

# Purcari Wineries

Public Company Limited

BVB: **WINE**

## Corporate presentation

First Quarter 2024 financial results

May 15, 2024



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# Board of Directors



## 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 of 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.

# Today's presenters



## Victor Bostan

Chief Executive Officer, Founder

- Founder of the Group, since 2002.
- Over 35 years of experience in the wine industry.
- Built one of the largest wine companies in RU, exiting in 2002.
- Technical University, Oenology.
- Speaks FR, RO, RU.

## Alexandru Filip

Deputy Chief Executive Officer

- ~20 years of experience in finance and management consulting.
- Previously held positions as coordinating partner at McKinsey & Company, Bucharest and Head of the Digital Technology practice for Central Europe.
- Bachelor's degree in Economics from the University of Granada, Spain and a Master's degree in Economics and Finance from the University of Nottingham, UK.



## Eugeniu Baltag

Investor Relations Director

- Over 15 years of experience in financial management and audit.
- Previous held positions in: Transoil, Orange and PWC.
- Degree from the Academy of Economic Studies.
- ACCA fellow (FCCA), Certified in Investor Relations from the IR Society UK.
- Speaks EN, RO, RU.



## Vasile Tofan

Chairman of the Board of Directors

- Over 15 years' experience in FMCG
- Senior Partner at Horizon Capital, with focus on investments in Consumer Goods and Technology sectors.
- Previously held positions in: Monitor Group, Philips
- MBA from Harvard Business School, MSc in Public Management from Erasmus University Rotterdam
- Speaks EN, RO, RU, UA, FR, NL.



## Victor Arapan

Chief Financial Officer

- Over 20 years of experience in banking, audit and corporate finance.
- More than 10 years of experience in wine making companies.
- Previously held positions in PWC and Acorex Wineries.
- International Management Institute, Faculty of Banking and Stock Exchange.
- Speaks EN, RO, RU.



## Victoria Moldovan

Investor Relations Officer

- Investments Expert within Purcari Wineries Group since 2022; part of the IR team.
- Master in Finance and Risk Management and BBus (EcoFin) from "Alexandru Ioan Cuza" University of Iași.
- Speaks EN, RO, RU, DE.



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Purcari Wineries Group

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Q1 2024 Operational Results

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Guidance update

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Annual General Shareholder Meeting

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BVB: WINE

## Negru de Purcari

A wine of a complex and intense bouquet, with notes of sweet fruits, coupled with fine flavors of spices and saffron. A noble red, with a rich structure, delicate tannins and a long sensual aftertaste.

**55% Cabernet Sauvignon**  
**40% Saperavi**  
**5% Rară Neagră**

**Aged for 18 months in french Barrique Seguin Moreau.**



# 1 Purcari Wineries Group at a glance

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

Founded in 1827, Purcari Wineries Group is now...

- » In the Top 3 most awarded wineries in the World for 2023.
- » The most successful winery from CEE at Decanter World Wine Awards 2023.
- » Most awarded CEE winery of the year in 2015-2023 at Decanter London, "Wine Olympics".
- » Best premium wine brand in Romania, Moldova.
- » Fastest growing large winery in CEE.
- » Largest exporter of bottled wine from Moldova.
- » 1,600+ hectares of prime vineyards, top production assets.
- » 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.

## 7 production sites, 6 brands, 3 countries

~50 collections, covering a broad spectrum of segments

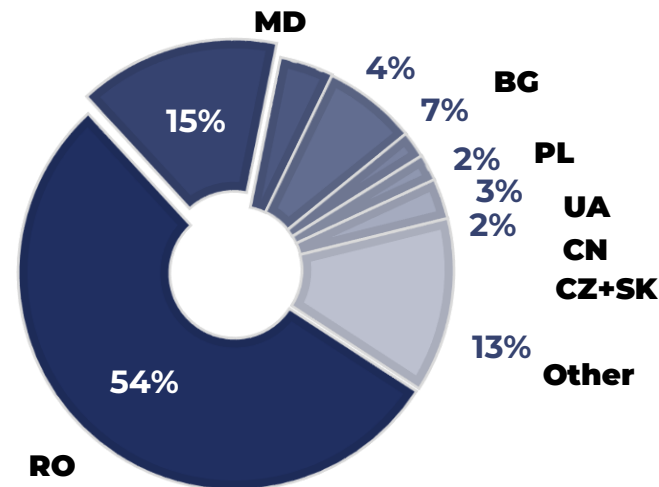


BOSTAVAN



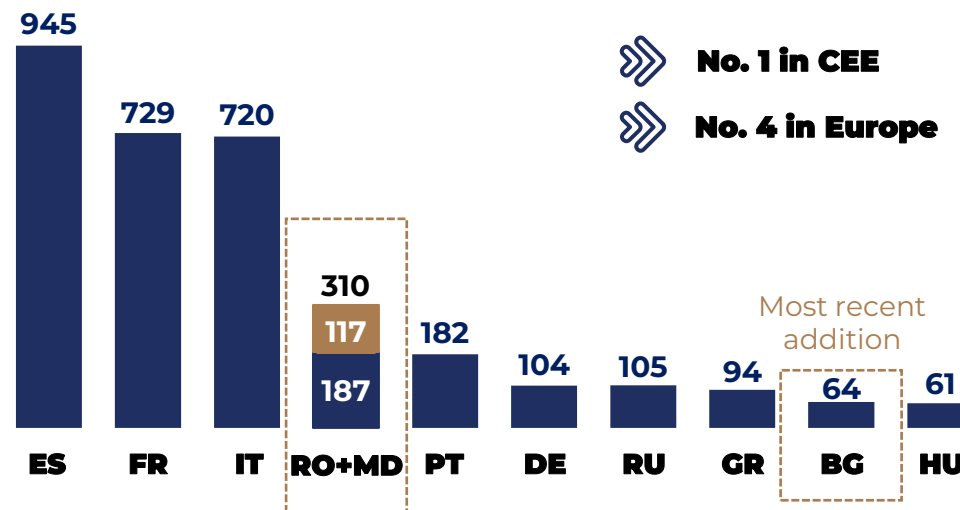
## ... with a strong & expanding regional footprint

