



#PRAYFORUKRAINE
#СЛАВАУКРАЇНІ

Purcari Wineries
2021 Preliminary Results
February 28, 2022

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Today's presenters

Victor Bostan
CEO, Founder



- Founded the Group in 2002
- Over 35 years of experience in wine industry
- Built and exited one of the largest wine companies in RU
- Technical University, Oenology
- Speaks FR, RO, RU

Victor Arapan
CFO



- 20+ years of experience in banking, audit, corporate finance
- 10+ years experience in wine making companies
- Ex-PWC, Acorex Wineries
- International Management Institute
- Speaks EN, RO, RU

Eugeniu Baltag
Investor Relations



- Over 10 years in financial management, internal audit
- Ex Transoil, Orange, PWC
- Academy of Economic Studies
- Speaks EN, RO, RU

Eugen Comendant
COO



- Over 15 years of management experience
- Ex Virgin Mobile, ACN in senior Business Development, Sales and Marketing roles
- Amsterdam University of Applied Sciences, ESSEC Business School
- Speaks EN, RO, RU, NL, FR

Vasile Tofan
Chairman



- Over 15 years experience in FMCG
- Senior Partner at Horizon Capital, \$1.1bn+ AUM
- Ex- Monitor Group, Philips
- MBA Harvard Business School
- Speaks EN, RO, RU, FR, NL

1 Our Group, Vision and Strategy

2 Q4 2021 Operational Results

3 2022 Outlook

4 Q&A

Freedom Blend is made of indigenous Ukrainian, Moldovan and Georgian grapes. It celebrates the free spirit. Launched in 2014, it is today more actual than ever.



Leading wine player in Central and Eastern Europe...

Founded in 1827 by French colonists, Purcari group is now...

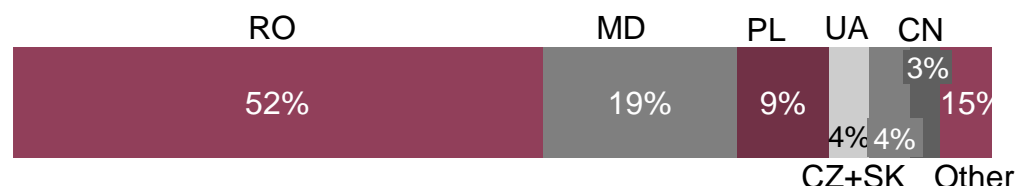
- #1 World's most awarded winery in 2021
- #1 Most awarded CEE winery of the year in 2015-2021 at Decanter London, "Wine Olympics"
- #1 Best premium wine brand in Romania, Moldova
- #1 Fastest growing large winery in CEE
- #1 Largest exporter of bottled wine from Moldova
- top 1 350+ hectares of prime vineyards, top production assets
- top Listed on Bucharest Stock Exchange, with reputable shareholders alongside founder, Victor Bostan: Horizon Capital, Fiera Capital, Conseq, East Capital, Paval Holding, Franklin Templeton, SEB etc.

6 production sites and 5 brands, covering a broad spectrum of segments



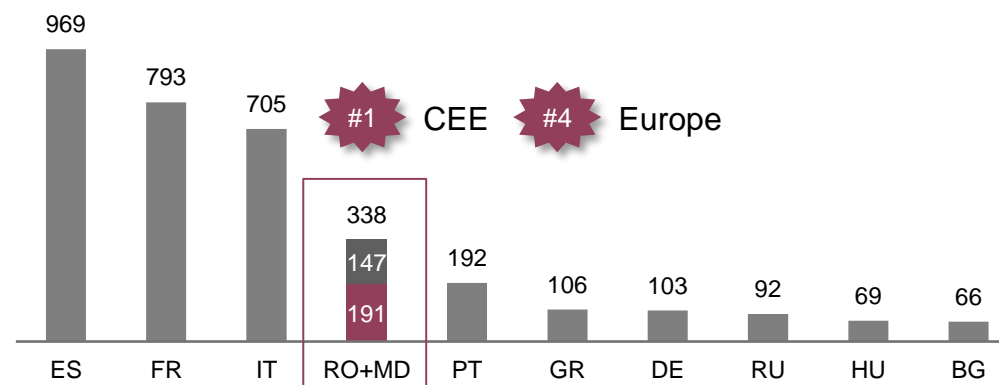
... with a strong & expanding regional footprint

Geographical breakdown of sales in value terms, 2021, %



Located in a region with one of the richest wine heritages

Top 10 European countries by area under vines, kha



Our mission

To bring joy in people's lives, by offering them high quality, inspiring, ethical wines and excellent value for money.

