

Purcari Wineries

Public Company Limited
BVB: WINE

Corporate Presentation
Bootcamp Stiinta Banilor
26th of November 2022



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1 Purcari Wineries Group Key Info

2 Vision and Strategy

3 9M 2022 Operational Results

4 Purcari Wineries Stock

5 Guidance 2022



Negru de Purcari 2019
Nominated by Caroline Gilby, Master of Wine,
for the Decanter Magazine, **Wines of the Year 2021:** The Top Classic Wines, with a score of 93 pts.
4.4 score on Vivino, ranked among the top 1% wines globally



1 Purcari Wineries Group at a glance



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** 1,450+ 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, Paval Holding and Norges Bank etc.

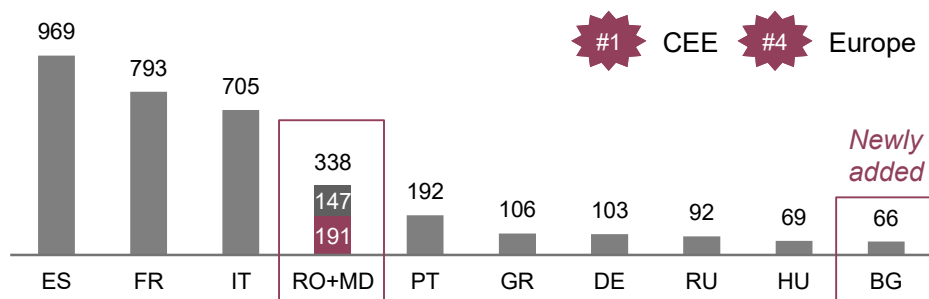
... with a strong & expanding regional footprint

Geographical breakdown of sales in value terms, 9M 2022, %



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
Revenue	142.3	168.1	199.1	203.7	248.1
CoS	(74.5)	(85.5)	(100.2)	(105.9)	(132.3)
Gross profit	67.7	82.6	98.9	97.8	115.8
Gross profit margin, %	47.6%	49.2%	49.7%	48.0%	46.7%
SG&A	(31.7)	(36.0)	(44.2)	(49.2)	(53.5)
EBITDA	42.4	54.4	65.4	60.5	75.2
EBITDA margin, %	30%	32%	33%	30%	30%
Depreciation	(5.9)	(6.8)	(9.6)	(12.1)	(13.5)
Net finance cost	(1.6)	1.0	(6.9)	21.7	0.1
Income tax	(5.9)	(7.0)	(8.5)	(10.8)	(10.5)
Net Profit	29.0	41.7	40.5	59.2	51.4
Net profit margin, %	20%	25%	20%	29%	21%
Earnings per share*, RON	na	0.96	0.91	1.42**	1.19

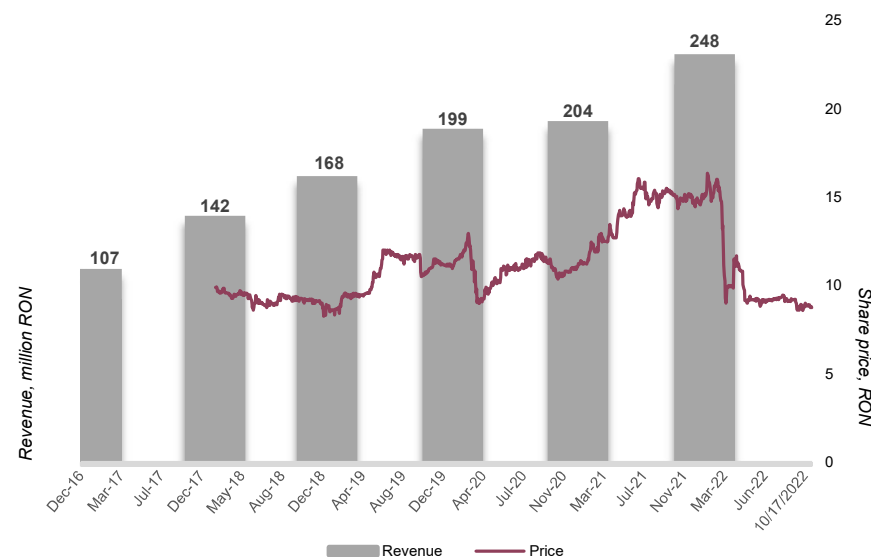
* Common denominator being the number of shares on 31st December 2021, following doubling of issued share capital.

** Including proceeds from sale of the stake in Glass Container Company.

Comments

- IPO'd on Bucharest Stock Exchange in February 2018
- 75% increase in revenues 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) and 2021 (RON 0.51 per share)

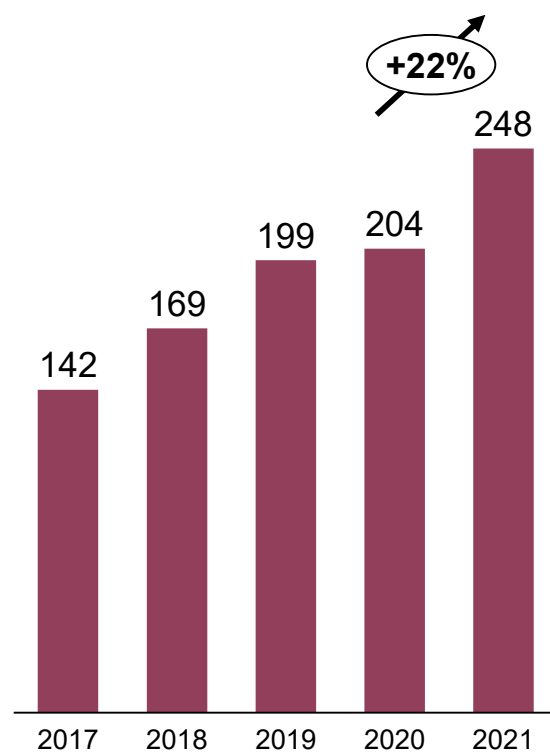
Revenue vs. share price evolution



1 Continuous growth in 2021

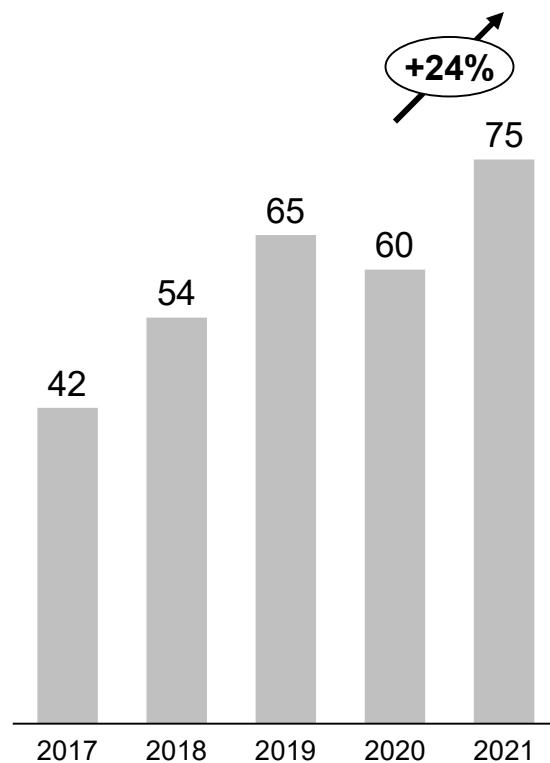
Revenues

RON m



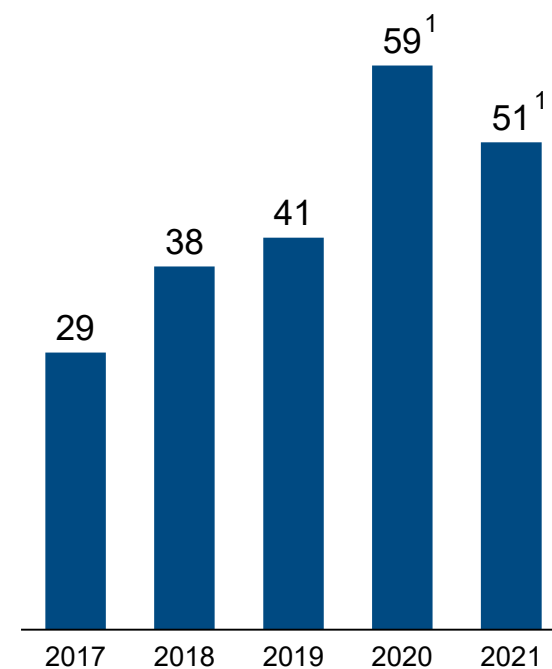
EBITDA

RON m



Net Income

RON m



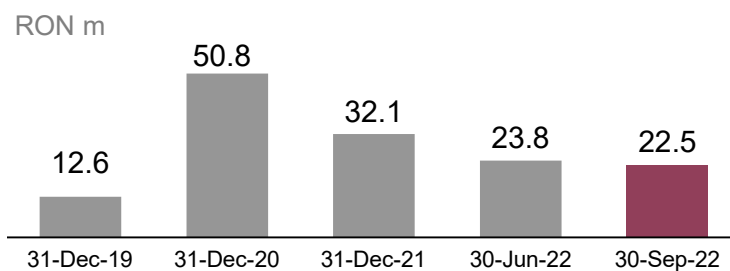
(1) Includes the following one-off effects

- Income on settlement of assigned receivable from Speed SRL
- Income from sale of the stake in Glass Container Company
- Loss from effect of consolidation of EcoSmart Union

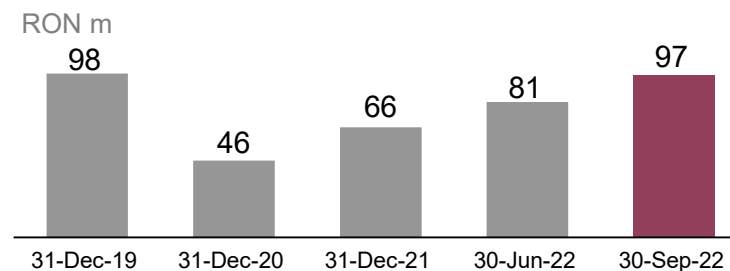
1 Strong balance sheet, providing a solid footing for current macro environment

Cash and Receivables

Cash Position

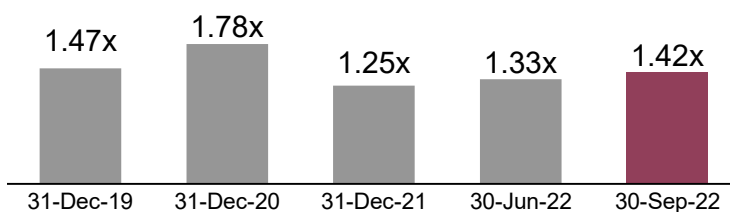


Net Debt

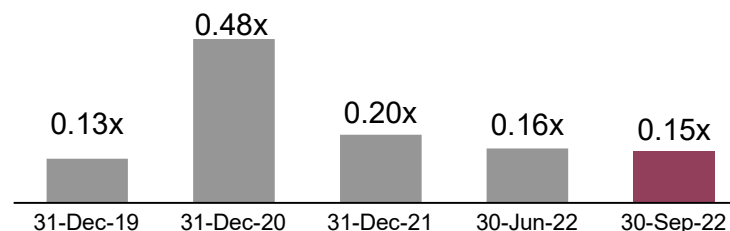


Liquidity

Current Ratio

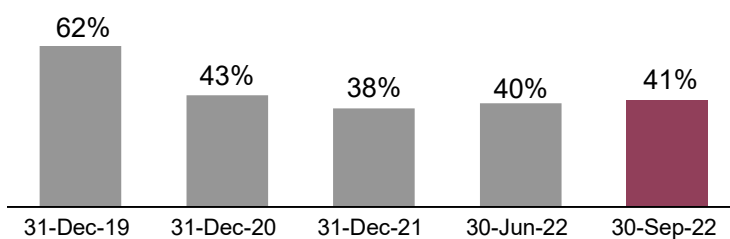


Cash Ratio

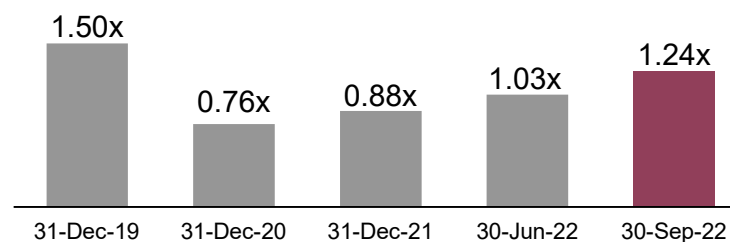


Solvency

Debt-to-Equity



Net Debt-to-LTM EBITDA



1 Purcari Wineries Group Key Info

2 **Vision and Strategy**

3 9M 2022 Operational Results

4 Purcari Wineries Stock

5 Guidance 2022



Freedom Blend 2020
A fascinating, distinctive blend of indigenous grapes from Moldova, Ukraine and Georgia, launched back in 2014. Declared **Wine of the week by Jancis Robinson in UK** on the 4th of November 2022 with a 16.5 score.