Geographical breakdown of sales for Q1 2024, %



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

Top 10 European countries by area under vines, kha



# 1 Strong track record of growth year to year

## Sustainable profitability accompanying strong growth

	2017	2018	2019	2020	2021	2022	2023
Revenue	142.3	168.1	199.1	203.7	248.1	302.5	369.7
CoS	-74.5	-85.5	-100.2	-105.9	-132.3	-170.4	-215.2
<b>Gross profit</b>	<b>67.7</b>	<b>82.6</b>	<b>98.9</b>	<b>97.8</b>	<b>115.8</b>	<b>132.1</b>	<b>154.4</b>
<i>Gross profit margin, %</i>	48%	49%	50%	48%	47%	44%	42%
SG&A	-31.7	-36.0	-44.2	-49.2	-53.8	-71.9	-80.2
<b>EBITDA</b>	<b>42.4</b>	<b>54.4</b>	<b>65.4</b>	<b>60.5</b>	<b>75.2</b>	<b>107.5<sup>4</sup></b>	<b>100.6</b>
<i>EBITDA margin, %</i>	30%	32%	33%	30%	30%	36%	27%
Depreciation	-5.9	-6.8	-9.6	-12.1	-13.8	-19.1	-26.4
Net finance cost	-1.6	1.0	-6.9	21.7	0.1	-7.5	-3.2
Income tax	-5.9	-7.0	-8.5	-10.8	-10.4	-12.0	-7.0
<b>Net profit</b>	<b>29.0</b>	<b>41.7</b>	<b>40.5</b>	<b>59.2<sup>2</sup></b>	<b>51.2<sup>3</sup></b>	<b>68.8<sup>4</sup></b>	<b>64.0</b>
<i>Net profit margin, %</i>	20%	25%	20%	29%	21%	23%	17%
Earnings per share <sup>1</sup> , RON	na	0.96	0.91	1.42	1.18	1.62	1.51

(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

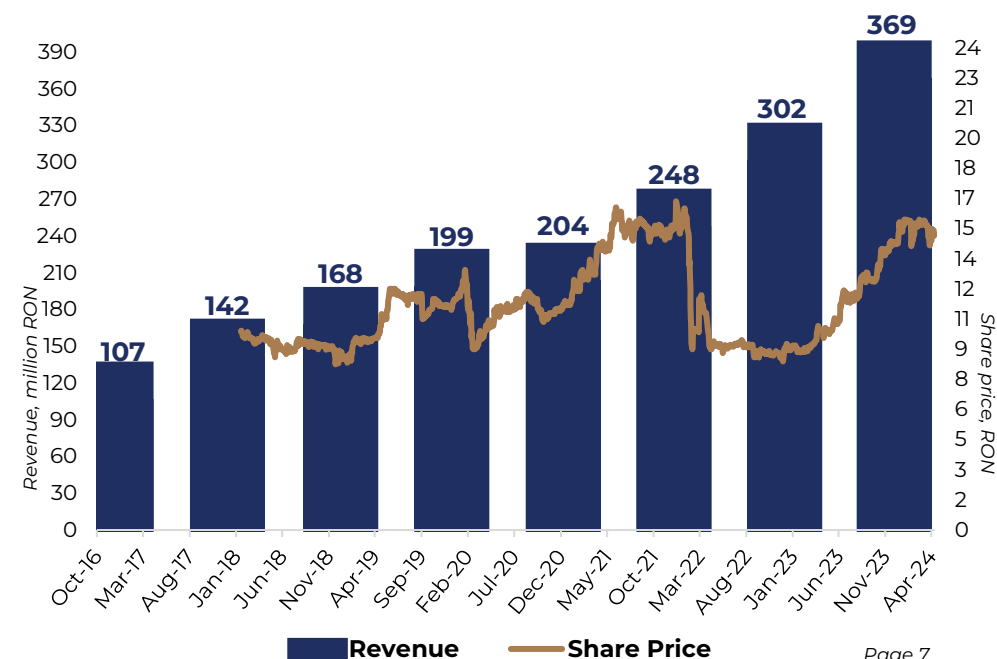
(3) Includes RON 5.6 million gain from sale of the stake in Glass Container Company

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

## Comments

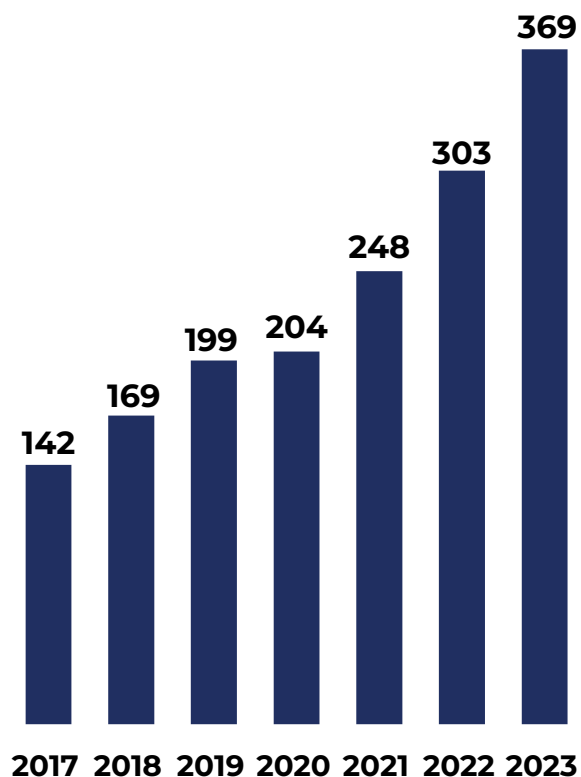
- IPO on Bucharest Stock Exchange in February 2018
- Increased sales 2.6x since pre-IPO
- Strong operating results and cost-efficient production
- Maintained strong EBITDA and Net Income margin
- 2023 includes Angel's Estate, a newly integrated Bulgarian winery, being at the integration phase.
- Steady 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), 2023 (proposed RON 0.65 per share).

