



AMBER BEVERAGE GROUP HOLDING S.À R.L.

(Registration number B218246)

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
for 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>Mr. Arturs Evarts, Secretary, Member of the Supervisory Board</p> <p>Ms. Jekaterina Stučé, Member of the Supervisory Board (until 29.01.2024)</p>
Names and positions of the Board of Managers	<p>Mr. Arturs Evarts, Member of the Board</p> <p>Mr. Javier Minguillon Espinosa, Member of the Board</p> <p>Ms. Jekaterina Stučé, Chairperson of the Board (until 29.01.2024)</p>

USED ABBREVIATIONS

ABG	Amber Beverage Group, i.e., Amber Beverage Group Holding S.à r.l. and its subsidiaries
APAC	Asia – Pacific region
DACH	Germany, Austria, Switzerland 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 1 500 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 ABG. 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 (since 29.01.2024 - five) 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 strategy of the Group – *Sirius 28*.

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

Financial performance

Ratio	01.01.2023- 31.12.2023	01.01.2022- 31.12.2022	Change	Change
	EUR 000	EUR 000	EUR 000	%
Net revenue	329 058	365 776	(36 718)	(10%)
Operating profit	21 163	31 864	(10 701)	(33.6%)
Operating profit margin	6.4%	8.7%	n/a	(2.3pp)
Normalized operating profit	23 209	34 612	(11 403)	(32.9%)
Normalized operating profit margin	7.1%	9.5%	n/a	(2.4pp)
EBITDA	29 939	40 174	(10 235)	(25.5%)
EBITDA margin	9.1%	11.0%	n/a	(1.9pp)
Normalized EBITDA	31 985	42 922	(10 937)	(25.5%)

The unaudited net revenue of the Group in 2023 reached EUR 329 million, a decrease of EUR 36.7 million (-10%) 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 resulted in stock reductions with distributors. Additional impact arises from foreign exchange fluctuations and the imposed restriction on the production of ethyl spirit in Russia in late 2023.

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 operating profit in 2023 amounts to EUR 21.1 million, which is 33.6% lower (by EUR 10.7 million) than in the respective period of 2022. If the operating profit is adjusted by the net loss from the disposal of Amber Permalko AO, the operating profit would reach EUR 23.2 million, which is 32.9% lower compared to the respective period in 2022. The financial performance of 2023 has been impacted by the rapid increase in production costs that were observed starting in the second part of 2022, including higher costs of energy, resources, and salaries, which have a full-year impact in 2023 only. 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.

The unaudited net profit for the reporting period is EUR 10.8 million, which is a reduction of EUR 10.6 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 an additional interest expense from bond liability servicing obligations.

MANAGEMENT REPORT (continued)

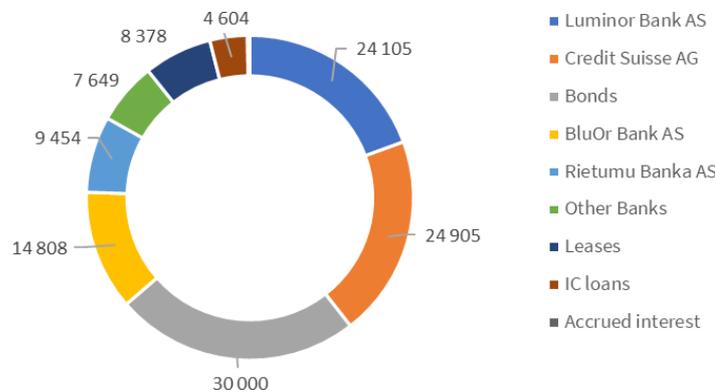
The Group has maintained healthy main financial ratios for the reporting period:

Ratio	31.12.2023	31.12.2022	31.12.2021
ROA	2.3%	4.7%	5.4%
ROE	6%	11%	13%
Debt/Equity	67%	57%	61%
Debt/LTM EBITDA	4.15x	2.69x	3.06x
Net Debt/LTM EBITDA	3.21x	2.50x	2.85x
Equity Ratio	40%	41%	42%
Liquidity Ratio	1.18	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 Luminor Bank AS Latvian branch, Credit Suisse AG, and Rietumu Banka AS supporting the long-term investments, as well as overdrafts and credit lines provided by the Luminor Bank AS Latvian branch, BluOr Bank AS, Westpac, and Ultimate Finance to support the net-working capital needs and long-term unsecured loan facilities from related parties. As at the 31 December 2023 the composition of the debt by partners is as following:



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 (WKN: A3LE0T). As of 16 October 2023, the bonds are listed on the Nasdaq Riga Stock Exchange (AMBEFLOT27A).

