



To: All shareholders of Purcari Wineries Public Company Limited
Date: April 5, 2022
Subject: Notice of Annual General Meeting of the Shareholders

Dear Purcari shareholders,

As I am writing this, the world is yet again dominated by uncertainty. Two years ago, it was the unknown inflicted by a novel virus. This time round, the source is the centuries old virus of imperialism, resurfacing as Russia's brutal invasion of Ukraine. While we remain upbeat about Purcari's prospects, we are also aiming to act prudently, and first and foremost, preserve the capital you entrusted us with by buying our shares. We believe that in times of uncertainty, it is important to closely guarding one's capital and resources, while staying nimble to take advantage of market opportunities. Some of the proposals we will make subject to your attention at this AGM, have exactly that balance in mind.

We will continue our tradition to accompany the Notice of Annual General Meeting of the Shareholders with a cover letter in plain English, to provide additional context and explanation to some of the key proposals we put for the vote to our shareholders, compensating for the dry legalese in which AGM notices are typically written in.

As a general approach, what we seek to achieve with the items 5, 8 and 9 on the proposed agenda, is to maximize our optionality as a Company, as options are particularly valuable in times of uncertainty and to streamline decision making in such a way, as to empower the Board of the Company to act faster should we consider it beneficial for the Company and shareholders.

Item 4 Buy-back for the purpose of our Management Incentive Programme

We seek the approval for buying back 30,844 shares, to meet our Company's obligations towards employees as part of the existing Management Incentive Programme. We want to continue motivating our top performers and attracting additional talent to the Company. For avoidance of doubt, this item does not approve a new programme and is merely seeking to acquire the needed shares under the already approved, Management Incentive Programme we already have in place. As a reminder, our incentive programme is structured in such a way as to put a particular emphasis on stock options with high strike prices, shifting largest amount of options offered, to the highest strike tiers, which are set at respectively 10 RON, 15 RON and 20 RON (or 20 RON, 30 RON and 40 RON before last year's 2:1 stock split).

Item 5 Share buyback to for the purpose of capital reduction

Separately from the buyback under the item 4, we seek approval for a broad buyback programme covering up to 1,000,000 shares (equivalent to 2.49% of the shares outstanding) with the ultimate goal of cancelling

them. The programme gives the right (but not the obligation) to the board to initiate an additional share-buyback programme, thereby maximizing the optionality and speed of reaction should the environment justify such buyback programme. Given the ongoing geopolitical uncertainty and possible volatility in capital markets, we do want to have the option to compensate our shareholders through the means of such a buyback, which would increase the earnings per share, should we believe such purchases are in the interest of shareholders.

Item 7 Dividend payout

As per our Dividend Policy, we aim to pay up to 50% of the past year's Net Income in dividends to our shareholders. For this year, the recommendation is to pay out RON 0.51 per share. While we think about ourselves as first and foremost a growth company, aiming to keeping growing for years at double digit rates, we also believe payout out a dividend pushes us to be more disciplined in the way we allocate the growth capital, looking for ways to do more with less.

Items 8-9 Capital Increase option

Needless to say, asking for a buyback and a capital increase at the same time, may seem odd, so an explanation is certainly due. In fact, we faced a similar situation and had a similar set of recommendations back in 2020 too. In line with the optionality paradigm outlined at the beginning of this note, we want the Board to be ready to act under various scenarios the situation may develop. That is why, we seek approval for the Board to have the authority to issue up to 2,882,500 new shares (representing 7.19% of current outstanding number of shares) should this be deemed to be in Company's and shareholders' interest. A capital increase may be needed both, as a defensive move – for instance, issuing new capital in case the Company will be in urgent need of additional liquidity, which we deem as a highly unlikely scenario at this stage, but also as an offensive one – for example, should we want to pull the trigger on an acquisition to be paid for in part or in full with stock. Any such decision would likely require a swift reaction, so the traditional route of calling an extraordinary GSM could likely prove to be too lengthy and cumbersome to enable a prompt and decisive reaction.

Thank you for your ongoing backing and thank you for entrusting us with your capital. We take your confidence in us with utmost responsibility and will work hard to meet and exceed your high expectations.

