

**Purcari Wineries**  
Public Company Limited  
BVB: WINE

**Corporate Presentation**  
WOOD's Winter Wonderland EME  
Conference in Prague





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### Vasile Tofan

Chairman of the Board of Directors

- Senior Partner at Horizon Capital, with over 15 years of experience in investments in Consumer Goods and Technology sectors.
- MBA from Harvard Business School, MSc in Public Management from Erasmus University Rotterdam
- Speaks EN, RO, RU, FR, NL, UA



### Victor Bostan

CEO, Founder, Executive Director

- Founder of the Group, since 2002.
- Over 35 years of experience in the wine industry.
- Degree in Wine Technology from the Technical University of Moldova.
- Speaks RO, RU, FR.



### Raluca Ioana Man

Non-executive, Independent Director

- Over 15 years experience in branding, reputation management, marketing, business and talent development; founder of RSEVEN and Business Development Director of ServPRO.
- BSc in International Business, BSc in Finance and Economics, and MBA.
- Speaks RO, EN, GR.



### Paula Cătălina Banu

Non-executive, Independent Director

- Member of the Cyprus Bar, experienced legal counsel, currently with Pavlos S. Papasavvas & Associates, advising on commercial, corporate and business development matters; founder of PharmAlex.
- LLB in International Law from Coventry University, Double masters in International Law, LLM from Maastricht University, LLM from University of Zurich.
- Speaks RO, EN, GR, DE.



### Monica Cadogan

Non-executive, Independent Director

- Over 20 years of experience in management consultancy, construction companies, retail and logistics in CEE.
- BA in Banking, Corporate Finance and Securities Law from Bucharest University of Economic Studies.



### Neil McGregor

Non-executive, Independent Director

- Over 20 years of legal experience; Founder and managing partner of McGregor & Partners SCA, law firm associated with Stephenson Harwood.
- Vice-Chair of the British Romanian Chamber of Commerce for Corporate Governance and relations with the British Chamber of Commerce.
- Bachelor of Laws (LLB) from the University of Aberdeen.



### Eugen Comendant

Non-executive Director

- Over 15 years of experience in management in Western Europe and Middle East.
- BBA degree from HES Amsterdam University of Applied Sciences
- Speaks EN, RO, RU, NL, FR.

Following the Annual General Meeting of Shareholders dated on the 26<sup>th</sup> of May, the Board of Directors of Purcari Wineries Public Company Limited is comprised of 7 members.

## Freedom Blend

Our manifesto. A courageous blend that has the heart of Georgia, the terroir of Moldova, and the free spirit of Ukraine.

65% Saperavi  
20% Rară Neagră  
15% Bastardo

Matured for 1 year in new, french Barrique Seguin Moreaus.



1 About Purcari Wineries Group

2 3Q 2023 Operational Results

3 Guidance

4 Purcari Wineries Stock

5 ESG and Impact

# 1 Purcari Wineries at a glance

## Leading wine player in Central and Eastern Europe...

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

- #1 The most successful winery from CEE at Decanter World Wine Awards 2023.
- #1 Most awarded CEE winery of the year in 2015-2023 at Decanter London, "Wine Olympics".
- #1 World's most awarded winery in 2021.
- #1 Best premium wine brand in Romania, Moldova.
- #1 Fastest growing large winery in CEE.
- #1 Largest exporter of bottled wine from Moldova.
- top 1,450+ 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, Firebird, Paval Holding and Norges Bank etc.

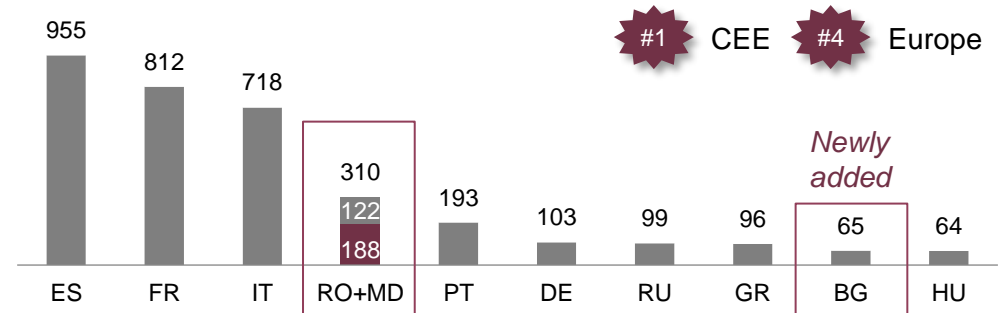
## ... with a strong & expanding regional footprint

Geographical breakdown of sales in value terms for 3Q 2023, %



## Located in a region with one of the richest wine heritages

Top 10 European countries by area under vines, kha



## 7 production sites and 6 brands, covering a broad spectrum of segments...



Source: Company Information, FAOSTAT, OIV, Decanter, the Ministry of Finance of Romania, Nielsen

# 1 Strong track record of growth year to year

## Sustainable profitability accompanying strong growth

	2017	2018	2019	2020	2021	2022
Revenue	142.3	168.1	199.1	203.7	248.1	302.5
CoS	(74.5)	(85.5)	(100.2)	(105.9)	(132.3)	(170.2)
Gross profit	67.7	82.6	98.9	97.8	115.8	132.3
Gross profit margin, %	48%	49%	50%	48%	47%	44%
SG&A	(31.7)	(36.0)	(44.2)	(49.2)	(53.8)	(68.9)
EBITDA	42.4	54.4	65.4	60.5	75.2	110.8
EBITDA margin, %	30%	32%	33%	30%	30%	37%
Depreciation	(5.9)	(6.8)	(9.6)	(12.1)	(13.8)	(19.1)
Net finance cost	(1.6)	1.0	(6.9)	21.7	0.1	(10.2)
Income tax	(5.9)	(7.0)	(8.5)	(10.8)	(10.4)	(12.0)
Net profit	29.0	41.7	40.5	59.2 <sup>2</sup>	51.2 <sup>3</sup>	69.4 <sup>4</sup>
Net profit margin, %	20%	25%	20%	29%	21%	23%
Earnings per share <sup>1</sup> , RON	na	0.96	0.91	1.42	1.19	1.64

(1) Common denominator being the number of shares on 31<sup>st</sup> December 2021, following doubling of issued share capital.

(2) Includes RON 21.6m income from sale of the stake in Glass Container Company and RON 4.3 million of income on settlement of assigned receivable from Speed SRL

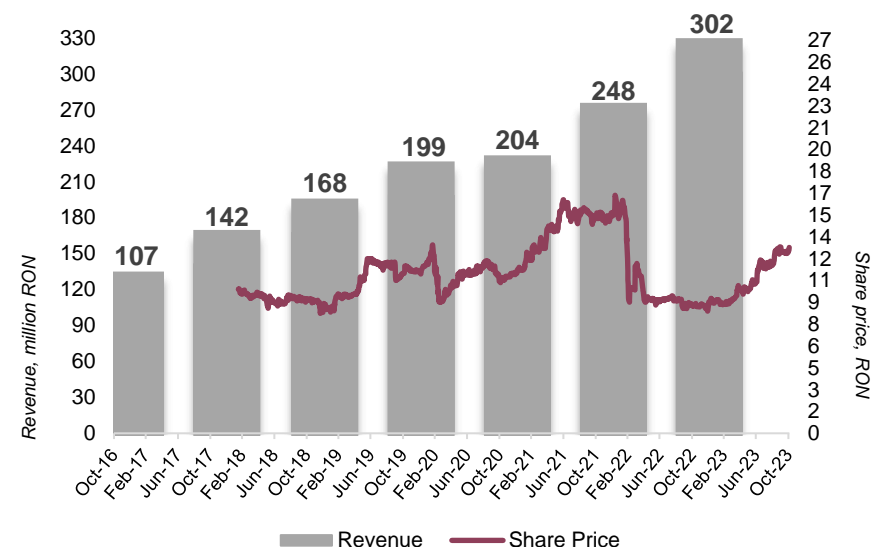
(3) Includes RON 5.6 million gain from sale of the stake in Glass Container Company

(4) Includes RON 28.2 million one-off gain from bargain purchase of Angel's Estate

## Comments

- IPO'd on Bucharest Stock Exchange in February 2018
- Doubled sales since pre-IPO
- Strong operating results and cost-efficient production
- SG&A stable over time at 22% of revenue
- Maintained strong EBITDA margin at 30%+ and Net Income margin at 20%+
- Steady dividend stream: 2018 (RON 0.475 per share\*), 2020 (RON 0.65 per share), 2021 (RON 0.51 per share), 2022 (RON 0.55 per share)

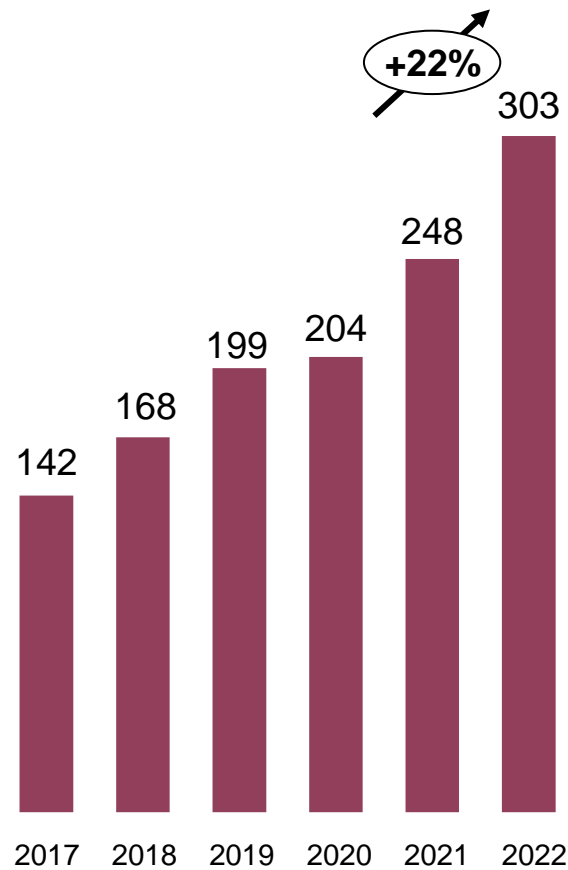
## Revenue vs. share price evolution



# 1 Sound fundamentals and strong profitability

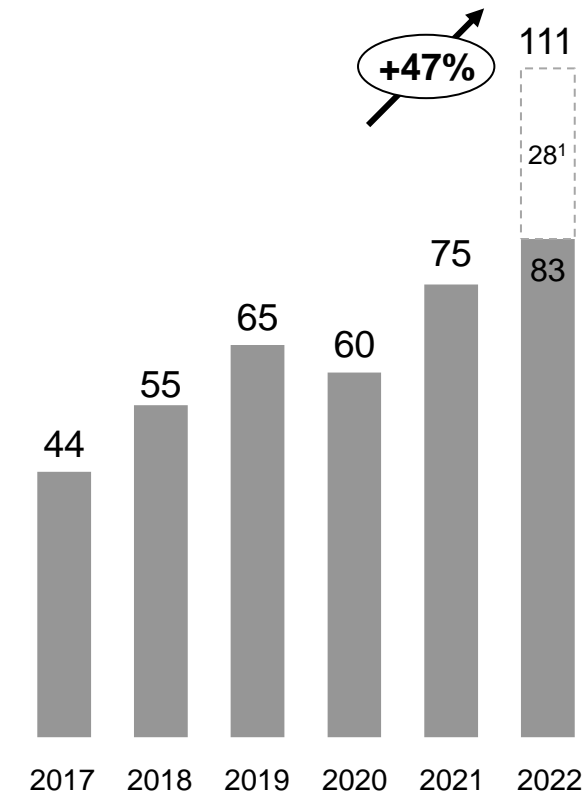
## Revenues

RON m



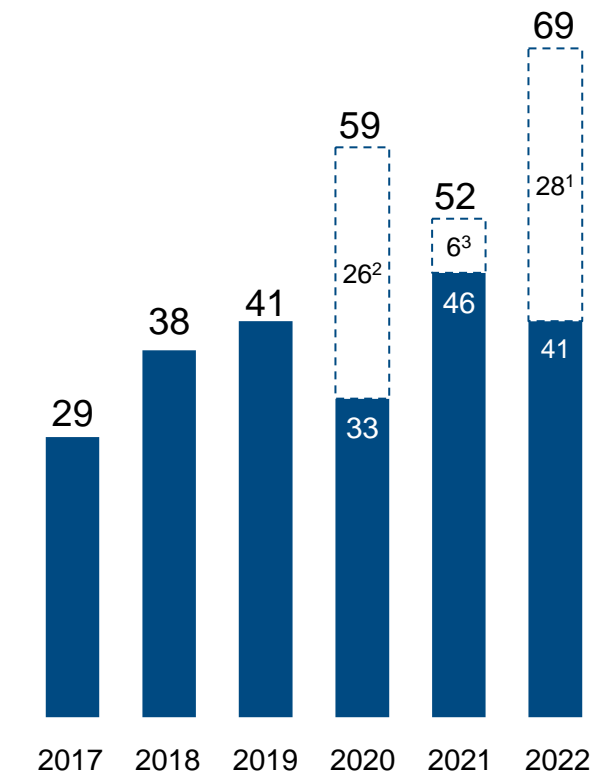
## EBITDA

RON m



## Net Income

RON m



(1) RON 28 million one-off gain from bargain purchase of Angel's Estate

(2) RON 21.6m income from sale of the stake in Glass Container Company and RON 4.3 million of income on settlement of assigned receivable from Speed SRL

(3) RON 5.6 million gain from sale of the stake in Glass Container Company



# 1 Our business model: Affordable Luxury



Purcari is positioned at the intersections of three themes:

- **Modern winemaking:** the company is a brand, as opposed to *appellation*-centric and runs a cost-efficient business.
- **Affordable luxury:** as an aspirational brand, Purcari wines are an example of affordable luxury, building on a heritage dating back to 1827 and ranking among the most awarded wineries in Europe.
- **Differentiated marketing:** the company is not afraid to be quirky about the way it approaches marketing, prioritizing digital channels and focusing on engaging content as opposed to traditional advertising.