## Revenue vs. share price evolution

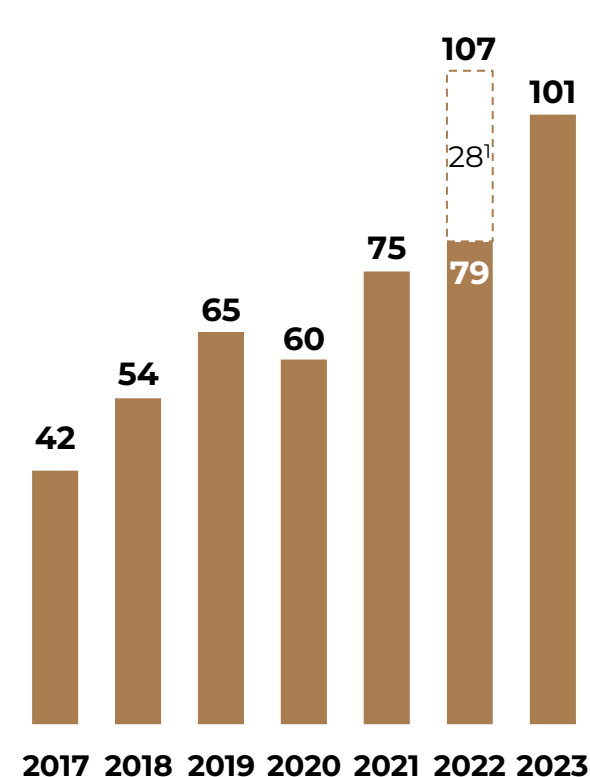


# 1 Long history of growth, high profitability

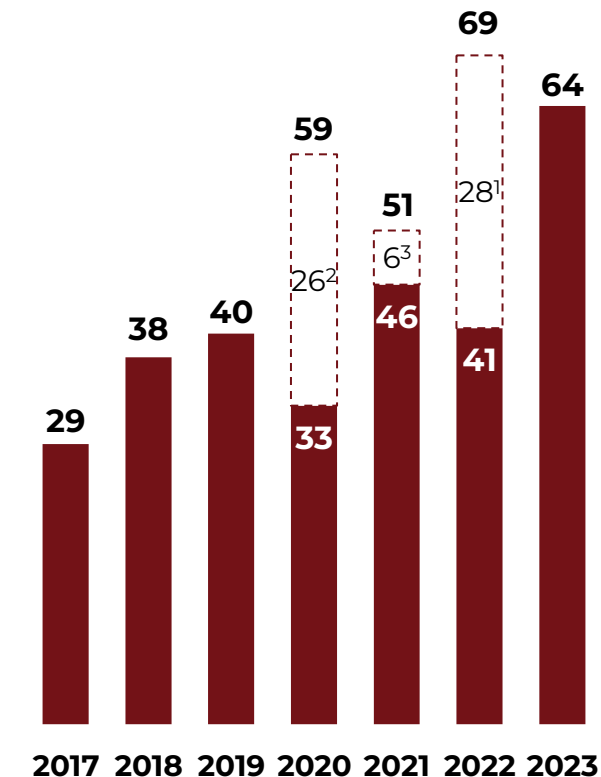
**Revenues**  
RON m



**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

## Modern cost-competitive winemaking



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.

