissions tonnes CO <sub>2</sub> eq indirect emissions supply chain (scope 3)	16,708.14	17,969.35	18,687.27	16,910.81*	16,988.02*
Emissions tonnes CO <sub>2</sub> eq (scopes 1+2+3)	17,017.33	18,095.24	18,818.28	17,144.02*	17,274.37*

\* Updated data as a result of improved data quality

### Note H2 Climate-impacting emissions, per mapped focus area and litre of wine sold

Climate-impacting emissions, Parent Company and Swedish subsidiaries and their supply chains	2022	2021	2020	2019	2018
Sales, million litres wine	54.23	56.66	56.37	48.36	45.26
Emissions tonnes CO <sub>2</sub> eq transports	6,602.30	7,274.77	7,083.80	6,340.78	5,827.38
Emissions tonnes CO <sub>2</sub> eq packaging	10,105.73	10,694.58	11,987.90	10,681.41	10,973.81
Emissions tonnes CO <sub>2</sub> eq office and business travel	309.19	125.89	131.01	233.21	286.35
Emissions tonnes CO <sub>2</sub> eq total	17,017.33	18,095.24	18,818.28	17,144.02*	17,274.37*
Emissions kg CO <sub>2</sub> eq from transport per litre of wine sold	0.12	0.13	0.12	0.12	0.13
Emissions kg CO <sub>2</sub> eq from packaging per litre of wine sold	0.19	0.19	0.21	0.23	0.25
Emissions kg CO <sub>2</sub> eq per litre of wine sold	0.31	0.32	0.33	0.35	0.38

\* Updated data as result of improved data quality

### Note H3 Sustainability performance product portfolio

Sustainability performance of the product portfolio belonging to the Swedish subsidiaries	2022	2021	2020	2019	2018
Sales, million litres wine	54.23	56.66	56.37	48.36	45.26
Percentage of litres of wine in climate efficient* packaging %	75.19	73.40	72.10	69.81	69.33
Percentage of litres of wine certified organic %	39.15	38.48	37.68	36.00	35.16
Percentage of litres of wine certified ethical**%	13.07	13.83	15.14	16.94	10.27
Percentage of litres of wine certified organic and/or ethical**%	48.30	48.72	48.55	47.24	40.72
Percentage of litres of wine with certification approved by sustainable choice *** %	54.00	-	-	-	-

\* Climate efficient packaging refers to Bag-in-Box, Tetra, PET, can, pouch and lightweight glass. These types of packaging have a significantly lower life cycle climate impact per litre of wine than conventional glass packaging. Over several life cycles, taking into account recycling and reuse, the difference in climate impact is reduced.

\*\* Ethically certified refers to a product certified by Fairtrade or Fair for Life.

\*\*\* Sustainable choice refers to the label that Systembolaget introduced in 2022 which recognises several international and national ethical, ecological and other environmental certifications.

### Note H4 Social and environmental risks, producer level

Social and environmental risks, producer level to the Swedish subsidiaries	2022	2021	2020	2019	2018
Total number of producers	-	-	-	-	-
Proportion of producers who have confirmed the Amfori BSCI Code of Conduct %	100	100	100	100	100
Number of producers in risk country*	76	58	-	-	-
Number of producers in risk country* that have been third-party audited** for social and environmental risks and approved	16	-	-	-	-
Percentage of producers in risk country* that have been third-party audited** for social and environmental risks and approved %	21	-	-	-	-

\* Risk country refers to countries assessed by HRIA and HRDD as having elevated risks concerning corruption, discrimination, freedom of association, child-labour, forced labour. These countries are (in alphabetical order): Argentina, Bulgaria, Chile, Italy, Moldova, South Africa.

\*\* Third party audited for human rights refers to producers and production audited and certified under Fair Trade or Fair for Life, audited and approved by amfori BSCI, or WIETA (South Africa), or Equalitas (Italy).

### Note H5 Social and environmental risks, product portfolio

Social and environmental risks, product portfolio	2022	2021	2020	2019	2018
Sales, million litres wine total	54.23	56.66	56.37	48.36	45.26
Sales, million litres wine from risk countries*	26.95	26.78	27.41	26.21	27.30
Sales of millions of litres of wine from risk countries* that have been third-party audited** for social and environmental risks and approved	17.45	10.46	13.71	12.38	12.49
Percentage of litres of wine from risk countries* that have been third-party audited** for social and environmental risks and approved, %	64.70	39.06	50.01	47.25	45.76

\* Risk country refers to countries assessed by HRIA and HRDD as having elevated risks concerning corruption, discrimination, freedom of association, child-labour, forced labour. These countries are (in alphabetical order): Argentina, Bulgaria, Chile, Italy, Moldova, South Africa.