## 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 pride ourselves on taking a fresh look on things.

### *Better*

We keep improving – both our wines and our people.

# 1 Purcari formula: operational excellence meets sound marketing

## Operational excellence

- **Location:** low-cost production platform in Romania, Moldova; very competitive vs. other EU, New world
- **Scale:** large and growing scale in a fragmented market where scale matters
- **Processes:** solid processes in place, minimizing the guesswork and human factor in operations
- **Culture:** past crises – following 2006, 2013 embargoes cultivated hard learned cost-discipline
- **Balance sheet:** strong balance sheet to trade payment terms for margin
- **Quality:** offer superior quality at a given price point

Lower costs

## Clever marketing

- **Philosophy:** be genuine, talk to the consumer, don't sell to them
- **On a shoestring:** focus on creative, viral marketing, on small budgets
- **Digital first:** focus on new media, with Facebook, Instagram and YouTube as main platforms
- **"Lean Startup":** fast prototyping, encourage experimentation, tolerate failure, react fast to flops
- **Product innovation:** constantly innovate line-up and packaging, to keep up with changing tastes
- **Influencer marketing:** work along key opinion leaders, including bloggers and fashion divas

Brand premium

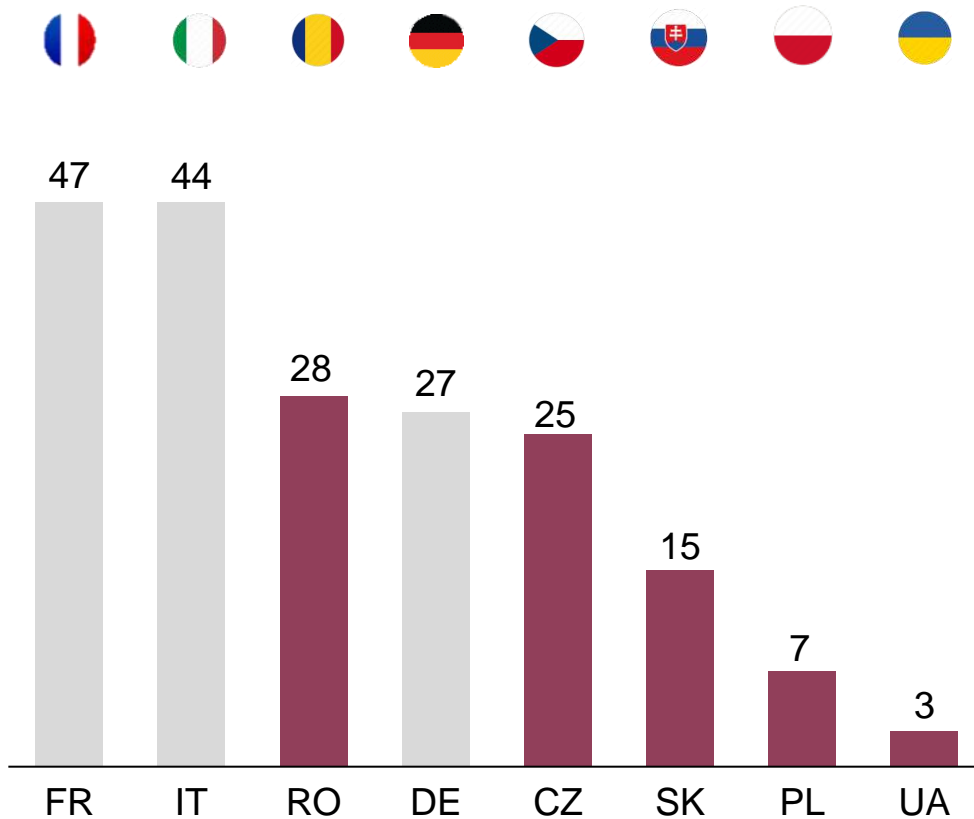
Strong sales and margins



# 1 CEE consumption especially strong, on shifting drinking patterns

## Plenty of catch up for CEE countries

Wine consumption, litres per capita, selected countries

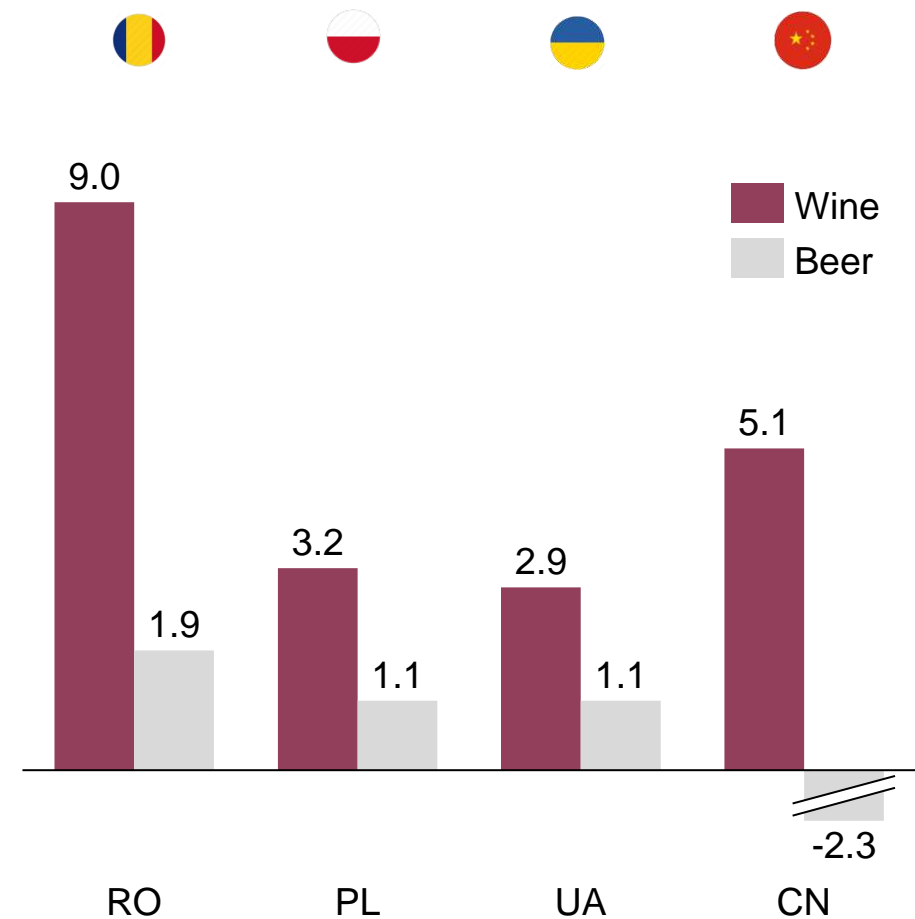


- Per capita wine consumption in CEE lags significantly WE levels, but catches up on growing share vs. beer

Source: Statista, Euromonitor, World Population Review, Nielsen

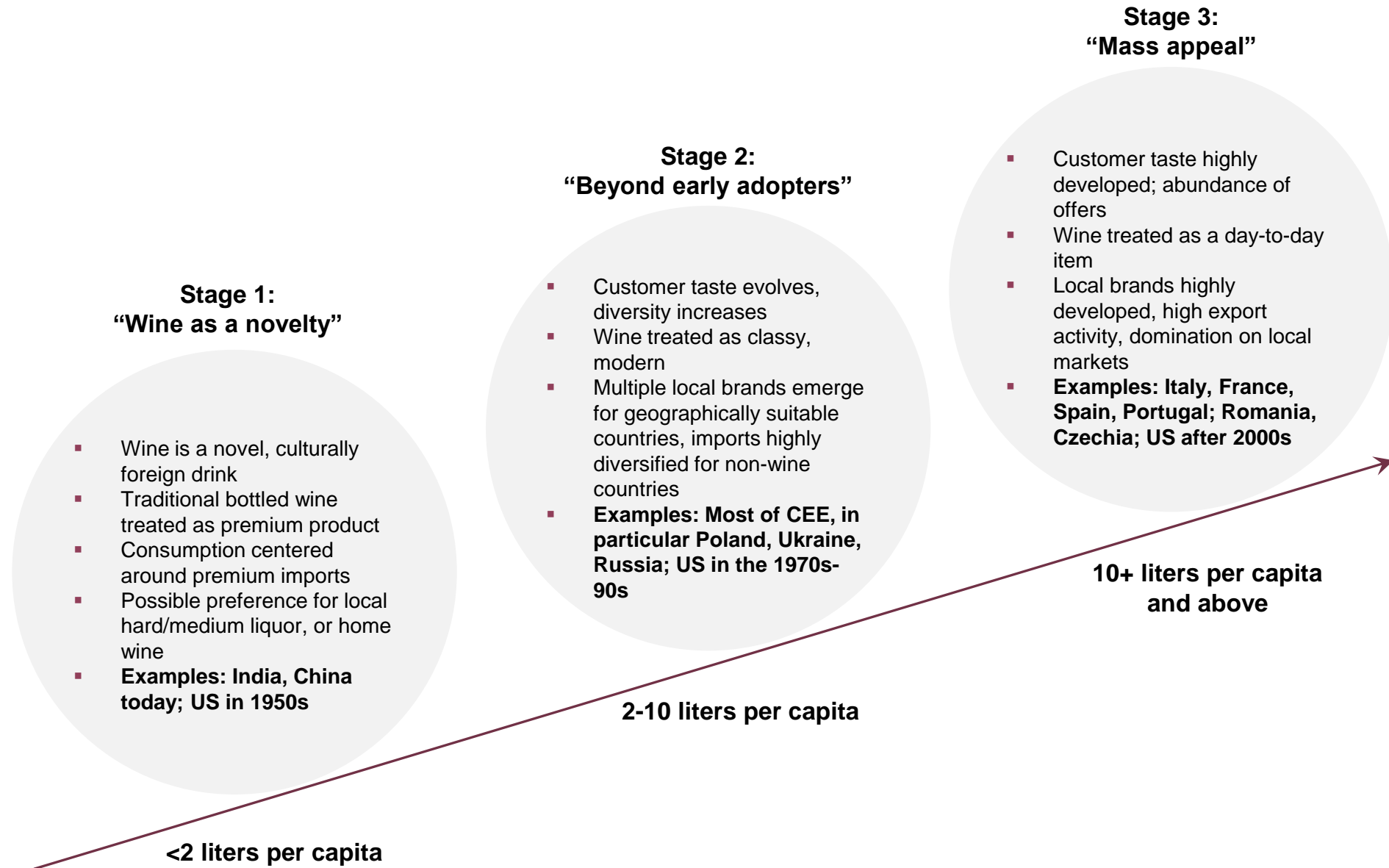
## Wine steals share from beer

Forecast growth by category, by country 2016-2020F, %



- Romania, Group's largest market, show fastest growth forecast in CEE

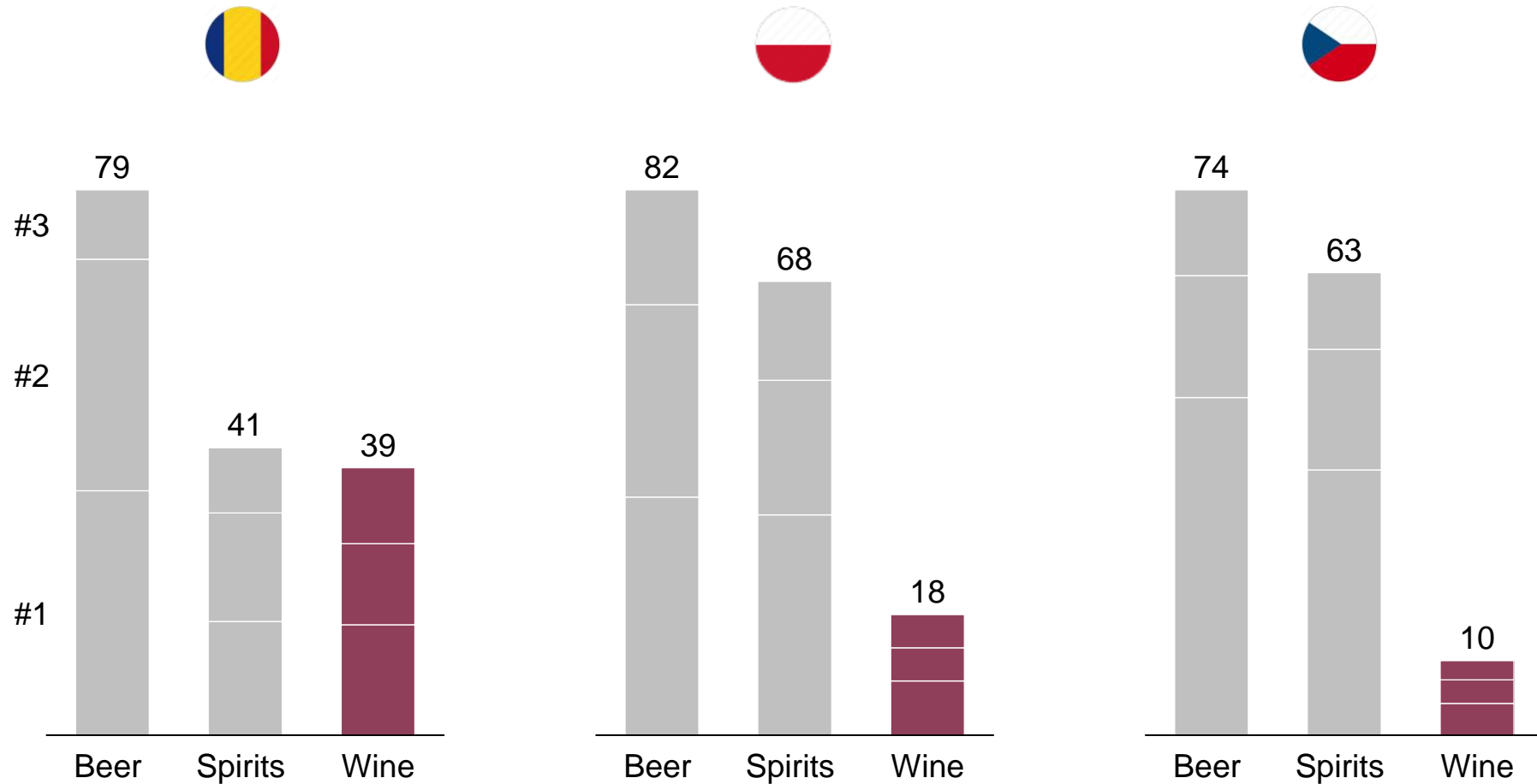
# 1 Wine markets evolve, as wine moves from novelty to masses