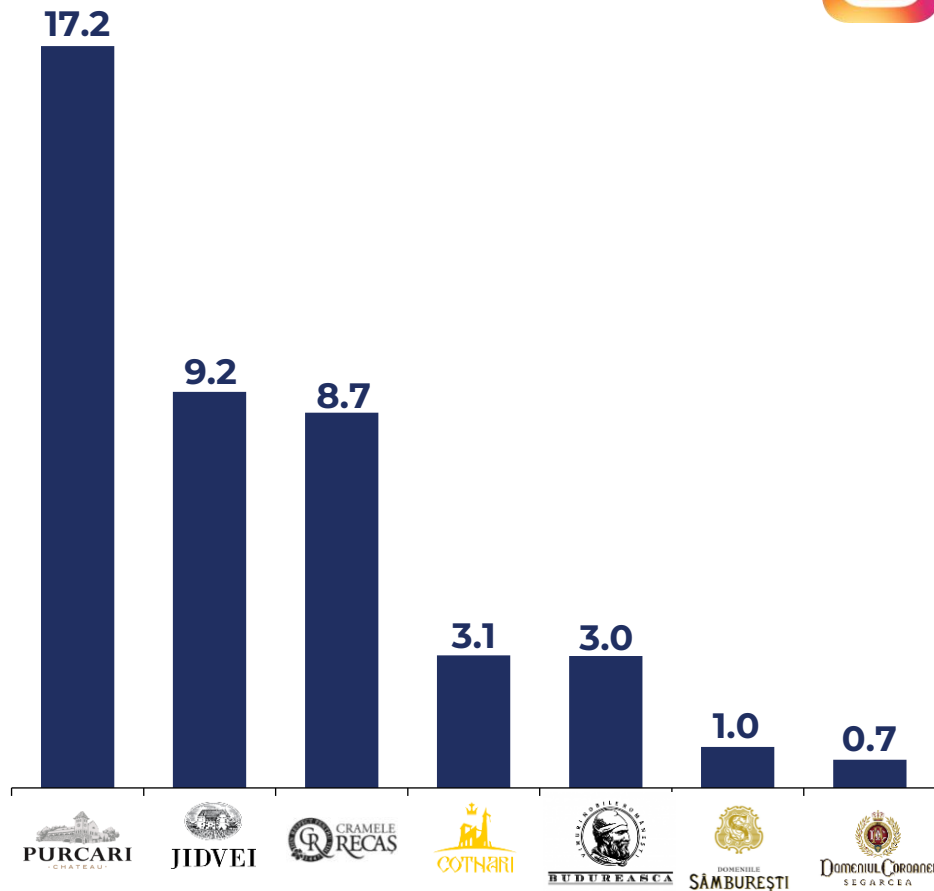
Affordable  
luxury

Differentiated  
marketing

# 1 Topping competition at engagement and quality

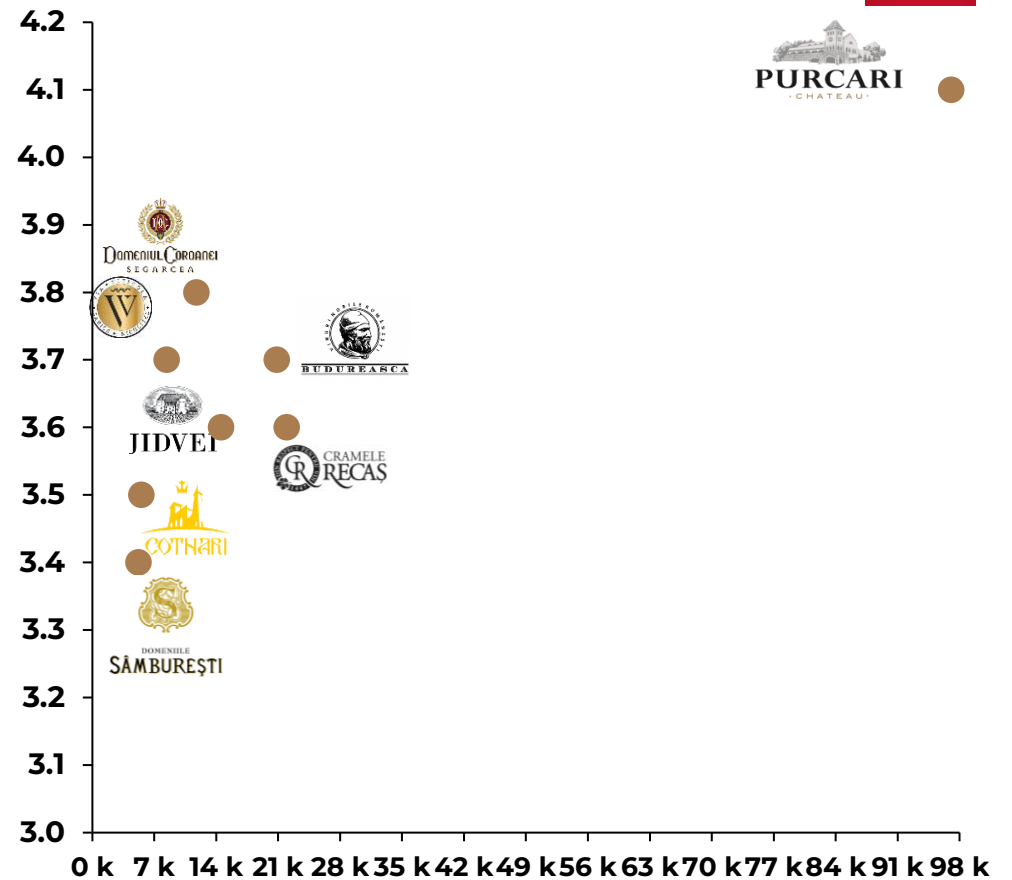
## Aspirational brand which consumers like sharing about

No. of #brand uses on Instagram (k), by key Romanian brands



## Highest number of ratings and highest scores on Vivino

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

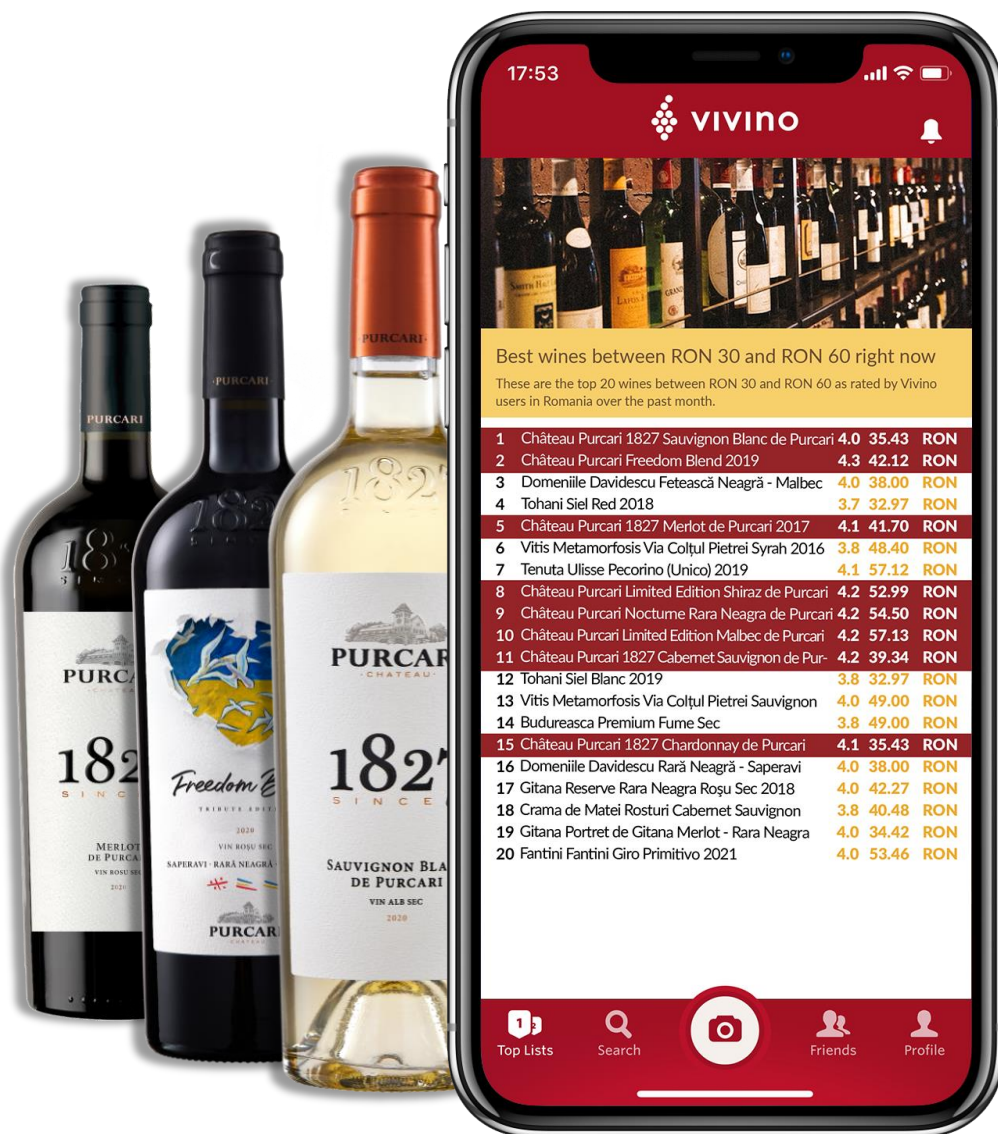


Note: Purcari - #purcari; Cramele Recas - #recas; Jidvei - #jidvei; Cotnari - #cotnari; Budureasca - #budureasca; Samburesti - #samburesti; Segarcea - #segarcea.

Sources: Instagram, Vivino as of April 2024

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

#1 presence in the crucial RON 30-60 segment, holding 6 out of TOP – 10 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 **6 best-rated wines in Vivino's top 10**.
- Negru de Purcari 2015 – among the **top 1% of all wines in the world**.
- We remain convinced that 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.