Our vision

To become the undisputable wine champion in CEE, acting as a consolidator of a fragmented industry

Our values

Hungry

We win in the marketplace because we want it more

Ethical

Always do the right thing and the money will follow

Thrifty

The only way we can offer better value for money

Different

We proud ourselves on taking a fresh look on things

Better

We keep improving – both our wines and our people

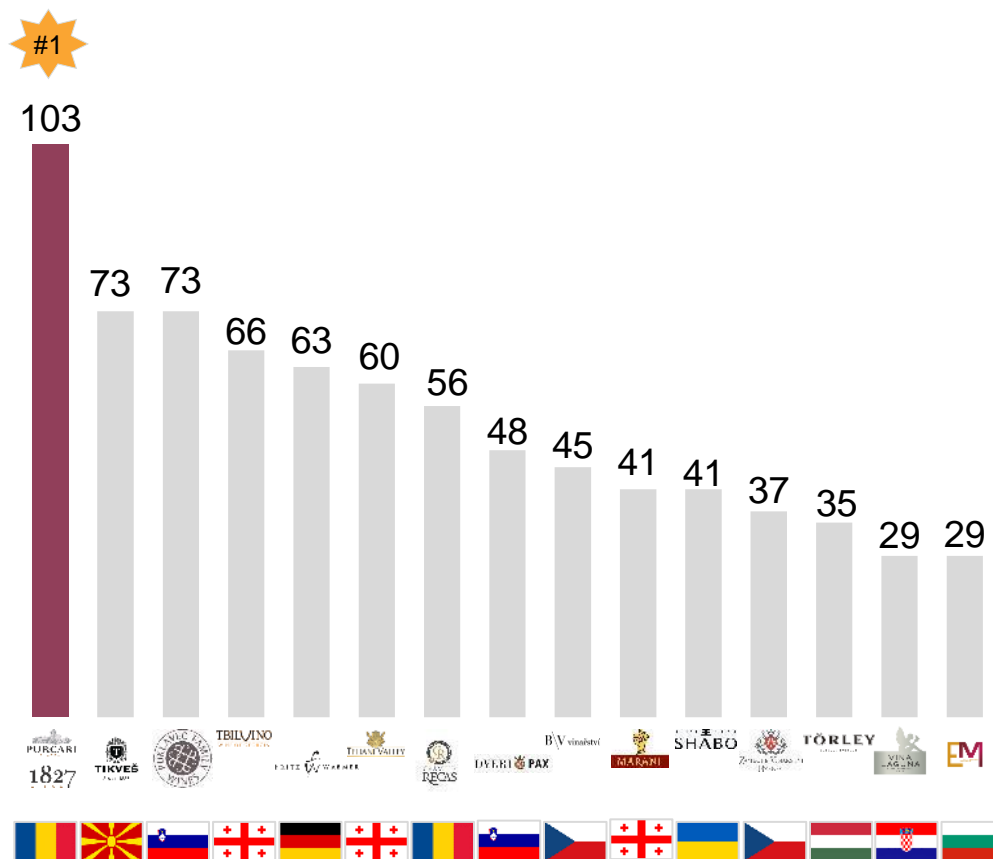


1

Quality highly commended, remain the most awarded winery in CEE

Leading medal-winning winery in CEE at Decanter, the Wine "Olympics"