# 1 Vision: be the consolidator of a fragmented market

Volume share top-3 players by country, %



*Unlike beer or spirits, **wine market remains very fragmented**; players who have the scale and sophistication needed – are in a **great position to consolidate it***

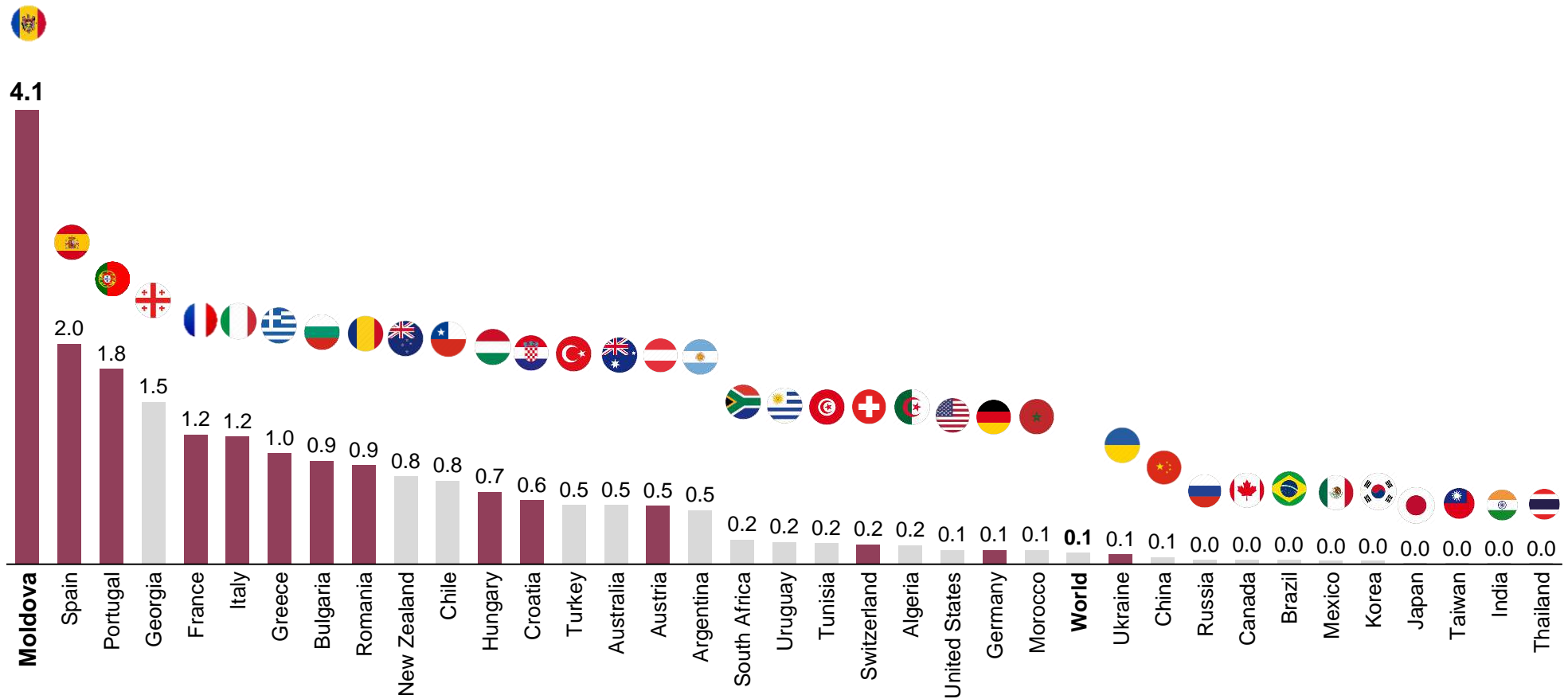
Source: Euromonitor 2016, market share for top-3 players in the still wine category; \*excludes Murfatlar, in insolvency

# 1 Moldova has the largest vineyard area per capita globally

## Per Capita vineyard area worldwide, 2018

Hectares per capita

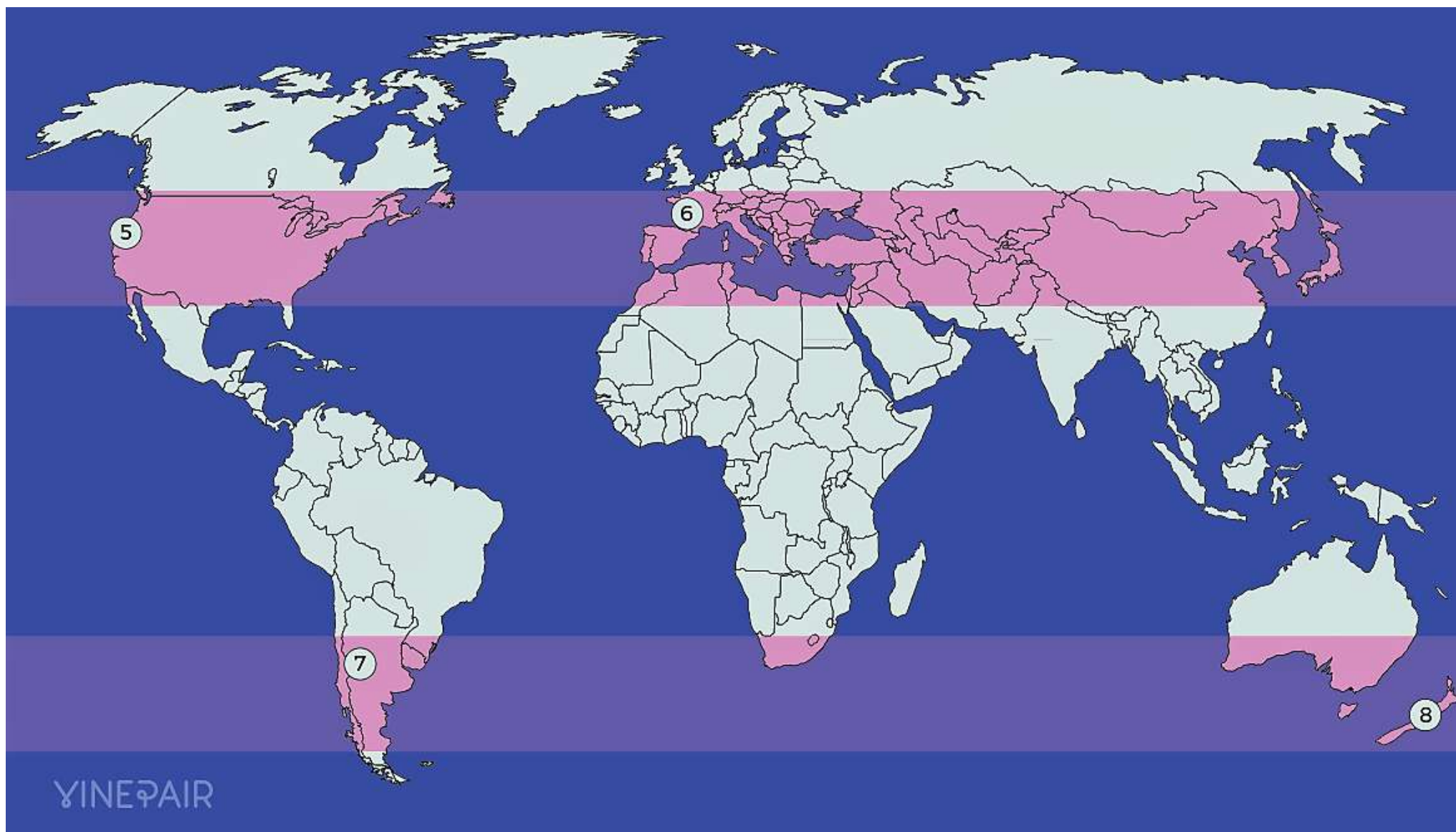
■ Europe ■ Rest of the World



*In Moldova, the Group benefits from a very **competitive exports platform** to all of CEE*

Source: Anderson, K. and V. Pinilla (2020) Annual Database of Global Wine Markets , 1835 to 2018

# 1 Global wine belt does leave ample space for pushing New Frontier ahead

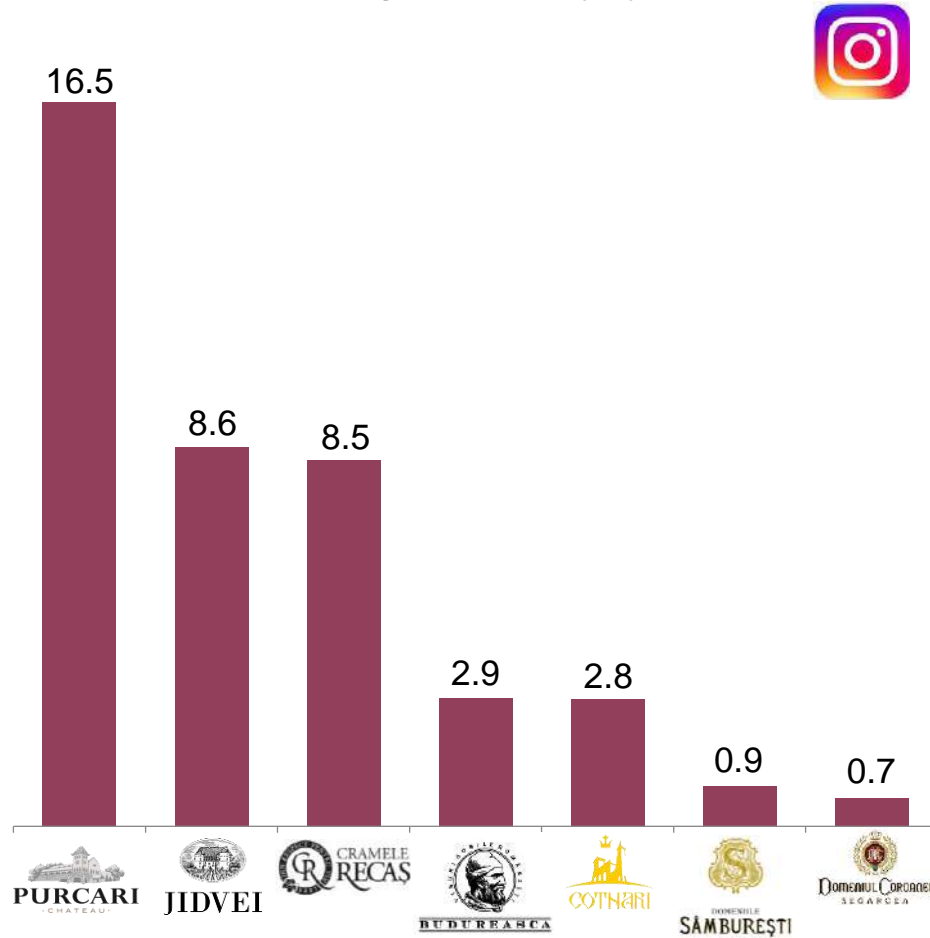


(5) Napa (US); (6) Bordeaux (FR); (7) Mendoza (AR); Marlborough (NZ).  
Source: Vinepair – The World's Coffee & Wine Belts

# 1 Topping competition at engagement and quality

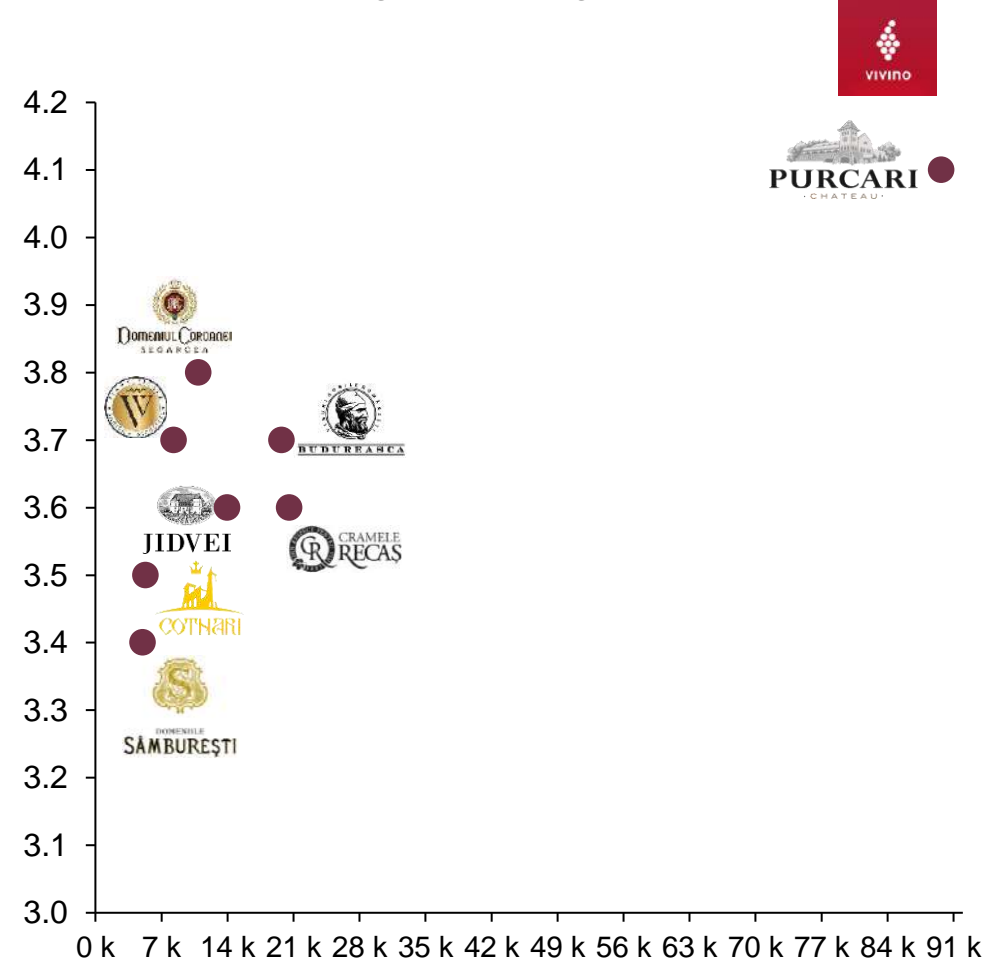
## Aspirational brand which consumers like sharing about

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 November 2023



# 1 Vivino feedback remains very strong, essential for online sales

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



- 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.