MANAGEMENT REPORT (continued)

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.

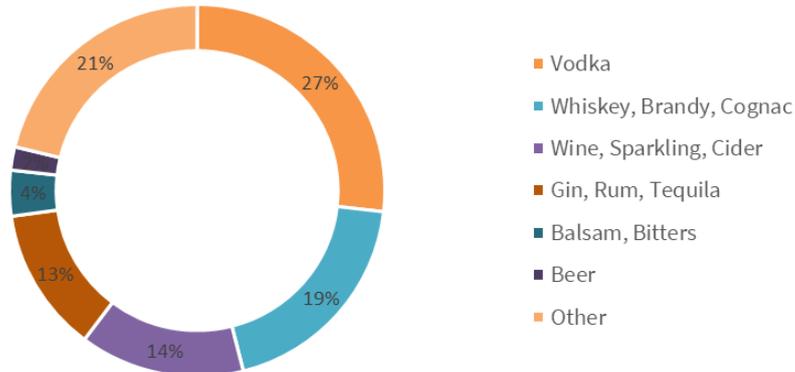
On 19 May 2023, Amber Beverage Group Holding S.à r.l. refinanced its short-term borrowing from Signet Bank AS of EUR 10 million with a 5-year loan facility with Rietumu Banka AS.

In 2023, the Parent Company started to work on the refinancing process of the Credit Suisse AG loan facility with an original maturity date 3 December 2023. During the process and in order to facilitate the refinancing process, in December 2023, a further extension of the final repayment date until 29 February 2024, was agreed upon, subject to a partial decrease of the debt by EUR 3.5 million by end of January 2024. The condition has been successfully satisfied. Subsequently, as the result of further discussions with lender, the parties agreed on an extension of the final repayment date to 20 December 2024.

MANAGEMENT REPORT (continued)

Non-financial performance and activities for the reporting period

The total net revenue of EUR 329 million has been generated mainly by sales in Vodka and Whiskey, Brandy, and Cognac categories:



ABG brands contributed 26.0% of the total volume of 13.1 million 9Lcs, or 38% of the total volume excluding spirit.

The composition of the core brand's portfolio has remained stable, reaching 1.1 million 9Lcs in 2023.



In 2023, the Group has moved into the next stage of construction of the fully automated warehouse in Riga, Latvia. The construction agreement with Aimasa SIA was concluded, and in August 2023, the construction work on laying the foundations of the warehouse building started. As till now, the construction work is going slightly ahead of schedule.

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

In January 2024, the Parent Company finalized the acquisition process of Amber Beverage Austria GmbH and obtained 100% control over the share capital of Amber Beverage Austria GmbH.

In January, the renaming process of Interbaltija AG AS was finalized and the new company name of Interbaltija Amber SIA was registered with the Commerce Register of Latvia.

As part of the refinancing process in January 2024, the Parent Company made partial repayment of outstanding facility towards Credit Suisse AG by EUR 3.5 million and towards Luminor Bank AS Latvian Branch by EUR 1.5 million. The overdraft facility provided by Luminor Bank AS was extended until 8 March 2024, with further extension subject to the development of the refinancing process of Credit Suisse AG facility.

In February 2024, the Credit Suisse AG and the Group agreed on further extension of loan facility with the set final repayment date of 20 December 2024.

On behalf of the Board:



Arturs Evarts
Member of the Board
Luxembourg, 29 February 2024

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.