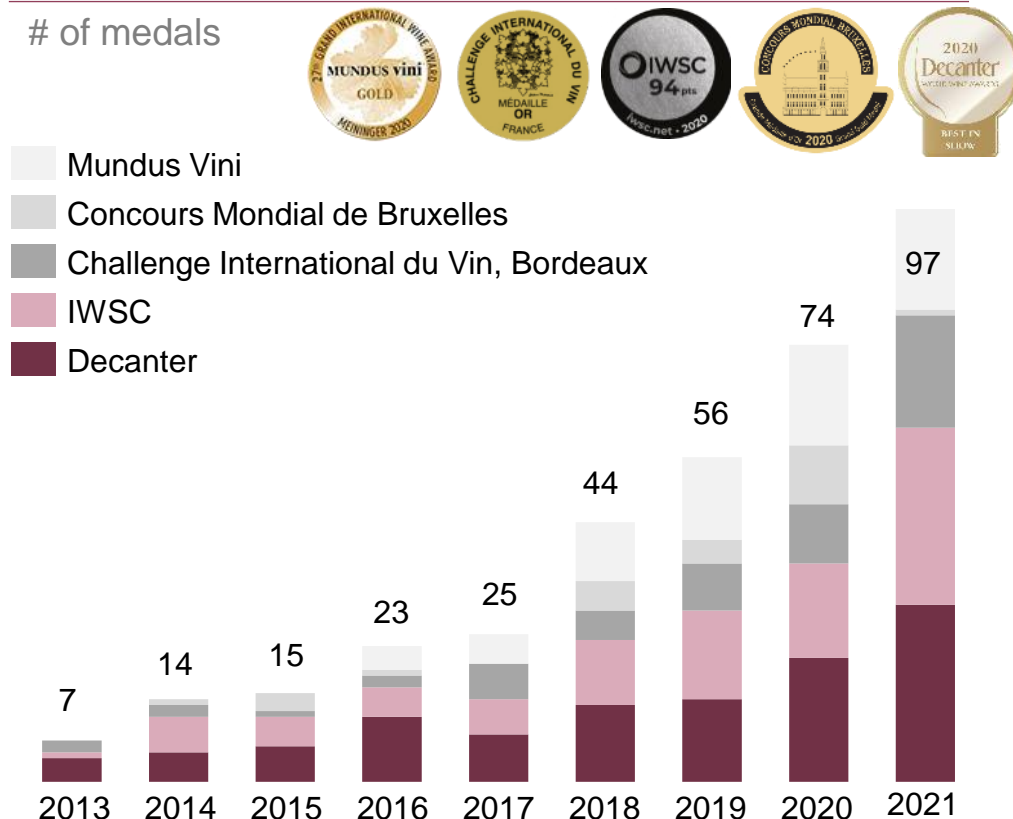
of Decanter medals in 2015 – 21



- Most awarded winery to the east of Rhine, ahead of reputable (and much pricier) German, Hungarian or Austrian wineries

Increasing number of medals won from year to year, In 2021 the most awarded winery in the World

of medals

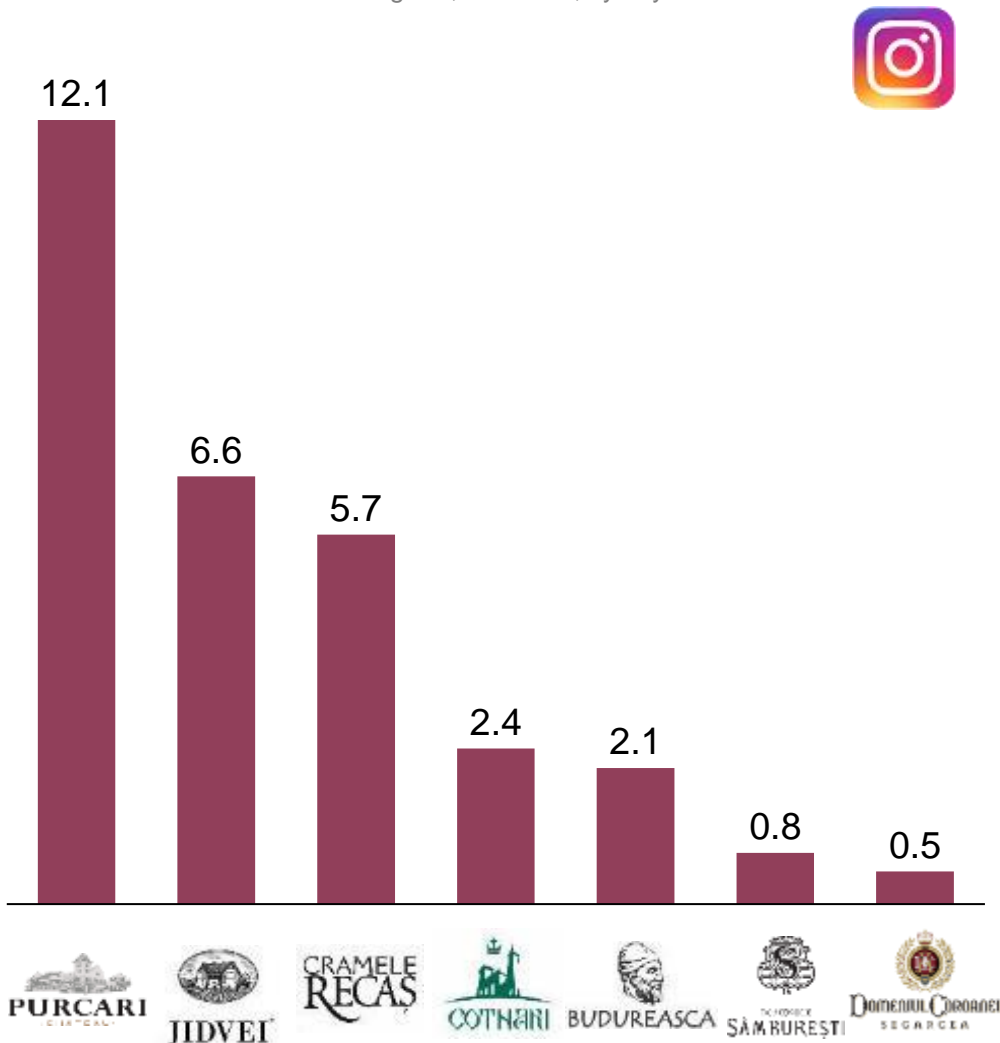


- Unlike beer or spirits, wine production is more prone to quality fluctuations. The Group has demonstrated the ability to keep raising the bar quality wisely, as illustrated by the mounting number of medals won at top global competitions