\*\* Third party audited for human rights refers to producers and production audited and certified under Fair Trade or Fair for Life, audited and approved by amfori BSCI, or WIETA (South Africa) or Equalitas (Italy).

### Note H6 Gender distribution of employees

Gender distribution, Parent Company and Swedish subsidiaries	1 Jan 2022 - 31 Dec 2022			1 Jan 2021 - 31 Dec 2021		
	Average number of employees	Of whom women, %	Of whom men, %	Average number of employees	Of whom women, %	Of whom men, %
Parent Company and Swedish subsidiaries	91	65	35	82	65	35
<b>Total</b>	<b>91</b>	<b>65</b>	<b>35</b>	<b>82</b>	<b>65</b>	<b>35</b>

Gender distribution, board and senior executives	1 Jan 2022 - 31 Dec 2022			1 Jan 2021 - 31 Dec 2021		
	Average number of employees	Of whom women, %	Of whom men, %	Average number of employees	Of whom women, %	Of whom men, %
Board and other senior executives	12	33	67	10	40	60
<b>Total</b>	<b>12</b>	<b>33</b>	<b>67</b>	<b>10</b>	<b>40</b>	<b>60</b>



### Note H7 Age distribution of employees

Age distribution, Parent Company and Swedish subsidiaries	1 Jan 2022 - 31 Dec 2022			1 Jan 2021 - 31 Dec 2021		
	Younger than 30 years	Between 30-50 years	Older than 50 years	Younger than 30 years	Between 30-50 years	Older than 50 years
Parent Company and Swedish subsidiaries	18	71	12	13	60	9
<b>Total</b>	<b>18</b>	<b>71</b>	<b>12</b>	<b>14</b>	<b>60</b>	<b>9</b>

Age distribution, Board of Directors and senior executives	1 Jan 2022 - 31 Dec 2022			1 Jan 2021 - 31 Dec 2021		
	Younger than 30 years	Between 30-50 years	Older than 50 years	Younger than 30 years	Between 30-50 years	Older than 50 years
Board and other senior executives	0	5	7	0	4	6
<b>Total</b>	<b>0</b>	<b>5</b>	<b>7</b>	<b>0</b>	<b>4</b>	<b>6</b>

### Note H8 Staff turnover and sick leave

Staff turnover and sick leave, Parent Company and Swedish subsidiaries	2022	2021	2020	2019	2018
Staff turnover %	14.3	14.7	8.6	3.5	10.6
Sick leave %	2.5	1.3	2.2	2.7	3.0

### Note H9 Product safety

Complaints and quality deviations on product batches resulting in a customer recall.

Product recalls Swedish subsidiaries	2022	2021	2020
Number of product recalls	9	6	3*

\* Updated data as a result from change of definition

### Note H10 Responsible marketing

Incidents of non-compliance concerning marketing communications

Responsible marketing	2022	2021	2020
Number of incidents	0	0	0

### Note H11 Impacts, goals and measures

#### FINANCIAL RESULTS

Our business is profitable and an annual dividend is distributed to the shareholders by decision of the annual general meeting. The company management, the audit committee, the board and our auditors continuously monitor our financial results, which are reported quarterly to the market. Medium term financial goals are defined. 2022 financial results can be found on pages 82-124.

#### INDIRECT ECONOMIC IMPACT

Our operations generate indirect financial impact through, among other things, job opportunities and investments in the areas where our producers and partners are active. Our operations also create jobs in our sales markets, partly at our daughter companies and partners, partly at retailers. Finally, our operations also result in significant tax revenue.

We want our indirect economic impact to make a positive contribution in the areas where we, our producers or partners operate. For these reasons, we have an ambitious sustainability agenda that includes both economic, environmental and social impact. This is addressed on a general level in our sustainability policy, our human rights policy, the amfori BSCI code of conduct as well as our anti-corruption policy. Our policies are revised annually. For more information about our sustainability goals, our results and sustainability work see pages 42-69.