On behalf of the Board:



Arturs Everts
Member of the Board
Luxembourg, 29 February 2024

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	01/01/2023- 31/12/2023	01/01/2022- 31/12/2022
	EUR 000	EUR 000
Revenue	497 609	530 128
Excise and duties	(168 551)	(164 352)
Net revenue	329 058	365 776
Cost of goods sold	(239 631)	(256 255)
Gross profit	89 427	109 521
Selling expenses	(50 769)	(55 436)
General and administration expenses	(23 795)	(24 948)
Net impairment gain/ (losses) of financial assets	(267)	63
Fair value adjustment	-	682
Other operational income	10 042	7 492
Other operational expense	(2 865)	(2 762)
Merger and acquisition related costs	(610)	(2 748)
Operating profit	21 163	31 864
Net finance income/ (expense)	(6 105)	(5 483)
Profit before tax	15 058	26 381
Corporate income tax	(4 268)	(4 995)
Profit for the period	10 790	21 386
Attributable to:		
Equity holders of the parent	9 717	18 364
Non-controlling interest	1 073	3 022
	10 790	21 386
Other comprehensive income	(1 504)	(222)
Total comprehensive income for period	9 286	21 164
Attributable to:		
Equity holders of the parent	8 625	17 243
Non-controlling interest	661	3 921
	9 286	21 164

On behalf of the Board:



Arturs Evarts
Member of the Board
Luxembourg, 29 February 2024

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

	31.12.2023	31.12.2022
	EUR 000	EUR 000
Non-current assets		
Intangible assets	82 709	81 166
Property, plant and equipment	56 699	54 462
Rights-to-use assets	10 420	9 029
Investment properties	-	1 059
Biological assets	15 981	14 774
Loans to related parties	29 681	26 617
Other non-current financial assets	3 400	3 182
Non-current financial investments	2 214	2 184
Deferred tax asset	131	-
TOTAL NON-CURRENT ASSETS	201 235	192 473
Current assets		
Inventories	85 648	87 785
Trade and other receivables	147 075	138 253
Loans to related parties	6 020	3 717
Corporate income tax	1 578	146
Short term bank deposits	12 000	-
Cash and cash equivalents	16 065	7 490
TOTAL	268 386	237 391
Assets held for sale	-	23 327
TOTAL CURRENT ASSETS	268 386	260 718
TOTAL ASSETS	469 621	453 191

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

EQUITY AND LIABILITIES

	31.12.2023	31.12.2022
	EUR 000	EUR 000
Capital and Reserves		
Share capital	13	13
Share premium	132 553	132 553
FX revaluation reserve	(2 046)	(1 044)
Other reserves	1	1
Pooling reserve	(21 268)	(18 041)
Revaluation reserve of derivatives	8	98
Retained earnings	61 591	58 643
TOTAL attributable to majority shareholders	170 852	172 223
Non-controlling interest	15 123	15 445
TOTAL EQUITY	185 975	187 668
Liabilities		
Non-current liabilities		
Borrowings	49 697	19 224
Trade and other payables	1 357	1 377
Deferred tax liability	5 116	3 392
Derivatives	(8)	(98)
TOTAL NON-CURRENT LIABILITIES	56 162	23 895
Current liabilities		
Borrowings and bank overdrafts	74 494	88 658
Trade and other payables	97 019	86 858
Taxes payable	54 898	52 146
Corporate income tax liabilities	1 073	264
TOTAL	227 484	227 926
Liabilities directly associated with the assets held for sale	-	13 702
TOTAL LIABILITIES	283 646	265 523
TOTAL EQUITY AND LIABILITIES	469 621	453 191

On behalf of the Board:



Arturs Everts
Member of the Board
Luxembourg, 29 February 2024

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to the equity holders of the Parent Company										Total equity EUR 000
	Share capital EUR 000	Share premium EUR 000	Foreign exchange revaluation reserve EUR 000	Pooling reserve EUR 000	Derivatives revaluation reserve EUR 000	Other reserves EUR 000	Retained earnings EUR 000	Current period result EUR 000	Total EUR 000	Non-controlling interest EUR 000	
1 January 2022	13	132 553	243	(18 041)	(68)	1	51 279	-	165 980	12 008	177 988
Dividends declared	-	-	-	-	-	-	(11 000)	-	(11 000)	(484)	(11 484)
<i>Profit for the period</i>	-	-	-	-	-	-	18 364	-	18 364	3 022	21 386
<i>Other comprehensive income</i>	-	-	(1 287)	-	166	-	-	-	(1 121)	899	(222)
Total comprehensive income	-	-	(1 287)	-	166	-	18 364	-	17 243	3 921	21 164
31 December 2022	13	132 553	(1 044)	(18 041)	98	1	58 643	-	172 223	15 445	187 668
Dividends declared	-	-	-	-	-	-	(10 000)	-	(10 000)	(469)	(10 469)
<i>Profit for the period</i>	-	-	-	-	-	-	9 721	-	9 721	1 073	10 794
<i>Other comprehensive income</i>	-	-	(1 002)	-	(90)	-	-	-	(1 092)	(412)	(1 504)
Total comprehensive income	-	-	(1 002)	-	(90)	-	9 721	-	8 629	661	9 290
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)	(514)
31 December 2023	13	132 553	(2 046)	(21 268)	8	1	61 591	-	170 852	15 123	185 975

