

PURCARI

WINERIES GROUP

Purcari concludes year with 22% revenue growth and 45% spike in normalized net profit

Bucharest, February 29th, 2024

Purcari Wineries PCL (“Group”, “Company”), CEE’s leading wine producer, announced today its preliminary unaudited financial results for 2023. The Group’s revenue marked a 22% increase, reaching RON 369.4 million. This achievement is further underscored by a robust profitability, EBITDA and Net Profit attaining RON 98.6 million and RON 59.6 million, respectively. Net Profit surged by 45% and EBITDA by 19% compared to the adjusted figures¹ for Net Profit and EBITDA recorded in 2022. In 4Q23, the revenue growth reached 14%, while the Net Profit and EBITDA rose compared to adjusted figures by 2.7x and 21% respectively.

“This past year was a difficult one for our region, but we coped well and are proud of the results achieved, again over-performing against the announced guidance. We continue building our platform to deliver on our vision to become the undisputable wine leader in CEE. We look forward to robust growth going forward, capitalizing on our strong brands, solid route to market, excellent asset base and talented team”, said Victor Bostan, CEO of Purcari Wineries.

Key commercial highlights for 2023:

- **Romania:** +22% revenue growth YoY. Strong growth for all brands across all channels, Purcari being an outstanding performer, closely followed by Crama Ceptura, Bardar and Bostavan, respectively. Continued outstanding dynamics for Nocturne, Cuvee sparkling, Limited Edition and 1827 product ranges.
- **Moldova:** +4% YoY, Purcari premium wines maintaining their market prominence, growing across all channels both in terms of value and volume. Bostavan and Bardar prioritizing margins over volumes, price increases being gradually pushed through.
- **Poland:** stagnant YoY, whilst exhibiting a strong rebound in 4Q, following two consecutive weak quarters. Bostavan prioritizing margins over volumes, while pressure in the mainstream wine market continues. +36% YoY increase for Purcari brand, albeit from a smaller base.
- **Czech and Slovakia:** Ongoing recovery after a weak year start. Bostavan prioritizing margins over volumes, while focusing on premiumization with Purcari, up 53% YoY.
- **Bulgaria:** Expanding the commercial team while setting up collaborations with local partners and focusing on highest margin products and channels. Currently introducing the Purcari brand to the market.

Guidance for 2024:

- Total revenue growth: +16% - 20%
- Wine revenue growth: +20% - 24%
- EBITDA margin: 26% - 28%
- Net Income margin: 14% - 16%

¹ Excluding RON 28.2m One-off gain from bargain purchase of Angel’s Estate in 2022.

Selected Financial Information

	4Q 2023	4Q 2022	Δ 4Q	2023	2022	Δ YoY
Revenue	116,933,716	102,714,951	14%	369,445,003	302,486,660	22%
Gross Profit	44,751,306	41,712,589	7%	148,596,424	132,266,432	12%
<i>% Gross margin</i>	<i>38%</i>	<i>41%</i>	<i>(2 pp)</i>	<i>40%</i>	<i>44%</i>	<i>(4 pp)</i>
EBITDA	26,387,542	50,062,790	-47%	98,555,929	110,770,340	-11%
<i>% EBITDA margin</i>	<i>23%</i>	<i>49%</i>	<i>(26 pp)</i>	<i>27%</i>	<i>37%</i>	<i>(10 pp)</i>
Net Profit	15,822,327	34,033,324	-54%	59,584,426	69,402,899	-14%
<i>% Net Profit margin</i>	<i>14%</i>	<i>33%</i>	<i>(20 pp)</i>	<i>16%</i>	<i>23%</i>	<i>(7 pp)</i>
One-off income ¹	0	28,259,397	-	0	28,259,397	-
Normalized EBITDA	26,387,542	21,803,392	21%	98,555,929	82,510,943	19%
<i>% Normalized EBITDA margin</i>	<i>23%</i>	<i>21%</i>	<i>1 pp</i>	<i>27%</i>	<i>27%</i>	<i>(1 pp)</i>
Normalized Net Profit	15,822,327	5,773,927	174%	59,584,426	41,143,502	45%
<i>% Normalized Net Profit margin</i>	<i>14%</i>	<i>6%</i>	<i>8 pp</i>	<i>16%</i>	<i>14%</i>	<i>3 pp</i>

Note (1): RON 28.2m One-off gain from bargain purchase of Angel's Estate in 2022

Investors' Conference Call

The conference call for the discussion and presentation of the 2023 Preliminary Unaudited Financial Results will take place on March 1st, at 13:00 EET, 12:00 CET. The Preliminary Unaudited Financial Results for 2023, as well as the Presentation for the conference call, are attached.

About Purcari Wineries

Purcari Wineries Public Company Limited (with its brands: Purcari, Crama Ceptura, Bostavan, Bardar, Domeniile Cuza and Angel's Estate) is one of the largest wine and brandy groups in the Central and Eastern European (CEE) Region. The Group manages around 1,450 hectares of vineyards and operates seven production platforms in Romania, Moldova, and Bulgaria. Purcari Wineries is the leader in the Premium wine segment in Romania with a ~30% segment share and the largest wine exporter from Moldova, delivering to over 40 countries. Founded in 1827, Chateau Purcari is the most awarded winery of the CEE Region at Decanter London 2015-2023, as well as among the best ranked wineries on Vivino, with an average score of 4.1 out of 5.0, based on approximately 100,000 reviews. Since February 2018, the Group is listed on the Bucharest Stock Exchange under the ticker WINE. Purcari Wineries is led by Victor Bostan, a veteran with more than 30 years of experience in the wine business, and is endorsed by top institutional investors such as: Horizon Capital, Fiera Capital, Conseq, East Capital and Norges Bank.

Enquiries

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