#### BIODIVERSITY

We are aware that the operations in our supply chain can have a negative impact on biodiversity. We want those operations to have as little negative impact as possible and therefore promote certifications and initiatives by growers and producers that are beneficial for biodiversity. We follow up on the share of sales volume that is organically and environmentally certified and recognize producers' inspirational work. Our approach to biodiversity is covered in our sustainability policy as well as in the amfori BSCI code of conduct. Our sustainability policy is revised annually. For more information about our sustainability goals, our results and sustainability work see pages 42-69.

#### EMISSIONS

We are aware that our operations, especially in our supply chain, result in emissions affecting the climate. The absolute majority of ours the climate impact of operations comes from farming, packaging and transports. We measure and carefully monitor these three areas and have set ambitious goals, both in the short and long term. Ours overall goal is to halve our climate impact per liters of wine sold until 2030.

Our climate impact is reported annually in our annual and sustainability report as well as and in the Swedish

Beverage Industry's Climate Initiative, an initiative which gathers Sweden's leading producers, suppliers and retailers of beer, wine and spirits. The industry's targets, results and measures are reported to stakeholders in the initiative's annual industry report.

During 2022, our climate-affecting emissions continued to decrease, both as a total for scope 1, 2 and 3 combined as well as climate impact per liter sold. Our climate impact decreased both in our transports and packaging. This was a result of improved efficiencies, continued switch from road transport to rail transport and investments in lighter packaging solutions.

However, the climate impact from our business trips increased in 2022 compared to 2021 and 2020. This was expected as the covid-19 pandemic and its travel restrictions made it difficult to travel at that time. Visiting international wine fairs and producers makes up an important part of our business. We will develop an updated travel policy.

Our approach to climate-affectin emissions is regulated in our sustainability policy. Our sustainability policy is revised annually. For more information about our sustainability goals, our results and sustainability work, see pages 42-69.

#### LABOUR CONDITIONS AND HUMAN RIGHTS

We are aware that labour conditions and human rights can be at risk in our supply chain. We demand decent working conditions at all our producers and their growers and that their operations are in accordance with the ILO standards and the amfori BSCI Code of Conduct. We review producers and growers annually based on risks and regularly monitors compliance with amfori BSCI code of conduct. We have set targets for share of volume from producers in risk countries where labour conditions have been audited and approved by independent third parties.

Our result improved significantly in 2022 compared with 2021 and 2020, partly as we in 2022 could resume producer visits and audits which was not possible during the Covid-19 pandemic. We see that our way of working is successful and beneficial for producers and growers why we will conduct yet more site visits and audits in the coming year. Our approach to labour conditions and human rights are regulated in our sustainability policy as well as in the amfori BSCI code of conduct. Our policy is being revised annually. For more information about our sustainability goals, our results and sustainability work see pages 42-69.

#### CONSUMER HEALTH AND MARKETING

We carefully monitor quality deviations and secure alignment with legislation and industry codes regarding marketing. In 2022, we had more product recalls compared to previous years. This increase was not due to increase in quality deviations in liquid but mislabeling at producer. Our approach to consumer health and marketing are comprehensively regulated in our sustainability policy that is revised annually.



## Performance indicators and share data

GROUP	2022	2021
	Jan-Dec	Jan-Dec
Return on equity, %	15.4	50.4
Gross margin, %	23.0	23.7
EBITDA (SEK million)	454	580
EBITDA margin, %	11.9	17.4
EBITA (SEK million)	433	564
EBITA margin, %	11.3	16.9
EBITA, adjusted (SEK million)	377	399
EBITA margin, adjusted, %	9.8	12.0
Operating profit (EBIT) (SEK million)	310	521
Operating margin (EBIT margin), %	8.1	15.6
Equity ratio, %	47.7	45.5
Net debt	491	545
Equity per share (SEK)	19.9	18.7
Quick ratio, %	109.8	117.1
Average number of employees	333	240

## Key performance indicators 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.	The 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 the cost of goods for resale, in relation to net sales.	This measure is used to illustrate profitability in terms of the 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.



# GRI Index Viva Wine Group 2022

Viva Wine Group reports according to the GRI principles and the GRI Standards 2021.