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

	Attributable to the equity holders of the Parent Company									Total equity EUR 000
	Share capital EUR 000	Share premium EUR 000	Foreign exchange	Pooling reserve EUR 000	Derivatives	Other reserves EUR 000	Retained earnings EUR 000	Total EUR 000	Non-controlling interest EUR 000	
			revaluation reserve EUR 000		revaluation reserve EUR 000					
As at 1 January 2021	13	132 553	(1 042)	(18 041)	(167)	1	40 700	154 017	10 086	164 103
Transfer of prior period result	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	(10 000)	(10 000)	(381)	(10 381)
<i>Profit for the period</i>	-	-	-	-	-	-	20 579	20 579	2 267	22 846
<i>Other comprehensive income</i>	-	-	1 285	-	99	-	-	1 384	36	1 420
Total comprehensive income	-	-	1 285	-	99	-	20 579	21 963	2 303	24 266
As at 31 December 2021	13	132 553	243	(18 041)	(68)	1	51 279	165 980	12 008	177 988
Transfer of prior period result	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	(11 000)	(11 000)	(484)	(11 484)
<i>Profit for the period</i>	-	-	-	-	-	-	18 364	18 364	3 022	21 386
<i>Other comprehensive income</i>	-	-	(1 287)	-	166	-	-	(1 121)	899	(222)
Total comprehensive income	-	-	(1 287)	-	166	-	18 364	17 243	3 921	21 164
As at 31 December 2022	13	132 553	(1 044)	(18 041)	98	1	58 643	172 223	15 445	187 668

CONSOLIDATED CASH FLOW STATEMENT

	Notes	01/01/2023- 31/12/2023 EUR 000	01/01/2022- 31/12/2022 EUR 000
Cash flow from operating activities			
Profit/ (loss) for the period		15 058	26 381
<i>Adjustments for:</i>			
Depreciation and amortisation charge	4	8 776	8 992
Net gain on disposal of property, plant and equipment, investment properties and intangibles		(2 135)	(90)
Net (gain)/loss from sale of subsidiary		1 436	-
Interest income	9	(2 995)	(912)
Interest expense	9	7 505	5 064
Adjustments to contingent consideration		(19)	2 212
Fair value adjustment of biological assets		-	(682)
		27 626	40 965
Working capital changes			
(Increase)/ decrease in inventories		1 926	(10 365)
(Increase)/ decrease in trade and other receivables		(2 296)	(8 020)
Increase/ (decrease) in trade and other payables		4 600	18 034
Cash generated from operations		31 856	40 614
Corporate income tax paid		(2 761)	(2 988)
Net cash generated from operating activities		29 095	37 626
Cash flows used in investing activities			
Payments to acquire property, plant and equipment, investment properties		(9 993)	(7 323)
Payments to acquire intangible assets		-	(1 346)
Payments to acquire biological assets		(690)	(620)
Proceeds from disposal of property, plant and equipment		355	424
Proceeds from disposal of subsidiary		3 665	-
Settlements for acquisition of subsidiaries		(4 081)	-
Net cash used in investing activities		(10 744)	(8 865)
Cash flows used in financing activities			
Interest paid		(8 651)	(3 753)
Change in overdraft		1 691	3 500
Proceeds from issue of bonds		30 000	-
Borrowings received		10 000	10 000
Borrowings from related parties		50	78
Repayment of borrowings		(25 078)	(27 314)
Lease payments		(2 065)	(2 845)
Dividends paid to Parent Company's shareholders		(2 760)	(7 602)
Dividends paid to non-controlling interests in subsidiaries		(469)	(484)
Change in short-term deposits		(12 000)	-
Net cash used in/ generated from financing activities		(9 282)	(28 420)
Net change in cash and cash equivalents		9 069	341
Cash and cash equivalents disposed due to sale of subsidiary		(787)	-
Cash and cash equivalents at the beginning of the period		7 783	7 442
Cash and cash equivalents at the end of the period	13	16 065	7 783

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 29 February 2024.