*Note: as per Vivino breakdown as of November 2023*

# 1 Growth in Vivino usage, key for consumer engagement, ecommerce



**4.16**

Average score out of 5.0 in Q3 2023

**12,347**

Rara Neagră 1827, most ratings among Purcari wines

**Top 1%**

Global ranking based on avg. score received

**8,501**

Vivino scans in Q3 2023

**71%**

Scoring conversion rate out of total scans

**97**

# of countries where Purcari has been scanned

1 About Purcari Wineries Group

2 **3Q 2023 Operational Results**

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## Maluri de Prut

A rich wine with a strong, yet tender character, that combines the best from both sides of the Prut river.

65% Fetească Neagră  
35% Rară Neagră

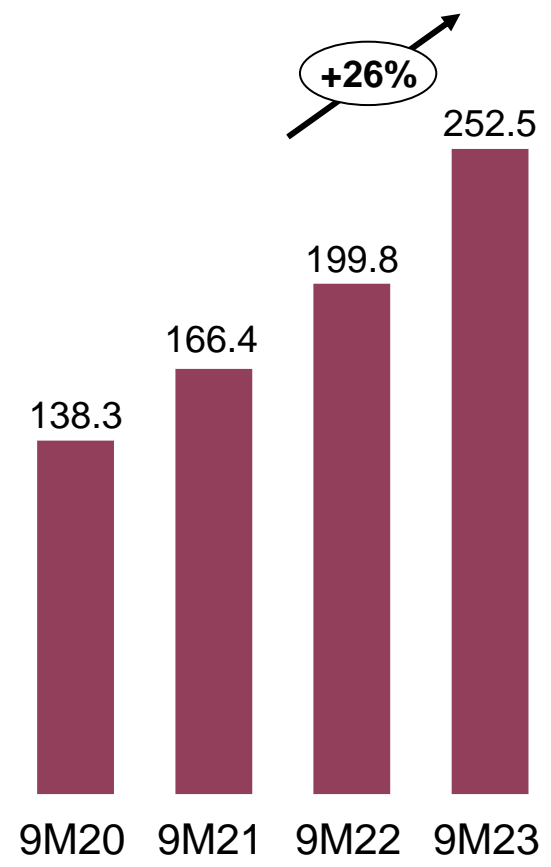
Matured for 6 months  
in french Barrique  
Seguin Moreau.



## 2 Continue delivering double digit growth and strong margins

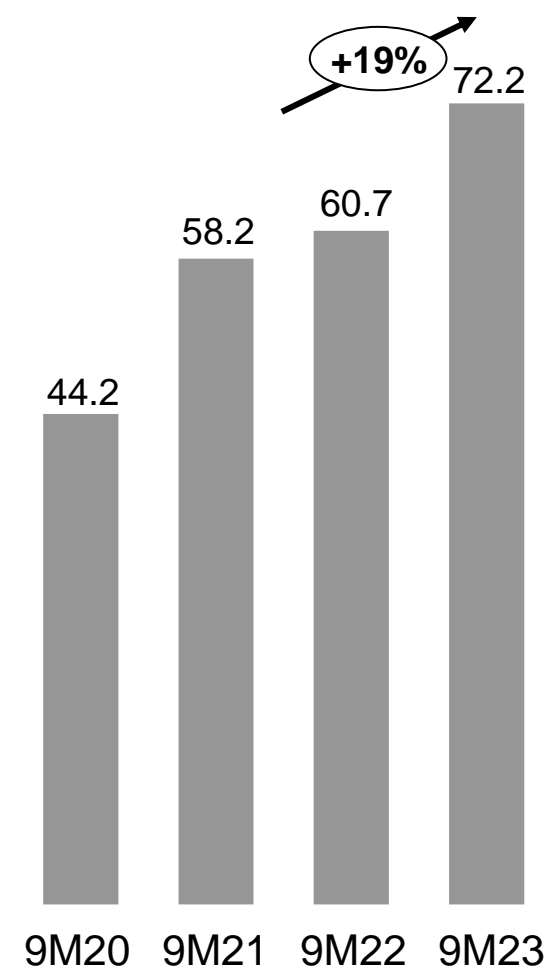
### Revenues

RON m



### EBITDA

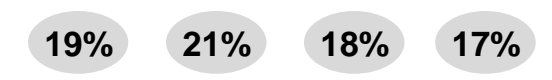
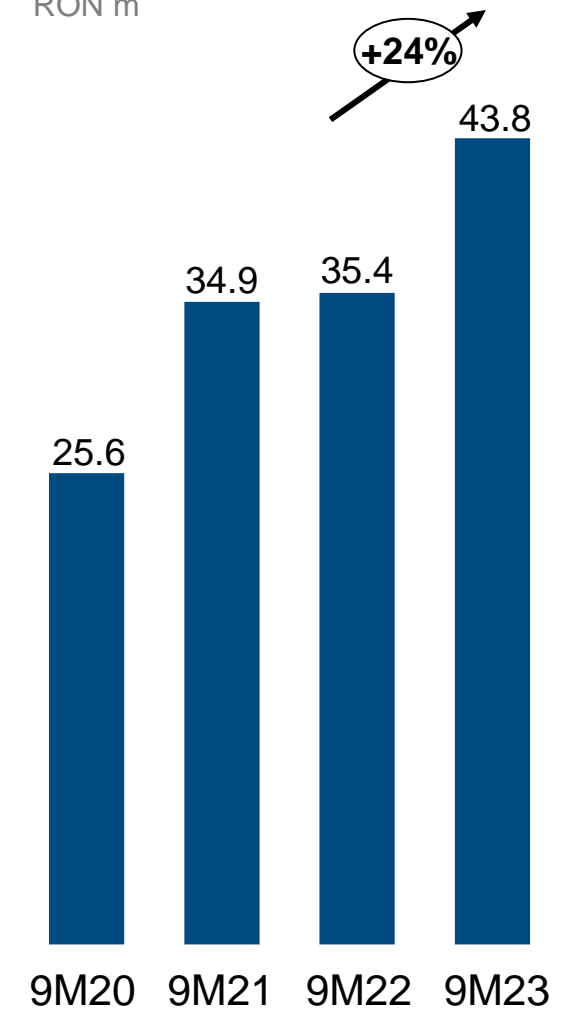
RON m



*EBITDA margin*

### Net Income

RON m



*Net Income margin*



## 2 Key operational highlights for 3Q 2023

### Ongoing revenue growth

- Revenues up 26% to RON 252.2m on higher volumes, better mix, and selective price increases; exceeding guidance. Core Wine revenues +23% YoY, Ecosmart contributing additionally with RON 22.4m.
- Purcari and Crama Ceptura performing strong, with Purcari leading the growth by 31% YoY.
- Sales of newly added Angel's Estate incorporated in the 9M accounts, representing 3% of total sales.
- Solid consumption in Romania, growing +37% in 9M'23 YoY.
- Ongoing soft demand in China, reflecting broader market weakness.

### Sustaining strong margins, despite challenging environment

- EBITDA at RON 72.2m and Net Profit at RON 43.8m, delivering a 19% and 24% growth in 9M YoY.
- EBITDA margin at 29% and Net Profit margin at 17%, above guidance.
- Expected further easing of COGS pressure in 4Q23, on lower packaging costs and decreased share of expensive 2020-2021 bulk wine in total volumes.
- Pressure on margins due to higher financing costs, higher depreciation from Capex executed in prior periods.

### Active IR agenda

- #4 best performing among companies in BET index, with +56% increase YTD<sup>1</sup>.
- High liquidity of WINE share relative to market cap; maintained in FTSE Global Micro Cap Index and included in MSCI Romania Small Cap index as of August 2023 review.
- Paid dividend of 0.55 RON/share, with a 6% yield on announcement date. Ex-date on July 28<sup>th</sup>, 2023.
- Next events: Virtual SEE DAY, by Raiffeisen Bank International, on November 21; WOOD's Winter Wonderland EMEA Conference, Prague, on December 7-8.

### Developments at the latest added businesses

- Ongoing improvements for Ecosmart, contributing at Group level with RON 22.4 m in revenue, RON 2.2m in EBITDA and RON 0.9m in Net profit, still having plenty room for profitability improvements.
- Angel's Estate contributing with 3% to total Group sales, still negative net income though. Successfully implemented the first phase of the turning around plan: doubled the harvest yields, restructuring brand portfolio, re-negotiating commercial terms, introduced new Purcari SKUs to the Bulgarian market.

1) Source BVB, as of 14 November 2023

## 2 PL: Strong performance, despite macroeconomic volatility

RON m	Purcari Group			Purcari Group		
	3Q23	3Q22	Δ 3Q	9M'23	9M'22	Δ 9M
Revenue	91.1	75.9	20%	252.5	199.8	26%
Cost of Sales	(54.2)	(44.0)	23%	(148.7)	(109.2)	36%
Gross Profit	36.9	31.9	16%	103.8	90.6	15%
<i>Gross Profit margin</i>	40%	42%	(2 pp)	41%	45%	(4 pp)
SG&A:	(19.3)	(14.3)	35%	(56.0)	(41.7)	34%
<i>Marketing and selling</i>	(10.0)	(7.3)	37%	(29.2)	(20.0)	46%
<i>General and Administrative</i>	(9.3)	(7.0)	34%	(26.8)	(21.7)	24%
Other income/ (expenses):	4.0	0.3	nm	4.8	(1.2)	nm
EBITDA	27.7	22.1	25%	72.2	60.7	19%
<i>EBITDA margin</i>	30%	29%	1 pp	29%	30%	(2 pp)
Net Profit	18.2	14.5	26%	43.8	35.4	24%
<i>Net Profit margin</i>	20%	19%	1 pp	17%	18%	-

### Comments

- Gross margin at 41%, on higher packaging prices YoY and still meaningful share of expensive bulk from 2020-2021 vintages. Gross margin for 3Q23 improved by 1.6pp vs. 2Q23 and the trend expected to continue on lower packaging costs and lower share of expensive bulk passing through the P&L.
- Marketing and selling expenses at 12% of revenue; +46% in 9M YoY, as 2022 marketing and selling activities were disproportionately shifted to Q4, due to uncertainties of the war in Ukraine. Active marketing agenda to support ambitious sales plan.
- Maintained G&A expenses at 11% of revenue. G&A +24% 9M YoY on expenses related to newly incorporated entities, i.e. additional Amortization of Intangible Assets related to the valuation of Angel's Estate and Ecosmart, depreciation from new CAPEX, salary cost increases, including new FTEs, travelling expenses and higher local taxes.
- 9M'23 EBITDA up by 19% to RON 72.2 million with a 29% margin, above the guidance. 3Q EBITDA margin at 30%, highest among other quarters in 2023.
- Net profit at RON 43.8 million, +24% above last year's results, with 17% margin – exceeding the top end of the guidance.

## 2 Segment reporting: positive contribution from Ecosmart

RON m	Purcari Group			Ecosmart			WINE Business		
	9M'23	9M'22	Δ 9M	9M'23	9M'22	Δ 9M	9M'23	9M'22	Δ 9M
Revenue	252.5	199.8	26%	22.4	13.1	71%	230.1	186.6	23%
Cost of Sales	(148.7)	(109.2)	36%	(18.6)	(9.8)	89%	(130.1)	(99.4)	31%
Gross Profit	103.8	90.6	15%	3.9	3.3	18%	100.0	87.3	15%
<i>Gross Profit margin</i>	41%	45%	(4 pp)	17%	25%	(8 pp)	43%	47%	(3 pp)
SG&A:	(56.0)	(41.7)	34%	(2.7)	(2.4)	16%	(53.2)	(39.3)	35%
<i>Marketing and selling</i>	(29.2)	(20.0)	46%	0.0	0.0	26%	(29.2)	(20.0)	46%
<i>General and Administrative</i>	(26.8)	(21.7)	24%	(2.7)	(2.4)	16%	(24.0)	(19.3)	24%
Other income/ (expenses):	4.8	(1.2)	nm	0.0	(2.8)	nm	4.8	1.6	nm
EBITDA	72.2	60.7	19%	2.2	(1.5)	nm	70.0	62.2	12%
<i>EBITDA margin</i>	29%	30%	(2 pp)	10%	-11%	21 pp	30%	33%	(3 pp)
Net Profit	43.8	35.4	24%	0.9	(2.3)	nm	42.8	37.7	14%
<i>Net Profit margin</i>	17%	18%	-	4%	-18%	22 pp	19%	20%	(2 pp)

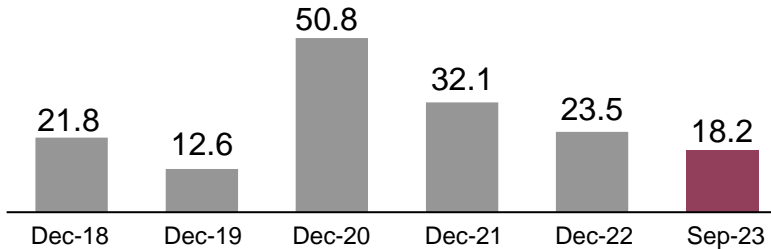
- Overall strong performance of core WINE business, while incorporating negative effects from turnaround of newly added Angel's Estate.
- Ongoing improvements for the Waste Recycling segment with 3Q'23 contribution of RON 9.3m in revenue, RON 2m in EBITDA and RON 0.8m in Net profit.
- Ecosmart's 9M'23 EBITDA and Net profit margins at 10% and 4% respectively, still behind Core business profitability levels.
- Margins still modest, having plenty room for growth.