17:53

**vivino**

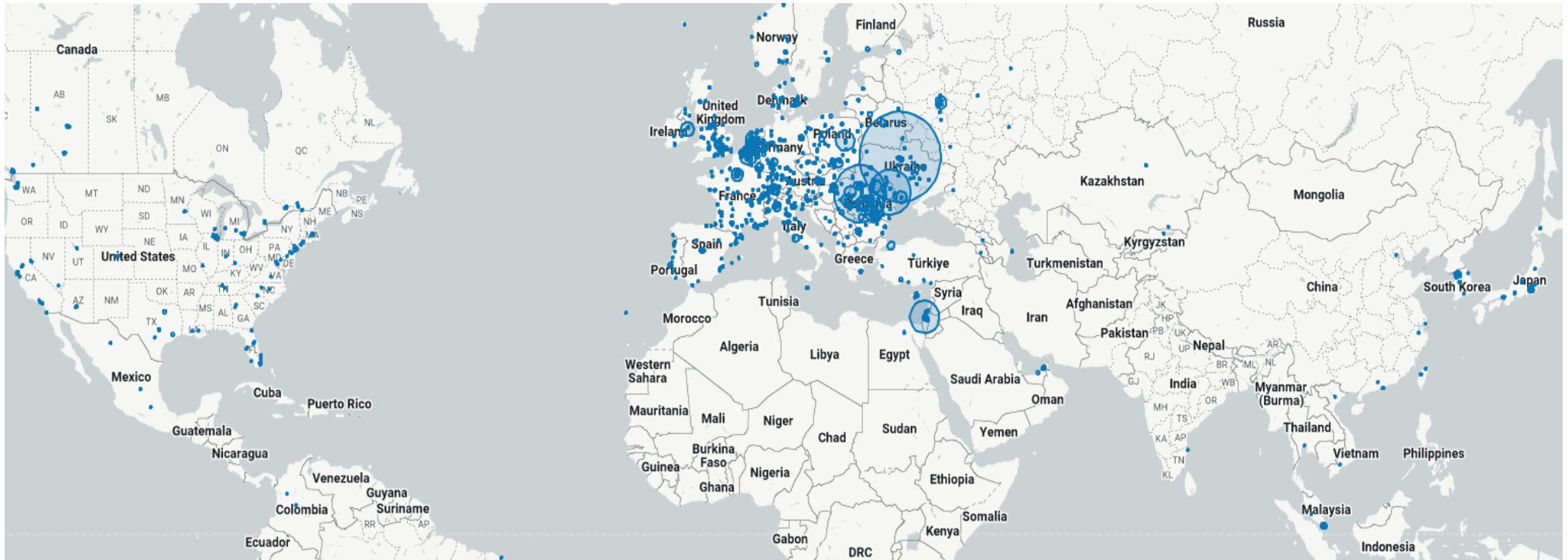
Best wines between RON 30 and RON 60 right now

These are the top 20 wines between RON 30 and RON 60 as rated by Vivino users in Romania over the past month.

1	Château Purcari 1827 Sauvignon Blanc de Purcari	4.0	35.43	RON
2	Château Purcari Freedom Blend 2019	4.3	42.12	RON
3	Domeniile Davidescu Fetească Neagră - Malbec	4.0	38.00	RON
4	Tohani Siel Red 2018	3.7	32.97	RON
5	Château Purcari 1827 Merlot de Purcari 2017	4.1	41.70	RON
6	Vitis Metamorfosis Via Colțul Pietrei Syrah 2016	3.8	48.40	RON
7	Tenuta Ulisse Pecorino (Unico) 2019	4.1	57.12	RON
8	Château Purcari Limited Edition Shiraz de Purcari	4.2	52.99	RON
9	Château Purcari Nocturne Rara Neagra de Purcari	4.2	54.50	RON
10	Château Purcari Limited Edition Malbec de Purcari	4.2	57.13	RON
11	Château Purcari 1827 Cabemet Sauvignon de Pur-	4.2	39.34	RON
12	Tohani Siel Blanc 2019	3.8	32.97	RON
13	Vitis Metamorfosis Via Colțul Pietrei Sauvignon	4.0	49.00	RON
14	Budureasca Premium Fume Sec	3.8	49.00	RON
15	Château Purcari 1827 Chardonnay de Purcari	4.1	35.43	RON
16	Domeniile Davidescu Rară Neagră - Saperavi	4.0	38.00	RON
17	Gitana Reserve Rara Neagra Roșu Sec 2018	4.0	42.27	RON
18	Crama de Matei Rosturi Cabemet Sauvignon	3.8	40.48	RON
19	Gitana Portret de Gitana Merlot - Rara Neagra	4.0	34.42	RON
20	Fantini Fantini Giro Primitivo 2021	4.0	53.46	RON

Top Lists Search Friends Profile

Note: as per Vivino breakdown as of May 2024



# 4.2

Average score out of 5.0 YoY

# Top 1%

Global ranking based on avg. score received

# 76

# countries where Purcari was scanned

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BVB: WINE

  
**CRAMA CEPTURA**

### Alb de Ceptura

A cheerful and bright wine of a straw-yellow hue, with a sunny appearance and a complex, floral bouquet. A perfectly balanced white, that harmoniously combines freshness with aromas of acacia, cherry blossoms and vanilla.

**Chardonnay, Fetească Regală**

**Matured for 12 months.**



## 2 Key operational highlights for Q1 2024

### Ongoing revenue growth

- Revenues up 11% to RON 81.6m, primarily fueled by volume increase, additional contribution from better mix and pricing. Seasonality shifts in sales to 2Q '24 due to delayed Orthodox Easter in 2024 vs 2023. Core Wine revenues +16% YoY. Sales in April'24 showing very strong dynamics YoY.
- All brands ended in positive territory in 1Q24 YoY. Strong recovery for Bardar +14% after a weak 2023. Purcari and Crama Ceptura continue sustainable growth at 17% and 14%, respectively. Bostavan +1% in 1Q24 YoY on improved traction in Baltics, Czech Republic and Slovakia.
- Strong momentum for Angel's Estate continues, +74% 1Q24 YoY. Amounting 4% of total Group sales.