INDICATORS	DISCLOSURE	PAGE	OMISSION		
			Requirement(s) omitted	Reason	Explanation
<b>General disclosures</b>					
GRI 2: General Disclosures 2021	2-1 Organizational details	82-84			
	2-2 Entities included in the organization's sustainability reporting	44			
	2-3 Reporting period, frequency and contact point	44, 82-84			
	2-4 Restatements of information	44			
	2-5 External assurance	69, 138-139			
	2-6 Activities, value chain and other business relationships	6-7, 18-21, 34-39, 52-53, 82			
	2-7 Employees	44, 60-61, 84, 101-102			
	2-8 Workers who are not employees		All workers in the Swedish subsidiaries are employees		
	2-9 Governance structure and composition	68-78			
	2-10 Nomination and selection of the highest governance body	74-79			
	2-11 Chair of the highest governance body	70, 78			
	2-12 Role of the highest governance body in overseeing the management of impacts	68-73			
	2-13 Delegation of responsibility for managing impacts	68-73			
	2-14 Role of the highest governance body in sustainability reporting	68-73			
	2-15 Conflicts of interest	66, 70-71, 84			
	2-16 Communication of critical concerns	68-69			
	2-17 Collective knowledge of the highest governance body	68-73			
	2-18 Evaluation of the performance of the highest governance body	68-69, 75-79			
	2-19 Remuneration policies	84, 101-102			
	2-20 Process to determine remuneration	84			
	2-21 Annual total compensation ratio	101-102	Data for ratio of percentage increase is not available		
	2-22 Statement on sustainable development strategy	42			
	2-23 Policy commitments	42, 46-47, 52-53, 60-61			
	2-24 Embedding policy commitments	42, 46-47, 52-53			
	2-25 Processes to remediate negative impacts	50, 52-53, 61			
	2-26 Mechanisms for seeking advice and raising concerns	53, 61			
	2-27 Compliance with laws and regulations	68-69, 82-84			
	2-28 Membership associations	52, 56, 59, 62-63			
2-29 Approach to stakeholder engagement	44-45				
2-30 Collective bargaining agreements	60-61				
<b>Material topics</b>					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	44-45			
	3-2 List of material topics	45, 47			
<b>ECONOMIC PERFORMANCE</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	66, 70-79, 82-124, 133			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	8-9, 110-111			
	201-2 Financial implications and other risks and opportunities due to climate change	45, 50			

INDICATOR	DISCLOSURE	LOCATION	OMISSION		
			Requirement(s) omitted	Reason	Explanation
<b>INDIRECT ECONOMIC IMPACTS</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	47, 54-55, 104-105, 133			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	54-55			
	203-2 Significant indirect economic impacts	54-55, 104-105			
<b>ANTI-CORRUPTION</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	52-53, 61, 77, 133			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	52-53, 61, 77, 133			
	205-2 Communication and training about anti-corruption policies and procedures	52-53, 61, 69-77	Data for percentage of total workforce is not available		
	205-3 Confirmed incidents of corruption and actions taken	52-53, 61, 77			
<b>BIODIVERSITY</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	48, 133			
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity	48, 133	Data for percentage of species affected is not available		
<b>EMISSIONS</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	9, 14, 43-44, 47, 57, 130, 133			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	9, 14, 43-44, 47, 57, 130			
	305-2 Energy indirect (Scope 2) GHG emissions	9, 14, 43-44, 47, 57, 130			
	305-3 Other indirect (Scope 3) GHG emissions	9, 14, 43-44, 47, 57, 130			
	305-4 GHG emissions intensity	9, 14, 43-44, 47, 57, 130			
<b>SUPPLIER ENVIRONMENTAL ASSESSMENT</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	46-51, 56-59, 133			
GRI 308: Supplier Environmental Assessment 2016	308-2 Negative environmental impacts in the supply chain and actions taken	46-51, 53, 56-59	Data for percentage of suppliers where improvements have been agreed is not available		
<b>EMPLOYMENT</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	60-61, 133			
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	10, 60-61, 101-102			
<b>DIVERSITY AND EQUAL OPPORTUNITY</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	43, 60-61, 77, 133			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	60-61, 131-132			
<b>SUPPLIER SOCIAL ASSESSMENT</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	52-53, 133			
GRI 414: Supplier Social Assessment 2016	414-2 Negative social impacts in the supply chain and actions taken	52-53, 103	Data for percentage of suppliers where improvements have been agreed is not available		
<b>CUSTOMER HEALTH AND SAFETY</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	45, 62-63, 77, 133			
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	132			
<b>MARKETING AND LABELING</b>					
GRI 3: Material Topics 2021	3-3 Management of material topics	45, 62-63, 77, 133			
GRI 417: Marketing and Labeling 2016	417-3 Incidents of non-compliance concerning marketing communications	132			

# Auditor's Combined Assurance Report on the sustainability report and statement regarding the statutory sustainability report for Viva Wine Group AB

To the Viva Wine Group AB 559178-4953

## INTRODUCTION

We have been engaged by the Board of Viva Wine Group AB to undertake a limited assurance engagement of the sustainability report for Viva Wine Group AB for the year 2022. The scope of the sustainability report has been defined on pages 136-137. The statutory sustainability report is defined on page 3.

## RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

The Board of Directors and Executive Management are responsible for the preparation of the sustainability report including the statutory sustainability report in accordance with applicable criteria and the Swedish Annual Accounts Act respectively. The criteria are defined on page 44 in the sustainability report and are part of the Sustainability Reporting Guidelines published by GRI (The Global Reporting Initiative) that are applicable to the sustainability report, as well as the accounting and calculation principles that the Company has developed. This responsibility includes the internal control relevant to the preparation of a Sustainability Report that is free from material misstatements, whether due to fraud or error.

## AUDITOR'S RESPONSIBILITY

Our responsibility is to express a conclusion on the sustainability report based on our limited assurance procedures and to express an opinion regarding the statutory sustainability report. Our engagement is limited to historical information presented in this document and does therefore not include future oriented information.

We have conducted our engagement in accordance with ISAE 3000 (revised) Assurance engagements other than audits or reviews of historical financial information. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the

preparation of the sustainability report, and applying analytical and other limited assurance procedures. Our examination regarding the statutory sustainability report has been conducted in accordance with FAR's accounting standard RevR 12. The auditor's opinion regarding the statutory sustainability report. A limited assurance engagement and an examination according to RevR 12 are different from and substantially less in scope than reasonable assurance conducted in accordance with IAASB's Standards on Auditing and other generally accepted auditing standards in Sweden.

The firm applies ISQM 1 (International Standard on Quality Management) which requires the firm to design, implement and maintain a system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We are independent of Viva wine Group AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The procedures performed in a limited review and an examination according to RevR 12 do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. The conclusion based on limited assurance procedures and an examination according to RevR 12 does not provide the same level of assurance as a conclusion based on reasonable assurance.

Our procedures are based on the criteria defined by the Board of Directors and the Executive Management as described above. We consider these criteria suitable for the preparation of the Sustainability Report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion below.

## CONCLUSIONS

Based on the limited assurance procedures we have performed, nothing has come to our attention that causes us to believe that the sustainability report is not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and Executive Management.

A statutory sustainability report has been prepared.

Stockholm April 24

Ernst & Young AB

Andreas Nyberg  
Authorized Public Accountant

Outi Alestalo  
Specialist member of FAR



# Shareholder information

## REPORTING DATES 2023

Annual report 2022	25 April
Annual general meeting 2023	16 May
Interim report January - March 2023	17 May
Interim report January - June 2023	29 August
Interim report January - September 2023	22 November

## DISTRIBUTION POLICY

Viva Wine Group's annual report will be sent by post upon request. Interim reports are distributed only in electronic format.

For subscription, [investors.vivagroup.se/en/press-releases/](https://investors.vivagroup.se/en/press-releases/)

## INVESTOR RELATIONS / SHAREHOLDER CONTACT

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 Homepage: [vivagroup.se](http://vivagroup.se)

## ANNUAL GENERAL MEETING OF VIVA WINE GROUP

The Annual General Meeting of Viva Wine Group will be held at 10:00 am at the premises of the Company at Blasieholmsgatan 4 A in Stockholm on Tuesday 16 May 2023.

### Right to attend the meeting

Shareholders who wish to participate in the Annual General Meeting must be registered in the share register maintained by Euroclear Sweden AB on the record date, which is Monday 10 May 2023, and must notify Baker & McKenzie Advokatbyrå, Attn: Carl Isaksson, Box 180, 101 23 Stockholm, Sweden or by e-mail to [carl.isaksson@bakermckenzie.com](mailto:carl.isaksson@bakermckenzie.com).

