



AMBER BEVERAGE GROUP HOLDING S.À R.L.

(Registration number B218246)

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
for the first nine months of 2023

prepared in accordance with  
International Financial Reporting Standards as adopted by the EU

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**INFORMATION ON THE GROUP**

Name of the Parent Company	Amber Beverage Group Holding S.à r.l.
Registration Number	No. B218246
Address	44, Rue de la Vallée, Luxembourg
Main business activities of the Parent Company	Holding and management activities
Major shareholder	SPI Group Holding Limited (94%, incorporated in Cyprus)
Names and positions of the Supervisory Board Members	<p>Sir Geoffrey John Mulgan, Chairman, Member of the Supervisory Board</p> <p>Mr. Simon Charles Rowe, Member of the Supervisory Board</p> <p>Mr. Douglas Brougham Cunningham, Member of the Supervisory Board (since 30.01.2023)</p> <p>Ms. Sabina Fatkullina Member of the Supervisory Board (since 02.06.2023)</p> <p>Ms. Jekaterina Stūģe, Member of the Supervisory Board</p> <p>Mr. Arturs Evarts, Secretary, Member of the Supervisory Board</p>
Names and positions of the Board of Managers	<p>Ms. Jekaterina Stūģe, Chairperson of the Board</p> <p>Mr. Arturs Evarts, Member of the Board</p> <p>Mr. Javier Minguillon Espinosa, Member of the Board</p>

## USED ABBREVIATIONS

ABG	Amber Beverage Group, i.e., Amber Beverage Group Holding S.à r.l. and its subsidiaries
APAC	Asia – Pacific region
EMEIA	Europe, Middle East, India, Africa region
ROA	Return on assets calculated as LTM Net Profit period divided by Total Assets
ROE	Return on Equity calculated as LTM Net Profit divided by Total Equity
Debt	Borrowings, including external loans, overdrafts, loans from related parties and leases
Net Debt	Debt reduced by cash and cash equivalents and short-term deposits
EBITDA	Earnings before interest, tax, depreciation, amortisation and impairment of non-financial assets, fair value adjustment on biological assets
LTM EBITDA	EBITDA for the last 12 months period
9Lcs	Equivalent of 9 litre case of goods
LTM Net profit	Net profit for last 12 months

## MANAGEMENT REPORT

### Type of operations

Amber Beverage Group (hereinafter also - the Group or ABG) is a global spirits company whose products are found in millions of households and venues across the globe. The Group was established in 2014, and through organic growth and acquisitions, it has become a global spirits industry player that unites more than 1 600 employees in more than 20 companies in the Baltic States, its historical home, Austria, Australia, Germany, Ireland, Mexico, and the United Kingdom. The Group owns three production companies, eight distribution companies, and three retail chains.

ABG produces, bottles, markets, distributes, exports, and retails a comprehensive range of beverages, of which it owns more than 100 brands, and is responsible for marketing and distributing 1 400 own- and third-party brands in all spirit categories, including Tequila, Whiskey, Vodka, as well as Wine, RTDs, and others. ABG values are Tenacity, Entrepreneurship, Fun, Excellence, Speed, and Teamwork. These are at the core of the Group's organizational spirit and overall business approach. ABG's strategic priorities are to:

- Deliver quality and value to our consumers, customers, and suppliers.
- Strengthen our market positions by building our brands and opening new markets.
- Achieve operational effectiveness and efficiency by applying rigour to everything we do.
- Build truly effective teams with an ambitious, high-performance culture.
- Generate superior business value for our third-party brand owners by providing excellent sales execution across all route-to-markets.

ABG fully-owned brands – Rooster Rojo® Tequila, KAH® Tequila, The Irishman® Whiskey, Writers' Tears® Whiskey, Riga Black Balsam®, Moskovskaya® Vodka, Cross Keys Gin®, and Cosmopolitan Diva® – are growing their awareness in more than 70 markets year by year. Due to the high quality of the liquid and the exceptional packaging, ABG core brands are bringing home numerous industry awards and positive feedback from beverage experts. One of the ABG strategy points is the opening of new markets for its core brands based on a comprehensive model for the best brand-market combination. In 2023, we have secured new partnerships for ABG brands in such markets as China, Taiwan, Hong Kong, Indonesia, the Philippines, Singapore, Malaysia, Benelux, the United Arab Emirates, Turkey, North Cyprus, Israel, Oman, Bulgaria, Romania, Croatia, Poland, Slovenia, Serbia, Turkmenistan, Finland, and Tunisia.

The second part of the ABG strategy relates to improving sales standards and proposing similar quality of services for all ABG-owned distribution companies. Third-party brand management is an essential aspect of ABG's business, which is growing year after year. The Group has maintained fruitful partnerships with world-renowned producers and vintners of distilled spirits and wines, promoting their brands in the markets served by trusted ABG distribution companies. ABG is the go-to brand management and distribution company for international brand owners and producers, including Askaneli Brothers, Badel 1862, Beam Suntory, Bodegas Faustino, Brown-Forman, Casillero del Diablo, De Kuyper, Heaven Hill, Jägermeister, Luxardo, Red Bull, Torres, William Grant & Sons, and others.

ABG production companies concentrate on continuous improvements within the supply chain, people management, equipment maintenance, and processes, as well as a range of sustainability initiatives to ensure that prices for ABG brands stay at a competitive level. ABG investments are carefully considered from the perspectives of efficiency, effectiveness, and sustainability. ABG plans to further increase the use of green energy by installing additional solar panels on its production premises, as well as by instituting a fully automated warehouse construction project in Riga, Latvia, which will have the BREEAM certificate that confirms that it has been implemented in accordance with the principles of sustainable construction.

ABG cooperates with the largest suppliers of raw materials and consumables in the European Union. One of the key resources is water, which is derived from artesian wells located in territories owned by the Group. The Group strengthened its field-to-bottle tequila production capacity by acquiring additional Blue Weber Agave fields, increasing the total area of land owned to 405 hectares.

For ABG, sustainable corporate governance and compliance are the key factors in achieving its goals. The Group is committed to conducting its business responsibly and in accordance with all laws and regulations to which its business activities are subject, and to ensuring high standards of compliance in a manner that leads to an increase in its value.

The ABG Supervisory Board includes six industry professionals, independent members, and representatives of the executive board, supervising the strategic processes of the Group and providing advice for further development required to achieve the updated 5-year strategy, *Sirius28*.

