



## Purcari revenues expand 30%, while Net Profit rises 43% 2Q23

*Bucharest, August 24<sup>th</sup>, 2023*

Purcari Wineries PCL (“Group”, “Company”), the CEE’s leading wine producer, announced today the publication of the results for the first semester of 2023. Revenues rose by 30% to RON 161.4 million over the first half of last year. The Group delivered a 30% growth in sales for the second consecutive quarter, while showing a robust increase in profitability, with EBITDA and Net Profit rising by 29% and 43%. EBITDA and Net Income margin stood at 28% and 16%. Across all metrics, the first half results topped the provided annual guidance of +18-22% for revenue growth, 22-26% for EBITDA margin and 12-16% for Net Income margin, respectively.

“We are pleased to see sustained, strong revenue growth of 30% for the second quarter in a row. On margins, we may see improvements starting with the second half of the year too. Overall, we feel we are in a strong position, gaining market share, amidst overall economic weakness in the world. Our affordable luxury positioning proves its resilience, which is very encouraging”, said Victor Bostan, CEO of Purcari Wineries PCL.

### Key highlights for 1H 2023:

- **Romania:** +40% revenue growth in 1H23, Purcari being a standout performer. The Nocturne series continues its tremendous success in a favorable HoReCa environment, 1827 series registering strong dynamics too. Crama Ceptura delivering a 20% growth in 1H23 YoY, continuing the upward trend started in 4Q22. Bardar continues expanding across sales channels and increasing its consumer base.
- **Moldova:** +11% 1H23 YoY on a moderate consumer confidence level. Premium segment, led by Purcari, proving resilient and growing across all channels both in value and volume terms. Prioritizing margin over volumes with Bostavan and Bardar. Price increases pushed through, to compensate inflationary pressures.
- **Poland:** weak growth momentum, as pressures in the economy and mainstream wines market continue. Prioritizing margins over volumes with Bostavan; pushed through price increases. Building presence in the premium segment with Purcari, expanding in HoReCa.
- **Asia:** recovery prospects in China haven’t materialized, poor performance at country level for all imports. Overall weak Chinese wine market. Active marketing and promoting activity with our country manager on site.
- **Czech and Slovakia:** strong recovery after a weak year start. Lower consumer confidence, eroded by decrease in purchasing power affecting mainstream brands. Prioritizing margins over volumes with Bostavan. Betting on premiumization, with Purcari growing 1.7x 1H YoY, albeit from a smaller base.
- **Ukraine:** strong 1H23, yet still behind pre-war 1H21 figures. Maintaining the local team and increasing distribution in IKA channels. Continuing expanding Bardar’s sales geography in partnership with Coca-Cola Beverages Ukraine.

## Selected financial information

	2Q 2023	2Q 2022	Δ 2Q	1H 2023	1H 2022	Δ 1H
Revenue	88,079,511	67,691,902	30%	161,415,315	123,880,051	30%
Gross Profit	34,225,479	29,371,048	17%	66,957,583	58,658,672	14%
<i>% Gross margin</i>	<i>39%</i>	<i>43%</i>	<i>(5 pp)</i>	<i>41%</i>	<i>47%</i>	<i>(6 pp)</i>
EBITDA	23,351,300	18,144,721	29%	44,497,306	38,623,322	15%
<i>% EBITDA margin</i>	<i>27%</i>	<i>27%</i>	<i>-</i>	<i>28%</i>	<i>31%</i>	<i>(4 pp)</i>
Net Profit	12,756,927	8,898,394	43%	25,536,129	20,877,116	22%
<i>% Net Profit margin</i>	<i>14%</i>	<i>13%</i>	<i>1 pp</i>	<i>16%</i>	<i>17%</i>	<i>(1 pp)</i>

## Full year 2023 guidance

We leave, prudently, our guidance for the full year unchanged, that is: +18-22% revenue growth, +14-18% core wine segment revenue growth, 22-26% EBITDA margin, and 12-16% Net Income margin.

## Investors' Conference Call

The conference call for the discussion and presentation of the 1H 2023 financial results shall be held on August 25<sup>th</sup>, at 13:00 EEST, 12:00 CEST. Attached are the Preliminary Unaudited Financial Results for 1H 2023, and the Presentation for the conference call.

## 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 circa 25% segment share and the largest wine exporter from Moldova, delivering to over 40 countries. Founded in 1827, Chateau Purcari is the most awarded winery in 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 over 87,000 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, Firebird, East Capital, and Norges Bank.

## Enquiries

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