2 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.

2 Our mission, vision and values

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.

2 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 embargos 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 the changing tastes
- **Influencer marketing:** work along key opinion leaders, including bloggers and fashion divas

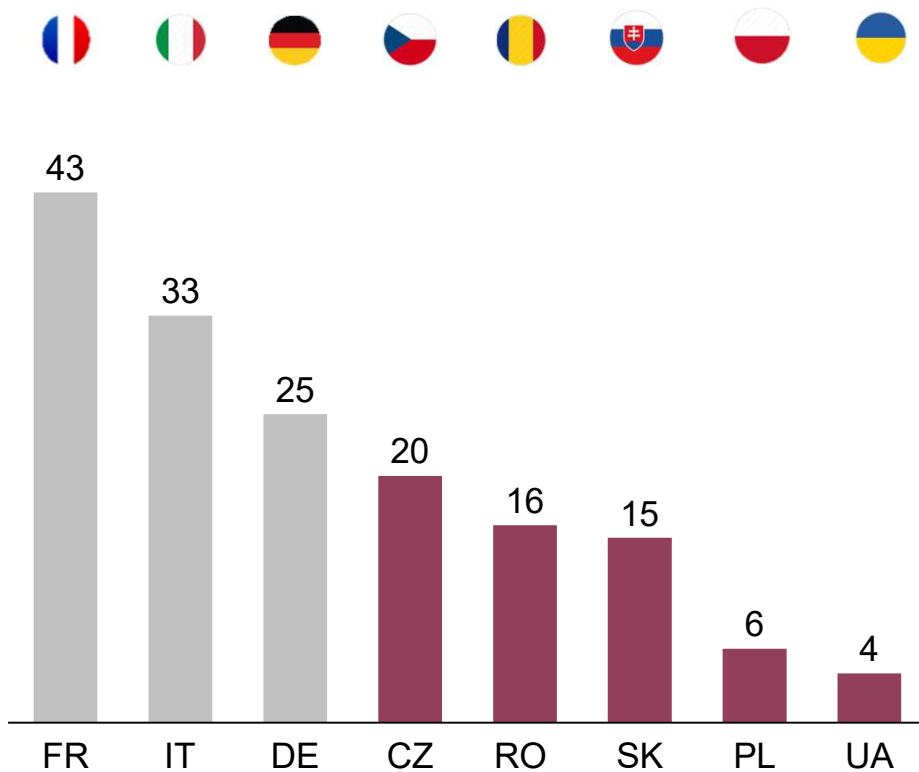
Brand premium

Strong sales and margins

2 CEE consumption especially strong, on shifting drinking patterns

Plenty of catch up for CEE countries

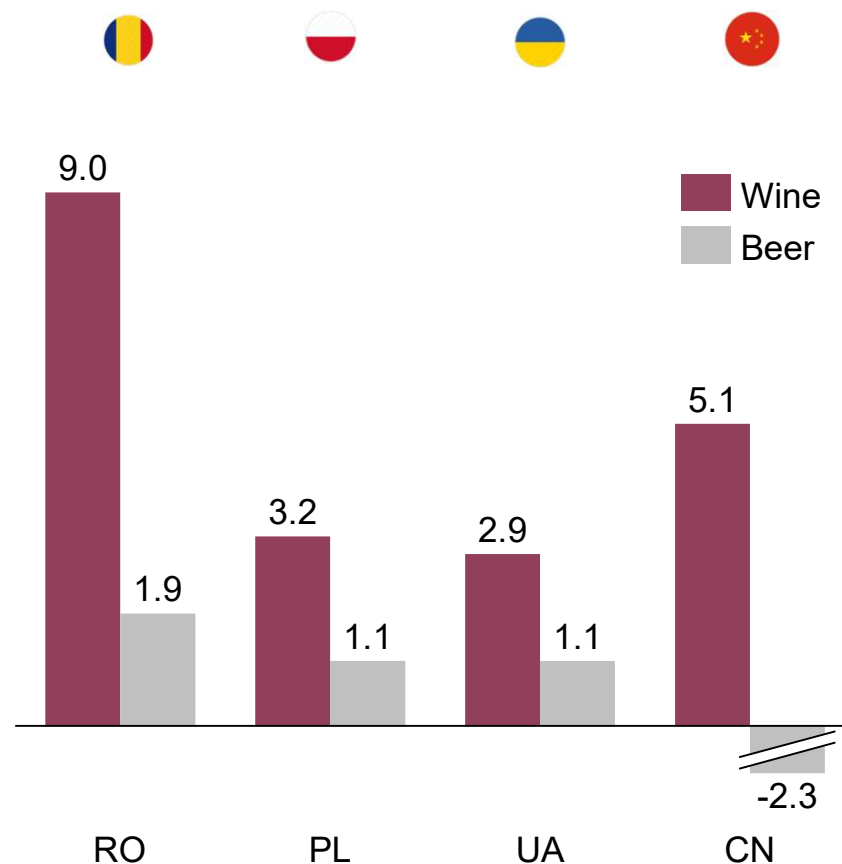
Wine consumption, litres per capita, selected countries



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

Wine steals share from beer

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

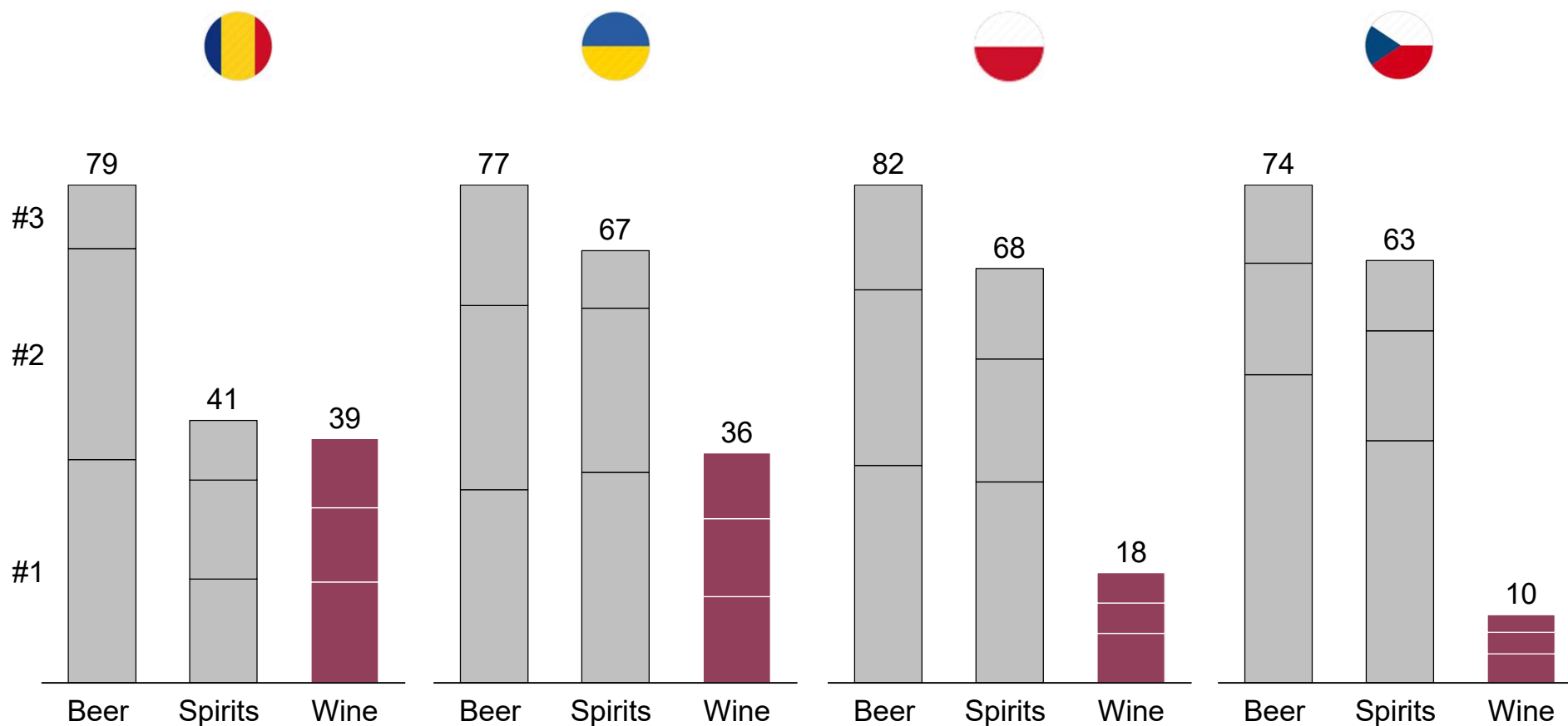


- Romania, Group's largest market, show fastest growth forecast in CEE

Source: Statista, Euromonitor, Nielsen

2 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***

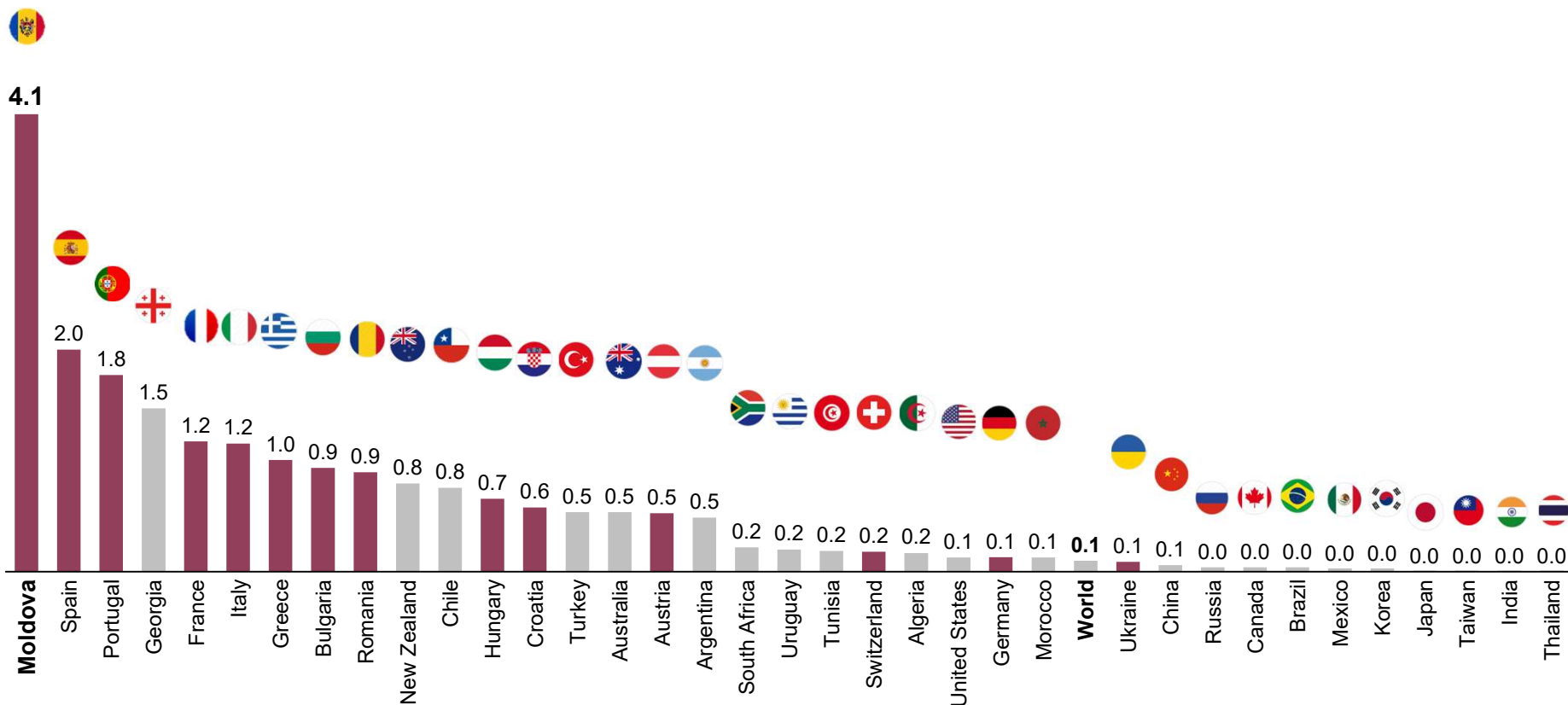
Source: Euromonitor 2016, market share for top-3 players in the still wine category; *excludes Murfatlar, in insolvency