**MANAGEMENT REPORT (continued)**  
**Performance of the Group during the reporting period**

Financial performance

Ratio	01.01.2023- 30.09.2023	01.01.2022- 30.09.2022	Change	Change
	EUR 000	EUR 000	EUR 000	%
Net revenue	244 801	252 548	(7 747)	(3.1%)
Operating profit	13 769	19 089	(5 320)	(27.9 pp)
Operating profit margin	5.6%	7.6%	n/a	(1.9pp)
Normalized operating profit	15 356	19 395	(4 039)	(20.8 %)
Normalized operating profit margin	6.3%	7.7%	n/a	(1.4pp)
EBITDA	20 638	24 852	(4 214)	(17%)
EBITDA margin	8.4%	9.8%	(1.4 pp)	(1.4pp)
Normalized EBITDA	22 225	25 158	2 933	(11.7%)

The unaudited net revenue of the Group for the first nine months of the year 2023 reached EUR 244.8 million, a decrease of EUR 7.7 million (-3.1%) against the respective period in 2022, which is mainly caused by a decrease in production volume for private label customers and an economic slowdown in some major markets in 2023, which results in stock reductions with distributors.

The operating profit for the first nine months of 2023 amounts to EUR 13.8 million, which is 27.9% lower than in the respective period of 2022 (EUR 19 million). If the operating profit is adjusted by the net loss from the disposal of one of the Russian subsidiaries, the operating profit would reach EUR 15.4 million, which is 20.8% lower compared to the respective period in 2022. The financial performance has been impacted by the rapid increase in production costs in the second part of 2022, including higher costs of energy, resources, and salaries compared to the first nine months of 2022, which was only partially impacted by the crisis environment. Meanwhile, the Group has continued and will continue to work on efficiency improvements - revenue management, sales promotion, and demand planning - by applying the newly implemented promotional activity planning tool FuturMaster in the Baltics, improvements in customer relationship management via Sales Force implementation in the UK and Austria, as well as non-stop process improvements in production and logistics using Lean methodology. As a Group, we carefully monitor market development and will take the necessary steps to protect profitability without losing market share.

After careful consideration and in line with the long-term business objectives of the Group, in June 2023, ABG sold the investment in Amber Permalko AO, one of the leading alcohol producers in the Urals.

The unaudited net profit for the reporting period is EUR 7.2 million, which is a reduction of EUR 15.6 million vs 2022. In addition to the performance drivers mentioned before, the net profit for the reporting period is also impacted by the recognized net loss of EUR 1.4 million arising from the disposal of a subsidiary, the negative impact of interest expense increases due to changes in variable rates, and additional interest expense from bond liability servicing obligations.

## MANAGEMENT REPORT (continued)

The Group has maintained healthy main financial ratios for the reporting period:

Ratio	30.09.2023	31.12.2022	31.12.2021
ROA	1.3%	4.7%	5.4%
ROE	3%	11%	13%
Debt/Equity	69%	57%	61%
Debt/LTM EBITDA	3.5x	2.69x	3.06x
Net Debt/LTM EBITDA	2.62x	2.50x	2.85x
Equity Ratio	42%	41%	42%
Liquidity Ratio	1.24	1.14	1.24

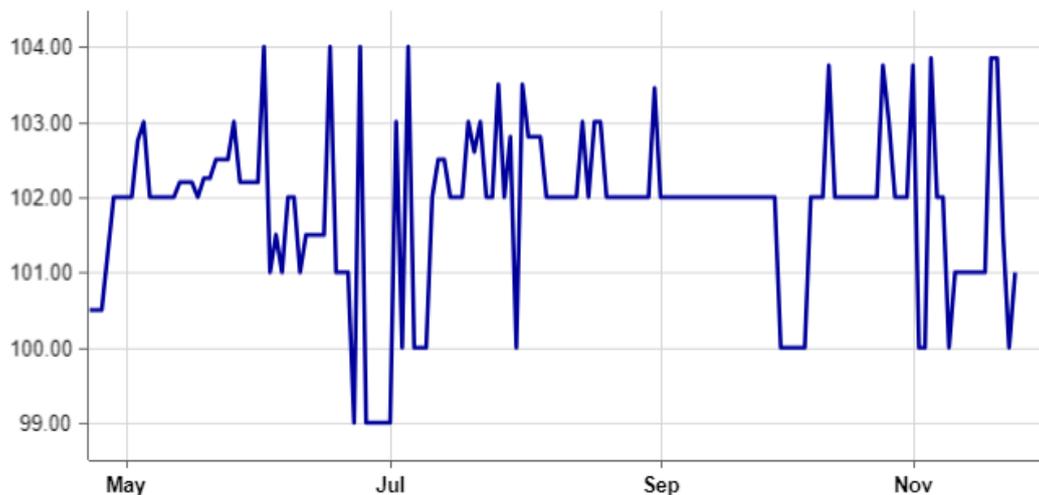
The Management uses the previously reported alternative performance indicators in assessing the Group's performance for a particular financial period and in making decisions.

### Funding profile

The Group maintains a well-leveraged capital structure to support the growth of the business. The borrowings comprise loans from the AS Luminor Bank Latvian branch, Credit Suisse AG, and AS Rietumu Banka supporting the long-term investments, as well as overdrafts and credit lines provided by the AS Luminor Bank Latvian branch, AS BluOr Bank, Westpac, and Ultimate Finance to support the net-working capital needs and long-term unsecured loan facilities from related parties.

On 21 April 2023, Amber Beverage Group Holding S.à r.l., with the intention of acquiring financing for the construction of a high-bay automated warehouse in Riga, Latvia, issued EUR 30 million in 4-year bonds (ISIN: LV0000870137), which are listed on the Frankfurt Stock Exchange.

The trading activity on the Frankfurt Stock Exchange for the period since the initial listing has been as follows:



(Source: Frankfurt Stock Exchange)

As part of the terms and conditions of the Offering Memorandum, the proceeds from the bond issue can be utilised to fund the construction of the project and to serve the respective debt. Funds obtained from the bond issue have been put on short-term deposits with Signet Bank AS with different maturities following the estimated utilisation profile for the project.

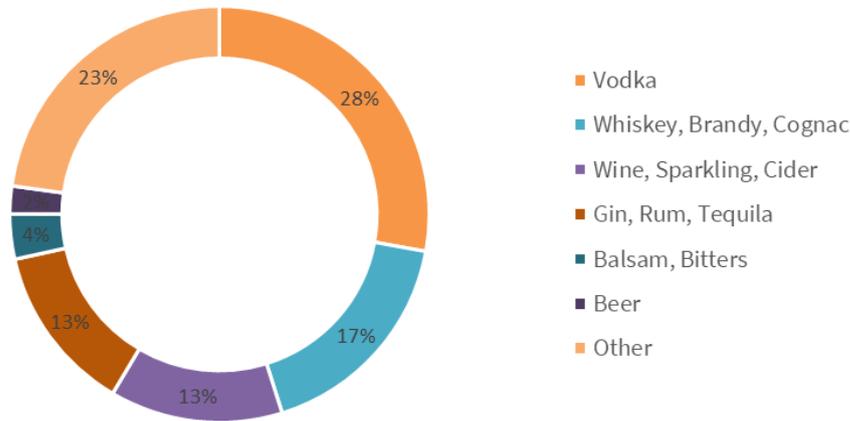
On 15 May 2023, Indie Brands Ltd. refinanced the invoice discounting facility with a maximum amount of GBP 2 million (EUR 2.3 million) from Royal Bank of Scotland to Ultimate Finance.