1 Topping competition at engagement and quality

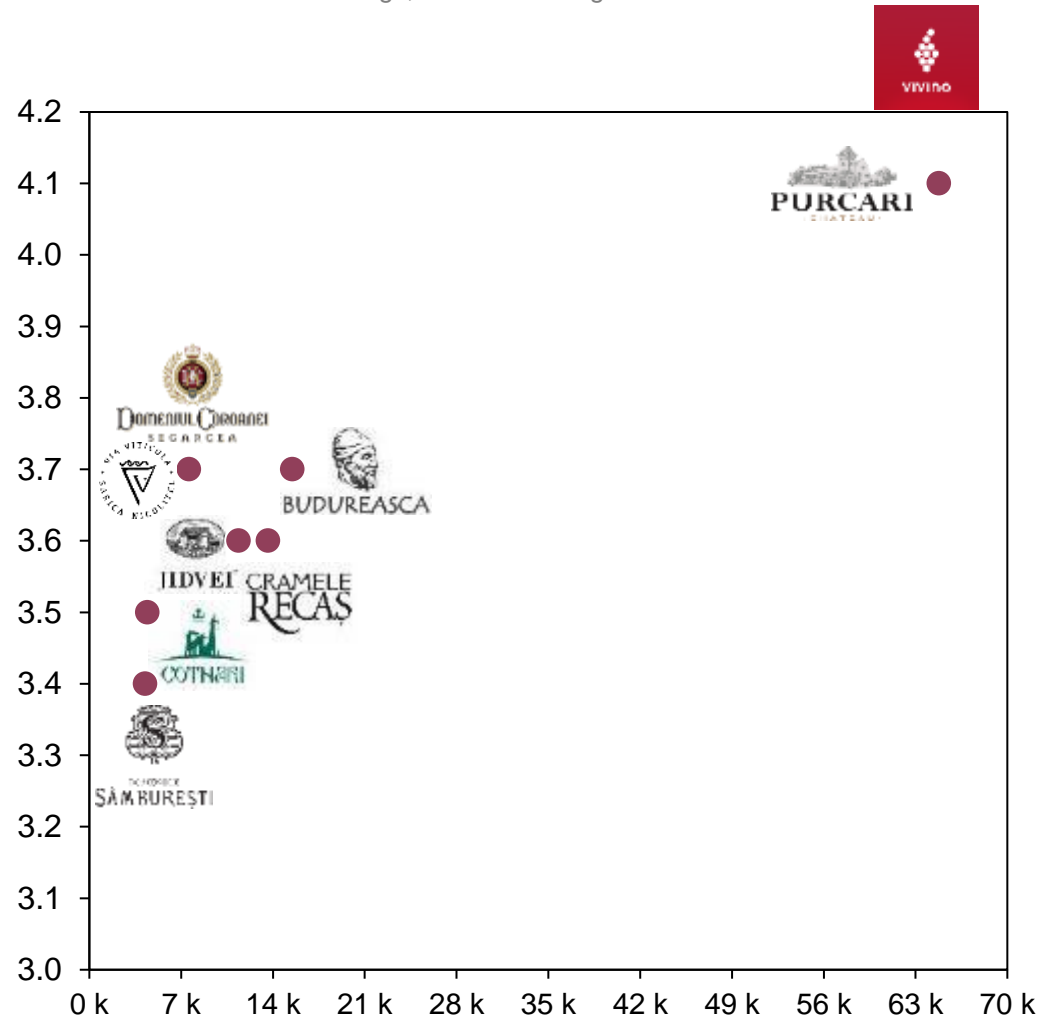
Aspirational brand which consumers like sharing about

Number of #brand uses on Instagram, thousand, by key Romanian brands



Highest number of ratings and highest scores on Vivino

X axis – number of Vivino ratings; Y axis – average Vivino score



Note: Purcari - #purcari, Cramele Recas - #recas, Jidvei - #jidvei, Cotnari - #cotnari, Budureasca - #budureasca, Samburesti - #samburesti, Segarcea - #segarcea