2 Moldova has the largest vineyard area per capita globally

Per Capita vineyard area worldwide, 2018

Hectares per capita

Europe Rest of the World



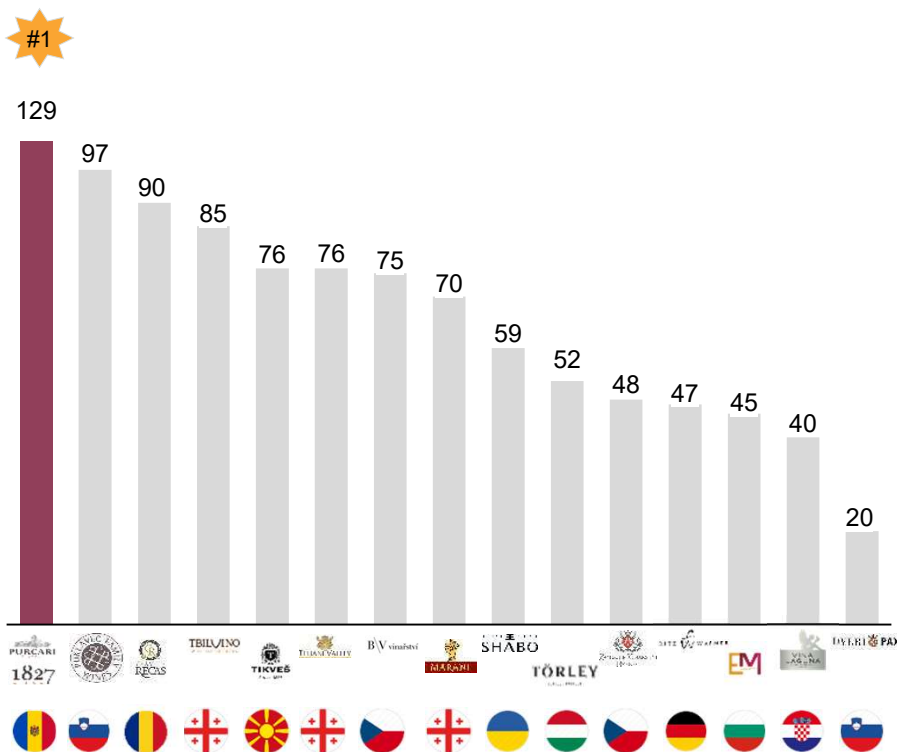
In Moldova, the Group benefits from a very competitive exports platform to all of CEE

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

2 Quality highly commended; most awarded winery in CEE in 2021

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

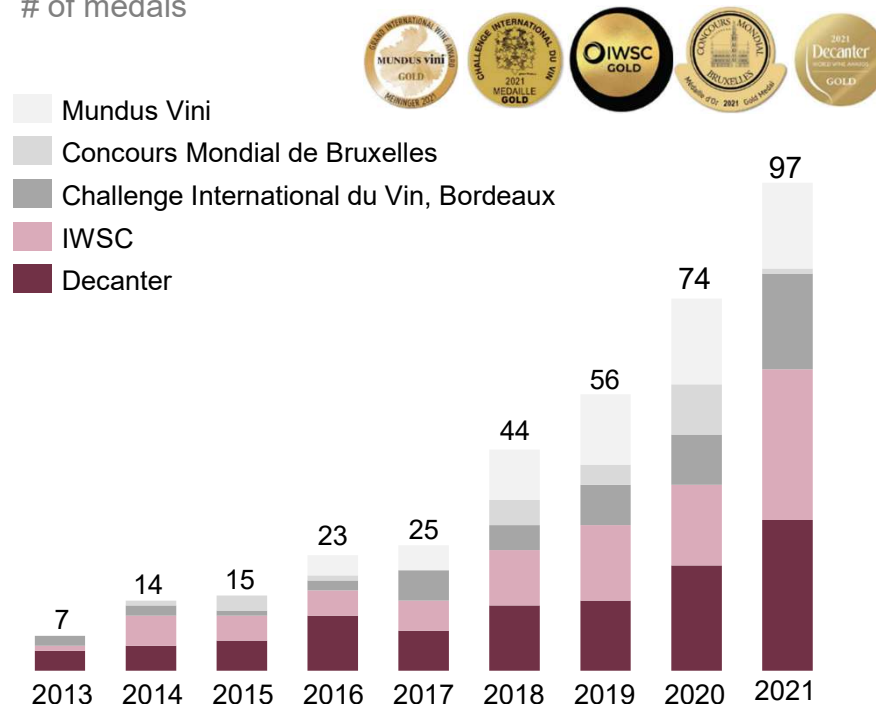
of Decanter medals in 2015 – 2022



- 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 consistently raise its quality bar, as illustrated by the mounting number of medals - won at top global competitions.

2 Outstanding results at most reputable wine competitions

Best Producer from Moldova 2022
Mundus Vini



Decanter Top Classic Wines 2021
among 50 much pricier wines



TOP 10 BEST Sparkling Wines
Effervescents du Monde 2021



Grand Gold: Rosé de Purcari
Concours Mondial de Bruxelles



Wine of the week in UK: Freedom Blend
Declared by Master of Wine – Jancis Robinson



#1 Worldwide:
Title Brandy Taste Master 2021



2 Portfolio development: continue creating inspired products

PURCARI NOCTURNE

HoReCa – focused edition



- Launched in 2021, a bet on HoReCa in the mid of lockdown.
- Increased demand from HoReCa.
- Fastest growing series in Purcari portfolio.
- Nocturne Sauvignon Blanc 2021 awarded with GOLD at Mundus Vini 2022.

ACADEMIA

ambitious oeno-project



- Launched in 2022, vinification and aging in clay amphoras.
- Limited edition, less than 20k bottles.
- First Orange wine in Moldova from indigenous grapes – Viorica.
- Academia Saperavi 2019 awarded with GOLD at Mundus Vini 2022.

NATIVE, PROCIANO

adapting to wine trends



- NATIVE – wine from vineyards in organic conversion.
- NATIVE Rose 2021 awarded with GOLD at Mundus Vini 2022.
- PROCIANO – Alcohol free, low calorie per intake, rich in Procyanidins.
- Targeting new segments and new markets.

BARDAR, WINE CRIME

expanding the growth pillars in RO

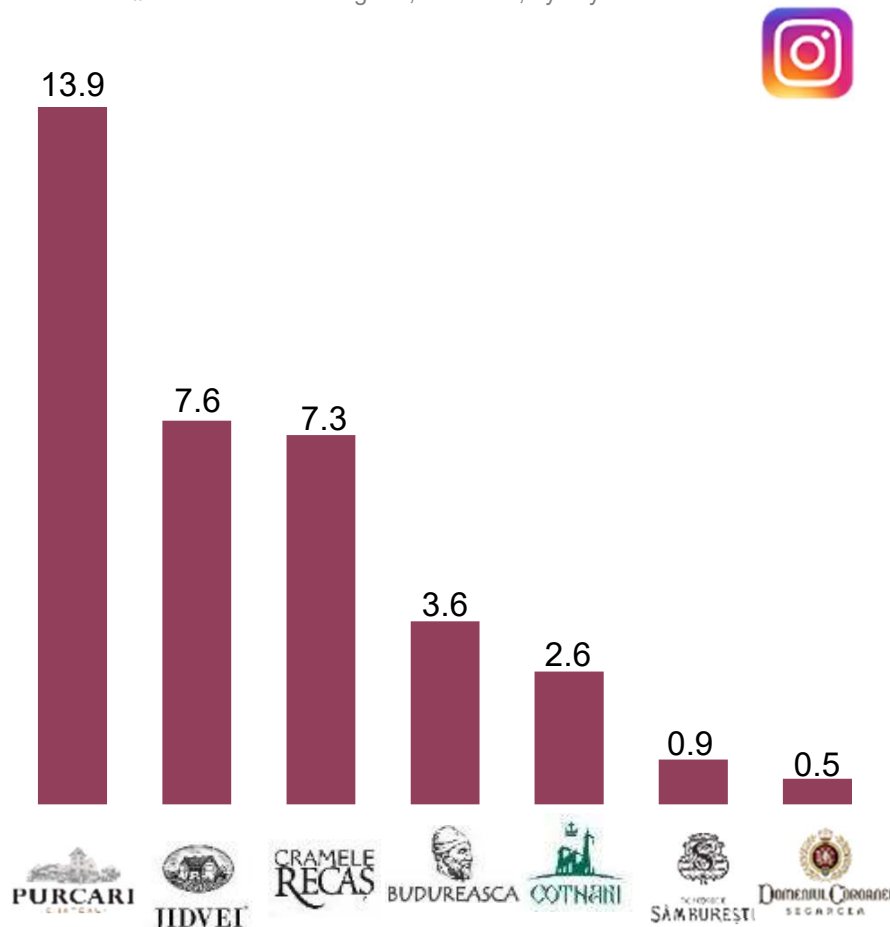


- 2021 focused on listing, new partnerships.
- 1H 2022 increasing brand awareness, BTL and TTL activities.
- 2H 2022 brand building, ATL activities.
- Expanding Bardar and Bostavan to Romania.

2 Topping competition at engagement and quality

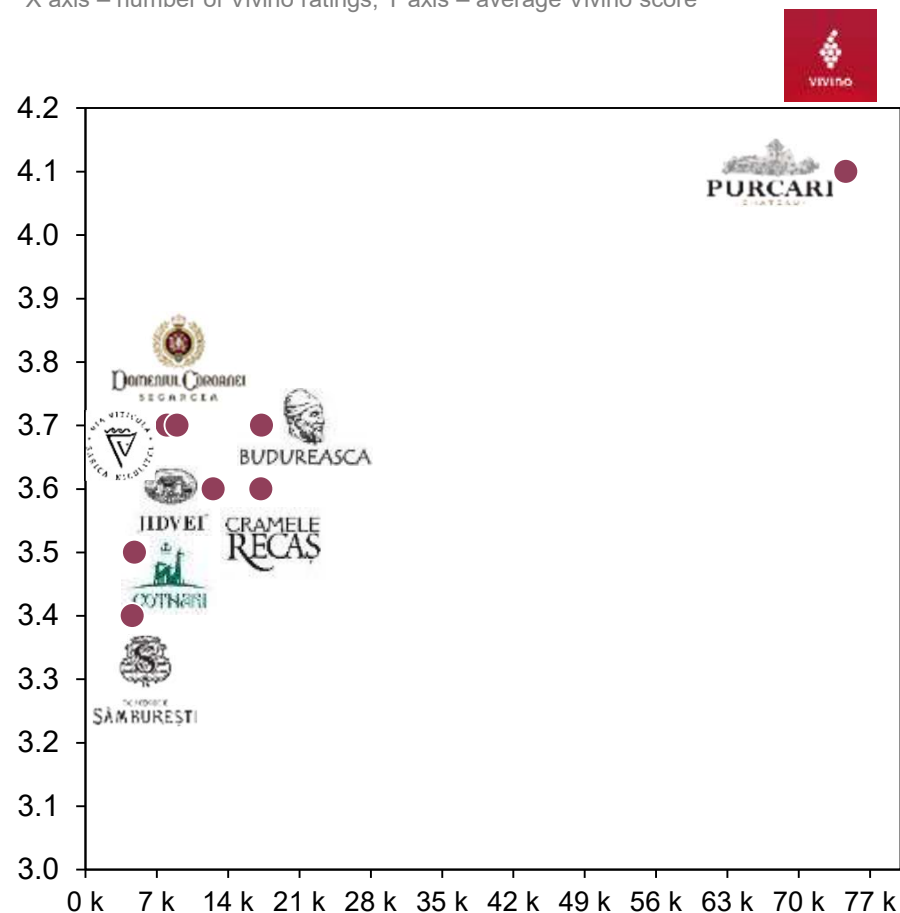
Aspirational brand which consumers like sharing about

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 2022

2 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



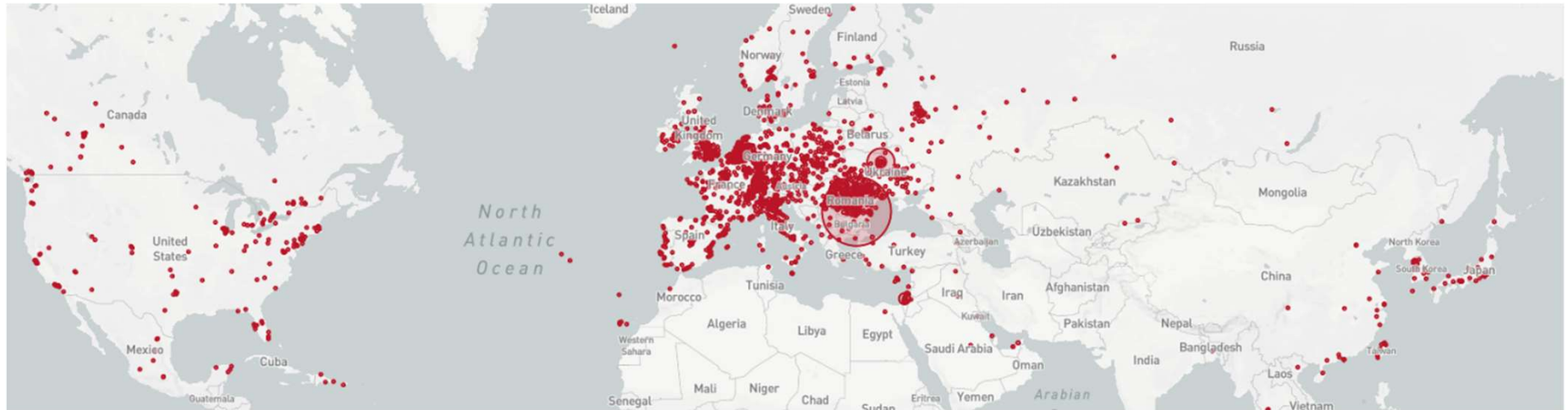
#1



- 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.