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 31 December 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 unaudited condensed consolidated financial statements for 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- 31/12/2023	Average for period 01/01/2022- 31/12/2022	Closing rate as of 31/12/2023	Closing rate as of 31/12/2022
USD/EUR	1.0813	1.0530	1.1050	1.0666
AUD/EUR	1.6288	1.5167	1.6263	1.5693
GBP/EUR	0.8698	0.8528	0.8691	0.8869
RUB/EUR	92.8741	66.8916	99.1919	75.6553
MXN/EUR	19.183	21.1869	18.7231	20.8560
CHF/EUR	0.9718	1.0047	0.9260	0.9847
CAD/EUR	1.4595	1.3695	1.4642	1.4440

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

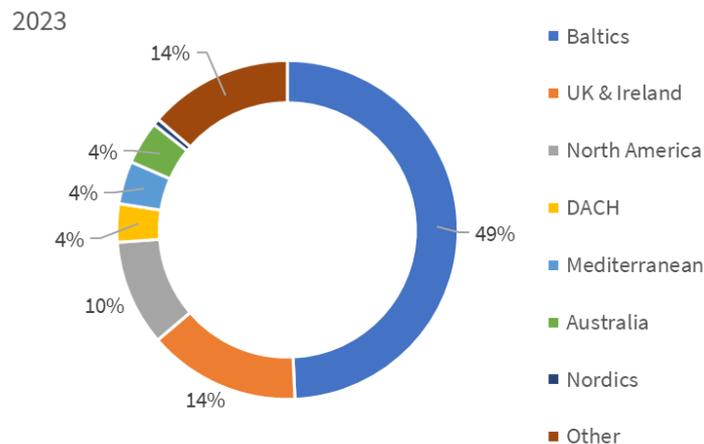
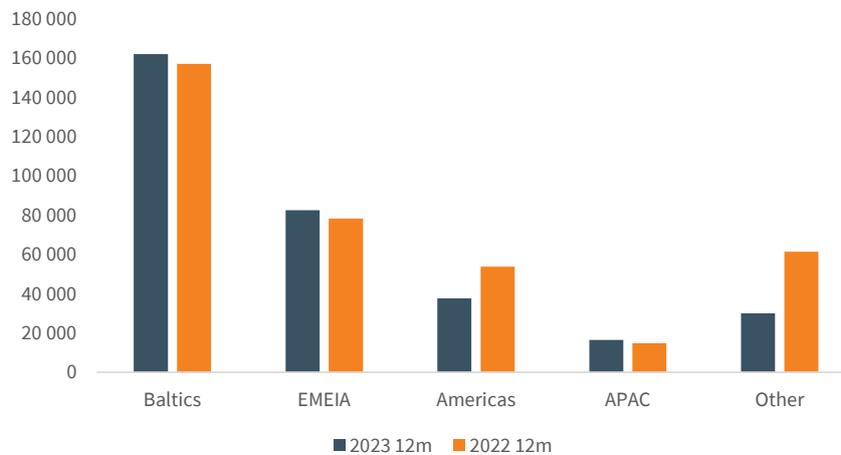
Changes in accounting policy and disclosures