On 19 May 2023, Amber Beverage Group Holding S.à r.l. refinanced its short-term borrowing from AS Signet Bank of EUR 10 million with a 5-year loan facility with AS Rietumu Banka.

## MANAGEMENT REPORT (continued)

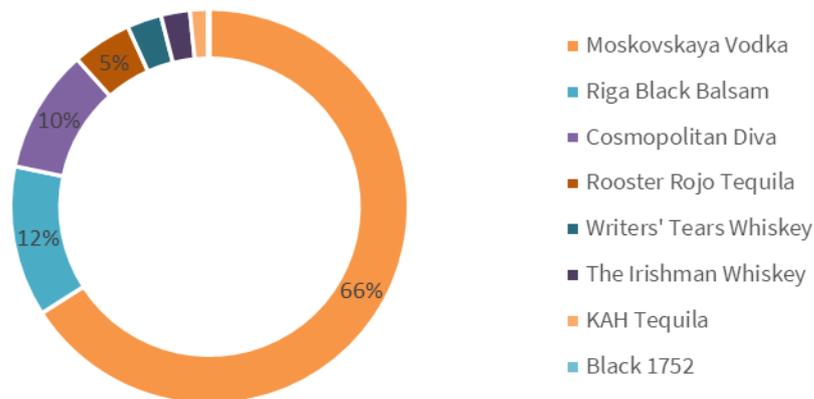
### Non-financial performance and activities for the reporting period

The total net revenue of EUR 244.8 million has been generated mainly by sales in Vodka, Whiskey, Brandy, and Cognac categories:



Brands produced by ABG companies contributed 25% of the total volume of 10.6 million 9Lcs. The composition of the core brand's portfolio has remained stable, reaching 942 thousand 9Lcs in the first nine months of 2023.

### 9lcs



## Financial risk management

In the ordinary course of business, the Group is exposed to a variety of financial risks, including credit risk, liquidity risk, and interest rate risk. The Group's management handles financial risks on an ongoing basis to minimize their potential adverse effects on the financial performance of the Group.

Most of the borrowings have variable interest rates. The Group's management is considering the use of hedging instruments to minimize the effect of variable interest rates.

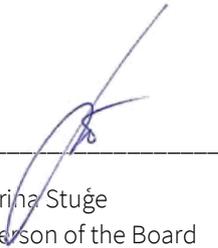
Financial assets that potentially expose the Group to a certain degree of credit risk concentration are primarily trade receivables, receivables from related companies, and loans. The Group has introduced and pursues a credit policy whereby goods are sold on credit only to customers with sound credit histories. The Group also complies with sanctions regimes imposed by the EU, United Nations, and US, as well as internal procedures.

**MANAGEMENT REPORT (continued)**

The Group pursues a prudent liquidity risk management policy, according to which adequate credit resources are ensured to settle liabilities when they fall due. The Group's management handles liquidity and cash flow risks by maintaining adequate cash reserves and securing sufficient financing by means of loans, credit lines, and finance leases by monitoring forecasted and actual cash flows, and by matching the maturities of financial assets and liabilities on an ongoing basis.

**Subsequent events**

As for 16 October 2023 the bonds issued by the Parent Company are listed on the Baltic Regulated Market on the Nasdaq Riga Stock Exchange (ticker: AMBEFLOT27A).



Jekaterina Stuge  
Chairperson of the Board  
Luxembourg, 30 November 2023

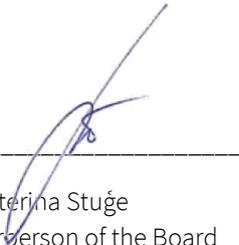
## STATEMENT OF THE MANAGERMENTS' RESPONSIBILITY

The managers are responsible for the preparation of the consolidated financial statements in accordance with applicable law and regulations. Under that law, the managers have been elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

In preparing the consolidated financial statements, the managers should:

- Select suitable accounting policies and apply them consistently.
- Make judgements and estimates that are reasonable.
- Prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Group will continue in business as a going concern.

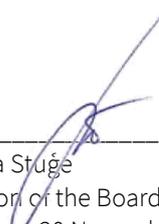
The managers are responsible for ensuring that proper accounting records are kept that disclose, with reasonable accuracy, at any time, the financial position of the Group and enable the managers to ensure that the consolidated financial statements comply with the IFRS as adopted by the EU. This responsibility includes designing, implementing, and maintaining such internal control as the managers determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The managers are also responsible for safeguarding the assets of the Group, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Jekaterina Stuge  
Chairperson of the Board  
Luxembourg, 30 November 2023

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	<b>01/01/2023- 30/09/2023</b>	<b>01/01/2022- 30/09/2022</b>
	<b>EUR 000</b>	<b>EUR 000</b>
Revenue	361 947	366 122
Excise and duties	(117 146)	(113 574)
<b>Net revenue</b>	<b>244 801</b>	<b>252 548</b>
Cost of goods sold	(177 145)	(180 338)
<b>Gross profit</b>	<b>67 656</b>	<b>72 210</b>
Selling expenses	(38 219)	(39 258)
General and administration expenses	(17 897)	(17 343)
Net impairment gain/ (losses) of financial assets	(17)	(1)
Other operational income	5 973	5 414
Other operational expense	(3 576)	(1 627)
Merger and acquisition related costs	(151)	(306)
<b>Operating profit</b>	<b>13 769</b>	<b>19 089</b>
Net finance income/ (expense)	(4 245)	7 057
<b>Profit before tax</b>	<b>9 524</b>	<b>26 146</b>
Corporate income tax	(2 330)	(3 349)
<b>Profit for the period</b>	<b>7 194</b>	<b>22 797</b>
Attributable to:		
Equity holders of the parent	6 670	20 260
Non-controlling interest	524	2 537
	<b>7 194</b>	<b>22 797</b>
Other comprehensive income	(242)	6 526
<b>Total comprehensive income for period</b>	<b>6 952</b>	<b>29 323</b>
Attributable to:		
Equity holders of the parent	6 811	26 786
Non-controlling interest	141	2 537
	<b>6 952</b>	<b>29 323</b>