### Sustaining strong margins, despite challenging environment

- EBITDA at RON 23.1m and Net Profit at RON 10.8m.
- EBITDA margin at 28% on the top-end of the guidance and Net Profit margin at 13% marginally below the forecast.
- Gross profit margin at 43.7% in 1Q24, marginally lower YoY. Still, it marks second best quarter in terms of gross profitability over the past 8 quarters.
- Gross margins expected to improve, as share of premium wines rises and effect of strong 2023 harvest trickles in (i.e., better COGS level)

### Active IR agenda

- AGM to be held on May 22, 2024, online voting available through eVOTE platform.
- Proposed dividend of RON 0.65/share. Ex-date on July 26, 2024, 4.6% yield on announcement date.
- Changes to the Board of Directors proposed.
- Next events: Frontier Investor Day, by WOOD, on June 4th; CEE – ERSTE Consumer & Technology Conference 2024, online, June 6th

### M&A and Ecosmart updates

- Expanding in Turkiye – acquisition of 90% stake in the newly established company HTA Danışmanlık Turizm Dış Ticaret Limited Şirketi;
- Online wine retailer, 8Wines, included in the Financial Times 1000 ranking;
- Acquisition of Timbrus Purcari Estate; Adding 112ha of vineyards to the Group.
- Negative decision of the High Court of Cassation and Justice of Romania in the litigation of the Group's subsidiary Ecosmart Union SA; Combined with new law on Guarantee Return, affecting glass packaging too, business model of Ecosmart made unfeasible, hence decision to discontinue the activity.

## 2 P&L: Seasonality impacted sales given timing of Orthodox Easter

RON m	Purcari Group		
	1Q24	1Q23	Δ 1Q
<b>Revenue</b>	<b>81.6</b>	<b>73.3</b>	<b>11%</b>
Cost of Sales	-45.9	-40.6	13%
<b>Gross Profit</b>	<b>35.7</b>	<b>32.7</b>	<b>9%</b>
<i>Gross Profit margin</i>	44%	45%	(1 pp)
<b>SG&amp;A:</b>	<b>-19.4</b>	<b>-16.8</b>	<b>15%</b>
Marketing and selling	-10.8	-9.1	19%
General and Administrative	-8.6	-7.8	10%
<b>Other income/ (expenses):</b>	<b>-0.6</b>	<b>-1.4</b>	<b>-57%</b>
<b>EBITDA</b>	<b>23.1</b>	<b>21.1</b>	<b>9%</b>
<i>EBITDA margin</i>	28%	29%	(1 pp)
<b>Net Profit</b>	<b>10.8</b>	<b>12.8</b>	<b>-15%</b>
<i>Net Profit margin</i>	13%	17%	(4 pp)

### Comments

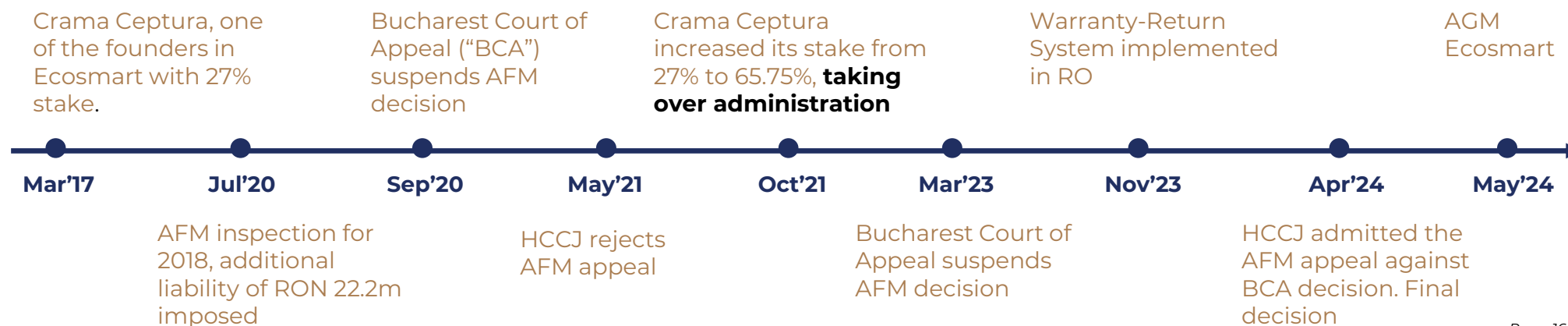
- Q1 '24 reached RON 81.6m, +11% YoY. Note: Orthodox Easter fell in Q1 in 2023 vs. Q2 in 2024, so comparable bases are different. Easter volumes to show in Q2 this year.
- Gross margin at 44%, -1pp vs Q1 '23. Second-best quarter in terms of gross profitability over the past 8 quarters. The effects of costlier bulk from 2020-2021 vintages in the mix of sales gradually decreasing to zero.
- Marketing and selling expenses at 13% of revenue; +19% YoY driven by team expansion and higher investments in marketing to drive future sales growth.
- G&A expenses at 11% of revenue. G&A +10% YoY on higher salary costs (including new FTEs), higher travelling costs and professional fees.
- EBITDA at RON 23.1 million with a 28% margin, at the top end of the annual guidance. +9% YoY.
- Net profit at RON 10.8 million, -15% vs 1Q23, with 13% margin slightly under the low end of the guidance. RON 2.1m impact from Net finance cost, of which RON 0.6m from higher interest costs and RON 1.4m forex impact.

## 2 Segment reporting: Ecosmart updates

RON m	Purcari Group			Ecosmart			WINE Business		
	1Q24	1Q23	Δ 1Q	1Q24	1Q23	Δ 1Q	1Q24	1Q23	Δ 1Q
<b>Revenue</b>	<b>81.6</b>	<b>73.3</b>	<b>11%</b>	<b>5.0</b>	<b>7.2</b>	<b>-31%</b>	<b>76.6</b>	<b>66.1</b>	<b>16%</b>
Cost of Sales	-45.9	-40.6	13%	-3.8	-6.5	-42%	-42.2	-34.1	24%
<b>Gross Profit</b>	<b>35.7</b>	<b>32.7</b>	<b>9%</b>	<b>1.2</b>	<b>0.7</b>	<b>83%</b>	<b>34.4</b>	<b>32.1</b>	<b>7%</b>
Gross Profit margin	44%	45%	(1 pp)	24%	9%	15 pp	45%	48%	(4 pp)
<b>SG&amp;A:</b>	<b>-19.4</b>	<b>-16.8</b>	<b>15%</b>	<b>-0.7</b>	<b>-0.9</b>	<b>-15%</b>	<b>-18.7</b>	<b>-16.0</b>	<b>17%</b>
Marketing and selling	-10.8	-9.1	19%	0.0	0.0	-29%	-10.8	-9.1	20%
General and Administrative	-8.6	-7.8	10%	-0.73	-0.9	-15%	-7.8	-6.9	14%
<b>Other income/ (expenses):</b>	<b>-0.6</b>	<b>-1.4</b>	<b>-57%</b>	<b>0.0</b>	<b>0.0</b>	<b>0%</b>	<b>-0.6</b>	<b>-1.4</b>	<b>-57%</b>
<b>EBITDA</b>	<b>23.1</b>	<b>21.1</b>	<b>9%</b>	<b>0.8</b>	<b>0.2</b>	<b>331%</b>	<b>22.2</b>	<b>21.0</b>	<b>6%</b>
EBITDA margin	28%	29%	(1 pp)	17%	3%	14 pp	29%	32%	(3 pp)
<b>Net Profit</b>	<b>10.8</b>	<b>12.8</b>	<b>-15%</b>	<b>0.5</b>	<b>-0.2</b>	<b>-396%</b>	<b>10.3</b>	<b>13.0</b>	<b>-20%</b>
Net Profit margin	13%	17%	(4 pp)	10%	-2%	13 pp	13%	20%	(6 pp)