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

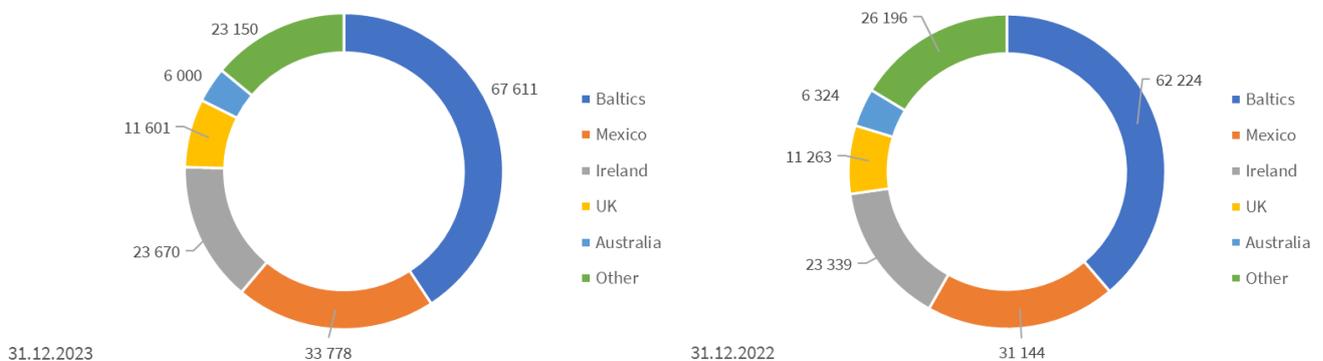
	Production		Distribution		Management/ Other/ Eliminations		Consolidated	
	01/01/2023- 31/12/2023	01/01/2022- 31/12/2022	01/01/2023- 31/12/2023	01/01/2022- 31/12/2022	01/01/2023- 31/12/2023	01/01/2022- 31/12/2022	01/01/2023- 31/12/2023	01/01/2022- 31/12/2022
	EUR 000	EUR 000	EUR 000	EUR 000				
Revenue								
Third party revenue	87 329	135 104	241 729	230 672	-	-	329 058	365 776
Intersegment revenue	57 358	61 968	24 840	16 719	(82 198)	(78 687)	-	-
Segment net revenue	144 687	197 072	266 569	247 391	(82 198)	(78 687)	329 058	365 776
							-	-
Operating profit	11 826	23 119	12 012	13 938	(2 675)	(5 193)	21 163	31 864
Finance income							3 399	1 197
Finance costs							(9 504)	(6 680)
Income tax							(4 268)	(4 995)
Net profit							10 790	21 386

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:



	Production		Distribution and Brand management		Management/ Other/ Eliminations		Consolidated	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022
	EUR 000	EUR 000	EUR 000	EUR 000	EUR 000	EUR 000	EUR 000	EUR 000
Non-current segment assets	85 328	78 980	66 102	65 587	14 379	15 809	165 809	160 376
Current segment assets	98 600	87 906	134 482	138 512	5 541	7 227	238 623	233 645
Segment assets	183 928	166 886	200 584	204 099	19 920	23 036	404 432	394 021
Deferred tax assets							131	-
Current tax receivable							1 578	146
Loans to related parties							35 702	30 334
Other non-current assets							3 400	3 179
Non-current financial investments							2 214	2 184
Short term deposits							22 164	-
Assets held for sale							-	23 327
Total assets							469 621	453 191
Non-current segment liabilities	(1 957)	(904)	(4 828)	(4 287)	(207)	-	(6 992)	(5 191)
Current segment liabilities	(104 323)	(67 071)	(202 011)	(212 749)	151 675	137 075	(154 659)	(142 745)
Segment liabilities	(106 280)	(67 975)	(206 839)	(217 036)	151 468	137 075	(161 651)	(147 936)
Deferred tax liabilities							(5 116)	(3 465)
Current tax payable							(1 074)	(264)
Interest-bearing loans and borrowings							(85 813)	(100 327)
Bonds							(30 000)	-
Derivatives							8	98
Liabilities associated to assets held for sale							-	(13 629)
Total liabilities							(283 646)	(265 523)

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- 31.12.2023	01.01.2022- 31.12.2022
	EUR 000	EUR 000
Gross Revenue	497 609	530 128
Excise and duties	(168 551)	(164 352)
<i>Net revenue</i>	329 058	365 776
Cost of inventories	(214 779)	(226 939)
Advertising, marketing and promotional costs	(6 728)	(9 578)
Logistic costs	(10 321)	(11 628)
Staff costs	(48 769)	(51 140)
Other indirect costs	(26 251)	(31 124)
Other operating income	10 042	7 492
Net impairment loss on financial assets	(267)	63
<i>Depreciation and amortisation - cost of goods sold</i>	(2 533)	(2 745)
<i>Depreciation and amortisation - selling costs</i>	(2 513)	(2 982)
<i>Depreciation and amortisation - administration costs</i>	(3 730)	(3 265)
Depreciation, amortisation and impairment	(8 776)	(8 992)
Fair value adjustment to biological assets	-	682
M&A related costs	(610)	(2 748)
Net gain/ (loss) from disposal of subsidiaries	(1 436)	-
Operating profit	21 163	31 864