## 2 Strong balance sheet, providing a solid footing for current macro environment

### Cash and Receivables

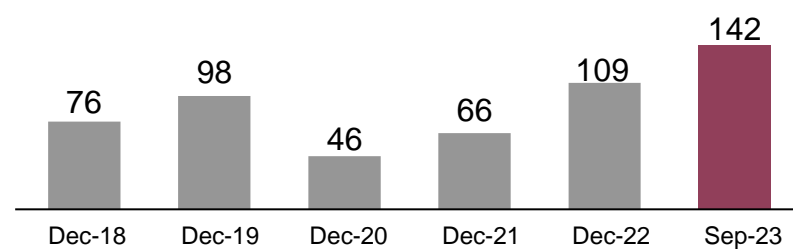
#### Cash Position

RON m



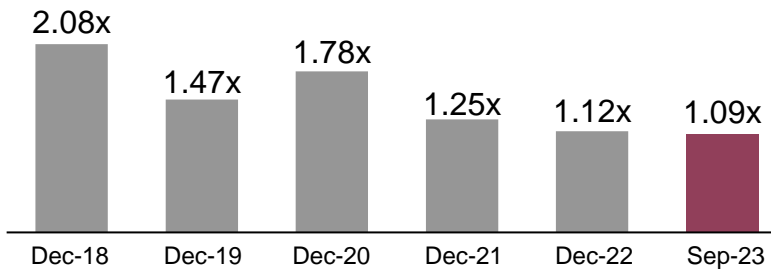
#### Net Debt

RON m

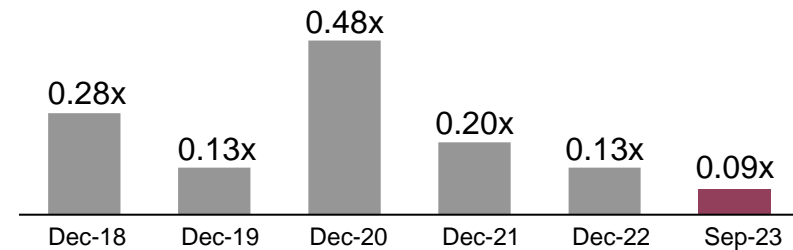


### Liquidity

#### Current Ratio

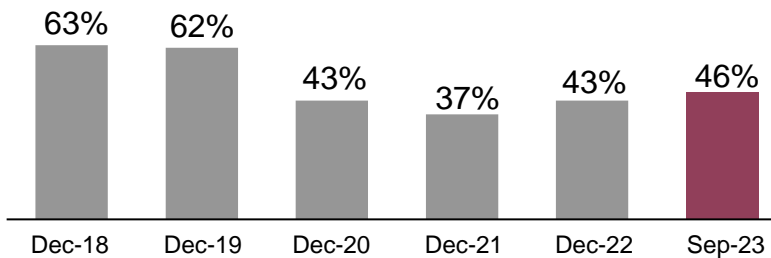


#### Cash Ratio

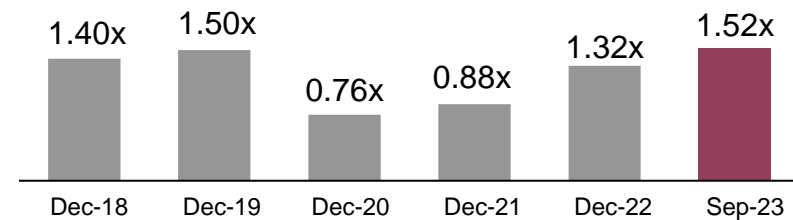


### Solvency

#### Debt-to-Equity










#### Net Debt-to-LTM EBITDA<sup>1</sup>







1) Excluding RON 28 million one-off gain from bargain purchase of Angel's Estate from the LTM EBITDA in Dec'22 and Sep'23



## 2 Ongoing growth, driven by excellent performance in Romania

Market	Share of sales 9M23	Δ 9M23 YoY	Comments
RO 	59%	+37%	<ul style="list-style-type: none"> <li>▪ <b>RO:</b> Strong growth for all brands, with Purcari being an outstanding performer. Nocturne series continues its tremendous success in a good HoReCa environment, strong dynamics for Cuvee and limited-edition collections. Our national Crama Ceptura brand maintains rapid growth +31% in 3Q23 YoY. Bardar maintains strong momentum. Domeniile Cuza accelerating by 3x YoY, albeit from a smaller base.</li> </ul>
MD 	18%	+3%	<ul style="list-style-type: none"> <li>▪ <b>MD:</b> Purcari showing resilience and continues growth. Lower sales for Bostavan and Bardar on a moderate consumer confidence, changes in Duty Free channel, as tax facilities being cancelled. Prioritizing margin over volumes.</li> </ul>
PL 	6%	-6%	<ul style="list-style-type: none"> <li>▪ <b>PL:</b> Pressures in the mainstream wines market continues, including entire Moldovan wine segment. Double digit growth for Purcari whilst expanding in HoReCa and building presence in the premium segment. Prioritizing margins over volumes with Bostavan.</li> </ul>
ASIA 	2%	-53%	<ul style="list-style-type: none"> <li>▪ <b>ASIA:</b> First signs of economic recovery in China in Q3, still not reflected in the economic trade. Overall weak Chinese wine market. Continuing active marketing and promoting activity with our local team. Investing in building brand awareness and local presence.</li> </ul>
CZ SK 	2%	1%	<ul style="list-style-type: none"> <li>▪ <b>CZ&amp;SK:</b> Good performance in Tesco channel with Bostavan brands. Overall weak wine market, as consumers adopt a savings-oriented behavior. Prioritizing margins over volumes with Bostavan. Betting on premiumization, with Purcari showing double-digit growth at 9M YoY, albeit from a smaller base.</li> </ul>
UA 	2%	+99%	<ul style="list-style-type: none"> <li>▪ <b>UA:</b> Strong 9M23 for both Purcari and Bostavan brands, marginally behind pre-war 9M21 figures. Maintaining the local team and increased distribution in IKA channels. Continue expanding Bardar's sales geography in partnership with Coca-Cola Beverages Ukraine.</li> </ul>
RoW 	11%	+43%	

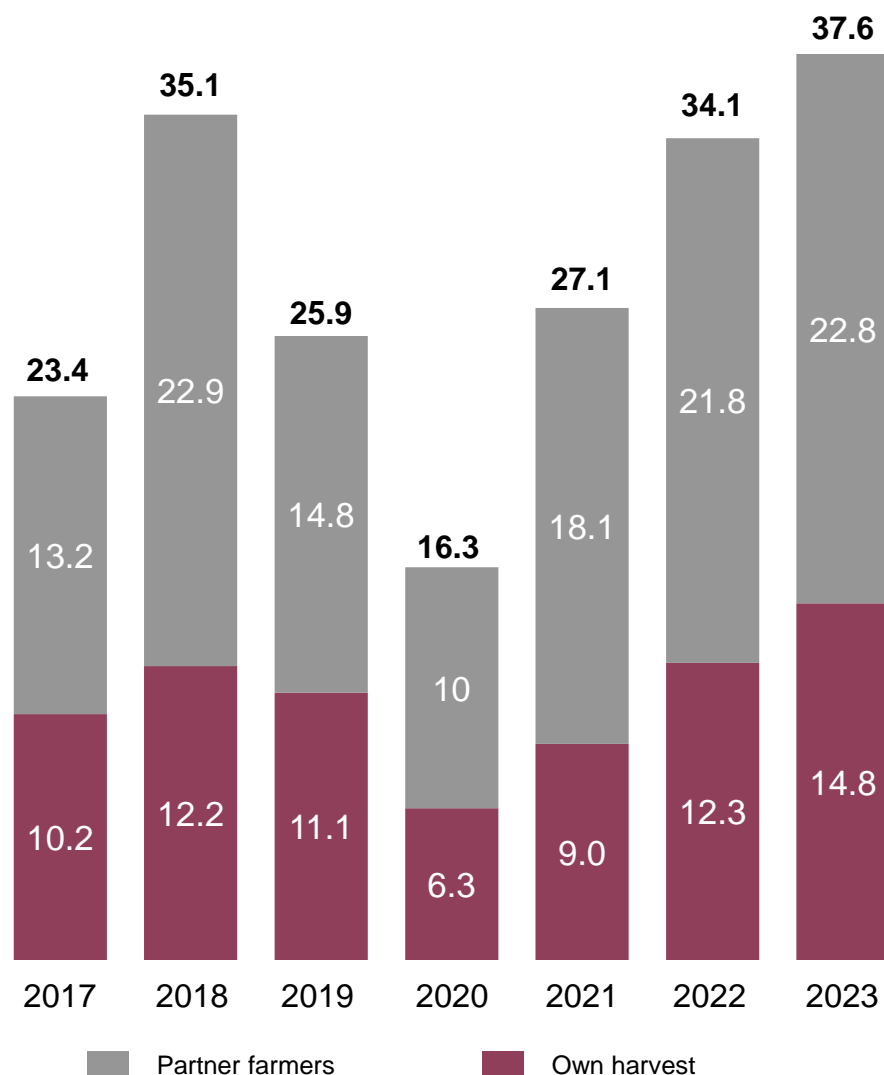
## 2 Premium wine segments proving resilient

Brand	Share of sales, 9M23	Δ 9M23 YoY	Comments
 <p>PURCARI CHATEAU 1827 SINCE</p>	55%	+31%	<ul style="list-style-type: none"> <li>▪ <b>PURCARI:</b> Significant volume growth combined with price increases. Consumer demand proved resilient and premiumization strategy continues to deliver excellent results. Romania leads the growth, with strong performance across all channels.</li> </ul>
BOSTAVAN	17%	-5%	<ul style="list-style-type: none"> <li>▪ <b>BOSTAVAN:</b> Challenging conditions to the mainstream brands as consumer demand is cooling down. Prioritizing margin over volumes. Good performance in Czechia &amp; Slovakia, Romania and Ukraine.</li> </ul>
 <p>CRAMA CEPTURA</p>	15%	+23%	<ul style="list-style-type: none"> <li>▪ <b>CRAMA CEPTURA:</b> Continuing strong growth, reaching 89% of total 2022 sales in 9M23. Focusing on portfolio development and premiumization.</li> </ul>
 <p>FONDAT 1929 DIVIN BARDAR</p>	10%	-3%	<ul style="list-style-type: none"> <li>▪ <b>BARDAR:</b> Moldovan consumer behavior is cooling down on high local competition, increase in excise duties in force from January 1st for brandy products. Changes in Duty Free channel as tax facilities are being cancelled. One gas station network suspended its operations, reducing points of sales in the fragmented trade channel. Double-digit growth in Romania, the second market by size, expanding through channels.</li> </ul>
 <p>ANGEL'S ESTATE SA</p>	3%	n/a	<ul style="list-style-type: none"> <li>▪ <b>Angel's Estate:</b> Sales contributed with 3% to the total Group's sales. Concentrating on restructuring the inherited portfolio, with a focus on high marginal segments. Introducing new Purcari SKUs to the market and expanding into new channels. Integration of Operational and commercial activity in process. Enforcing local Marketing and Commercial team.</li> </ul>

## 2 Strong 2023 results, amid low harvest worldwide

### Good 2023 harvest<sup>1</sup>

Own harvest and 3<sup>rd</sup> party purchases of grapes, million kg



### Comments

- Strong own harvest in unfavorable weather conditions of moderate rains and heat waves just before harvesting.
- Fulfilling required stocks from 3<sup>rd</sup> party purchases; favorable price environment to positively influence future margins.
- Irrigation system functional at Purcari Winery vineyards as of July 1<sup>st</sup>, 2022, proved its efficiency. Delivering high quality grapes and volumes amid difficult weather conditions. Irrigation system roll out at Cuza Vineyards (Bostavan) planned for 2024.
- World wine production<sup>2</sup> volume expected to be the smallest in the last 60 years. Sharp decrease in 2023 vs. weak 2022 harvest in Spain -14%, Italy -12%, Greece -45%. Romania and Bulgaria leading the growth by 15% and +7%.
- Smaller global harvest, may create a better pricing environment for producers like Purcari.

Source: (1) Preliminary data as of 11.11.2023 (2) International Wine Organization

## 2 Implementing irrigation systems to secure yield and quality

- Pioneering in irrigation of technical grapes vineyards in Moldova.
- Deployed an irrigation system for 300ha of vineyards at Chateau Purcari.
- Opted for an intelligent, fully automated sub-surface drip irrigation system.
- Two storage pools of 11,000 m<sup>3</sup> and 24,000 m<sup>3</sup> suffice for an additional 200ha extension.
- Investments of EUR 0.9m in irrigation system in the vineyards and EUR 0.8m in the 6 km water supply infrastructure from water source.
- Securing stable yields in the long-run and extending the life of the vine plants to over 50 years.
- Estimated investment break-even: 3-4 years, as irrigation secures an additional 3-5 average tones of grapes per ha per year.
- Next steps: deploy the irrigation system for additional 600ha in Alexandru Ioan Cuza village.