Note: as per Vivino breakdowns as of November 2022

2 Growth in Vivino usage, key for consumer engagement, ecommerce



4.21

Average score out of
5.0 in 9M 2022

78%

Scores equal or
above 4.0

Top 1%

Global ranking based on
avg. score received

33,254

Vivino scans in
9M 2022














+10%

9M 2022 YoY scans

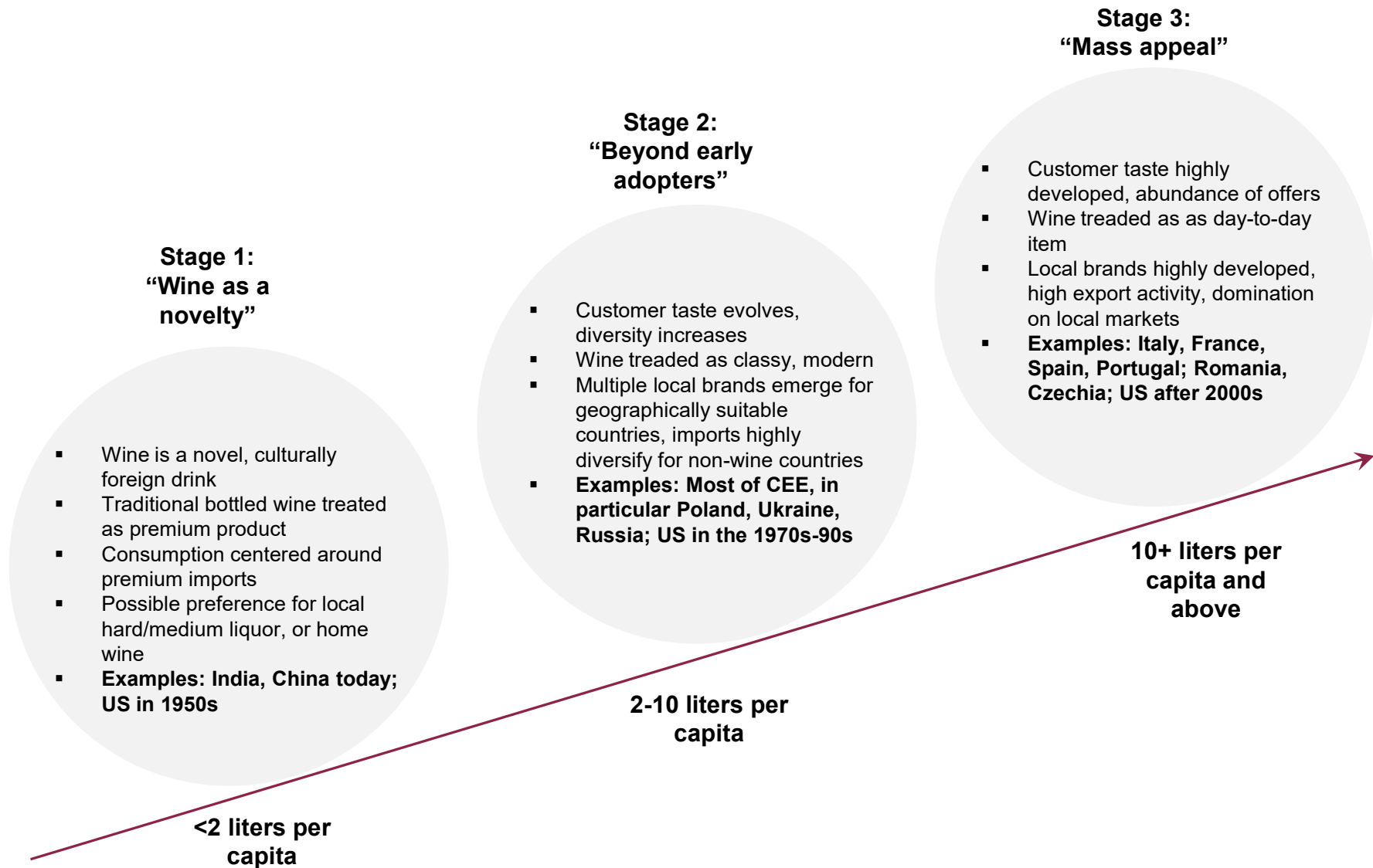
89

of countries where
Purcari has been
scanned

2 Part of Decanter Top Classic Wines 2021 among much pricier wines

<i>Wine</i>	<i>Origin</i>	<i>Vintage</i>	<i>Vivino</i>	<i>Points</i>	<i>Price (in UK)</i>
Negru de Purcari (<i>Chateau Purcari</i>)		2019	4.4	93	£26
Enclave Cabernet Sauvignon (<i>Ventisquero</i>)		2014	4.3	93	£45
Testamatta Toscana IGT (<i>Bibi Graetz</i>)		2018	4.3	90	£65
Teperberg Legacy Cabernet Franc (<i>Judean Hills</i>)		2018	4.3	92	£66
Hardys Eileen Hardy Chardonnay (<i>Yarra Valley</i>)		2019	3.8	93	£61
PN VZ16 Brut Champagne (<i>Bollinger</i>)		n/a	4.4	93	£90
Dei, Madonna della Querce (<i>Vino Nobile</i>)		2016	4.5	94	£69
Don Melchor, Cabernet Sauvignon (<i>Puente Alto</i>)		2018	4.6	95	£99
Tenuta San Guido, Sassicaia (<i>Bolgheri Sassicaia</i>)		2018	4.6	95	£325
Comtes de Champagne Blanc de Blancs (<i>Taittinger</i>)		2008	4.5	96	£149
Elisabeth Salmon Rose Brut (<i>Billecart-Salmon</i>)		2008	4.5	97	£172
Terlaner Primo Grande Cuvee (<i>Cantina Terlano</i>)		2018	4.5	98	£220
Hill of Grace (<i>Henschke</i>)		2016	4.6	99	£550

2 Wine markets evolve, as wine moves from novelty to masses



2 Country origin frontier pushed ahead as millennials search for authenticity

Old World Before 1980s



LVMH
MOËT HENNESSY • LOUIS VUITTON

RUFFINO
DAL 1827

Pernod Ricard

CASTEL
Depuis 1949

New World 1980s-2010s



TREASURY
WINE ESTATES



E&J. Gallo Winery

CASELLA
FAMILY BRANDS

The New Frontiers 2010s - onwards



PURCARI
CHATEAU

TELIANI VALLEY

CHANGYU

SULA
VINEYARDS

New Frontier champions will inevitably emerge, leveraging a lower cost structure, better access to new markets and better understanding of local consumers

Today's agenda

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Limited Edition Saperavi
2020

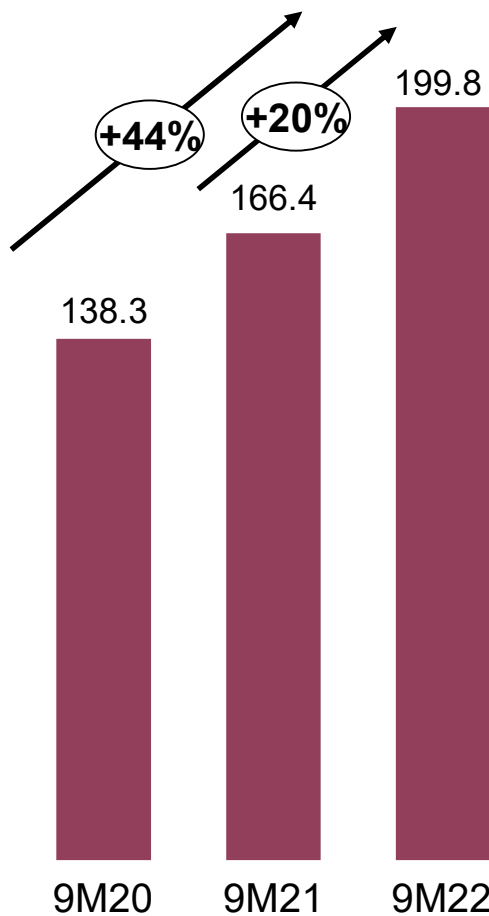
A wine with strong
personality and authentic,
opulent taste.

Gold at Mundus Vini
Summer Tasting 2022

3 Strong growth amid inflationary pressure and economic uncertainty

Revenues

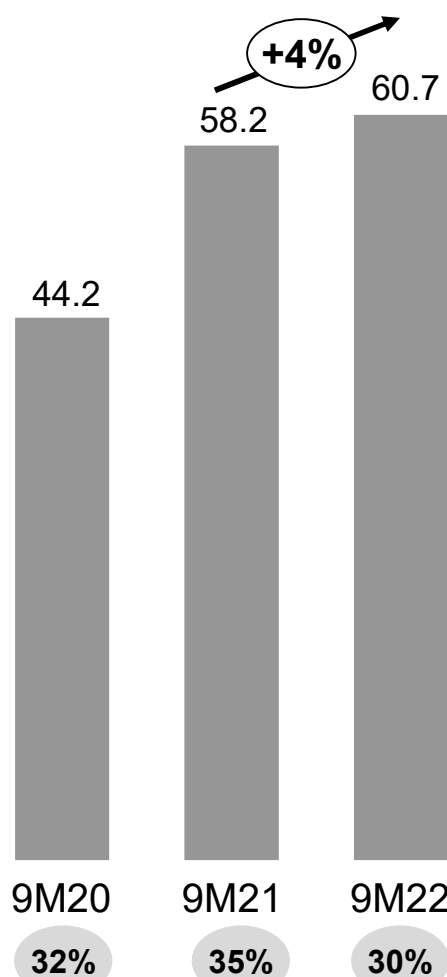
RON m



Core business growth vs. 9M21, +13%

EBITDA

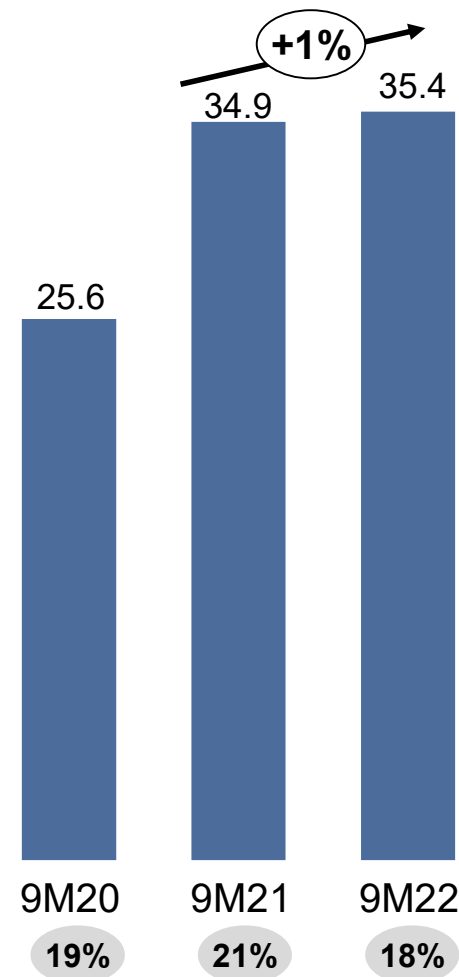
RON m



EBITDA margin

Adjusted Net Income¹

RON m



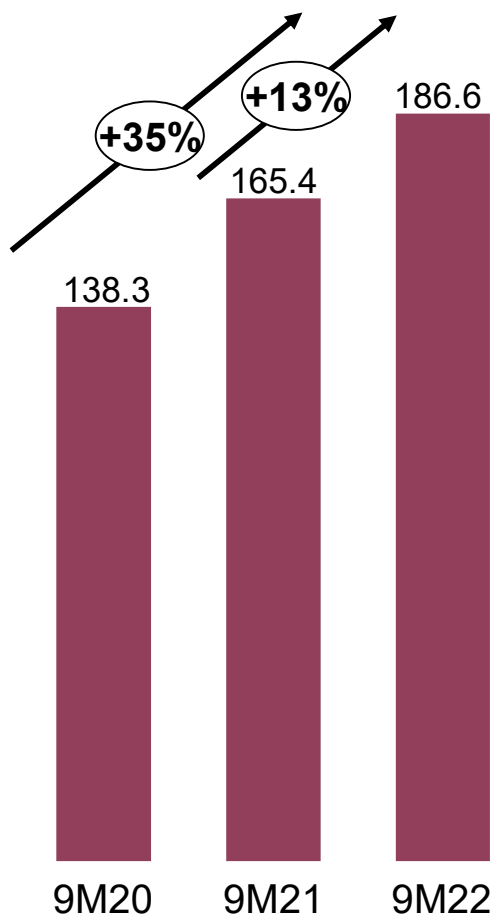
Net Income margin

Note: (1) Net Income normalized for one-off EUR 978,232 in cash received on 30.07.21 from Glass Container Company exit transaction and related 12% tax liability.