(5) EBITDA RECONCILIATION

	01.01.2023- 31.12.2023	01.01.2022- 31.12.2022
	EUR 000	EUR 000
Operating profit	21 163	31 864
Add-back for:		
Depreciation, amortisation and impairment	8 776	8 992
Fair value adjustment to biological assets	-	(682)
EBITDA	29 939	40 174
M&A related costs	629	2 748
Net gain/ (loss) from disposal of subsidiaries	1 436	-
Contingent consideration adjustment	(19)	-
Normalized EBITDA	31 985	42 922

(6) COST OF GOODS SOLD

	01.01.2023- 31.12.2023	01.01.2022- 31.12.2022
	EUR 000	EUR 000
Cost of inventories	214 779	226 939
Staff costs	11 295	13 034
Depreciation and amortisation	2 533	2 745
Utility expense	3 774	4 394
Nature resource tax	3 423	2 603
Maintenance costs	957	1 170
Change in accruals	(202)	(197)
Real estate tax	275	264
Insurance costs	84	61
Laboratory expense	98	86
Other production costs	2 615	5 156
Total	239 631	256 255

(7) SELLING EXPENSES

	01.01.2023- 31.12.2023	01.01.2022- 31.12.2022
	EUR 000	EUR 000
Staff costs	25 089	24 848
Advertising	6 728	9 578
Transport and logistics	10 321	11 628
Rent and maintenance of premises	1 936	2 069
Depreciation and amortisation	2 513	2 982
Maintenance of cars	156	149
Packaging materials	271	334
Change in accruals	4	169
Other distribution costs	3 751	3 679
Total	50 769	55 436

(8) GENERAL AND ADMINISTRATIVE EXPENSES

	01.01.2023- 31.12.2023	01.01.2022- 31.12.2022
	EUR 000	EUR 000
Staff costs	12 385	13 258
Depreciation and amortisation	3 730	3 265
IT maintenance	711	575
Management and professional service expense	1 675	2 076
Office expense	942	1 419
Business Trips	581	532
Communication	457	470
Representation	353	297
Bank commissions	228	264
Training expense	107	63
Other administration	2 626	2 729
Total	23 795	24 948

(9) NET FINANCE INCOME/ (EXPENSES)

	01.01.2023- 31.12.2023	01.01.2022- 31.12.2022
	EUR 000	EUR 000
Finance income:		
Interest income	689	114
Interest income from related parties	2 307	799
Other financial income	403	284
Total finance income	3 399	1 197
Finance expense:		
Interest expense	(6 878)	(4 283)
Interest expense to related parties	(627)	(780)
Foreign exchange gain/ (loss), net	(1 227)	(1 073)
Amortisation of loan related expense	(772)	(544)
Total finance expense	(9 504)	(6 680)
Net finance income/ (expense)	(6 105)	(5 483)

(10) CORPORATE INCOME TAX

	01.01.2023- 31.12.2023	01.01.2022- 31.12.2022
	EUR 000	EUR 000
Current income tax	2 581	2 828
Change in deferred corporate income tax	1 687	2 167
Total	4 268	4 995

(11) INVENTORIES

	31.12.2023	31.12.2022
	EUR 000	EUR 000
Raw materials	23 697	22 723
Finished goods and merchandize	59 388	60 396
Production in progress	3 309	4 412
Goods on the way	3 233	3 250
Other	408	134
Provisions for obsolete inventories	(4 387)	(3 130)
Total	85 648	87 785

(12) TRADE AND OTHER RECEIVABLES

	31.12.2023	31.12.2022
	EUR 000	EUR 000
Gross trade receivables	91 382	91 932
Allowance for doubtful debts	(1 403)	(1 356)
Net trade receivables	89 979	90 576
Receivables from related parties	40 585	38 023
Other debtors and prepayments	16 511	9 654
Total	147 075	138 253