  
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 Jekaterina Stuge  
 Chairperson of the Board  
 Luxembourg, 30 November 2023

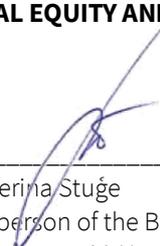
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**
**ASSETS**

	<b>30.09.2023</b>	<b>31.12.2022</b>
	<b>EUR 000</b>	<b>EUR 000</b>
<b>Non-current assets</b>		
Intangible assets	82 504	81 166
Property, plant and equipment	54 774	54 462
Rights-to-use assets	7 257	9 029
Investment properties	-	1 059
Biological assets	15 839	14 774
Loans to related parties	29 676	26 617
Other non-current financial assets	3 753	3 182
Non-current financial investments	2 175	2 184
Deferred tax asset	243	-
<b>TOTAL NON-CURRENT ASSETS</b>	<b>196 221</b>	<b>192 473</b>
<b>Current assets</b>		
Inventories	90 766	87 785
Trade and other receivables	116 699	138 253
Loans to related parties	5 429	3 717
Corporate income tax	1 579	146
Short term bank deposits	26 597	-
Cash and cash equivalents	4 979	7 490
<b>TOTAL</b>	<b>246 049</b>	<b>237 391</b>
Assets held for sale	-	23 327
<b>TOTAL CURRENT ASSETS</b>	<b>246 049</b>	<b>260 718</b>
<b>TOTAL ASSETS</b>	<b>442 270</b>	<b>453 191</b>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

**EQUITY AND LIABILITIES**

	<b>30.09.2023</b>	<b>31.12.2022</b>
	<b>EUR 000</b>	<b>EUR 000</b>
<b>Capital and Reserves</b>		
Share capital	13	13
Share premium	132 553	132 553
FX revaluation reserve	(832)	(1 044)
Other reserves	1	1
Pooling reserve	(21 268)	(18 041)
Revaluation reserve of derivatives	27	98
Retained earnings	58 540	58 643
<b>TOTAL attributable to majority shareholders</b>	<b>169 034</b>	<b>172 223</b>
Non-controlling interest	14 603	15 445
<b>TOTAL EQUITY</b>	<b>183 637</b>	<b>187 668</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Borrowings	53 591	19 224
Trade and other payables	1 359	1 377
Deferred tax liability	4 564	3 392
Derivatives	(27)	(98)
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>59 487</b>	<b>23 895</b>
<b>Current liabilities</b>		
Borrowings and bank overdrafts	72 256	88 658
Trade and other payables	84 601	86 858
Taxes payable	42 290	52 146
Corporate income tax liabilities	-	264
<b>TOTAL</b>	<b>199 147</b>	<b>227 926</b>
Liabilities directly associated with the assets held for sale	-	13 702
<b>TOTAL LIABILITIES</b>	<b>258 634</b>	<b>265 523</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>442 271</b>	<b>453 191</b>

  
 Jekaterina Stuge  
 Chairperson of the Board  
 Luxembourg, 30 November 2023

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to the equity holders of the Parent Company							Total EUR 000	Non-controlling interest EUR 000	Total equity EUR 000
	Share capital EUR 000	Share Premium EUR 000	FX revaluation reserve EUR 000	Pooling reserve EUR 000	Derivatives revaluation reserve EUR 000	Other reserves EUR 000	Retained Earnings EUR 000			
<b>1 January 2022</b>	<b>13</b>	<b>132 553</b>	<b>243</b>	<b>(18 041)</b>	<b>(68)</b>	<b>1</b>	<b>51 279</b>	<b>165 980</b>	<b>12 008</b>	<b>177 988</b>
Dividends declared	-	-	-	-	-	-	(11 000)	<b>(11 000)</b>	(484)	<b>(11 484)</b>
Profit for the period	-	-	-	-	-	-	18 364	<b>18 364</b>	3 022	<b>21 386</b>
Other comprehensive income	-	-	(1 287)	-	166	-	-	<b>(1 121)</b>	899	<b>(222)</b>
Total comprehensive income	-	-	<b>(1 287)</b>	-	<b>166</b>	-	<b>18 364</b>	<b>17 243</b>	<b>3 921</b>	<b>21 164</b>
<b>31 December 2022</b>	<b>13</b>	<b>132 553</b>	<b>(1 044)</b>	<b>(18 041)</b>	<b>98</b>	<b>1</b>	<b>58 643</b>	<b>172 223</b>	<b>15 445</b>	<b>187 668</b>
Dividends declared	-	-	-	-	-	-	(10 000)	<b>(10 000)</b>	(469)	<b>(10 469)</b>
Profit for the period	-	-	-	-	-	-	6 670	<b>6 670</b>	524	<b>7 194</b>
Other comprehensive income	-	-	212	-	(71)	-	-	<b>141</b>	(383)	<b>(242)</b>
Total comprehensive income	-	-	<b>212</b>	-	<b>(71)</b>	-	<b>6 670</b>	<b>6 811</b>	<b>141</b>	<b>6 952</b>
Reclassification of reserve due to reorganisation of the Group	-	-	-	63	-	-	(63)	-	-	-
Reclassification of reserve due to disposal of subsidiary	-	-	-	(3 290)	-	-	3 290	-	-	-
Derecognition due to disposal of subsidiary	-	-	-	-	-	-	-	-	(514)	<b>(514)</b>
<b>30 September 2023</b>	<b>13</b>	<b>132 553</b>	<b>(832)</b>	<b>(21 268)</b>	<b>27</b>	<b>1</b>	<b>58 540</b>	<b>169 034</b>	<b>14 603</b>	<b>183 637</b>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