3 WINE¹ segment strong growth and margins resilience

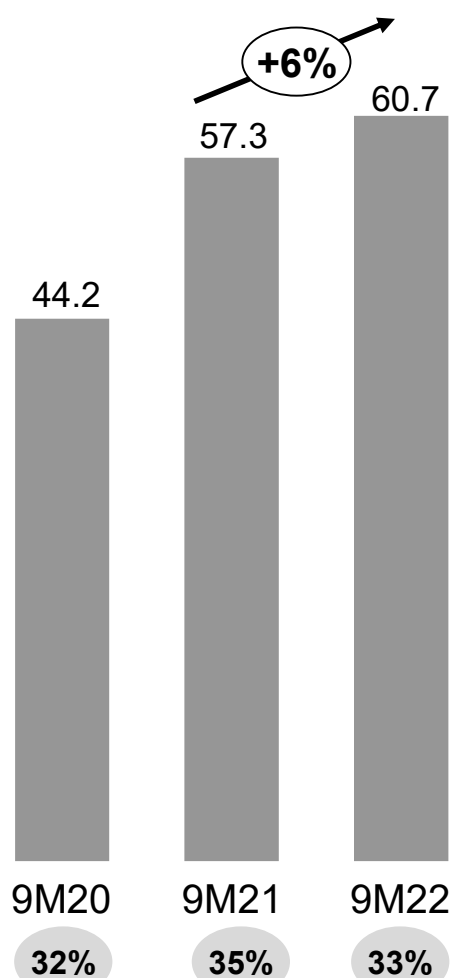
Revenues

RON m



EBITDA

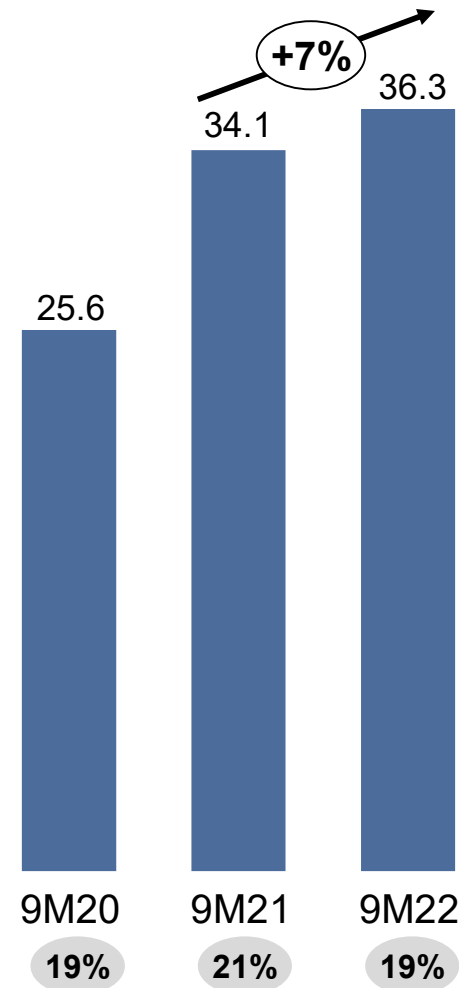
RON m



EBITDA margin

Adjusted Net Income²

RON m



Net Income margin

Notes: (1) core wine segment, except Ecosmart; (2) Net Income normalized for one-off EUR 978,232 in cash received on 30.07.21 from Glass Container Company exit transaction and related 12% tax liability.

3 Key operational highlights for 9M 2022

Ongoing organic revenue growth, despite regional challenges

- Revenue up 20% YoY to RON 199.8m in line with the guidance, with Core Wine revenues +13% YoY and Ecosmart contributing additionally with 7% YoY.
- +27% in 3Q22 YoY, also incorporating the effects of price increases pushed through in 1H22.
- Strong performance for high premium brands: Purcari and Bardar.
- Romania returned to double digit growth with volumes growing faster than prices.
- Moldova and Asia continue the strong evolution, brands performing well across all channels.

Resilient margins, amid inflationary pressures

- EBITDA and Net Profit margins at 30% and 18%, above the indicated FY2022 guidance.
- Coping well with increased pressure on cost base; main cost drivers from rising packaging prices as well as the use of wine stock from the smaller 2020 harvest. First signs that inflation is reaching its peak.
- First round of price increases applied and reflected in most channels.
- Improved mix, with strong growth of flagship Purcari brand in both value and volume, contributing to better margins. Bardar showing increased demand for premium brandy.

M&A engine of growth

- Acquired 76% stake in Angel's Estate, a full cycle winery located near Stara Zagora, Bulgaria, with an annual production capacity exceeding one million bottles.
- Added 100ha of vineyards located in one of most prominent wine regions, Thracian Lowlands.
- Geographic diversification of both sales and production platforms.
- Expanding the existing family of brands with best-known Bulgarian wine brands, such as Angel and Stallion.

Active capital markets agenda

- Dividend of 0.51 RON/share paid on September 8th, 2022, 5.51% yield on payment date.
- High liquidity of WINE share, maintained in FTSE Global Micro Cap Index.
- Investor Day held at Chateau Purcari on September 30th, with 30+ investors attending, in a full day program offering also the chance to taste the competitive advantage of Purcari Wineries

3 Maintaining healthy margins, despite inflationary pressures, geopolitics

RON m	3Q			9M		
	2022	2021	Δ 3Q	2022	2021	Δ 9M
Revenue	75.9	59.9	27%	199.8	166.4	20%
Cost of Sales	(44.0)	(28.3)	56%	(109.2)	(81.5)	34%
Gross Profit	31.9	31.6	1%	90.6	84.9	7%
Gross Profit margin	42%	53%	(11 pp)	45%	51%	(6 pp)
SG&A:	(14.3)	(11.0)	29%	(41.7)	(37.1)	12%
Marketing and selling	(7.3)	(6.6)	11%	(20.0)	(19.4)	3%
General and Administrative	(7.0)	(4.4)	57%	(21.7)	(17.7)	22%
Other income/expenses:	0.3	(1.3)	nm	(1.2)	(0.2)	506%
EBITDA	22.1	23.1	-4%	60.7	58.2	4%
EBITDA margin	29%	38%	(9 pp)	30%	35%	(5 pp)
Net Profit	14.5	19.4	-25%	35.4	39.8	-11%
Net Profit margin	19%	32%	(13 pp)	18%	24%	(6 pp)
One-off income	-	5.5		-	5.5	
Tax related to One-off income	-	(0.7)		-	(0.7)	
Adj. Net Profit ¹	14.5	14.5	0%	35.4	34.9	1%
Adj. Net Profit margin	19%	24%	(5 pp)	18%	21%	(3 pp)

Note: (1) Net Income normalized for one-off EUR 978,232 and related 12% tax liability.

Comments

- Gross margin at 45% 9M22. Premiumization strategy and better mix partly offset the adverse effects of inflationary pressures, higher depreciation and significant portion of more expensive wine stock of 2020 vintage included in COGS.
- Marketing and selling expenses at 10% of revenue; targeting marketing efforts to sustain sales plans and quickly react to context changes.
- G&A expenses at 11% of revenue, growing slower than inflation in the countries of operation. Including expenses related to newly incorporated subsidiaries: Ecosmart and Vinoteca Gherasim Constantinescu. Ongoing focus on cost discipline.
- Increase in Other expenses, comprising bad debt provision for trade receivables related largely to Ecosmart activity reflected in 1H22.
- EBITDA reaching RON 60.7 million at 9M 2022 with a 30% well above 20-25% guidance provided.
- Net profit at RON 35.4 million, with 3Q contributing with 41% of YTD results. Maintaining high double-digit margin on prioritizing profitability over volumes.
- Ecosmart contributed with RON 13.1 million in revenue, while lowering the overall EBITDA and Net profit by RON 0.2 and 0.9 million accordingly.

3 Segment reporting: growing strong in WINE, turning around Ecosmart

Purcari Group				Ecosmart		WINE Business		
RON m	9M22	9M21	Δ '22/'21	9M22	9M21	9M22	9M21	Δ '22/'21
Revenue	199.8	166.4	20%	13.1	1.0	186.6	165.4	13%
Cost of Sales	(109.2)	(81.5)	34%	(9.8)	(0.1)	(99.4)	(81.4)	22%
Gross Profit	90.6	84.9	7%	3.3	0.9	87.3	84.0	4%
Gross Profit margin	45%	51%	(6 pp)	25%	94%	47%	51%	(4 pp)
SG&A:	(41.7)	(37.1)	12%	(2.4)	(0.0)	(39.3)	(37.0)	6%
Marketing and selling	(20.0)	(19.4)	3%	(0.0)	(0.0)	(20.0)	(19.4)	3%
General and Administrative	(21.7)	(17.7)	22%	(2.4)	(0.0)	(19.3)	(17.7)	9%
Other income/expenses:	(1.2)	1.1	nm	(1.4)	0.0	0.2	1.1	-79%
EBITDA	60.7	58.2	4%	(0.2)	0.9	60.7	57.3	6%
EBITDA margin	30%	35%	(5 pp)	-2%	91%	33%	35%	(2 pp)
Net Profit	35.4	39.8	-11%	(0.9)	0.9	36.3	38.9	-7%
Net Profit margin	18%	24%	(6 pp)	-7%	86%	19%	24%	(4 pp)
One-off income	-	5.5		-	-	-	5.5	
Tax related to One-off income	-	(0.7)		-	-	-	(0.7)	
Adj. Net Profit ¹	35.4	34.9	1%	-	-	36.3	34.1	7%
Adj. Net Profit margin	18%	21%	(3 pp)	-	-	19%	21%	(1 pp)

- Waste Recycling segment contributing to 7% of total 9M22 revenue.
- Turning around the company, the cost of restructuring already included in the P&L of Purcari Group, -2 pp to EBITDA margin and -1 pp to Net Profit margin.
- Expected back-to-normal operations going forward.

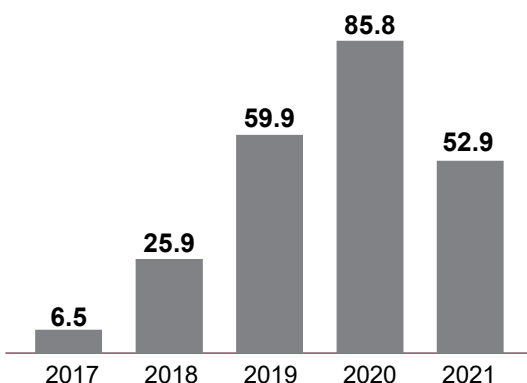
Note: (1) Net Income normalized for one-off EUR 978,232 and related 12% tax liability.

3 Waste recycling segment – turnaround on track, expect profitability in 2023

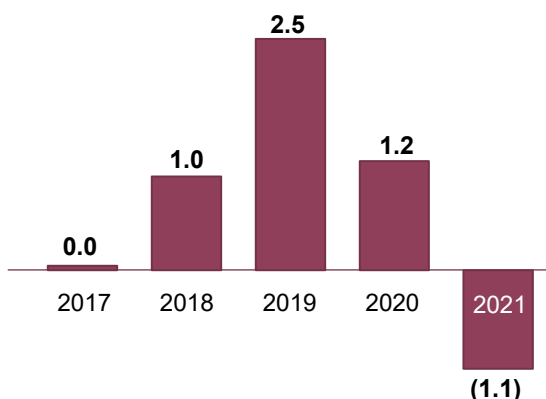


Financials

Revenues, RON m



Net profit (loss), RON m



History and actions taken

- In 2017 Crama Ceptura contributed to the foundation of Ecosmart Union SA with 108k RON for a 27% share, to ensure transparent recycling of packaging put in circulation and comply with environmental legislation.
- Net positive profit contribution in years 2017-2020.
- 2020 first signs of Ecosmart's mismanagement (50% drop in Net Profit, while sales up +43%).
- 2021 fraudulent behavior identified by the Board of Directors. Forensic audit carried out. Civil and Criminal cases opened against previous Administrator.
- Crama Ceptura increases the stake from 27% to 55% in Sep'21, and to 65.75% in Oct'21 to protect the investment and save the company from insolvency.
- Total investment for 65.75%: RON 0.45m.
- 4Q2021: New Administrator and team appointed to turnaround the business.
- 2021: Consolidation of Ecosmart (negative impact on Purcari's profitability).
- 1H2022: Final clean-up: all negative effects provisioned, cost with lawyers incurred. Revenue RON 8.9m, Net loss (RON 1m).
- Expected back-to-normal, profitable operations going forward.