Sources: Instagram, Vivino as of February 2022

#1 presence in the crucial RON 30-60 segment, holding 13 out of TOP-25 positions



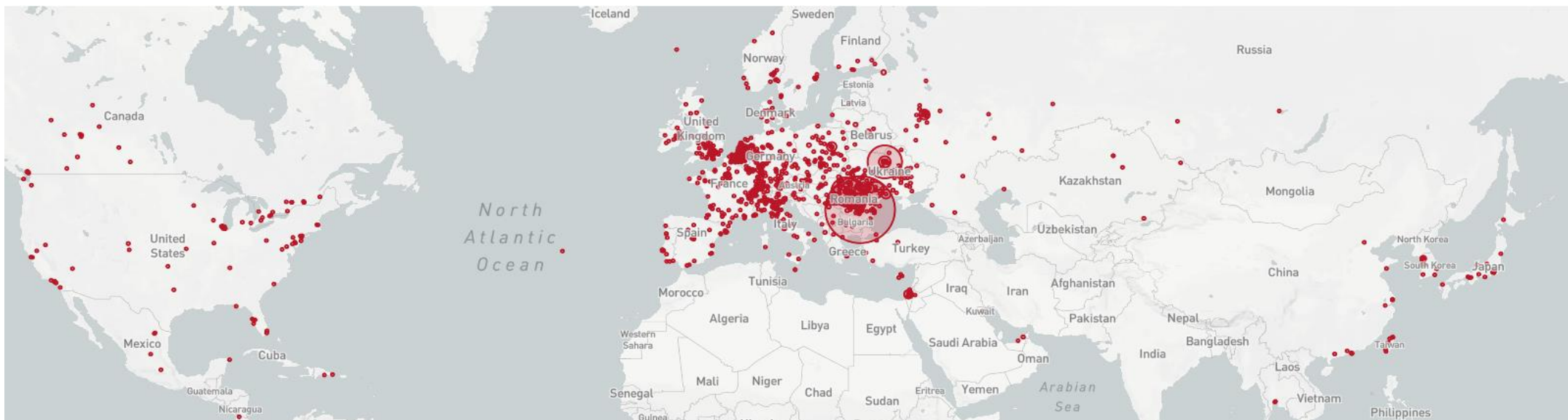
#1



- We remain **obsessed with the quality of our wines**, which pays off in excellent consumer feedback.
- In our core premium segment, 30-60 RON per bottle shelf price, we dominate the category with **13 best-rated wines in Vivino's top-25**.
- Negru de Purcari 2015 among the **top 1% of all wines in the world**.
- We remain convinced, it is the **product that will make the difference** in the mid and long term with consumers, so we are focusing on making exciting wines that capture people's imagination.

1

Growth in Vivino usage, key for consumer engagement



4.23

Average score out of
5.0

84%

Scores equal or
above 4.0

Top 1%

Global ranking based
on avg. score received

120,248

Total Vivino
scans

+38%

YoY scans growth

1547

of cities where
Purcari has been
scanned

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Negru de Purcari
2015,
4.4 score on Vivino,
top 1% wine globally
**GOLD at Concours
Mondial de
Bruxelles,**

2 Purcari Wineries Group: higher stake in sustainability

Core Business

Wine, Spirits and Tourism
Since 1827



Waste Recycling Management

Ecosmart Union

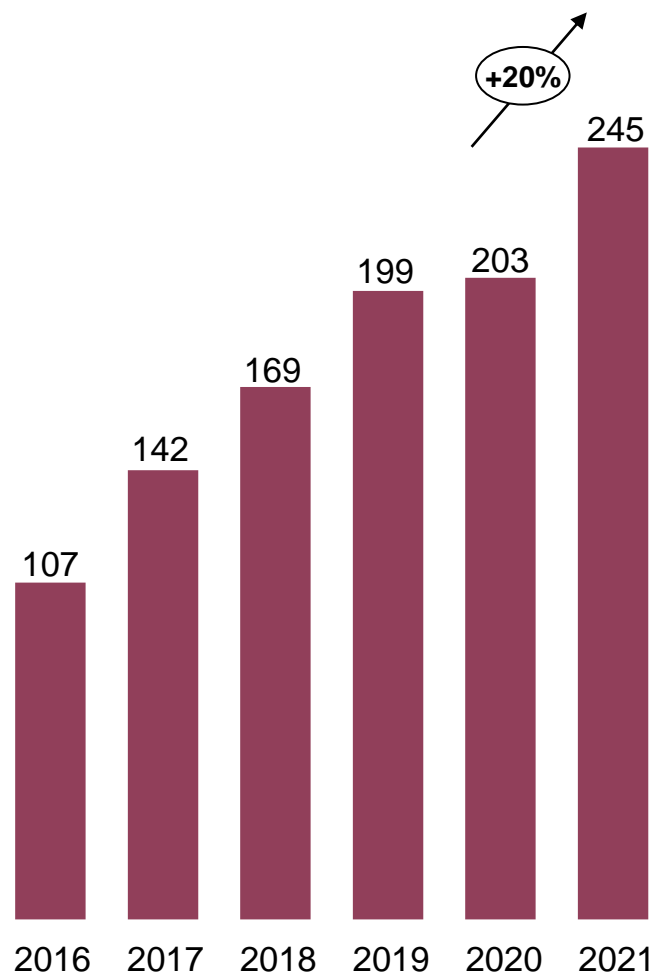
Consolidated from Sep'2021



- Increased stake from 27% to 65.75%
- Part of sustainability focus
- Controlling stake obtained for a non material amount
- Expect it to be a high ROI investment post-turnaround; expect ~30m RON in revenues in 2022 and mid- to high single digits EBITDA margin