	Attributable to the equity holders of the parent									
	Share capital EUR 000	Share premium EUR 000	Freign exchange revaluation reserve EUR 000	Pooling reserve EUR 000	Derivatives revaluation reserve EUR 000	Other reserves EUR 000	Retained earnings EUR 000	<b>Total</b> EUR 000	Non- controlling interest EUR 000	<b>Total equity</b> EUR 000
<b>1 January 2021</b>	<b>13</b>	<b>132 553</b>	<b>(1 042)</b>	<b>(18 041)</b>	<b>(167)</b>	<b>1</b>	<b>40 700</b>	<b>154 017</b>	<b>10 086</b>	<b>164 103</b>
Dividends	-	-	-	-	-	-	(10 000)	<b>(10 000)</b>	(381)	<b>(10 381)</b>
<i>Profit for the period</i>	-	-	-	-	-	-	20 579	<b>20 579</b>	2 267	<b>22 846</b>
<i>Other comprehensive income</i>	-	-	1 285	-	99	-	-	<b>1 384</b>	36	<b>1 420</b>
Total comprehensive income	-	-	<b>1 285</b>	-	<b>99</b>	-	<b>20 579</b>	<b>21 963</b>	<b>2 303</b>	<b>24 266</b>
<b>31 December 2021</b>	<b>13</b>	<b>132 553</b>	<b>243</b>	<b>(18 041)</b>	<b>(68)</b>	<b>1</b>	<b>51 279</b>	<b>165 980</b>	<b>12 008</b>	<b>177 988</b>
Dividends	-	-	-	-	-	-	(11 000)	<b>(11 000)</b>	(450)	<b>(11 450)</b>
<i>Profit for the period</i>	-	-	-	-	-	-	20 260	<b>20 260</b>	2 537	<b>22 797</b>
<i>Other comprehensive income</i>	-	-	6 396	-	130	-	-	<b>6 526</b>	-	<b>6 526</b>
Total comprehensive income	-	-	<b>6 396</b>	-	<b>130</b>	-	<b>20 260</b>	<b>26 786</b>	<b>2 537</b>	<b>29 323</b>
<b>30 September 2022</b>	<b>13</b>	<b>132 553</b>	<b>6 639</b>	<b>(18 041)</b>	<b>62</b>	<b>1</b>	<b>60 539</b>	<b>181 766</b>	<b>14 095</b>	<b>195 861</b>

## CONSOLIDATED CASH FLOW STATEMENT

	Notes	01/01/2023- 30/09/2023	01/01/2022- 30/09/2022
		EUR 000	EUR 000
<b>Cash flow from operating activities</b>			
Profit/ (loss) for the period		9 524	26 146
<i>Adjustments for:</i>			
Depreciation and amortisation charge	4	6 869	5 763
Net gain on disposal of property, plant and equipment, investment properties and intangibles		(49)	(41)
Net (gain)/loss from sale of subsidiary		1 436	-
Interest income	9	(1 954)	(525)
Interest expense	9	5 066	3 134
		<b>20 892</b>	<b>34 477</b>
<b>Working capital changes</b>			
(Increase)/ decrease in inventories		(3 192)	(27 460)
(Increase)/ decrease in trade and other receivables		23 267	12 899
Increase/ (decrease) in trade and other payables		(17 349)	3 091
		<b>23 618</b>	<b>23 007</b>
Corporate income tax paid		(1 802)	(1 837)
<b>Net cash generated from operating activities</b>		<b>21 902</b>	<b>21 170</b>
<b>Cash flows used in investing activities</b>			
Payments to acquire property, plant and equipment, investment properties		(4 768)	(7 283)
Payments to acquire biological assets		(698)	-
Proceeds from disposal of property, plant and equipment		183	298
Proceeds from disposal of subsidiary		3 665	-
Settlements for acquisition of subsidiaries		(4 081)	-
<b>Net cash used in investing activities</b>		<b>(5 699)</b>	<b>(6 985)</b>
<b>Cash flows used in financing activities</b>			
Interest paid		(6 030)	(3 303)
Change in overdraft		(356)	1 056
Proceeds from issue of bonds		30 000	-
Borrowings received		10 000	-
Borrowings from related parties		50	36
Repayment of borrowings		(20 593)	(5 547)
Lease payments		(2 065)	(2 732)
Dividends paid to Parent Company's shareholders		(2 160)	(6 350)
Dividends paid to non-controlling interests in subsidiaries		(469)	-
Change in short-term deposits		(26 597)	-
<b>Net cash used in/ generated from financing activities</b>		<b>(18 220)</b>	<b>(16 840)</b>
<b>Net change in cash and cash equivalents</b>		<b>(2 017)</b>	<b>(2 655)</b>
Cash and cash equivalents disposed due to sale of subsidiary		(787)	-
<b>Cash and cash equivalents at the beginning of the period</b>		<b>7 783</b>	<b>7 442</b>
<b>Cash and cash equivalents at the end of the period</b>	13	<b>4 979</b>	<b>4 787</b>

## NOTES

### (1) GENERAL INFORMATION

These unaudited condensed consolidated financial statements were approved and authorised for issue by the Board of Managers of Amber Beverage Group Holding S.à r.l. (the Parent Company) on 30 November 2023.

The Parent Company was incorporated on 26 September 2017 under the laws of the Grand Duchy of Luxembourg with the registered number B218246 as Amber Beverage Group Holding S.à r.l. The Parent Company's registered office is at 44 Rue de la Vallée, L-2661, Luxembourg.

As of 30 September 2023, Amber Beverage Group (further on – the Group or ABG) consists of the Parent Company and its subsidiaries (see also Note 18).

### (2) ACCOUNTING POLICIES

#### Basis for preparation

The interim unaudited consolidated financial statements for the first nine months of the year 2023 ended 30 September 2023 of the Group have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year 2022.

#### Basis for consolidation

The consolidated financial statements incorporate the financial statements of the Parent Company and entities controlled by the Parent Company (its subsidiaries). Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and can affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its involvement with the investee.
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that the majority of voting rights result in control. To support this presumption, and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Group's voting rights and potential voting rights.

The Group re-assesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income, and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

## Functional currency and revaluation

The functional and presentation currency of the main Group entities is the euro (EUR), as the European Union is the primary economic environment in which the Group's subsidiaries operate. These consolidated financial statements are presented in thousand euros (unless stated otherwise).

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

During the consolidation process for entities with functional currency other than the functional currency of the Parent Company, the positions of the statement of financial position are revalued at the year-end exchange rate, and the positions of the statement of comprehensive income, cash-flow statement, and statement of changes in equity are revalued at the average exchange rate for the reporting period (or the average exchange rate for the period the Group has obtained control).

The following foreign currency exchange rates have been applied:

	Average for period 01/01/2023- 30/09/2023	Average for period 01/01/2022- 30/09/2022	Closing rate as of 30/09/2023	Closing rate as of 31/12/2022
USD/EUR	1.0833	1.0638	1.0833	1.0666
AUD/EUR	1.6205	1.5044	1.6339	1.5693
GBP/EUR	0.8707	0.8472	0.8646	0.8869
RUB/EUR	90.4650	75.6937	103.1631	75.6553
MXN/EUR	19.2804	21.5542	18.5030	20.8560
CHF/EUR	0.9774	1.0118	0.9669	0.9847
CAD/EUR	1.4576	1.3643	1.4227	1.4440

Exchange differences on monetary items are recognised in the statement of comprehensive income in the period in which they arise.