Short-term plan

- Recover the misappropriated funds (ongoing court cases).
- Regain large customers (ongoing).
- Reach the post-crisis figures: RON 80m in turnover and estimated Net Profit margin in the 10%-20% range.
- Set independent management team.




Long-term options

- Reduce participation under 50% to avoid consolidation and focus on core WINE business.
- Divest the business and use the proceeds to either finance growth or award shareholders with an extraordinary dividend.
- Maintain majority stake in the business (while actively ensure investors' visibility into the non-core category).

3 Sustainable sales growth, despite the economic turmoil

Market	Share of sales, 9M22	Δ 9M22 YoY	Comments
RO 	52%	+11%	<ul style="list-style-type: none"> RO: improved demand in 3Q amid weaker wine market dynamics. Double-digit growth for Purcari with strong traction for Nocturne series in HoReCa. Bardar fast growth YoY on increased demand from Key accounts, albeit from a smaller base. Bostavan adding up to sales, increasing by 12% YTD YoY.
MD 	22%	+29%	<ul style="list-style-type: none"> MD: Sales continue growing in all channels. All brands performing strong, both in value and volume terms. Focusing on implementing planned trade activities to benefit from market revival after pandemic period.
PL 	8%	+11%	<ul style="list-style-type: none"> PL: Recovery in sales for the second quarter in a row, totaling 11% 9M22 YoY. Prioritizing margin over volumes with Bostavan +7% vs 3Q21. Targeting premium segment is paying off with Purcari and Bardar sales increasing +5pp YoY to 7% of the total sales in Poland for 9M22. Wine market facing volatility and trading environment remaining challenging. Gradually passing price increases.
ASIA 	5%	+56%	<ul style="list-style-type: none"> ASIA: up 56% YoY as all brands showing good growth on higher volumes and better mix. Challenging trading and logistic environment in China persists. Continue delivering through Constanta port in Romania (vs. Odesa before).
CZ SK 	3%	-10%	<ul style="list-style-type: none"> CZ&SK: +13% in 3Q YoY, being the first growing quarter since 2Q 2021. Wine market facing weakness, influenced by difficult economic environment impacting consumer behavior. Strong competition both from Moldovan exporters and international players. Continue to prioritize margins over volumes and pushed through price increases.
UA 	1%	-50%	<ul style="list-style-type: none"> UA: +4% in 3Q YoY, first growing quarter in 2022. Nine months sales being half 2021 levels. Maintaining the local team, sales only on 100% prepayment.
RoW 	9%	+7%	

3 Premium brands: Purcari and Bardar, lead the growth

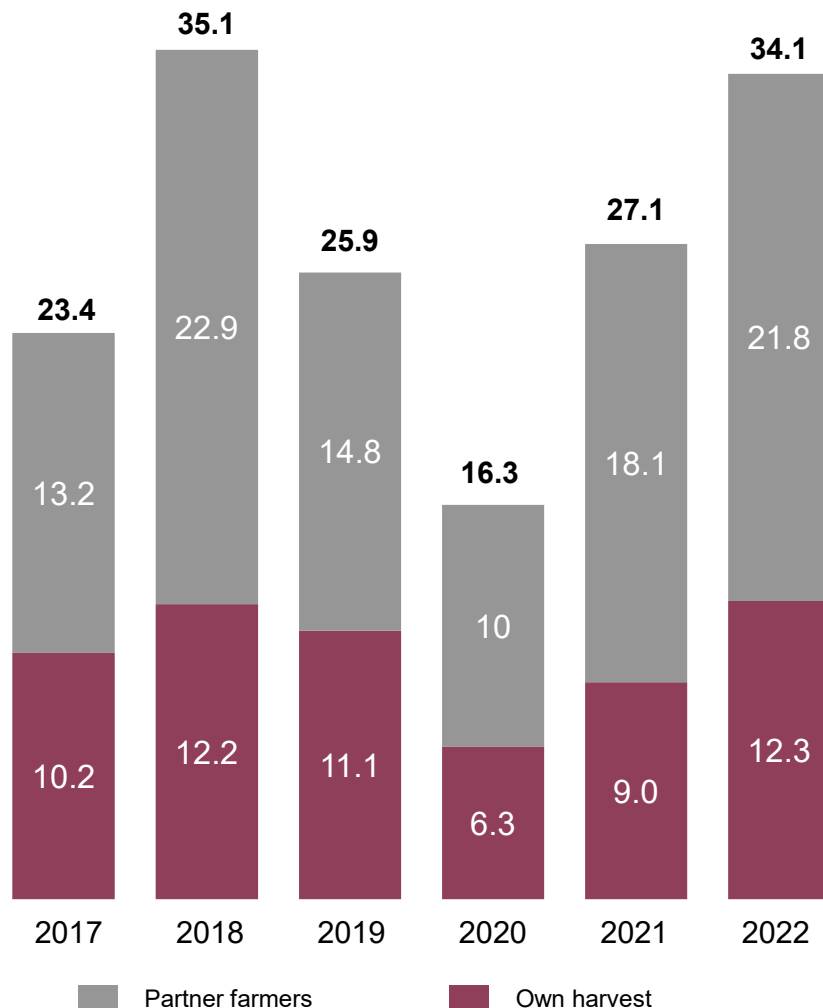
Brand	Share of sales, 9M22	Δ 9M22 YoY	Comments
	51%	+16%	<ul style="list-style-type: none"> ▪ PURCARI: Upward sales in all markets, except Ukraine and Baltics. Romania catching up in 3Q with low double-digit growth YoY. Moldova continues growing +34% YoY. The expansion in new markets and investment in new partnerships is paying off: Asia and CZ&SK doubling sales, albeit from a smaller base.
BOSTAVAN	21%	+8%	<ul style="list-style-type: none"> ▪ BOSTAVAN: Strong recovery in 3Q sales, +8% YoY on revival of sales in Poland. Moldova leading the growth with 37% YoY on volume increase and better product mix, followed by Asia and Romania with +31% and +12% YoY. Low sales in Ukraine, Baltics and CZ&SK impacted by difficult environment in these markets.
 CRAMA CEPTURA	15%	+3%	<ul style="list-style-type: none"> ▪ CRAMA CEPTURA: 3Q sales flat YoY, reaching +3% YTD, overperforming weak Romanian wine market dynamics. Continue to prioritize premiumization of portfolio, with focus on margins. Gradually passing price increases.
	12%	+17%	<ul style="list-style-type: none"> ▪ BARDAR: Romania +86% YoY on high demand from Key Accounts, increasing numeric distribution. Moldova continue the strong growth +22%. 9M 2022 sales to Asia exceeding full 2021 results. Promising performance in new markets: Nigeria, Poland, albeit from a smaller base.

3 Exceptional 2022 agricultural season: high quality vintage and good yield



Good 2022 harvest

Own harvest and 3rd party purchases of grapes, million kg



Comments

- Own vineyards fully recovered after an unprecedented draught in 2020.
- High attention in maintaining the vineyards has paid off, ensuring good health of the plants in the long term.
- Own harvest exceeded the record high 2018 results. Timely rains in pre-harvest period resulted in higher yields than initially anticipated.
- Fulfilling required stocks from 3rd party purchases; favorable price environment to positively influence margins starting from 2H 2023.
- Irrigation system functional at Purcari Winery vineyards as of July 1st 2022. Irrigation system roll out at Cuza Vineyards (Bostavan) planned for 2023.
- World wine production volume expected to be slightly below its 20-year average. Harvest in France recovered +17% YoY after disastrous 2021, while Italy being flat and Spain -6% YoY.¹

3 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 m³ and 24,000 m³ 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.



3 Continuing investing in both: growth and sustainability

Solar panels and dedicated warehouse

- Solar Panels installed on the roof of the Purcari Winery, to provide 15% of annual electricity consumption for the winery.
 - 1,025 m2 area covered by solar panels.
 - Annual production 240 000 kw.
 - 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.

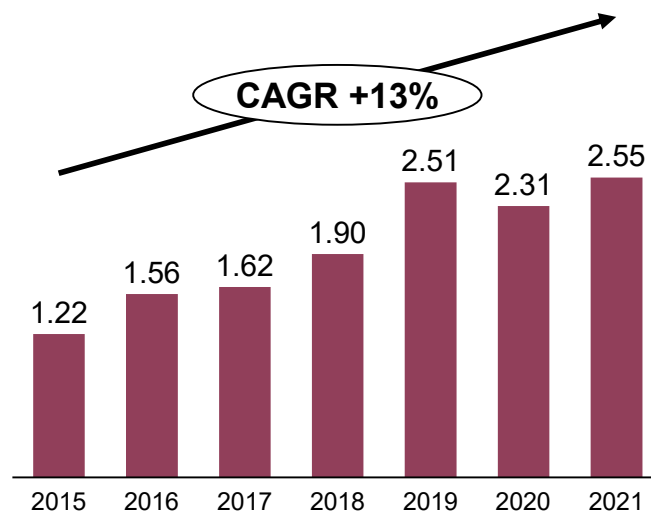


3 Acquisition of Angel's Estate in Bulgaria

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 m² – 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.



3 Becoming the undisputable Wine Champion in CEE

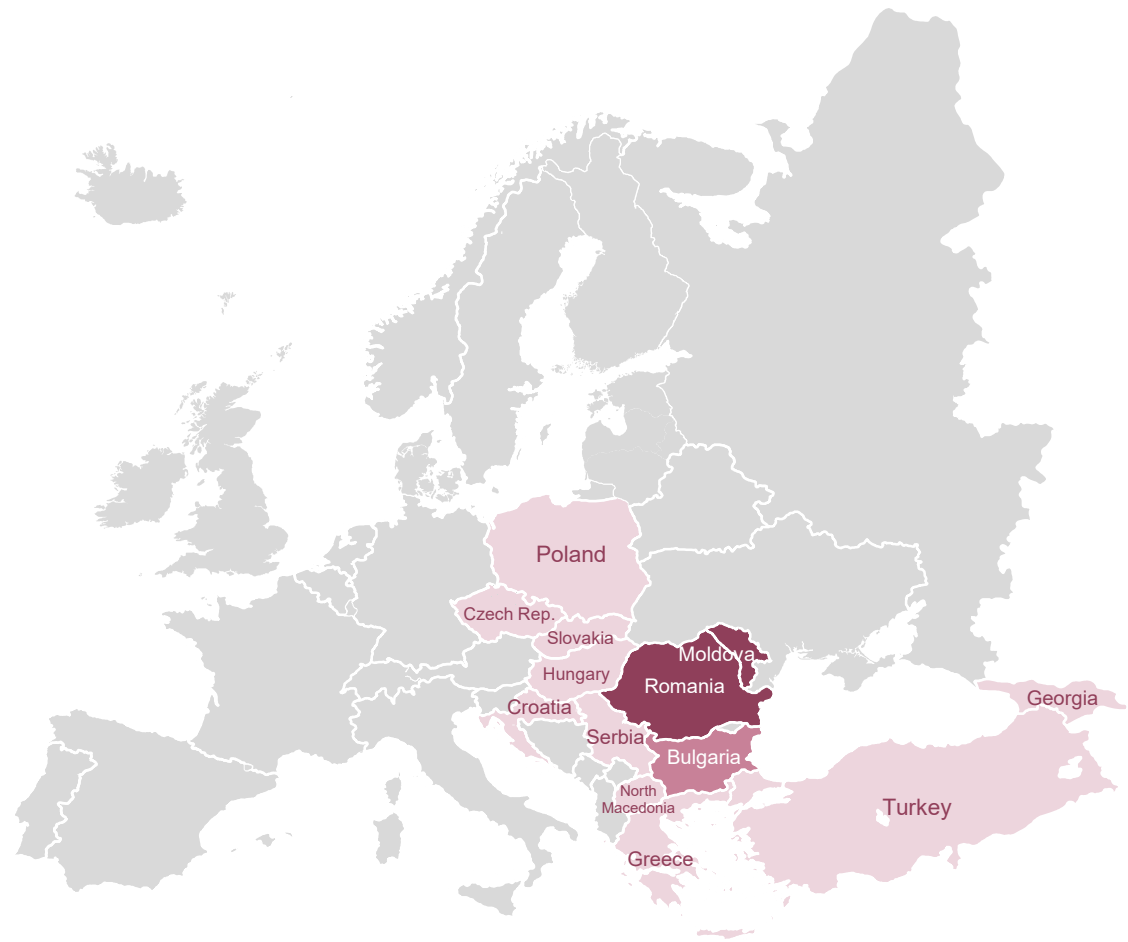
Formula of becoming wine champion in CEE

- 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



3 Continue creating, engaging, inspiring

Chisinau Big Hearts Marathon

Purcari Wineries Team participated with the slogan: "With open hearts for Stefan - Voda"



Winemakers' Competition

Ambassadors, businessmen and influencers experienced the wine journey at Château Purcari