## 2 Continuing investing in both: growth and sustainability

### Solar panels and dedicated warehouse

- Existing 200 kW Solar System, installed on the roof of Purcari Winery, extended with additional 300 kW; current total capacity of 500 KW, supplying 40% of the winery's electricity consumption.
- Photovoltaic Systems with a capacity of 200 kW, installed on the premises of both Bostavan and Bardar Wineries. Both ensure the production of ~230,000 kWh annually per winery (15% of each winery's annual consumption).
- Aiming to reach up to 80% coverage of energy demand from photovoltaic power stations in coming years.
- New warehouse built at Crama Ceptura winery with one million bottles storage capacity.
- Supports regional growth and streamlines the logistics.
- Purcari group is still only player #3-4 in the market, with circa 11% market share, so ample room for growth, hence focus on long term expansion.





## 2 Outstanding results at most reputable wine competitions

### Best Producer from Moldova 2023

As well as 24 distinctions granted by Mundus Vini Spring Tasting



### Gold at Concours Mondial de Bruxelles - Rosé Selection

The only Rosé from MD awarded with Gold



### 10 Gold Medals Collected

Berliner Wein Trophy 2023



### 17 Gold Medals Collected Challenge International du Vin 2023



### Best Wine from Moldova in the Competition

And 7 Gold Medals from Concours International de Lyon



### The most successful winery from CEE at Decanter World Wine Awards 2023

3 Gold Medals for Château Purcari





## 2 Active marketing agenda, exploring worldwide opportunities

### **Japan's Food Export Fair 2023**

*Visited by a great number of wine enthusiasts and esteemed guests*



### **Crama Ceptura at Chefi la Cutite**

*Product placement within the prime time of the cooking show, TV, online, SoMe etc.*



### **Academia Purcari - Podcast Partnership with Fain si Simplu**

*Product placement by Mihai Morar, influencer and journalist*



### **Purcari Wine Tasting - Lithuania**

*A wine tasting event held at the Hotel & Restaurant Vila Komoda and Zelve Village & Spa*



### **Black Doktor Culinary Workshop**

*Workshop organized in Poland for clients from traditional trade*



### **Purcari at Brazil Wine Day**

*Purcari Representatives participated at the Brazil Wine Day. Wine highly valued by countless visitors.*





## 2 Continue supporting, engaging, inspiring

### **Donation through Purcari Foundation**

More than 400 tablets sent to Ukrainian children from 9 regions within Kherson - donation made through the Freedom Blend Campaign



### **Nocturne Night Run at Château Purcari**

Relaunch of the first nocturne running competition in Moldova



### **2nd European Political Community Summit**

Purcari received an honorary diploma for its involvement in the organization of the Summit



### **The Kolon Golf World Championship**

One of the main sponsors during the Kolon Golf Championship in Korea



### **Highly appreciated at Seoul International Wines & Spirits Expo 2023**

On the first day, the exposition being visited solely by dignitaries



### **Domeniile Cuza image campaign – TVC, online**

Awareness campaign with brand ambassador Horia Brenciu

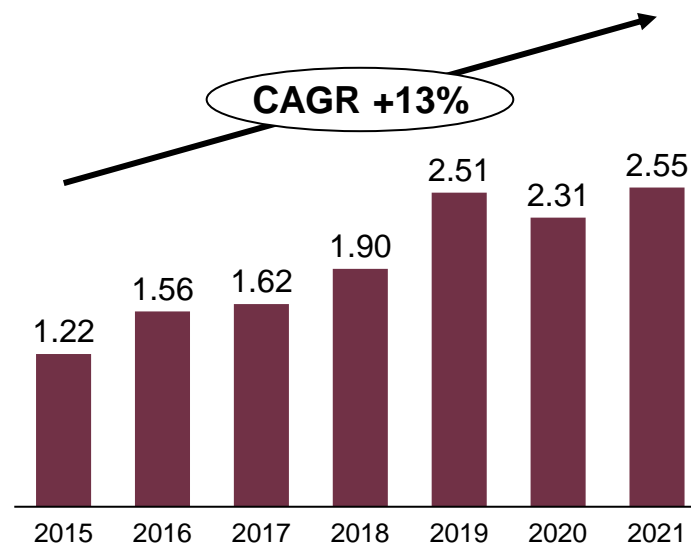


## 2 Acquisition of Angel's Estate in Bulgaria

### Key info on Angel's Estate

- 26/09/2022 – Signed SPA for 76% stake in Angel's Estate.
- Full cycle winery.
- Located near Stara Zagora, Thracian Lowlands Wine region.
- 14,000 m<sup>2</sup> – production facilities in 2 levels, gravity-flow process.
- 1,275 tones annual grapes process capacity.
- 1-million-bottle capacity.
- 88 fermentation tanks.
- 2 wine cellars with a capacity of ~2,000 barriques.
- 100 ha of vineyards, 5,000 plants/ha.
- Brands: Angel, Stallion, Deneb, Cattleya.
- 13% CAGR 2015-2022 (20% CAGR 2015-2019 prior to Covid pandemic).
- Negative profitability: resulted in motivated sellers and facilitated ticket price negotiations.

### Revenues, EUR m



### Key Development Plans

- Quick wins on already-identified cost efficiency opportunities.
- Quick wins through synergies (Angel's Estate wines in Group's distribution network, and Purcari wine penetration into Bulgaria under "Crama Ceptura" model).
- Application of "Purcari" formula and know-how onto Angel's Estate wine production, sales and marketing.
- Ultimately: create a local and regional champion.



## 2 Becoming the undisputable Wine Champion in CEE

### Formula of becoming wine champion in CEE

- Growth components both organic and through M&A.
- Focus on fundamentals: top- and bottom-line line growth while delivering affordable luxury.
- Create local champions in the markets we operate.
- Aggressively expand in export markets with our existing portfolio of brands.
- Innovative product portfolio development and premiumization.
- Synergies in production, purchasing and commercial management.
- Become the leader of the so-called “New Frontier” wine world (versus the “Old” and “New” worlds).
- Ultimately become the undisputable wine champion in CEE.

### M&A focus map

#### Purcari footprint and M&A directions

- Existing      ■ Newly added      ■ Directions for M&A opportunities





1 About Purcari Wineries Group

2 3Q 2023 Operational Results

3 **Guidance**

4 Purcari Wineries Stock

5 ESG and Impact

## Vinohora Rară Neagră & Malbec

A perfect harmony between the Moldovan and Argentinian red varieties. A wine of unique character, with emotional accents of cherry and chocolate.

51% Rară Neagră  
49% Malbec

Matured for 6 months in french Barrique Seguin Moreau.



### 3 Guidance 2023: comfortably above as of 3Q milestone

Target	2023 guidance	9M 2023	Status	Comments
Revenue growth	+18-22%	+26%	>	<ul style="list-style-type: none"> <li>Growth in 9M above guidance, amid a challenging macro backdrop and geopolitical volatility.</li> <li>Affordable luxury positioning coping well also in current environment.</li> <li>Challenging conditions to lower-tier brands, price increases pushed through being the main factor of growth.</li> </ul>
Revenue growth, WINE <sup>1</sup>	+14-18%	+23%	>	
EBITDA margin	22-26%	29%	>	
Net Income margin	12-16%	17%	>	

(1) Core wine segment, except Ecosmart revenues

**Expect 2023F at top of announced guidance or slightly above it**

- 1 About Purcari Wineries Group
- 2 3Q 2023 Operational Results
- 3 Guidance
- 4 **Purcari Wineries Stock**
- 5 ESG and Impact

### Nocturne Rară Neagră

A noble wine, the true expression of the virtues of the Rară Neagră variety, made from grapes manually harvested in the cool of the night. An elegant wine of an intense and bright ruby color, distinguished by a pure aroma of red fruit and a touch of sweet spices.

100% Rară Neagră

Matured for 6 months in french Barrique Seguin Moreau.



## 4 Purcari's share

### Backed by Reputable shareholders

AMBOSELT UNIVERSAL  
INC.

 Horizon Capital

  
FIREBIRD MANAGEMENT LLC

 NORGES BANK

**Paval Holding**

~125 institutional  
investors

  
FIERACAPITAL

**CONSEQ**

**EAST CAPITAL**

**ERSTE**  
Asset Management

 **DWS**

22% / 78%  
Retail / Institutional

### Consensus forecasts

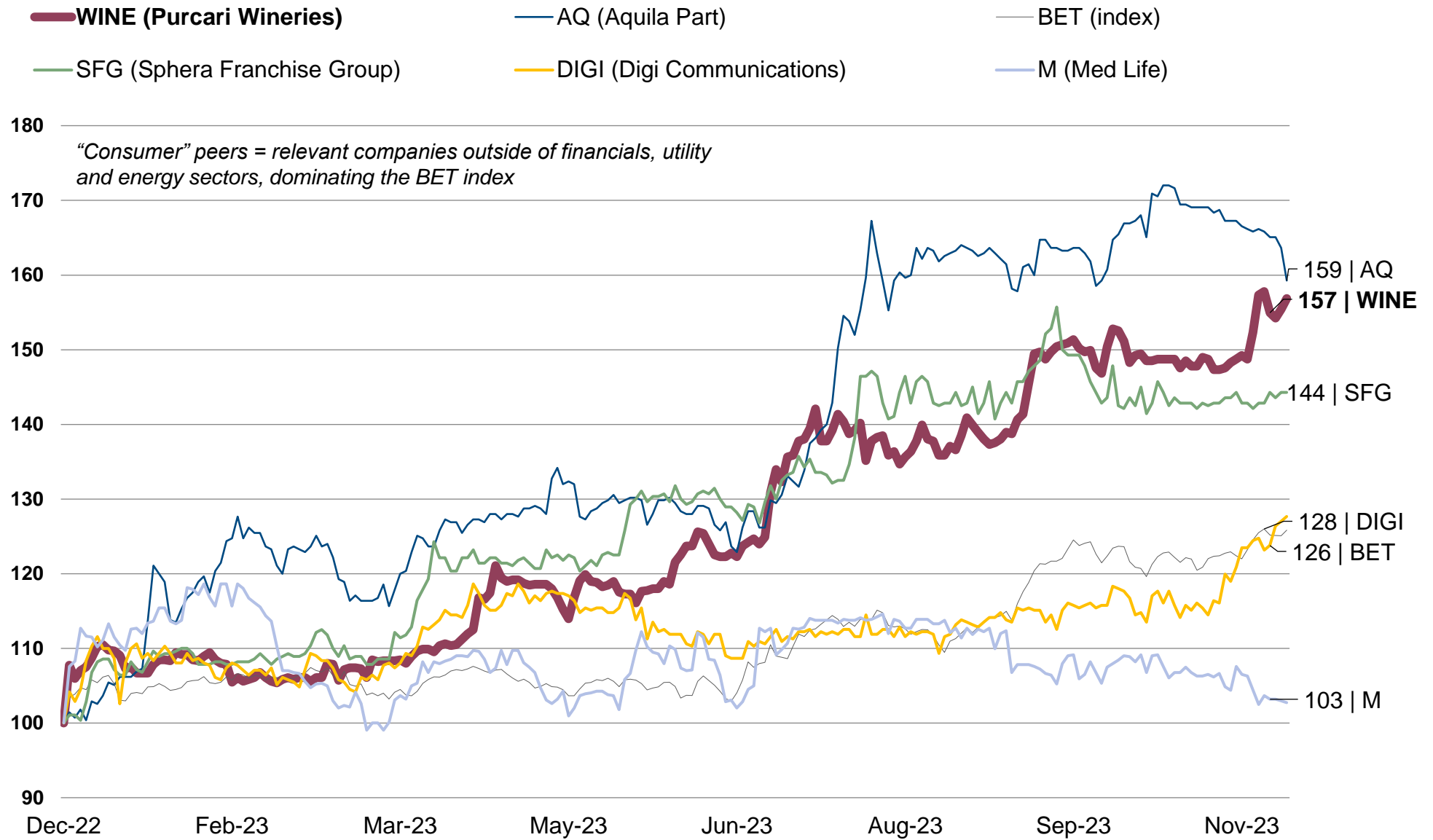
	Rating	Target Price	Date
Wood&Company	Buy	17.80	Oct-23
Raiffeisen	Buy	11.30	Aug-23
BT Capital <sup>2</sup>	Outperform	12.26	Aug-23
Ipopema	Buy	11.50	Aug-23
Goldring <sup>1</sup>	na	10.10	April-23

- #4 best performing among companies in BET index, with +56% increase YTD.
- Included in the MSCI Romania Small Cap Index as of August 2023 review.
- Maintained in FTSE Global Micro Cap Index as of August 2023 review.
- 16% of total issued shares traded in Jan-Nov'23.