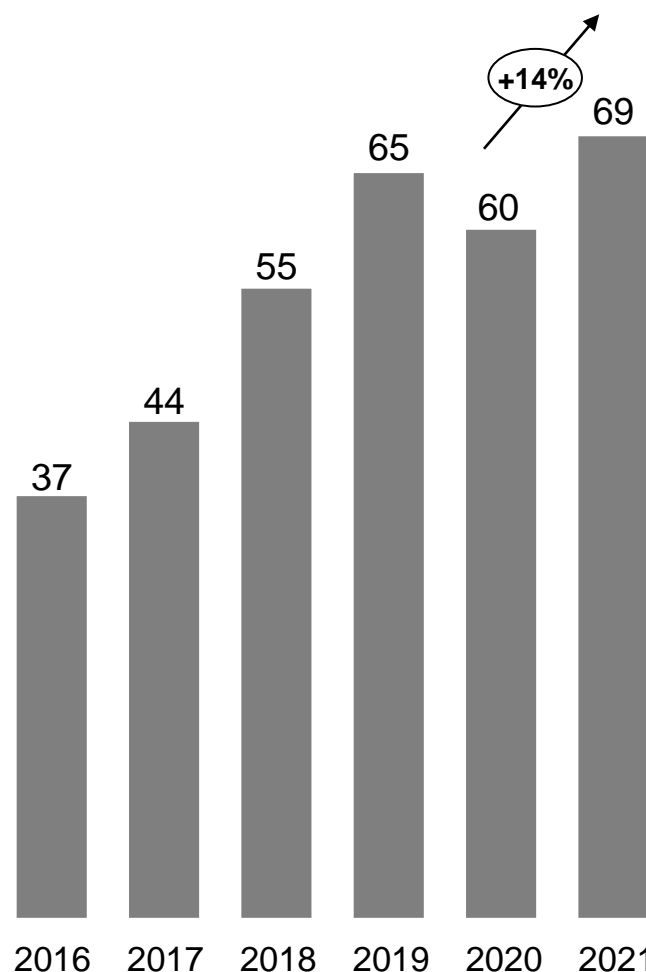
Revenues

RON m



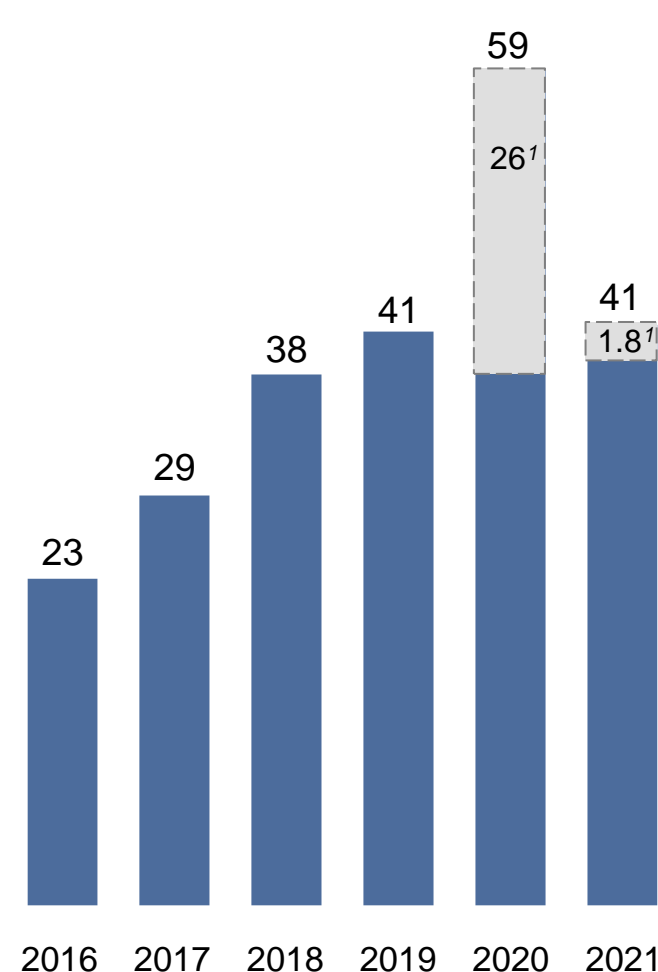
EBITDA

RON m



Net Income

RON m



(1): Includes the following one-off effects

- Income on settlement of assigned receivable from Speed SRL, RON 4.3m in 2020
- Income from sale of the stake in Glass Container Company, RON 21.6m in 2020 and RON 5.7m in 2021
- Loss from effect of consolidation of EcoSmart Union, RON 3.9m

Ongoing revenue growth

- Core Wine revenues up 17% YoY to RON 237.3m, exceeding guidance, with Purcari and Bardar leading the growth.
- Moldova (+61% YoY) fully recovered to pre-Covid level. Romania continuing double-digit growth, +17% YoY
- Bostavan mainstream brands down in Poland, as prioritizing margin over volumes
- Bardar - strong performance +23% YoY, proceeding with shift from bulk to bottled to support increasing demand for premium aged brandy.