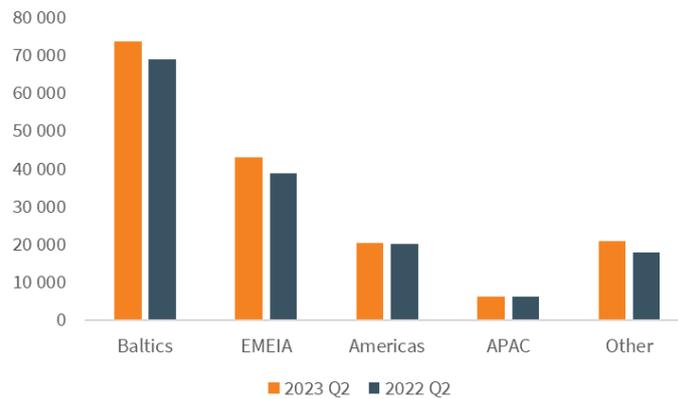
## Changes in accounting policy and disclosures

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2022, except for the adoption of new standards effective as of 1 January 2023. The Group has not early adopted any standard, interpretation, or amendment that has been issued but is not yet effective. The Group intends to adopt the above standards and interpretations and evaluate their effects on the effective date.

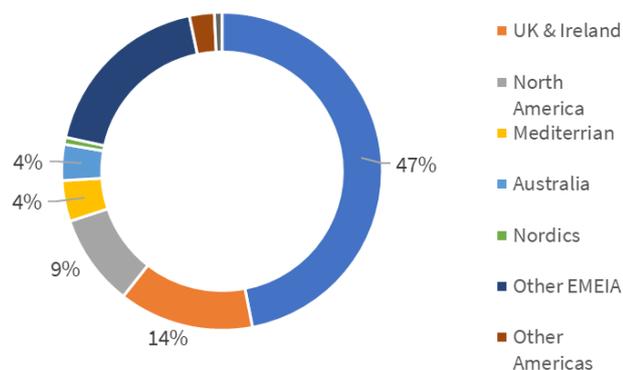
### (3) SEGMENT REPORTING

	Production		Distribution		Management/ Other/ Eliminations		Consolidated	
	01/01/2023- 30/09/2023	01/01/2022- 30/09/2022	01/01/2023- 30/09/2023	01/01/2022- 30/09/2022	01/01/2023- 30/09/2023	01/01/2022- 30/09/2022	01/01/2023- 30/09/2023	01/01/2022- 30/09/2022
	EUR 000	EUR 000	EUR 000	EUR 000				
<b>Revenue</b>								
Third party revenue	72 967	83 884	171 834	168 664	-	-	244 801	252 548
Intersegment revenue	41 043	40 642	15 778	12 384	(56 821)	(53 026)	-	-
<b>Segment net revenue</b>	<b>114 010</b>	<b>124 526</b>	<b>187 612</b>	<b>181 048</b>	<b>(56 821)</b>	<b>(53 026)</b>	<b>244 801</b>	<b>252 548</b>
							-	-
<b>Operating profit</b>	<b>7 278</b>	<b>15 634</b>	<b>9 289</b>	<b>15 703</b>	<b>(2 798)</b>	<b>(12 248)</b>	<b>13 769</b>	<b>19 089</b>
Finance income							2 284	10 572
Finance costs							(6 529)	(3 515)
Income tax							(2 330)	(3 349)
<b>Net profit</b>							<b>7 194</b>	<b>22 797</b>

The Group is domiciled in Luxembourg, with the primary activities carried out through its own route-to-market network in the Baltics (Latvia, Lithuania, Estonia), the UK, Australia, Austria, Germany, and in the global market through operations in Cyprus. The amount of net revenue from external customers, broken down by region of delivery, is presented as follows:

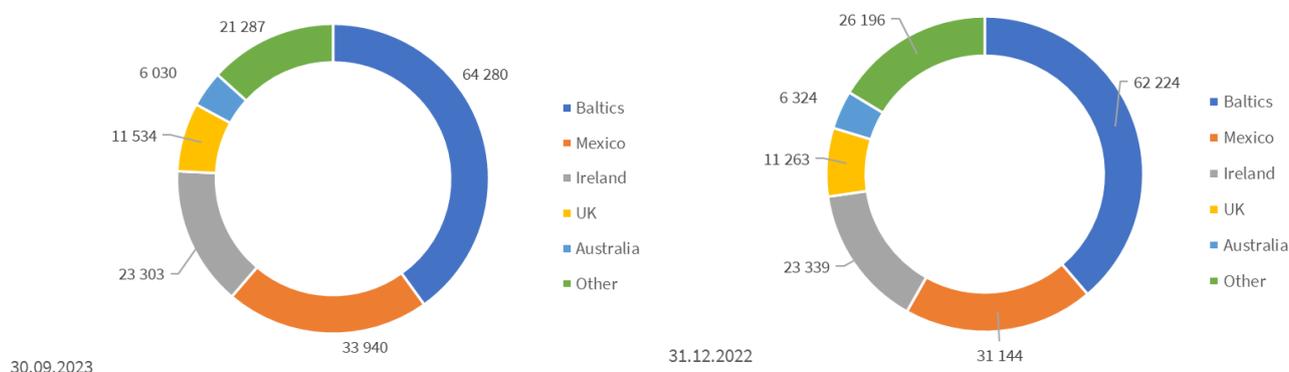


2023 Q3



	Production		Distribution and Brand management		Management/ Other/ Eliminations		Consolidated	
	30.09.2023	31.12.2022	30.09.2023	31.12.2022	30.09.2023	31.12.2022	30.09.2023	31.12.2022
	EUR 000	EUR 000	EUR 000	EUR 000	EUR 000	EUR 000	EUR 000	EUR 000
Non-current segment assets	83 268	78 980	63 806	65 587	13 300	15 809	160 374	160 376
Current segment assets	95 919	87 906	109 508	138 512	7 017	7 227	212 444	233 645
<b>Segment assets</b>	<b>179 187</b>	<b>166 886</b>	<b>173 314</b>	<b>204 099</b>	<b>20 317</b>	<b>23 036</b>	<b>372 818</b>	<b>394 021</b>
Deferred tax assets							243	-
Current tax receivable							1 579	146
Loans to related parties							35 105	30 334
Other non-current assets							3 753	3 179
Non-current financial investments							2 175	2 184
Short term deposits							26 597	-
Assets held for sale							-	23 327
<b>Total assets</b>							<b>442 270</b>	<b>453 191</b>
Non-current segment liabilities	(2 477)	(904)	(5 931)	(4 287)	(23)	-	(8 431)	(5 191)
Current segment liabilities	(105 198)	(67 071)	(178 281)	(212 749)	155 844	137 075	(127 635)	(142 745)
<b>Segment liabilities</b>	<b>(107 675)</b>	<b>(67 975)</b>	<b>(184 212)</b>	<b>(217 036)</b>	<b>155 821</b>	<b>137 075</b>	<b>(136 066)</b>	<b>(147 936)</b>
Deferred tax liabilities							(4 564)	(3 465)
Current tax payable							-	(264)
Interest-bearing loans and borrowings							(88 031)	(100 327)
Bonds							(30 000)	-
Derivatives							27	98
Liabilities associated to assets held for sale							-	(13 629)
<b>Total liabilities</b>							<b>(258 634)</b>	<b>(265 523)</b>