(1) Initiation coverage report

(2) Currently under review

# 4 Stock performance, WINE stock +56% YTD (as of Nov-13), well ahead BET index

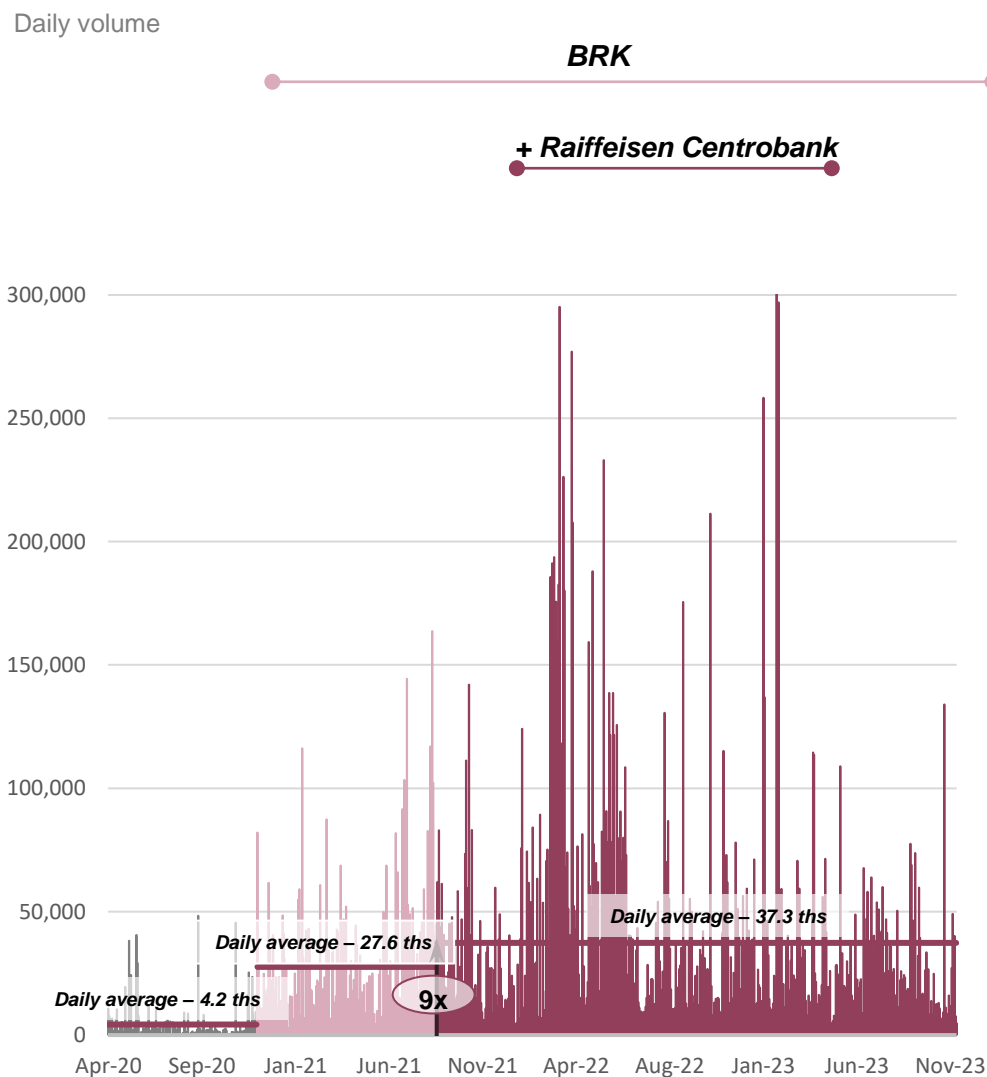


Source: Bucharest Stock Exchange



## 4 Purcari shares liquidity

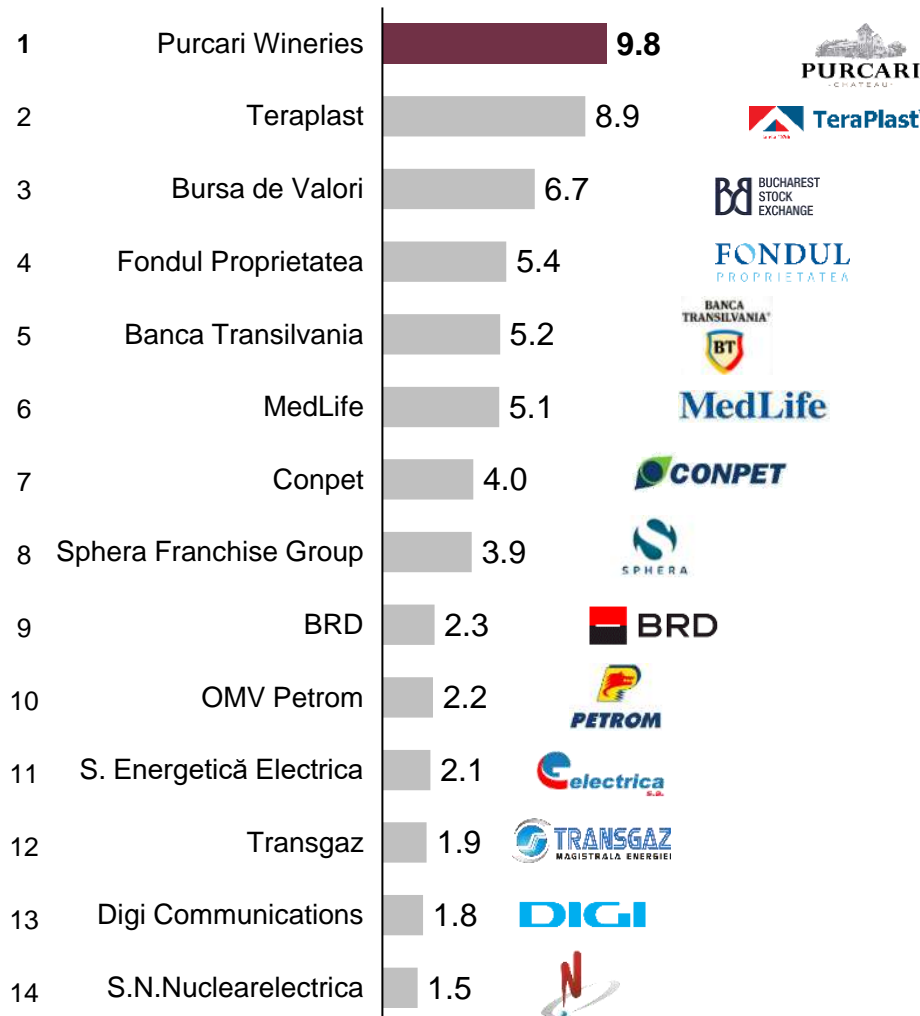
### Rapid rise of stock's liquidity after starting working with Market Makers for Purcari shares



Source: Bucharest Stock Exchange, Capital IQ

### Relative to Market Cap, our stock is top-ranked among BET components

Ratio of daily trade value to Market Capitalisation, 2021-2023 YTD average, bps

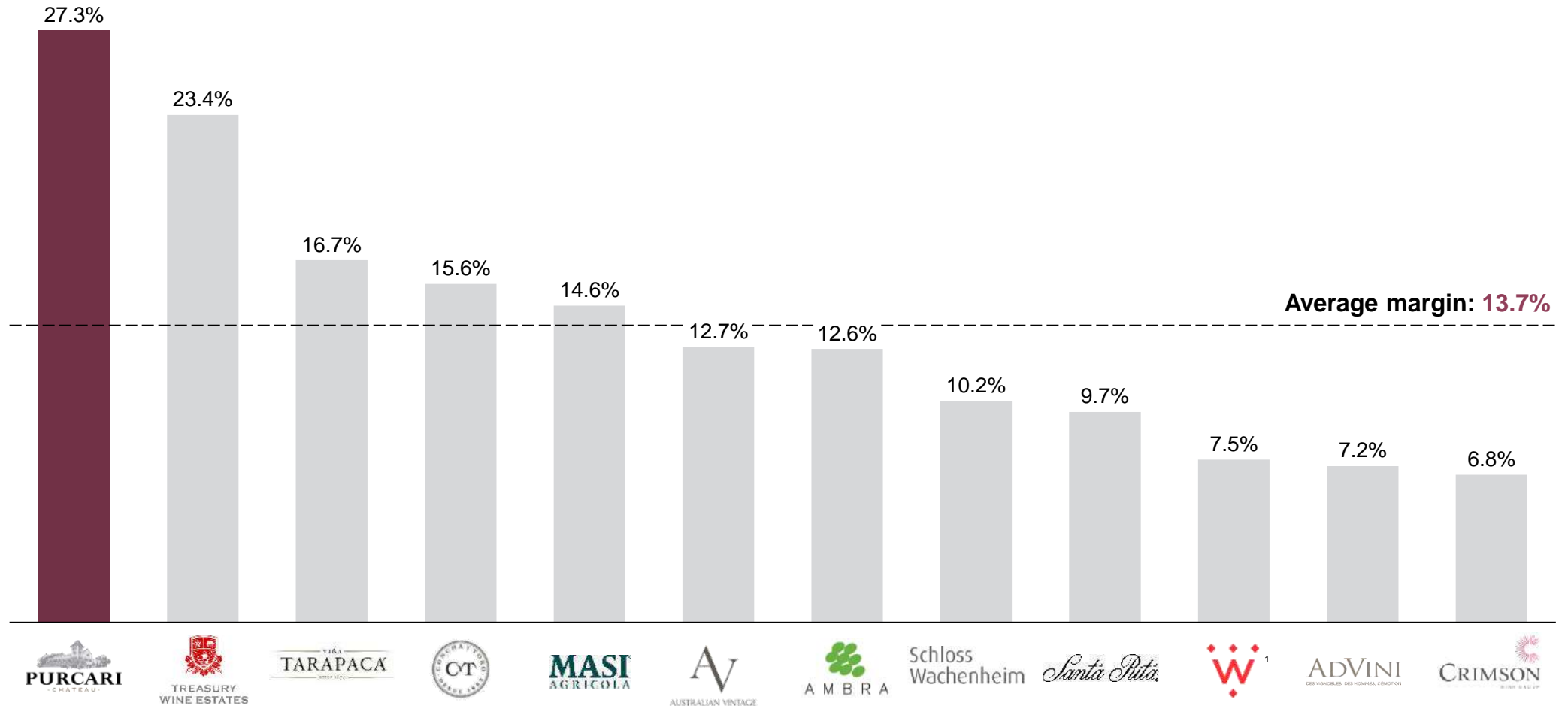


## 4 EBITDA profitability relative to WINE listed peers

### Purcari vs selected Wine public companies

EBITDA 2022 Margin, %

\* Adjusted for one-off gain Purcari FY2022 margin

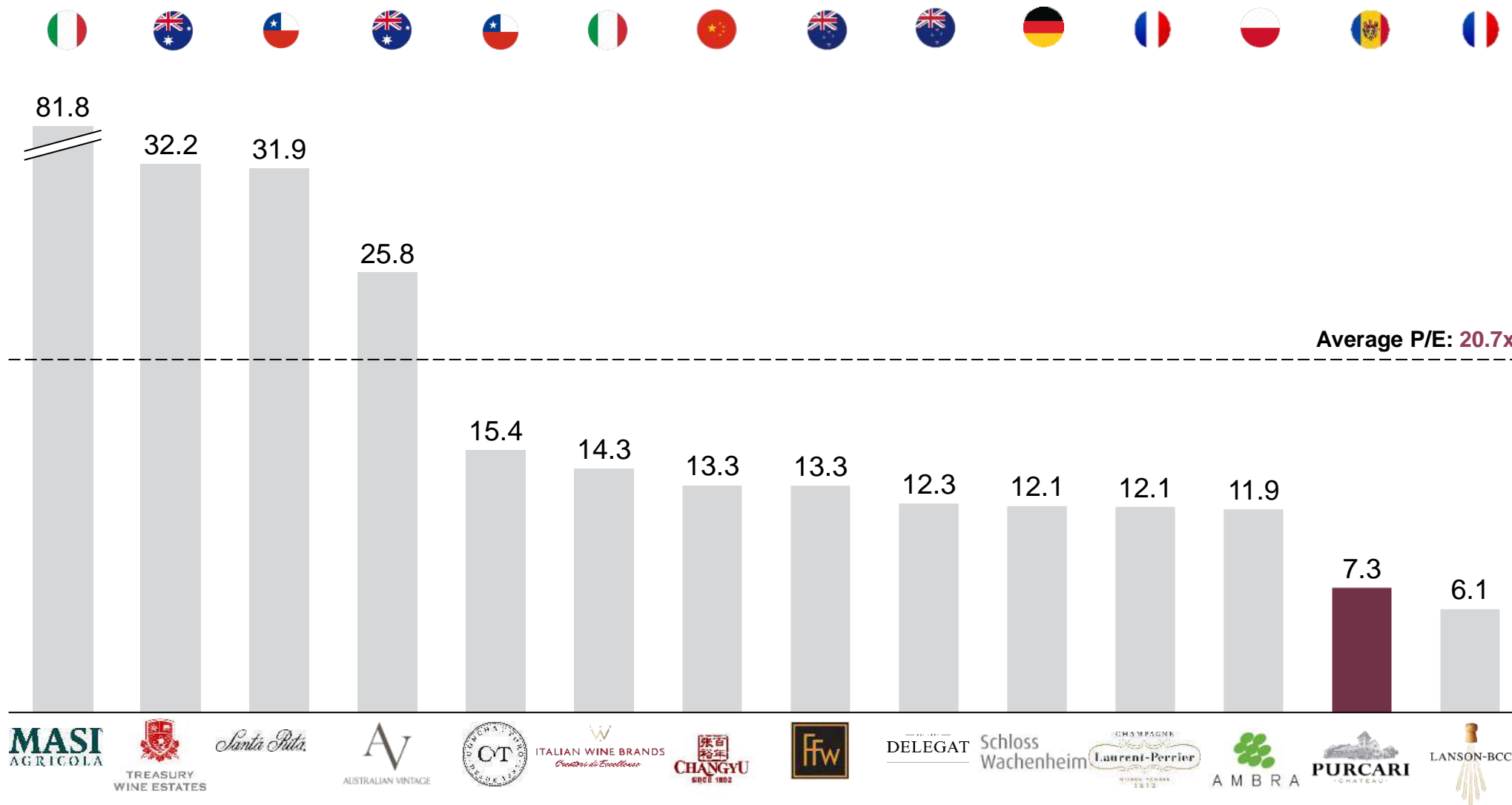


Source: Capital IQ, Company Data as per Capital IQ as of November 8th, 2023  
(1) Italian Wine Brands