Strong margins on efficient cost controls

- Group EBITDA up by 14% to RON 68.7m, 28% margin. Core Wine EBITDA at RON 72.4m, 30% margin, top of guidance range. Group EBITDA affected by RON 3.4m receivables provision of Ecosmart
- Additional EUR 1m in cash proceeds received from Glass Container Company exit transaction
- Low leverage, Net debt to LTM EBITDA at 0.95x

Expanding inorganically

- 8Wines – 10% stake in fast growing online wine retail platform to build up ecommerce capabilities
- Ecosmart Union – increased Group's stake to 66%, taking control over the business (waste recycling management), putting further emphasis on sustainability
- Vinoteca Gherasim Constantinescu – acquired 50ha of high-quality vineyards and another 22ha of prime land for future expansion in Dealu Mare, the top Romanian wine region

Active capital markets agenda

- To be included in FTSE Global Micro Cap Index as of March 2022
- Dividend of 0.65 RON/share paid on 09.09.2021, record date: 20.08.2021, 5.0% yield on announcement
- Buyback program of 329,156 shares carried out during 10.08.2021 – 27.10.2021 period at an average acquisition price RON 15.007 per share









2 P&L: Strong performance on improved mix of sales

RON m	2021			2020 WINE	2019 WINE	WINE Δ '21/'20	WINE Δ '21/'19
	Group Total	WINE	REC ¹				
Revenue	244.6	237.3	7.3	203.7	199.1	17%	19%
Cost of Sales	(130.6)	(125.5)	(5.1)	(105.9)	(100.2)	18%	25%
Gross Profit	114.0	111.8	2.2	97.8	98.9	14%	13%
Gross Profit margin	47%	47%	30%	48%	50%	(1 pp)	(3 pp)
SG&A:	(58.2)	(52.4)	(5.8)	(47.8)	(43.1)	10%	21%
Marketing and selling	(31.2)	(31.2)	-	(23.0)	(19.6)	36%	59%
General and Administrative	(27.0)	(21.1)	(5.8)	(24.7)	(23.5)	-15%	-10%
Other income (expenses):	(1.6)	1.8	(3.4)	(1.4)	(1.0)	na	na
Adj. of FV of biological assets	2.7	2.7	na	(2.9)	(0.3)	na	na
Impairment loss on trade receivables	(5.8)	(2.4)	(3.4)	(0.3)	(0.4)	na	na
Other income	1.5	1.5	-	1.4	(1.1)	na	na
EBITDA	68.7	72.4	(3.7)	60.5	65.4	20%	11%
EBITDA margin	28%	30%	na	30%	33%	1 pp	(2 pp)
Net Profit	41.1	45.0	(3.9)	59.2	40.5	-24%	11%
Net Profit margin	17%	19%	na	29%	20%	(10 pp)	(1 pp)
One-Offs	5.7	5.7	-	25.9	0	-	-
Net Profit, excl. one-offs	35.4	39.3	-	33.3	40.5	18%	-3%
Net Profit margin, excl. one-offs	14%	17%	-	16%	20%	1 pp	(4 pp)





(1) Ecosmart - Waste Recycling Management

Comments on Core Business

- Revenue +17%, well above 2020 on higher volumes and improved mix. Exceeding the guidance by 3pp. Robust growth in 4Q21, comparing to an extremely strong 4Q20 which comprised sales shifts from quarters under strict lockdowns.
- Gross margin strong at 47%, on improved mix with higher share of Purcari and Bardar in total sales, mitigating inflationary impact in 4Q and higher inventory cost on poor 2020 harvest. Further helped by rebound in Moldova, successful launch of Nocturne in HoReCa and new higher marginal SKUs.
- Marketing and selling expenses at 13% of revenue. +36% YoY growth on higher promotion activity in 2021, including certain salary cost reallocated from G&A and recognition of Stock Option plan costs in S&M salaries.
- G&A expenses stable at 11% of revenue, with +9% YoY on certain higher professional fees incurred, i.e., share capital increase, market-making services, M&A consulting, legal fees.
- Core business EBITDA up by 20% to RON 72.4 million with a 30% margin, above the guidance.
- WINE Net profit excl. Ecosmart consolidation effect, at RON 45m, 19% margin, within the guidance.
- Group reported Net profit at RON 41m, affected by one-off RON 3.7m receivables provision of Ecosmart included in Group's P&L, decreasing the consolidated EBITDA and Net Profit

Market	Share of sales FY2021	YoY Variance		Comments
		FY2020	FY2019	
RO 	52%	+17%	+46%	<ul style="list-style-type: none"> RO: Growth of +17% vs. FY20 and +46% vs FY19. Purcari leads with +22% YoY supported by Nocturne and Limited-Edition performance. Bardar +52% due to numeric distribution growth in IKA. HoReCa showing strong return, despite pandemic restrictions, with Nocturne proving to be a success.
MD 	19%	+61%	0%	<ul style="list-style-type: none"> MD: Strong rebound, reaching pre-pandemic sales level. Purcari performing best +76%, followed by Bardar and Bostavan with +55% and +36%, respectively. All channels performing well, while HoReCa and Duty Free still recovering to 2019 levels due to periodic restrictions.
PL 	9%	-15%	-3%	<ul style="list-style-type: none"> PL: Prioritizing margin over volumes, with price increases that led to tough negotiations with certain key accounts. Targeting premium segment by listing the Nocturne collection from Purcari in HoReCa. Tailored action plans for each partner, new SKUs – Wine Crime, DAOS 0% Alcohol, product promotion campaigns focused on brand awareness. Moldawska Dolina #1 brand in Moldovan wines according to Nielsen.
ASIA 	3%	-2%	-44%	<ul style="list-style-type: none"> ASIA: -2% YoY in highly restrictive pandemic and economic environment, as total wine imports to China were down 17% YoY. Closely working with local partners, participation in Wine Fairs and rolling out digital communication strategy.
CZ SK  	4%	-2%	-4%	<ul style="list-style-type: none"> CZ&SK: Further adverse effects from TESCO restructuring, promotion of private brands and continuous restrictions for HoReCa, aggressive discounts.
UA 	4%	+20%	+33%	<ul style="list-style-type: none"> UA: Sales grew +20% vs FY20 and +33% vs FY19. Increased activity through opening a local office: expanding presence in Fragmented Trade, growing numeric distribution in IKA, focus on increasing average sales per SKU and POS.
RoW 	10%	+2%	+15%	