### Proxies

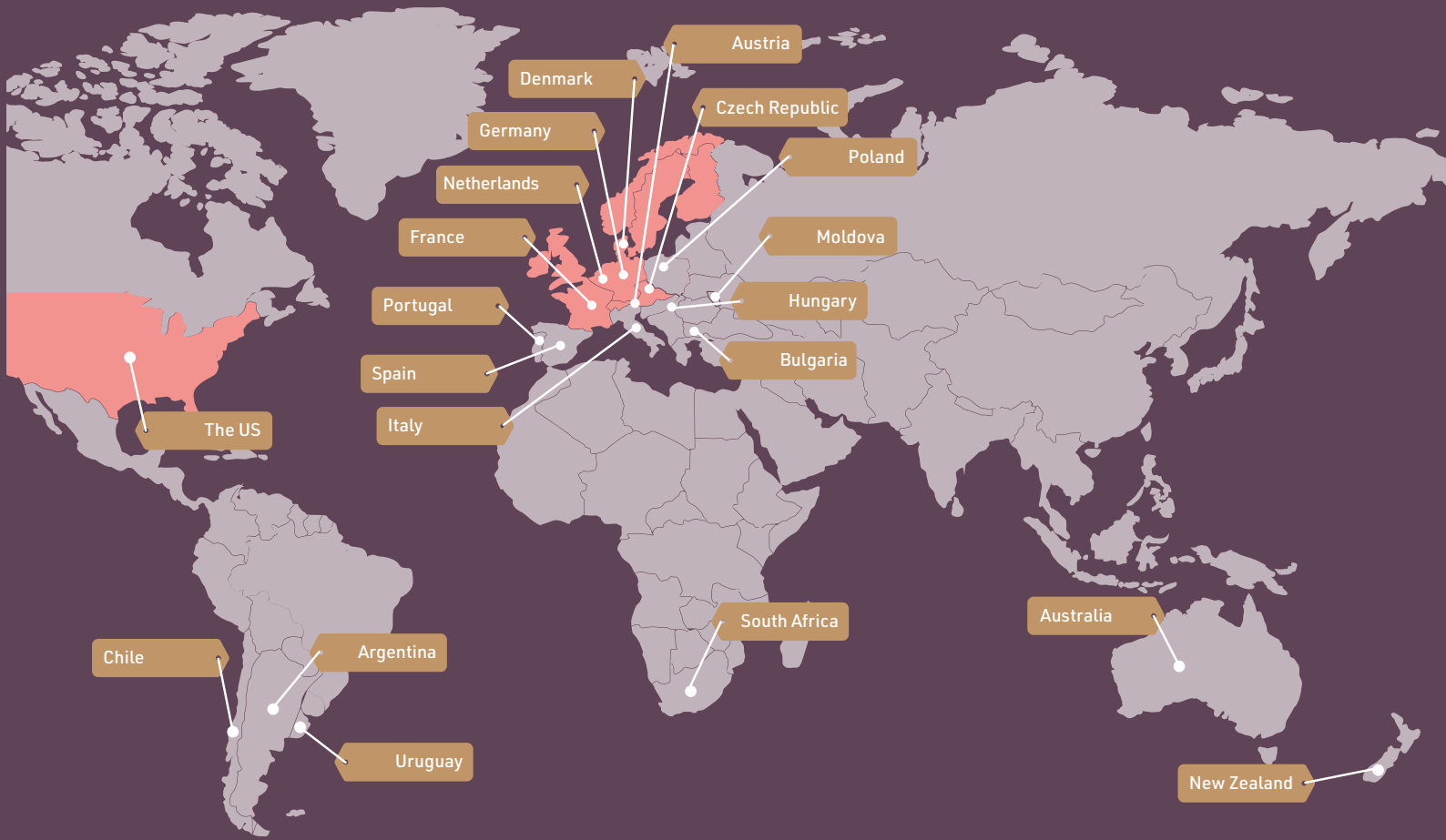
Shareholders represented by a proxy must issue a written and dated power of attorney for the proxy. A copy of the power of attorney and any certificate of registration should, in order to facilitate access to the meeting, have been received by the Company at the Company's address, Blasieholmsgatan 4 A, 111 48 Stockholm, no later than 10 May 2023. Proxy forms are available on the company's website, [www.vivagroup.se](http://www.vivagroup.se).

### Re-registration of nominee-registered shares

Shareholders whose shares are nominee-registered with a bank or other nominee must have their shares temporarily registered in their own name through the nominee in order to be entitled to participate in the meeting. Such registration, which normally takes a few days, must be completed by Monday 8 May 2023 at the latest and should therefore be requested from the nominee well in advance of that date. Voting registration requested by shareholders in time for registration to be made by the relevant nominee by Wednesday 10 May 2023 at the latest will be taken into account in the preparation of the share register.

• *Our sales markets*

• *The origin of our beverages*



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