(13) CASH AND CASH EQUIVALENTS

	31.12.2023	31.12.2022
	EUR 000	EUR 000
Cash at bank	5 673	7 278
Short term deposits	10 164	-
Petty cash	4	3
Cash in shops	115	98
Cash in transit	109	111
Total	16 065	7 490

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

	31.12.2023	31.12.2022
	EUR 000	EUR 000
Trade payables	63 122	60 071
Accrued expense	11 198	8 462
Payables to related parties	4 997	1 454
Vacation reserve	2 077	2 157
Contingent consideration	1 549	5 557
Salaries payable	1 174	1 122
Dividends payable	10 588	3 348
Advances received	972	991
Deferred income	1 271	973
Other payables	1 428	4 100
Total	98 376	88 235
Out of that:		
Non-current	1 357	1 377
Current	97 019	86 858

(15) TAXES PAYABLE

	31.12.2023	31.12.2022
	EUR 000	EUR 000
Excise tax	39 525	38 991
Value added tax	12 943	9 670
Corporate income tax	1 074	264
Other	2 429	3 485
Total	55 971	52 410

(16) NET BORROWINGS

	31.12.2023	31.12.2022
	EUR 000	EUR 000
Bank overdrafts	43 691	42 103
Bank loans	27 693	43 888
Accrued interest on bank loans	287	176
Loans from related parties	79	12
Borrowings due within one year	71 750	86 179
	31.12.2023	31.12.2022
	EUR 000	EUR 000
Non-current interest-bearing loans and borrowings		
Bank loans	9 538	157
Bonds issued	30 000	-
Loans from related parties	4 525	13 992
Borrowings due after one year	44 063	14 149
Total borrowings before derivative financial instruments	115 813	100 328
Derivative financial instruments	(8)	(98)
Lease liabilities	8 378	7 554
Gross borrowings	124 183	107 784
Less: Cash and cash equivalents	(16 065)	(7 490)
Less: Short-term bank deposits	(12 000)	-
Net borrowings	96 118	100 294

(17) CAPITAL MANAGEMENT

	31.12.2023	31.12.2022
	EUR 000	EUR 000
Borrowings	124 183	107 784
Cash and cash equivalents	(16 065)	(7 490)
Short term bank deposits	(12 000)	-
Equity	185 975	187 668
Gearing ratio	52%	53%
Equity	185 975	187 668
Assets	469 621	453 191
Equity to Assets ratio	40%	41%
Borrowings	124 183	107 784
LTM EBITDA	29 939	40 174
Debt/EBITDA ratio	4,1x	2,7x
Borrowings	124 183	107 784
Cash and cash equivalents	(16 065)	(7 490)
Short term bank deposits	(12 000)	-
EBITDA	29 939	40 174
Net Debt/ EBITDA ratio	3,2x	2,5x
LTM EBITDA	29 939	40 174
Consolidated Net finance charges	9 745	6 862
Interest coverage ratio	3,1x	5,9x

(18) GROUP STRUCTURE

Name	Principal activities	Country of incorporation	% Equity interest 31/12/2023	% 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 ¹	Distribution	The UK	100%	75%
Indie Spirits Ltd ¹	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 ³	Production of alcoholic beverages	Russia	-	92.6%
Rits Holding SIA ²	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

In January 2024, the Parent Company finalized the acquisition process of Amber Beverage Austria GmbH and obtained 100% control over the share capital of Amber Beverage Austria GmbH.

In January, the renaming process of Interbaltija AG AS was finalized and the new company name of Interbaltija Amber SIA was registered with the Commerce Register of Latvia.

As part of the refinancing process in January 2024, the Parent Company made partial repayment of outstanding facility towards Credit Suisse AG by EUR 3.5 million and towards Luminor Bank AS Latvian Branch by EUR 1.5 million. The overdraft facility provided by Luminor Bank AS was extended until 8 March 2024, with further extension subject to the development of the refinancing process of Credit Suisse AG facility.

In February 2024, the Credit Suisse AG and the Group agreed on further extension of loan facility with the set final repayment date of 20 December 2024.

Since the last day of interim financial statements and the signing of these unaudited condensed 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 31 December 2024.

On behalf of the Board:



Arturs Evarts

Member of the Board

Luxembourg, 29 February 2024