Sincerely,

Vasile Tofan
Chairman of the Board

PURCARI WINERIES PUBLIC COMPANY LIMITED

1 Lampousas Street, 1095, Nicosia, Cyprus
Tel: +373 22 856 035, Fax: +373 22 856 022
HE201949
Share capital: EUR 401,175.00
www.purcari.wine

PURCARI WINERIES PUBLIC COMPANY LIMITED (the "Company")

NOTICE OF ANNUAL GENERAL MEETING OF THE SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual general meeting (the "Meeting") of the shareholders of the Company will be held at the Courtyard by Marriott Bucharest Floreasca, Dimitrie Pompeiu 2A street, Bucharest 020337, Romania, Beta Conference Room, on 28th April 2022 at 11:00 local time, with the following agenda:

1. Presentation and review of the Annual Financial Report which includes the final audited separate Financial Statements of the Company, the final audited consolidated Financial Statements of Purcari Wineries Public Company Limited group for the financial year ended 31st December 2021, the ESEF financial statements, including applied iXBRL tags in the 2021 consolidated Financial Statements, the Management Report of the Company's Board of Directors (the "**Board of Directors**"), the Statement on Corporate Governance and the Independent Auditors' Report of the Company upon those financial statements.
2. Retirement and nomination for re-appointment of one non-executive director, pursuant to Regulations 106 – 109 of the Articles of Association of the Company which provide for the retirement of one-third of non-executive directors at each Annual General Meeting: The Board of Directors of the Company has three non-executive members, and the non-executive director retiring and offering himself for re-election at this Annual General Meeting is Mr. Neil McGregor. The Board of Directors recommends to the Annual General Meeting the re-election of Mr. Neil McGregor.
3. Re-appointment of the independent auditors KPMG Limited, Nicosia, Cyprus as the auditors of the Group and of the Company for the Financial Year 2022, and authorization to the Board of Directors to fix their remuneration for the year 2022.
4. Authorisation of the Company's Board of Directors to acquire existing shares of the Company under a buy-back programme, in a maximum number of 30,844 shares, at prices not exceeding by more than five per cent (5%) the average market price of the shares during the last five stock exchange sessions prior to carrying out the relevant acquisition (the "**Programme no. 1**").

The purpose of Programme no. 1 is to fully meet obligations arising from the Management Incentive Programme for 2022 – 2024.

The authorisation for acquisition of own shares is granted for a period of 12 months from the date of this Resolution. The Company may own the shares acquired under the buy-back for a period of up to 2 years from the date of the acquisition under the programme.

The Company's Board of Directors has full discretion with respect to the implementation of the buy-back subject to compliance with applicable law and the shareholders' resolutions, including with respect to: launch date, prices at which the shares will be acquired, suspension or cancellation of the programme, appointment of third parties to carry out the acquisitions on behalf of the Company.

5. Authorisation of the Company's Board of Directors to acquire existing shares of the Company under a buy-back programme, in a maximum number of 1,000,000 shares at prices not exceeding by more than five per cent (5%) the average market price of the shares during the last five stock exchange sessions, prior to carrying out the relevant acquisition (the "**Programme no. 2**").

The purpose of Programme no. 2 is to reduce the share capital of the Company, in compliance with the applicable laws and subject to the subsequent approval of the shareholders. The implementation of Programme no. 2 will be subject to an opportunity assessment conducted by the Company's Board of Directors and the availability of the necessary financing sources.

The authorisation for acquisition of own shares under Programme no. 2 is granted for a period of 12 months from the date of this Resolution. The Company may own the shares acquired under the Programme no. 2 for a period of up to 2 years from the date of the acquisition under the programme.

The Company's Board of Directors has full discretion with respect to the implementation of Programme no. 2 subject to compliance with applicable law and the shareholders' resolutions, including with respect to: launch date, prices at which the shares will be acquired, suspension or cancellation of the programme, appointment of third parties to carry out the acquisitions on behalf of the Company.

6. Approval of the Remuneration Policy prepared pursuant to the relevant provisions of the Cypriot Law 111(I)/2021, which transposed, on 12.05.2021, into national law the Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement.
7. Approval of payment of dividends in the amount of RON **0.51** per ordinary share out of accumulated profits to be paid to all members of the Company.

The last cum date in relation to which the shares of the Company will be traded with a right to participate in the dividend distribution will be **19 August 2022** (last cum date: **19 August 2022**). From **22 August 2022** shares of the Company will be traded without the right to a dividend (ex-dividend date: **22 August 2022**). The beneficiaries of the dividend will be the investors who will on **23 August 2022** be included in the registry of members of the Company provided by the Central Depository (record date: **23 August 2022**). The payment date will be **8 September 2022**. Payment will be made in RON.