*Note: The shareholders of Ecosmart Union SA are called upon on May 30, 2024, to decide on the discontinuation of the activity of the entity following the decision of the High Court of Cassation and Justice ("HCCJ") dated April 16, 2024, in the case of Environment Fund Administration ("AFM") from Romania against Ecosmart Union SA, regarding a penalty of RON 22,206,627. A provision amounting to RON 1,660,569 was made for the amount of net assets of Ecosmart Union SA, in proportion of the Group's holding stake of 65.75%.*

### Ecosmart Timeline

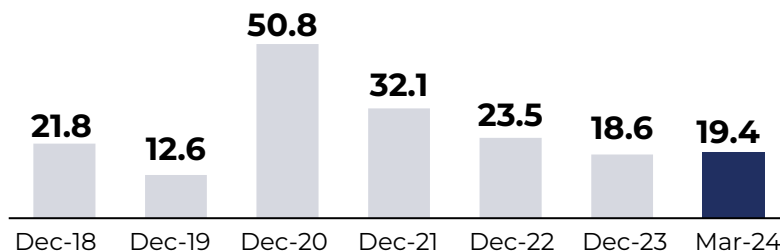




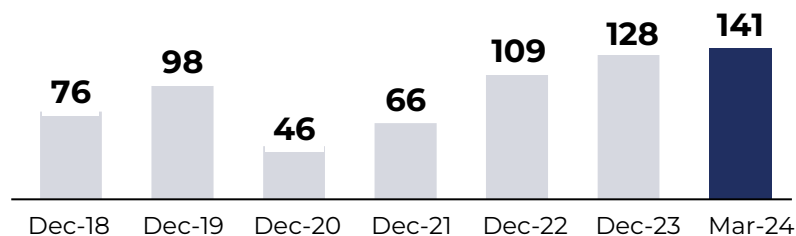
## 2 Strong balance sheet and prudent liquidity management

### Cash and Receivables

**Cash Position**  
RON m

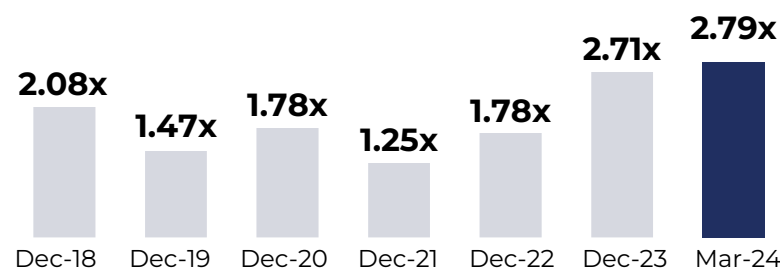


**Net Debt**  
RON m

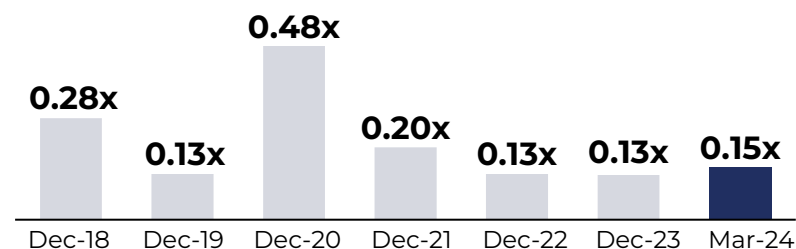


### Liquidity

**Current Ratio**

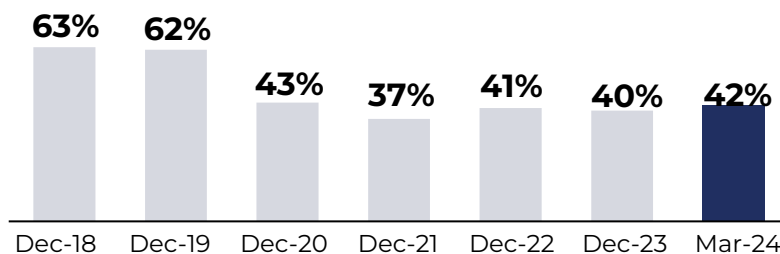


**Cash Ratio**

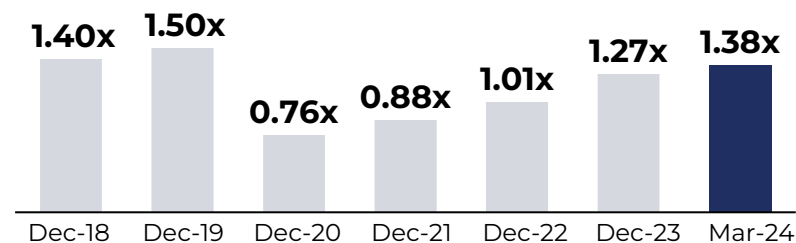


### Solvency


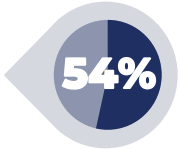

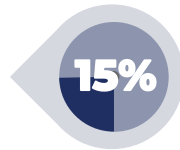

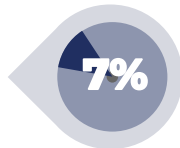

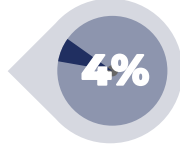


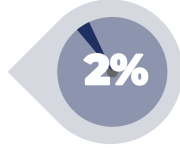

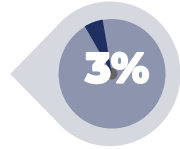

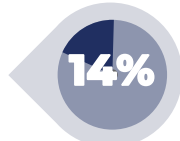
**Debt-to-Equity**




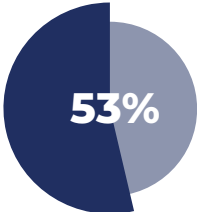
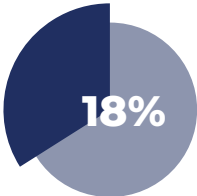