## 4 Valuation relative to wine peers

### Purcari vs Selected wine public companies

P/E LTM Multiples



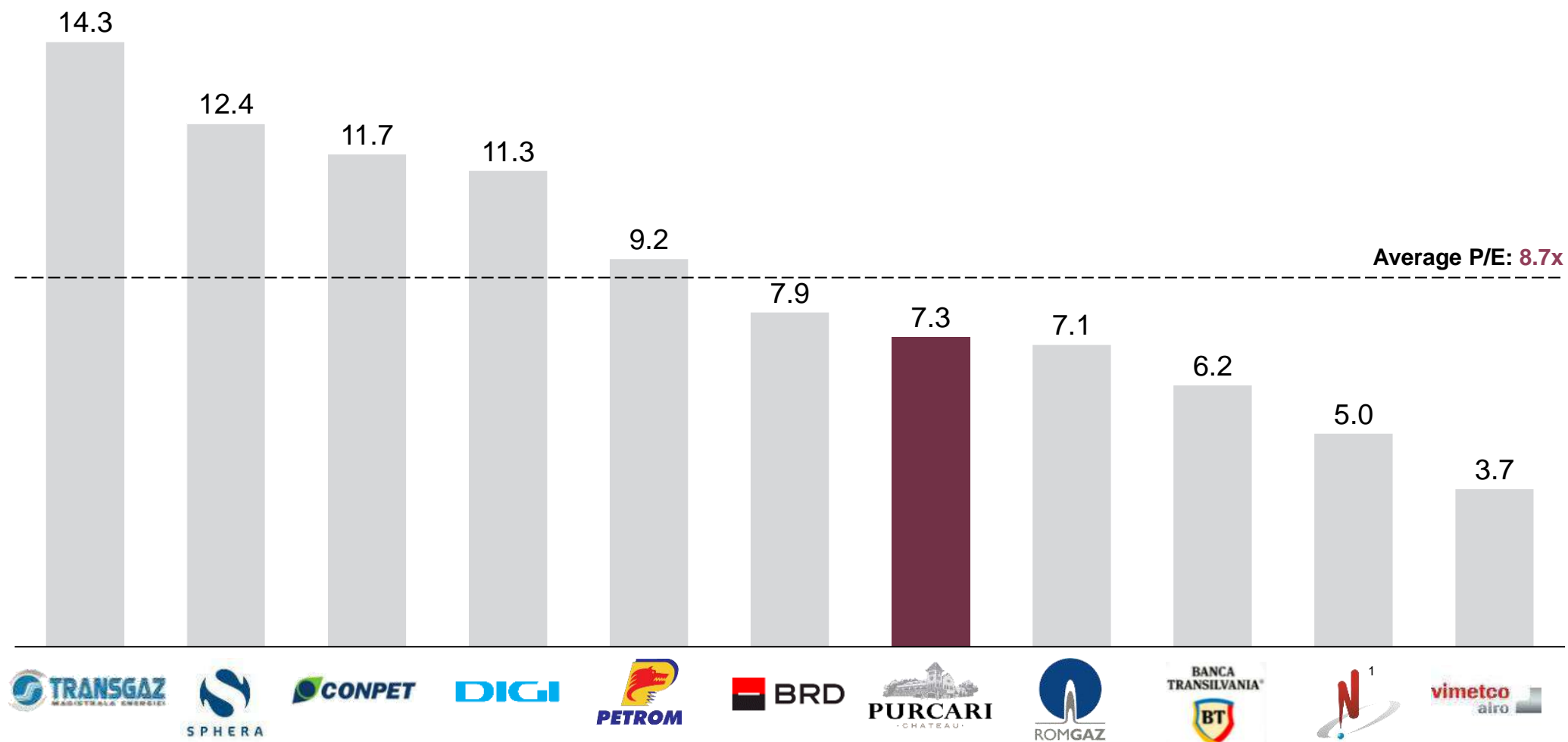
Source: Net Income and Market Cap as per Capital IQ as of November 9th, 2023

Note: Diluted EPS excluding extra items used for P/E multiple

## 4 Valuation relative to Romanian listed peers

### Purcari vs selected Romanian public companies

P/E LTM Multiples

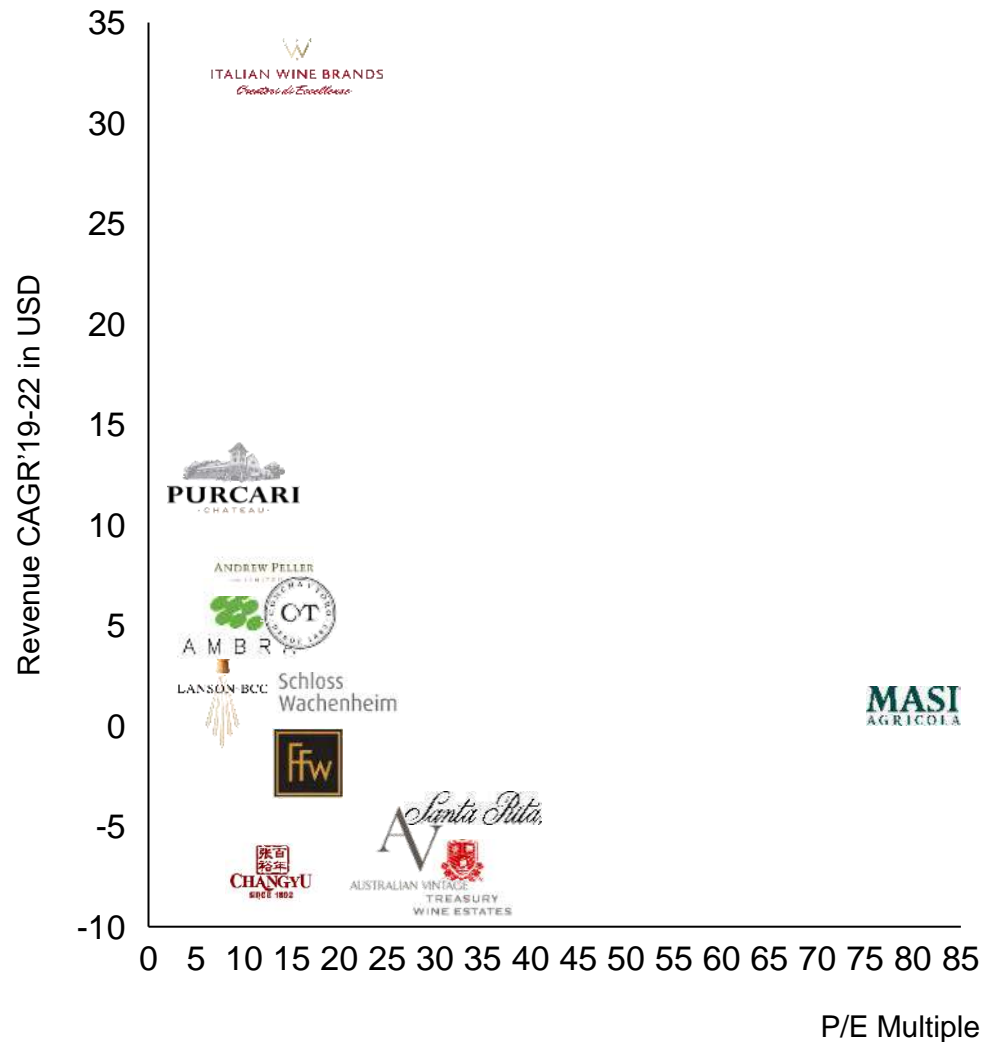


Source: Capital IQ, Company Data as per Capital IQ as of November 9th, 2023

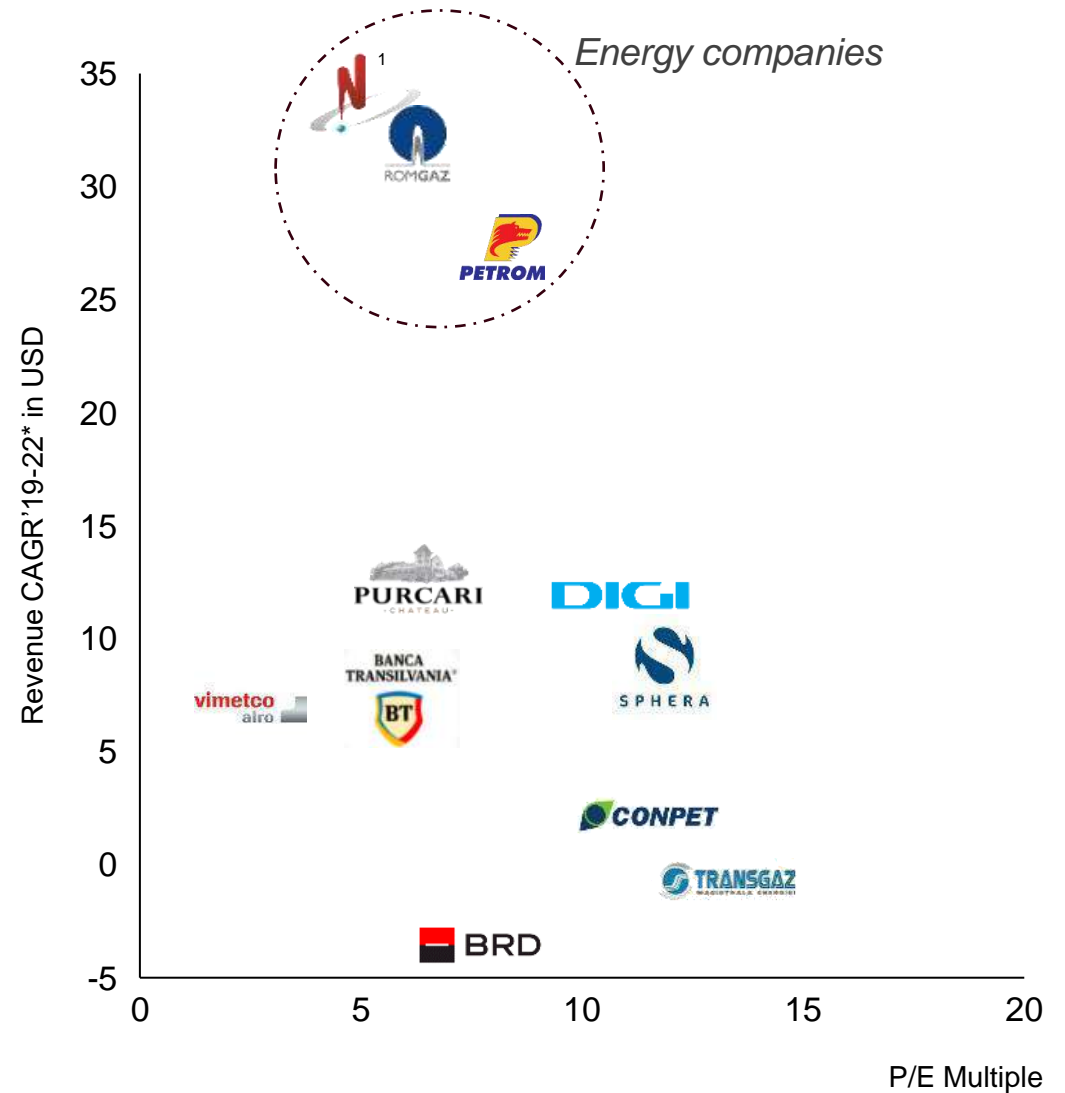
Note: Diluted EPS excluding extra items used for P/E multiple; (1) Nuclearelectrica

# 4 High growth not reflected in valuation yet

## Purcari vs selected wine public companies



## Purcari vs selected Romanian public companies



Source: Capital IQ, Company Data, LTM P/E multiples as of November 9th, 2023.

Growth figures as per Capital IQ, minor discrepancies with Purcari reported performance possible due to exchange rate treatment

Note: Diluted EPS excluding extra items used for P/E multiple; (1) Nuclearelectrica



## Academia de Purcari Rară Neagră

An identity card of the Rară Neagră variety. A wine of an intense ruby color with purple reflections, perfumed with aromas of cherries and plums.

100% Rară Neagră

Matured for 8 months in italian amphorae TAVA.



1 About Purcari Wineries Group

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5 **ESG and Impact**

Purcari Wineries is building up its foundation in sustainability and ESG management, by aligning its business and model to the UN Sustainable Development Goals (SDGs).

### ENVIRONMENT

- Launched the irrigation system at Purcari Winery, securing the sustainable development for 300ha of vineyards
- To expand environmentally friendlier sub-surface irrigation system for another 600ha in 2023.
- Solar Panels amounting 960kwh installed on the roof of the Purcari, Bostavan and Bardar wineries.
- 25 ha of vines in conversion (C3) towards ecological and biodynamic viticulture.
- 33,531 tons of waste recycled for customers by Ecosmart Union, waste recycling management company in Romania.
- 4,584 t of CO<sub>2</sub> sequestered in 2022<sup>1</sup>. Corporate Carbon Footprint planned to be calculated in 2023.
- 1 FTE certified in GSTC<sup>2</sup>, as part of our engagement to sustainable tourism.

### SOCIAL

- Launched Purcari Foundation in July 2022 to consolidate our efforts towards social projects.
- The Purcari Help Center opened on 24<sup>th</sup> of February 2022. 13,000 refugees aided, 2,600 refugees transported to a safer place, 3,540 refugees sheltered.
- Supporting CCF/HHC Moldova (a team of people working to give every child the opportunity to grow up in a loving family).
- Contributing to Hospice Angelus, a home palliative care service.
- General Sponsor of the Moldovan National Olympic Committee and main partner for volleyball club USM-Bostavan.
- Fully equipped 3 classrooms in the school of the Purcari village.
- Providing hot meal for tens of vulnerable people in our communities.

### GOVERNANCE

- Expanded the board to 7 members, composed of both women and men with diverse skills, experience, backgrounds, and perspectives, which represents a competitive advantage.
- Awarded Best Board of Directors in 2021 by the Romanian Investor Association.
- The Group holds itself accountable for its activities in the field of environmental protection, safety, and health, having following certificates: ISO 9001:2015, ISO 22000:2005, ISO:9001:2015 HU 06/1763, ISO22000:2018, HU 11/6104 and ISO 22000:2018, on Quality Management Systems and Food Safety Management Systems.

(1) Based on the CO<sub>2</sub>-balance studies carried out by PwC, available at Amorim Cork, in 2022; (2) GSTC – Global Sustainable Tourism Council

# Learn more about our products



1827  
SINCE



BOSTAVAN



DOMENILE  
CUZA



CRAMA CEPTURA



ANGEL'S ESTATE SA







**PURCARI**

· CHATEAU ·

**1827**  
S I N C E

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