8. Approval of the increase of the authorised share capital of the Company from EUR 410,000.00 divided into 41,000,000 shares of nominal value EUR 0.01 each to EUR 430,000.00 divided into 43,000,000 shares of nominal value EUR 0.01 each.
9. Following the Resolution included in this Notice on the increase of the authorized share capital of the Company, authorisation is to be provided to the Company's Board of Directors to increase the issued share capital of the Company up to the authorised share capital, by issuing a maximum of 2,882,500 new ordinary shares by way of one or several share issuances, subject to compliance with applicable law. The authorisation is given for a maximum period of 12 months from the date of the shareholders' approval for authorisation. The Board of Directors is hereby authorised to take all measures necessary or advisable in order to prepare, approve, and carry out the issuance(s) of shares within the limits of the authorised capital.
The shareholders hereby approve to waive the pre-emption rights of the shareholders in respect of any share capital increase decided by the Company's Board of Directors within the authorised capital.
10. Any other matter, that may, according to the Company's Articles of Association, be discussed at the Annual General Meeting.

Dated: 5th April, 2022

.....
Eleni Petrou
For and on behalf of INTER JURA CY (SERVICES) LIMITED
Secretary

Notes to the Notice of the Annual General Meeting

ENTITLEMENT TO PARTICIPATE IN THE MEETING

- (1) Any person appearing as a member in the register of members of the Company on the record date (a "**Member**") is entitled to attend the Meeting. The **record date** for determining the right to attend the Meeting is **April 15th, 2022**.
- (2) A Member of the Company entitled to attend at the Meeting is entitled to appoint one or more proxies to attend and, where applicable, vote instead of him/her. Such proxy need not be a Member of the Company.

Joint holders may elect one of the joint holders to represent them and to vote whether in person or by proxy in their name. In default of such election, the vote of the senior of such joint holders who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose, seniority shall be determined by the order in which the names of such holders stand in the register of Members.

- (3) A Member wishing to appoint more than one proxy must do so by a single instrument and the presence at the Meeting of the person mentioned first on the instrument, appointing a proxy, shall preclude any other person, mentioned therein, from attending and so on.
- (4) The instruments for appointing a proxy are available on the Company's website (www.purcari.wine). The signed instrument(s) must be deposited (together with the power of attorney or other authority (if any) under which they are signed, or a notarial certified copy of such power of authority) at the registered office of Company (1 Lampousas street, P.C. 1095, Nicosia, Cyprus) or send by facsimile to +357 22 779939 or send by an electronic message to g.ioannou@chrysostomides.com.cy **at least 48 hours before the time of the Meeting**.

Members are urged to confirm that the proxy form has been received by calling Mr. George Ioannou on +357 22 777000 or by email at g.ioannou@chrysostomides.com.cy

- (5) The proxy can be an individual or a legal person. A legal person, appointed as proxy, shall, by resolution of its directors or other governing body, authorise such natural person(s) as it thinks fit to act as its representative at the Meeting. Such natural persons are required to carry with them a certified copy of the resolution from which they derive their authority.

Correspondence voting

A shareholder may vote by correspondence in the following way: the shareholder should complete and sign the form of proxy indicating his/her choices and appoint as his/her proxy the Chairman of the Annual General Meeting. In such a case, the Chairman will vote at the poll in accordance with the shareholder's wishes. If, on the other hand, the shareholder completes and signs the form of proxy and appoints as his/her proxy the Chairman of the Annual General Meeting but leaves blank in whole or in part the form of proxy in relation to the choices provided, the Chairman may vote on behalf of the shareholder as the Chairman wishes.

The shareholder must send the signed proxy to the Company, as described in note (4) above.

- (6) The instrument, appointing a proxy, must be in writing under the hand of the appointer or of his attorney duly authorised in writing, or, if the appointer is a corporation, either under seal, or under the hand of an officer or attorney, duly authorised.
- (7) Members and/or their proxies, who will attend the Meeting, are requested to carry with them their identity card or other proof of identification.
- (8) Submission of an instrument, appointing a proxy, does not preclude a Member from attending and voting at the Meeting in person if he/she so wishes, in place of the proxy or proxies that he/she has appointed via instrument.