2 Premium Purcari and Bardar brands lead the growth

Brand	Share of sales	YoY Variance		Comments
	FY2021	FY2020	FY2019	
	50%	+28%	+41%	<ul style="list-style-type: none"> • PURCARI: Strong performance on higher volumes and better mix. Sales in Moldova exceeding pre-pandemic levels. Ongoing strong traction in Romania, Nocturne series very popular with HoReCa. Promising performance in newer markets, forging partnerships to expand geographically.
	23%	-2%	-3%	<ul style="list-style-type: none"> • BOSTAVAN: Facing adverse effects on mainstream segment in Poland, Czechia and Slovakia on strong price competition, TESCO restructuring, pandemic effects. Baltics and Ukraine continue good performance in 2021, Moldova slightly behind pre-pandemic sales -1%. Focus on rebranding with launch and promotion of new SKUs. Recovery plans agreed, negotiations in process with distributors and retail chains in key markets.
	16%	+9%	+21%	<ul style="list-style-type: none"> • CRAMA CEPTURA: +9% increase YoY, continuing the growth of core brands in Romania. Acquired 70ha of vineyards with DOC Dealu Mare to support premiumization. Focus on brand awareness and portfolio reassessment. +78% YoY on export markets, albeit from smaller base.
	12%	+23%	-6%	<ul style="list-style-type: none"> • BARDAR: Strong performance +23% YoY. Moldova slightly behind pre-pandemic results -2%, with HoReCa and DutyFree operating in restrictive environment. Continue the shift from bulk to bottled to support increasing demand for premium aged brandy. Successful launch of Bardar XXO 25 Years, already gaining popularity in China with repeated orders.

2 Innovations: continue creating, reinventing, inspiring

The launch of Domeniile Cuza

*A new brand successfully launched
for Romanian market*



The launch of Wine Crime

*A new brand successfully
launched*



The launch of Nocturne

*HoReCa collection successful in
Romania, Moldova*



Purcari has become the most awarded winery in the world

A thank you campaign in RO and MD



Cuvee de Purcari – top 10 sparkling wines of the world

Awareness campaign



Tokyo 2020

*General Sponsor for Moldovan
Olympic Team*



2 Outstanding results at most reputable wine competitions in 2021

PURCARI – THE WORLD’S MOST AWARDED WINERY



* Awards won at the most important international contests in 2021: Decanter World Wine Awards, Concours Mondial de Bruxelles, Mundus Vini Spring Tasting, Citadelles du Vin, Eurasia Wine & Spirits, Concours International de Lyon, Berliner Wine Trophy, London Wine and Spirits Competition, IWSC, Challenge International du Vin, Vinarium, Women's International Trophy, Vinalies Internationales.

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Gold Medal and Best in Show by Country at London Wine Competition 2021,
A complex of contradictions. The most perfect, yet controversial creature - Sapiens



Target	2022 guidance	Comments
Revenue growth	+15-20%	<ul style="list-style-type: none"> Romania to remain growth driver. Expanding with new SKUs and brands, continue with premiumization. Exporting Nocturne's success in Romanian HoReCa to other markets Bardar shift from bulk to bottled to support increasing demand for premium aged Expecting a turnaround for Ecosmart under new management
Revenue growth, Wine ¹	+10-15%	
EBITDA margin	20-25%	<ul style="list-style-type: none"> Expect high inflationary pressure to sustain, with price-rises taking more time to be passed-through to retail COGS to include significant portion of more expensive wine stocks of 2020 vintage
Net Income margin	10-15%	

(1) All Purcari Wineries Group Segments, excluding Ecosmart Union



CRISTINA DANU, DANS ÎN ÎNĂLȚIMI

FREEDOM BLEND

VIN SEC ROȘU

SAPERAVI · RARĂ NEAGRĂ · BASTARDO



PRODUS ȘI ÎMBUTELIAT LA ÎM. VINĂRIA PURCARI SRL S. PURCARI
FĂBRICAT ÎN MOLDOVA
ALC. 13,5% VOL 0,75 L

Thank
you.