The total non-current assets other than financial instruments and deferred tax assets, broken down by location of assets, are presented in the following graph:



#### (4) OPERATING PROFIT

	01.01.2023- 30.09.2023	01.01.2022- 30.09.2022
	EUR 000	EUR 000
Gross Revenue	361 947	366 122
Excise and duties	(117 146)	(113 574)
<i>Net revenue</i>	<i>244 801</i>	<i>252 548</i>
Cost of inventories	(155 749)	(161 662)
Advertising, marketing and promotional costs	(3 972)	(6 965)
Logistic costs	(7 868)	(7 859)
Staff costs	(38 698)	(36 159)
Other indirect costs	(22 245)	(20 158)
Other operating income	5 973	5 413
Net impairment loss on financial assets	(17)	(1)
<i>Depreciation and amortisation - cost of goods sold</i>	<i>(1 940)</i>	<i>(1 955)</i>
<i>Depreciation and amortisation - selling costs</i>	<i>(2 521)</i>	<i>(1 737)</i>
<i>Depreciation and amortisation - administration costs</i>	<i>(2 408)</i>	<i>(2 071)</i>
Depreciation, amortisation and impairment	(6 869)	(5 763)
M&A related costs	(151)	(306)
Net gain/ (loss) from disposal of subsidiaries	(1 436)	-
<b>Operating profit</b>	<b>13 769</b>	<b>19 088</b>

#### (5) EBITDA RECONCILIATION

	01.01.2023- 30.09.2023	01.01.2022- 30.09.2022
	EUR 000	EUR 000
Operating profit	13 769	19 088
Add-back for:		
Depreciation, amortisation and impairment	6 869	5 763
<b>EBITDA</b>	<b>20 638</b>	<b>24 851</b>
M&A related costs	151	306
Net gain/ (loss) from disposal of subsidiaries	1 436	-
<b>Normalized EBITDA</b>	<b>22 225</b>	<b>25 157</b>

(6) COST OF GOODS SOLD

	01.01.2023- 30.09.2023 EUR 000	01.01.2022- 30.09.2022 EUR 000
Cost of inventories	155 749	161 662
Staff costs	9 006	8 958
Depreciation and amortisation	1 940	1 955
Utility expense	3 046	2 723
Nature Resource Tax	2 307	1 938
Maintenance costs	739	730
Change in accruals	(85)	60
Real Estate Tax	196	184
Insurance costs	63	43
Laboratory expense	78	65
Other production costs	4 106	2 020
<b>Total</b>	<b>177 145</b>	<b>180 338</b>

(7) SELLING EXPENSES

	01.01.2023- 30.09.2023 EUR 000	01.01.2022- 30.09.2022 EUR 000
Staff costs	19 521	18 030
Advertising	3 972	6 965
Transport and logistics	7 868	7 859
Rent and maintenance of premises	1 372	1 981
Depreciation and amortisation	2 521	1 737
Maintenance of cars	112	106
Packaging materials	181	234
Change in accruals	49	98
Other distribution costs	2 623	2 248
<b>Total</b>	<b>38 219</b>	<b>39 258</b>

(8) GENERAL AND ADMINISTRATIVE EXPENSES

	01.01.2023- 30.09.2023	01.01.2022- 30.09.2022
	EUR 000	EUR 000
Staff costs	10 171	9 171
Depreciation and amortisation	2 408	2 071
IT maintenance	532	429
Management and professional service expense	976	1 359
Office expense	757	942
Business Trips	470	419
Communication	341	337
Representation	266	191
Bank commissions	179	167
Training expense	89	45
Other administration	1 708	2 212
<b>Total</b>	<b>17 897</b>	<b>17 343</b>

(9) NET FINANCE INCOME/ (EXPENSES)

	01.01.2023- 30.09.2023	01.01.2022- 30.09.2022
	EUR 000	EUR 000
Finance income:		
Interest income	239	81
Interest income from related parties	1 715	469
Foreign exchange gain, net	-	9 788
Other financial income	330	234
<b>Total finance income</b>	<b>2 284</b>	<b>10 572</b>
Finance expense:		
Interest expense	(4 519)	(2 925)
Interest expense to related parties	(548)	(207)
Foreign exchange gain/ (loss), net	(913)	-
Amortisation of loan related expense	(549)	(383)
<b>Total finance expense</b>	<b>(6 529)</b>	<b>(3 515)</b>
<b>Net finance income/ (expense)</b>	<b>(4 245)</b>	<b>7 057</b>

(10) CORPORATE INCOME TAX

	01.01.2023- 30.09.2023	01.01.2022- 30.09.2022
	EUR 000	EUR 000
Current income tax	1 323	864
Change in deferred corporate income tax	1 007	2 485
<b>Total</b>	<b>2 330</b>	<b>3 349</b>

**(11) INVENTORIES**

	30.09.2023	31.12.2022
	EUR 000	EUR 000
Raw materials	24 177	22 723
Finished goods and merchandize	64 312	60 396
Production in progress	3 872	4 412
Goods on the way	2 379	3 250
Other	349	134
Provisions for obsolete inventories	(4 323)	(3 130)
<b>Total</b>	<b>90 766</b>	<b>87 785</b>

**(12) TRADE AND OTHER RECEIVABLES**

	30.09.2023	31.12.2022
	EUR 000	EUR 000
Gross trade receivables	68 377	91 932
Allowance for doubtful debts	(1 295)	(1 356)
<b>Net trade receivables</b>	<b>67 082</b>	<b>90 576</b>
Receivables from related parties	35 977	38 023
Other debtors and prepayments	13 640	9 654
<b>Total</b>	<b>116 699</b>	<b>138 253</b>

**(13) CASH AND CASH EQUIVALENTS**

	30.09.2023	31.12.2022
	EUR 000	EUR 000
Cash at bank	4 806	7 278
Petty cash	6	3
Cash in shops	68	98
Cash in transit	99	111
<b>Total</b>	<b>4 979</b>	<b>7 490</b>

For purposes of reconciliation of cash and cash equivalents to the Consolidated Statement of Cash Flows, the cash and cash equivalents as of 31 December 2022 have been adjusted by EUR 293 thousand for items attributable to Disposal Group.