- (9) Any corporation which is a Member of the Company may by resolution of its directors or other governing body authorise any person, natural or legal, to act as its representative at the Meeting and the person so authorised is entitled to exercise the same powers on behalf of such corporation as that corporation could exercise if it were an individual Member of the Company. If the representative is itself a legal person, it shall, by resolution of its directors or other governing body, authorise such natural person as it thinks fit to act as its representative at the Meeting. Such individuals are required to carry with them a certified copy of the resolution from which they derive their authority.
- (10) No Member shall be entitled to vote at the Meeting unless all calls or other sums presently payable by him/her in respect of shares he/she holds in the Company have been paid.
- (11) The Company does not provide for participation in the Meeting by electronic means.

VOTING PROCEDURES

- (12) Resolutions put to the vote at the Meeting shall be decided by poll.
- (13) A poll demanded by the chairman or on a question of adjournment is taken forthwith. A poll demanded on any other question shall be taken at such time as the chairman of the Meeting directs, and any business other than that upon which a poll has been demanded may proceed, pending the taking of a poll. The demand for a poll may be withdrawn.
- (14) On a poll every Member present in person or by proxy has one vote for each share of which he is the holder or he represents. On a poll a Member entitled to more than one vote need not use all of his/her votes or cast all the votes he/she uses in the same way.
- (15) An ordinary resolution is passed by a simple majority of the votes cast by Members entitled to vote at the Meeting who participate in person or by proxy by correspondence vote. The chairman of the Meeting does not have a second or casting vote.

STATUTORY RIGHTS OF MEMBERS

- (16) Pursuant to section 127B of the Companies Law, Cap. 113 as amended (the "**Companies Law**"), Member(s), holding at least 5 per cent of the Company's issued share capital representing at least 5 per cent of the Company's voting rights, have the right (i) to add an item to the agenda of a general meeting, provided that such item is accompanied either by a statement justifying its inclusion to the agenda or by a proposed resolution to be put to the vote at the meeting, and (ii) to table a proposed resolution for inclusion to the agenda of the meeting.
- (17) The request to add an item on the agenda or table a proposed resolution as described above must be received by the Company in hard copy or electronically at the addresses indicated below **at least 42 days prior to the relevant meeting**.

Address for delivery of request in hard copy:

The Secretary
PURCARI WINERIES PUBLIC COMPANY LIMITED
1 Lampousas Street
1095 Nicosia
Cyprus

Address for delivery of request in electronic format: g.ioannou@chrysostomides.com.cy

- (18) In the event of receipt of any such request, the Company shall revise the proposed agenda accordingly and make the revised agenda available on its website at www.purcari.wine.

- (19) Pursuant to section 128C of the Companies Law, Members have the right to ask questions relating to items on the agenda and to have such questions answered by the Company, subject to any reasonable measures the Company may take to confirm the identity of the Member concerned. An answer does not have to be given in any of the following circumstances: (a) if it would unduly interfere with preparation for the meeting or confidentiality or business interests of the Company, or (b) if an answer has already been given on the Company's website in the form of "Questions and Answers" or (c) if the chairman of the meeting deems that it is undesirable in the interests of good order of the meeting that the question be answered.
- (20) Members may submit questions to the Company in advance of the Meeting, in writing, by letter or electronic message sent to the addresses specified in paragraphs (18) and (19) above. Questions must be accompanied by evidence of the Member's shareholding and must reach the Company **at least 4 working days before the Meeting**. Answers to any such questions will be provided during the Meeting, unless one of the above-mentioned circumstances applies so that an answer does not need to be given.

OTHER INFORMATION AND AVAILABILITY OF DOCUMENTS

- (21) As at 5th April 2022, the total issued share capital of the Company is EUR 401,175.00 divided into 40,117,500 ordinary shares of EUR 0.01 each. Ordinary shares carry one voting right each.
- (22) A copy of this Notice setting out the resolutions that will be put to the vote at the Meeting, the form of the instrument to be used for the appointment of a proxy, the annual report of the Company for the year ended 31 December 2021 (comprising of the audited consolidated and separate financial statements of the Company, the Board of Directors' report and the auditors' report) and the Remuneration Policy to be voted, are available on the Company's website at www.purcari.wine as from 5th April 2022. Hard copies may also be collected from the Company's Registered Office.