DOR: Independence Day of RM

Light show organized in Chisinau as an homage to the Independence Day of RM



Purcari Wineries PLC – Investor Day

Purcari Wineries Group held the first edition of Investor Day at Château Purcari



Hospice Angelus Moldova Charity Ball

Presented with the "Excellence in Philanthropy" Grand Trophy



Moldova Wine Day 2022

Tastings of newly launched exclusive wines: Academia, Nocturne and Native



1 Purcari Wineries Group Key Info

2 Vision and Strategy

3 9M 2022 Operational Results

4 **Purcari Wineries Stock**

5 Guidance 2022

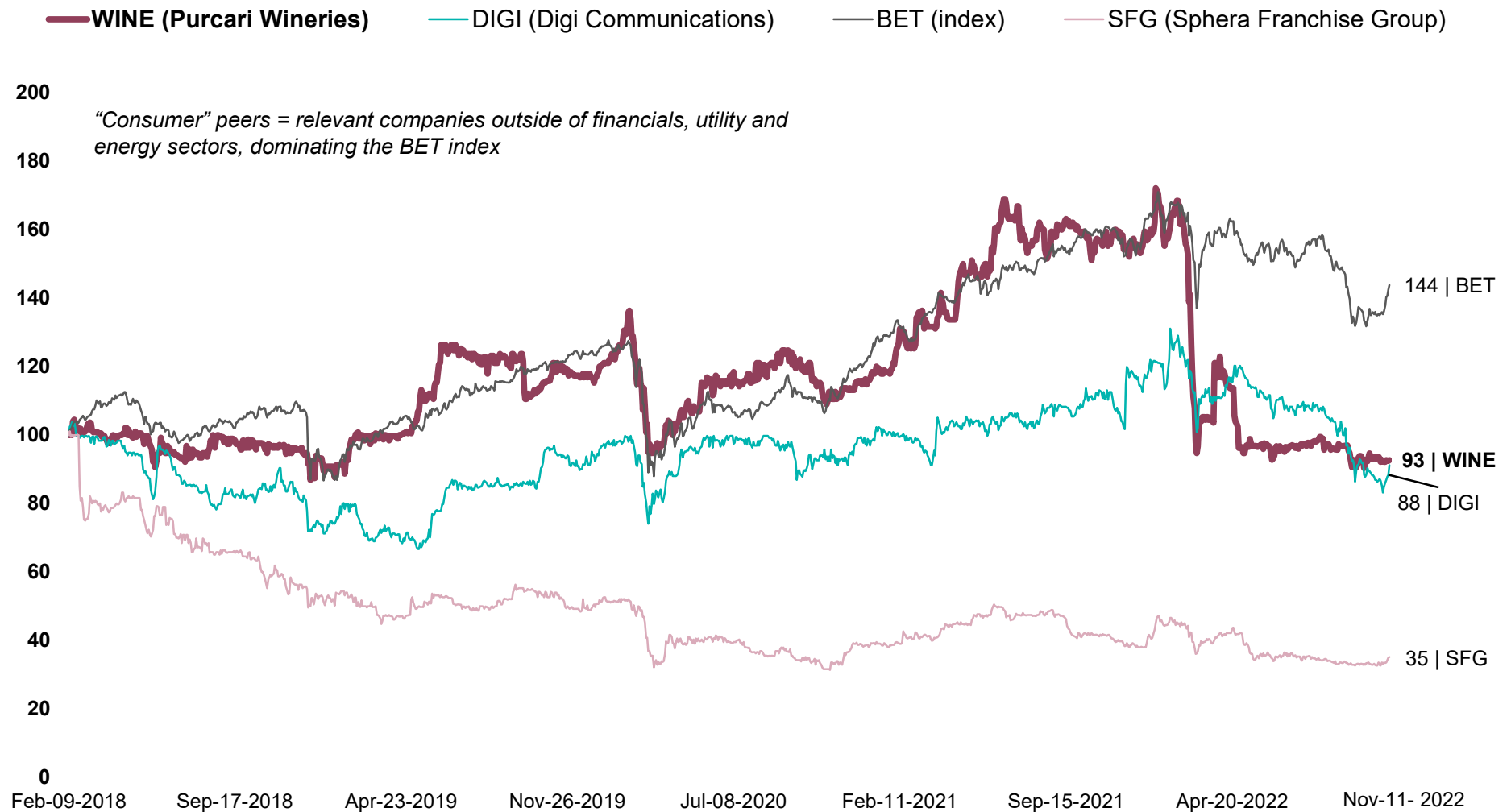


Native Rosé de Purcari 2021

A delicate wine, created with care for the environment, applying friendly techniques to the biodiversity and fertility of the soil in the vineyards.

**Gold at Mundus Vini
Summer Tasting 2022**

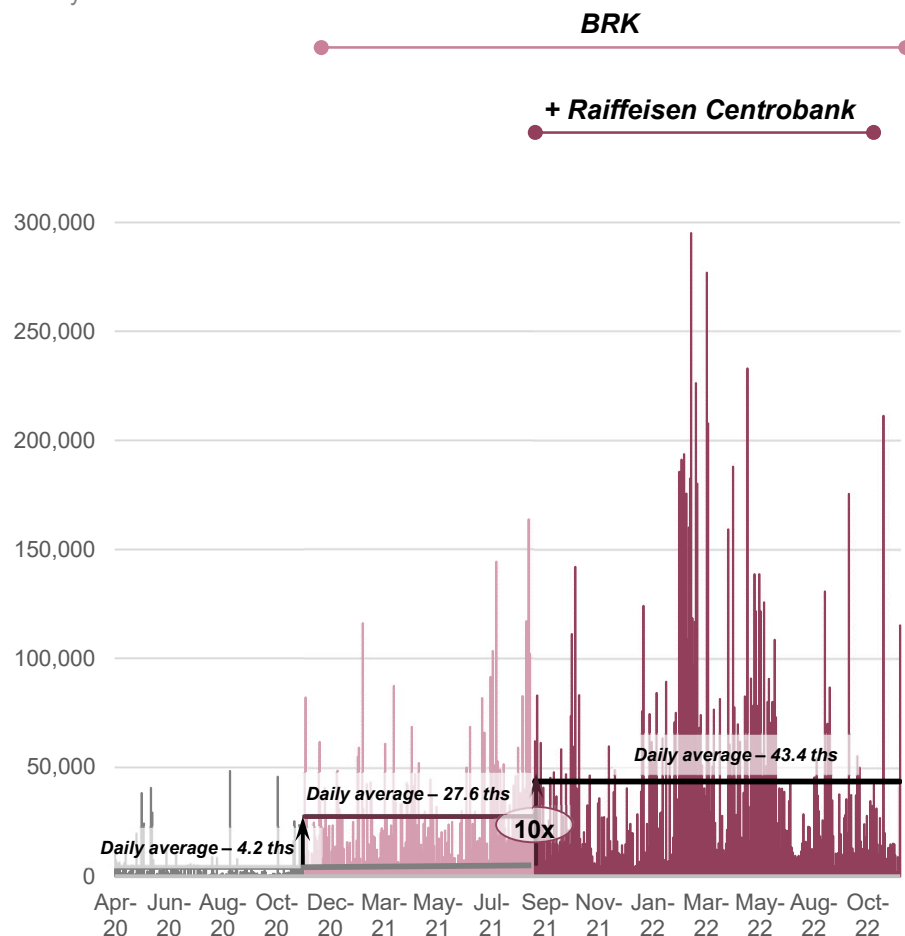
4 Stock performance



4 Purcari stock liquidity

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

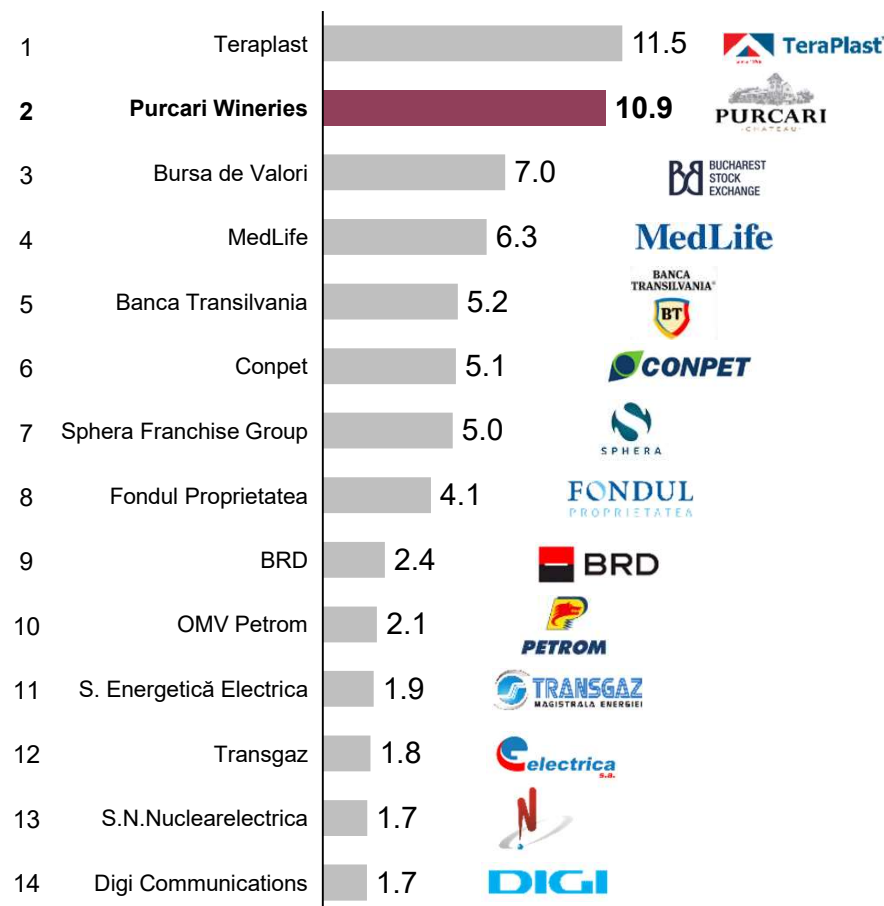
Daily volume



Source: Bucharest Stock Exchange, Capital IQ

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

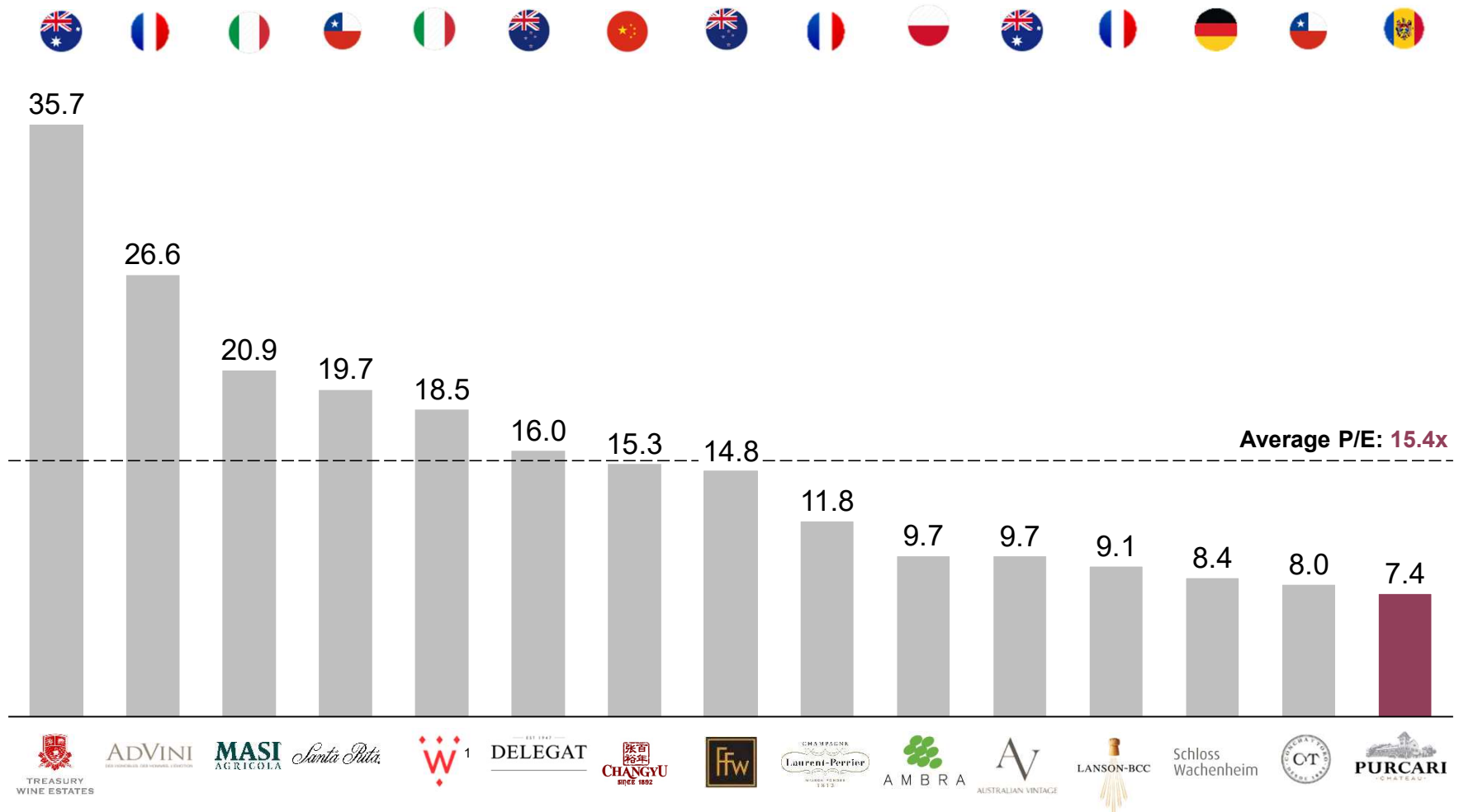
Ratio of daily trade value to Market Capitalisation, 2021-2022 YTD average, bps