**(14) TRADE AND OTHER PAYABLES**

	30.09.2023	31.12.2022
	EUR 000	EUR 000
Trade payables	56 277	60 071
Accrued expense	6 651	8 462
Payables to related parties	3 407	1 454
Vacation reserve	2 072	2 157
Contingent consideration	1 568	5 557
Salaries payable	1 334	1 122
Dividends payable	11 188	3 348
Advances received	819	991
Deferred income	940	973
Other payables	1 704	4 100
<b>Total</b>	<b>85 960</b>	<b>88 235</b>
Out of that:		
Non-current	1 359	1 377
Current	84 601	86 859

**(15) TAXES PAYABLE**

	30.09.2023	31.12.2022
	EUR 000	EUR 000
Excise tax	30 537	38 991
Value added tax	10 185	9 670
Corporate income tax	-	264
Other	1 568	3 485
<b>Total</b>	<b>42 290</b>	<b>52 410</b>

**(16) NET BORROWINGS**

	30.09.2023	31.12.2022
	EUR 000	EUR 000
Bank overdrafts	41 628	42 103
Bank loans	29 672	43 888
Accrued interest on bank loans	212	176
Loans from related parties	-	12
<b>Borrowings due within one year</b>	<b>71 512</b>	<b>86 179</b>
	30.09.2023	31.12.2022
	EUR 000	EUR 000
<b>Non-current interest-bearing loans and borrowings</b>		
Bank loans	9 861	157
Bonds issued	30 000	-
Loans from related parties	6 658	13 992
<b>Borrowings due after one year</b>	<b>46 519</b>	<b>14 149</b>
<b>Total borrowings before derivative financial instruments</b>	<b>118 031</b>	<b>100 328</b>
Derivative financial instruments	(27)	(98)
Lease liabilities	7 816	7 554
<b>Gross borrowings</b>	<b>125 820</b>	<b>107 784</b>
Less: Cash and cash equivalents	(4 979)	(7 490)
Less: Short-term bank borrowings	(26 597)	-
<b>Net borrowings</b>	<b>94 244</b>	<b>100 294</b>

## (17) CAPITAL MANAGEMENT

	30.09.2023	31.12.2022
	EUR 000	EUR 000
Borrowings	125 820	107 784
Cash and cash equivalents	(4 979)	(7 490)
Short term bank deposits	(26 597)	-
Equity	183 637	187 668
<b>Gearing ratio</b>	<b>51%</b>	<b>53%</b>
Equity	183 637	187 668
Assets	442 270	453 191
<b>Equity to Assets ratio</b>	<b>42%</b>	<b>41%</b>
Borrowings	125 820	107 784
LTM EBITDA	35 961	40 174
<b>Debt/EBITDA ratio</b>	<b>3,5x</b>	<b>2,7x</b>
Borrowings	125 820	107 784
Cash and cash equivalents	(4 979)	(7 490)
Short term bank deposits	(26 597)	-
EBITDA	35 961	40 174
<b>Net Debt/ EBITDA ratio</b>	<b>2,6x</b>	<b>2,5x</b>
LTM EBITDA	35 961	40 174
Consolidated Net finance charges	8 351	5 487
<b>Interest coverage ratio</b>	<b>4,3x</b>	<b>7,3x</b>

## (18) GROUP STRUCTURE

Name	Principal activities	Country of incorporation	% Equity interest 30/09/2023	% Equity interest 31/12/2022
Amber Beverage Group Holding S.à r.l. (Parent Company)	Holding and management activities	Luxembourg	-	-
Amber Distribution Latvia SIA	Distribution	Latvia	100%	100%
Interbaltija AG AS	Distribution	Latvia	100%	100%
Amber Distribution Estonia OU	Distribution	Estonia	100%	100%
Amber Distribution Lithuania UAB	Distribution	Lithuania	100%	100%
Amber Beverage UK Ltd	Distribution	The UK	100%	100%
Amber Beverage Australia Pty Ltd	Distribution	Australia	100%	100%
Amber Beverage Austria GmbH	Distribution	Austria	90%	90%
Amber Beverage Germany GmbH	Distribution	Germany	100%	100%
Indie Brands Ltd <sup>1</sup>	Distribution	The UK	100%	75%
Indie Spirits Ltd <sup>1</sup>	Distribution	The UK	100%	75%
WW Equity House Holding Ltd	Holding activities	Ireland	100%	100%
WW Equity House Trading Ltd	Distribution and brand management	Ireland	100%	100%
Amberbev International Ltd	Distribution	Cyprus	100%	100%
Amber Latvijas balzams AS	Production of alcoholic beverages	Latvia	89.99%	89.99%
Amber Production Tequila S.A. de C.V.	Production of alcoholic beverages	Mexico	100%	100%
Amber Agave S.A. de C.V.	Agricultural activities	Mexico	100%	100%
Amber Talvis AO	Rectification of ethyl alcohol	Russia	72.87%	72.87%
Amber Production Remedija OU	Production of alcoholic beverages	Estonia	100%	100%
Amber IP Brands S.à r.l.	Intellectual property rights management	Switzerland	100%	100%
Amber Beverage Group SIA	Management services	Latvia	100%	100%
Think Spirits NL B.V.	Management services	The Netherlands	100%	100%
ABG Real Estate SIA	Real estate management	Latvia	100%	100%
Amber Permalko AO <sup>3</sup>	Production of alcoholic beverages	Russia	-	92.6%
Rits Holding SIA <sup>2</sup>	Real estate management	Latvia	-	100%

### Notes:

1 – In March 2023, the Parent Company finalized the acquisition of Indie Brands Ltd., thus securing its full control over Indie Brands Ltd. and its subsidiary, Indie Spirits Ltd.

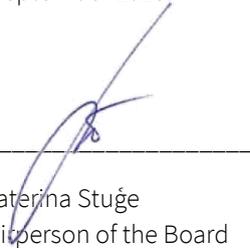
2 – As part of the restructuring of SPI Group Holding Limited, on 29 March 2023, Amber Distribution Latvia SIA disposed of 100% of its shareholding in Rits Holding SIA to a related party, SPI RE Holding S.à r.l.

3 – On 13 June 2023, the Parent Company disposed of its shareholding in Amber Permalko AO to a third, independent party.

#### **(19) SUBSEQUENT EVENTS**

As for 16 October 2023 the bonds issued by the Parent Company are listed on the Baltic Regulated Market on the Nasdaq Riga Stock Exchange (ticker: AMBEFLOT27A).

Since the last day of interim financial statements and the signing of these interim consolidated financial statements, there have been no other subsequent events that would have a significant effect on the financial position of the Group as of 30 September 2023.



Jekaterina Stuge  
Chairperson of the Board  
Luxembourg, 30 November 2023