4 Low valuation relative to wine peers

Purcari vs Selected wine public companies

P/E LTM Multiples

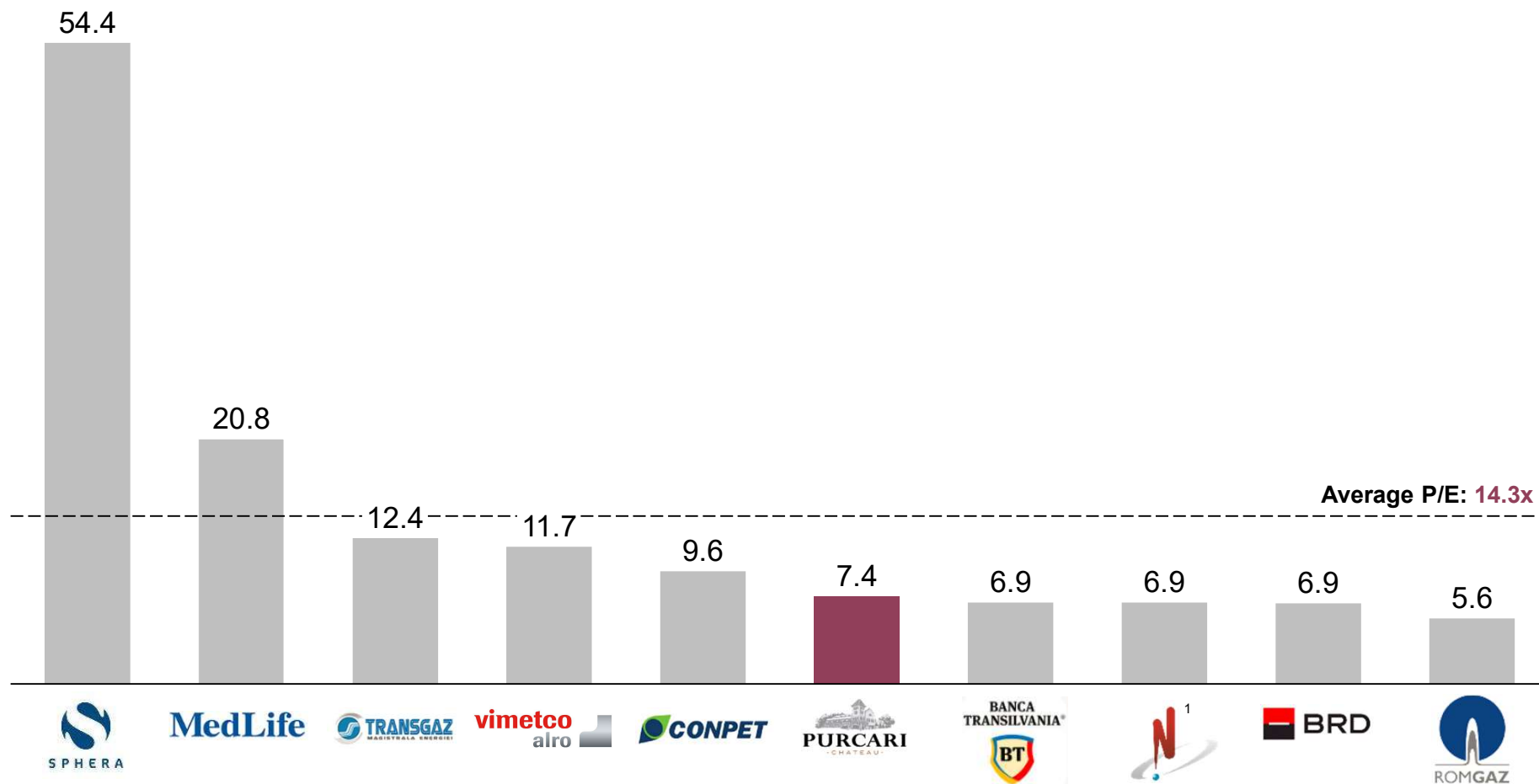


Source: Net Income and Market Cap as per Capital IQ as of November 11th, 2022
 Note: Diluted EPS excluding extra items used for P/E multiple; (1) Italian Wine Brands

4 Average valuation relative to Romanian listed peers

Purcari vs selected Romanian public companies

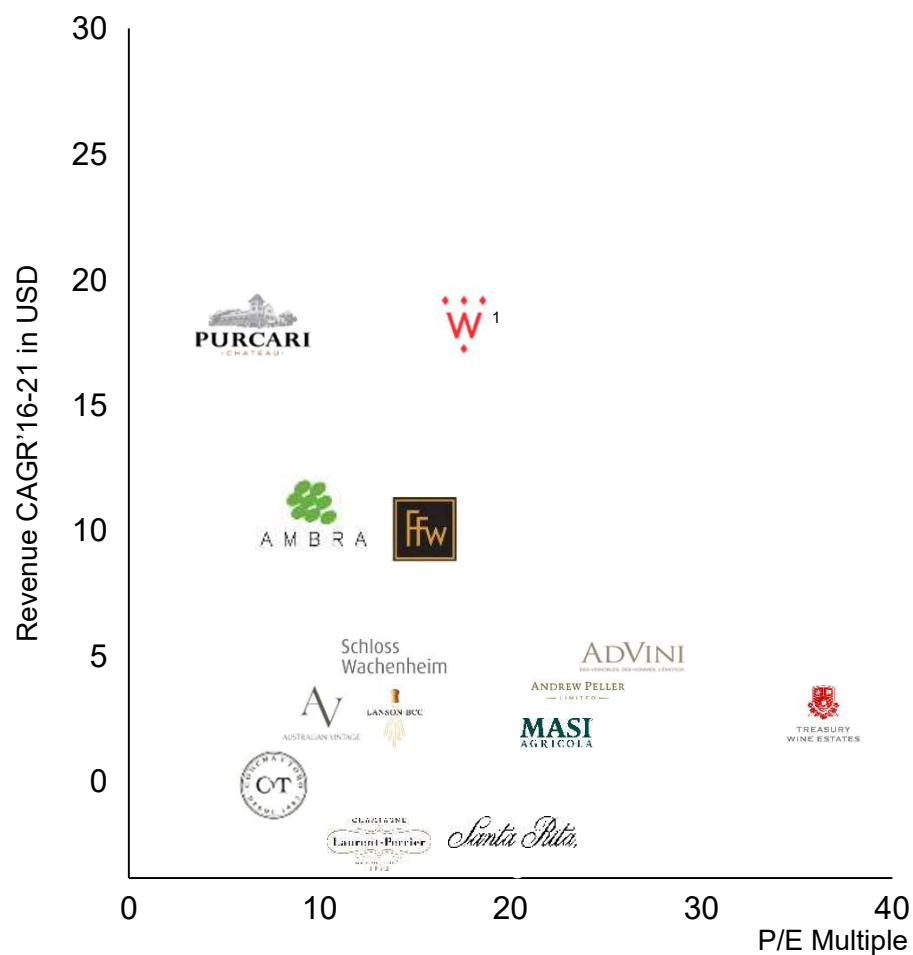
P/E LTM Multiples



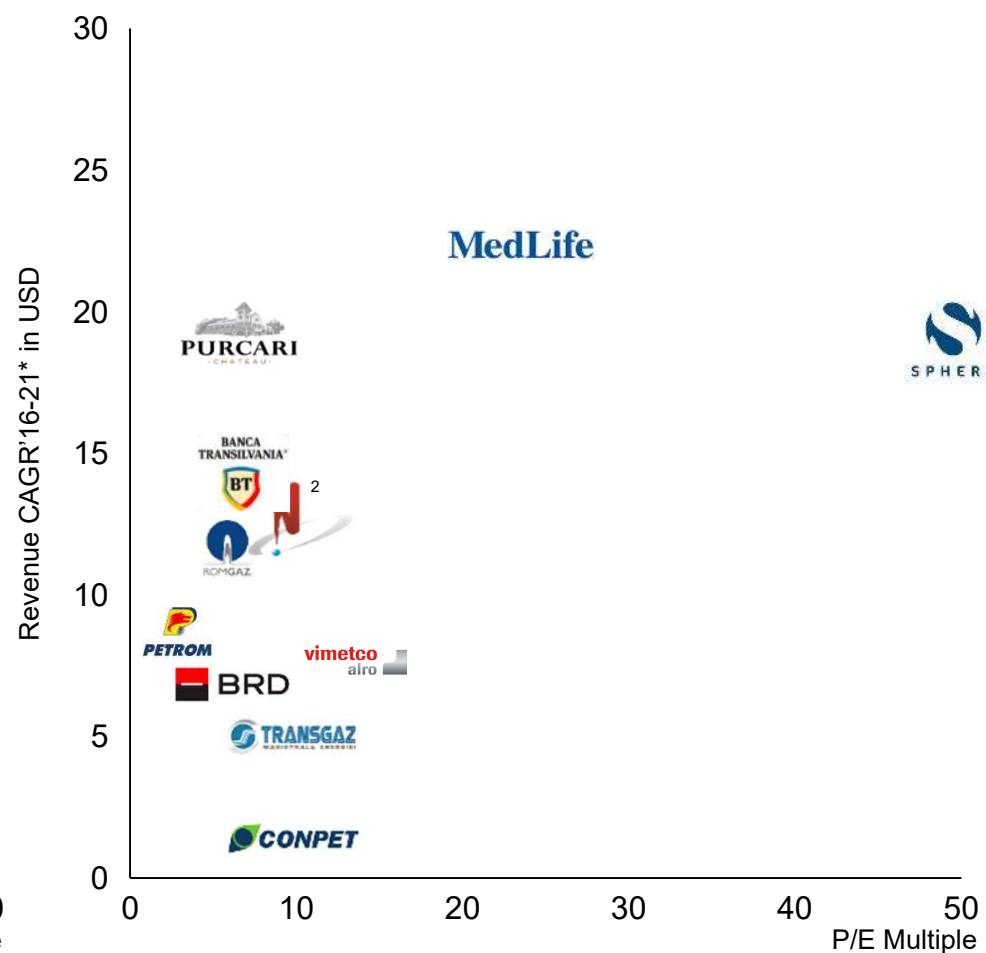
Source: Capital IQ, Company Data as per Capital IQ as of November 11th, 2022
 Note: Diluted EPS excluding extra items used for P/E multiple; (1) Nuclearelectrica

4 High growth not incorporated in valuations 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 11th, 2022. 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) Italian Wine Brands; (2) Nuclearelectrica

Today's agenda

1 Purcari Wineries Group Key Info

2 Vision and Strategy

3 9M 2022 Operational Results

4 Purcari Wineries Stock

5 **Guidance 2022**

Academia Purcari
Saperavi 2019

Produced in a limited
number – 6,000
bottles

Gold at Mundus Vini
Summer Tasting
2022,
Best in show
Moldova Red



5 Guidance 2022 – maintaining our guidance for the year

Target	2022 guidance	9M2022 fact	Status	Comments
Revenue growth	+15-20%	+20%	=	<ul style="list-style-type: none"> Growth in 3Q accelerated vs. 2Q, with value component advancing faster than the volumes. Maintaining growth within the guidance, ahead of crucial 4Q quarter, most important from a seasonality point of view.
Revenue growth, WINE ¹	+10-15%	+13%	=	<ul style="list-style-type: none"> Consumer demand for premium brands remains healthy, amid inflationary pressures. Purcari Group's affordable luxury model proving resilient in times of uncertainty.
EBITDA margin	20-25%	30%	>	<ul style="list-style-type: none"> First signs that inflation is reaching its peak. Still, expecting 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%	18%	>	<ul style="list-style-type: none"> Pressure on Net Income due to higher financing costs and higher depreciation from Capex executed in prior periods.

1 – core wine segment, except Ecosmart revenues

5 Learn more about our products



PURCARI
CHATEAU
1827
SINCE



FONDAT 1929
DIVIN
BARDAR



BOSTAVAN



DOMENIILE
CUZA



CRAMA CEPTURA





Thank you!