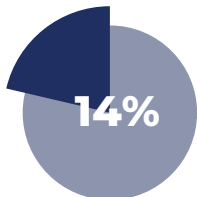

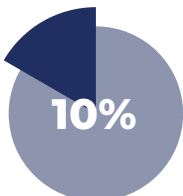

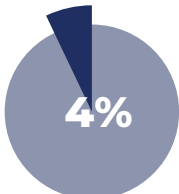
**Net Debt-to-LTM EBITDA**



## 2 Superior performance on markets with higher premium mix

Market	Share of sales, 1Q24	Δ 1Q24 YoY	Comments
<b>RO</b> 	 54%	+13%	<ul style="list-style-type: none"> <li>▪ <b>RO:</b> +13% in 1Q24 YoY. Strong year start considering a late Easter season. Purcari and Crama Ceptura performing best. Domeniile Cuza doubling sales, albeit from a smaller base.</li> </ul>
<b>MD</b> 	 15%	+7%	<ul style="list-style-type: none"> <li>▪ <b>MD:</b> Accelerating growth for the second Q in a row, +7% 1Q24 YoY. Strong recovery for Bardar with +22% in 1Q24 YoY, after a weak 2023. IKA performing strong, whilst the Duty-free channel is undergoing changes; strong competition in the traditional trade segment. Prioritizing margins over volumes with Bostavan and Bardar.</li> </ul>
<b>PL</b> 	 7%	-6%	<ul style="list-style-type: none"> <li>▪ <b>PL:</b> Pressure and price sensitivity in the mainstream wine market continue, with Bostavan -8% 1Q24 YoY. Purcari continues its strong growth with +21% 1Q24 YoY, albeit from a smaller base. Prioritizing margins over volumes with Bostavan.</li> </ul>
<b>BG</b> 	 4%	+88%	<ul style="list-style-type: none"> <li>▪ <b>BG:</b> +88% in 1Q24 YoY. Continuous development of the market, expanding the commercial team and collaborating with local partners. Focus on highest margin products and channels. Accelerated listing of Purcari brand to HoReCa.</li> </ul>
<b>CZ SK</b>  	 2%	+37%	<ul style="list-style-type: none"> <li>▪ <b>CZ&amp;SK:</b> Accelerated growth for the second Q in a row, +37% 1Q24 YoY, Bostavan leading the growth. Cautious optimism, facing strong competition from local and international producers. Prioritizing margins over volumes with Bostavan.</li> </ul>
<b>ASIA</b> 	 3%	+29%	<ul style="list-style-type: none"> <li>▪ <b>ASIA:</b> +29% in 1Q24 YoY attributed to previous year's investments in building brand awareness and local presence. Difficult macro environment persists; overall weak Chinese wine market. Double-digit decline of wine imports in China in 2023 YoY.</li> </ul>
<b>RoW</b> 	 14%	+131%	<ul style="list-style-type: none"> <li>▪ <b>Other:</b> Developing new destinations, first time deliveries in 1Q24. Investing in building brand awareness and local partnerships. <b>Turkey:</b> the entire 2024 quota for Moldovan wines fulfilled in January.</li> </ul>

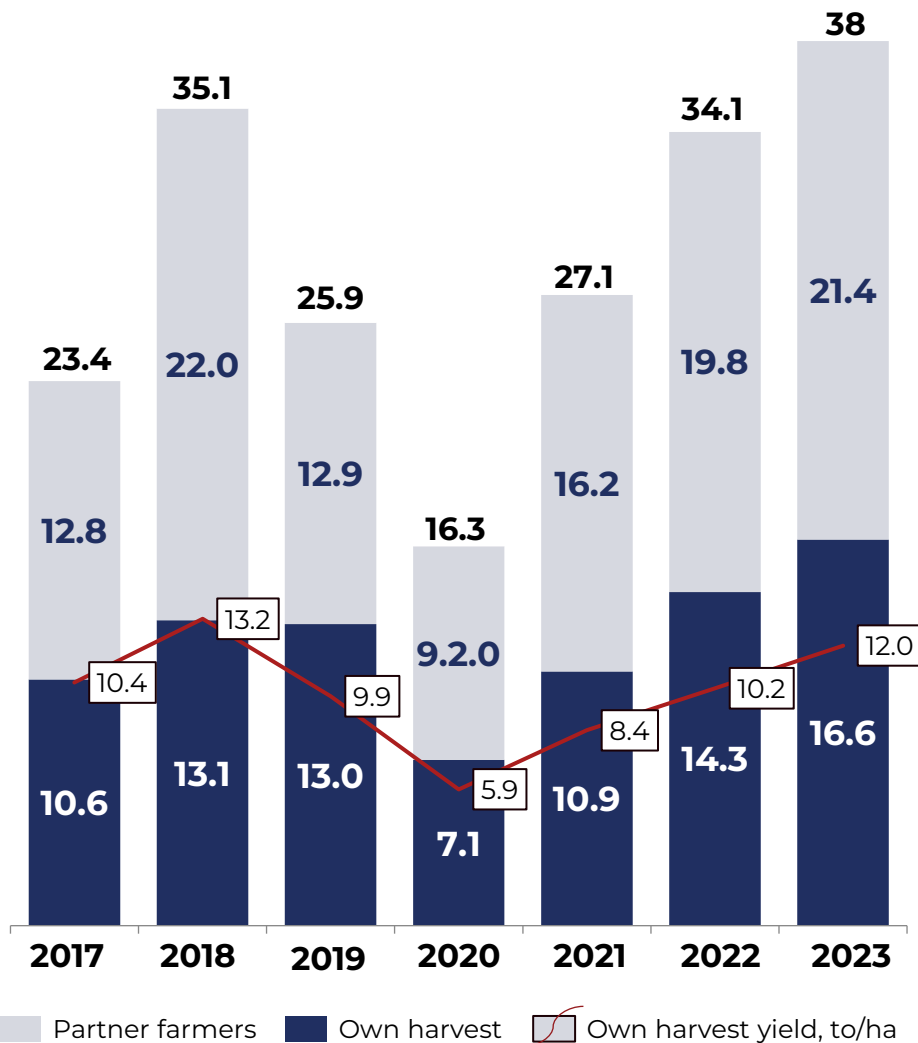
## 2 Ongoing growth, driven by premium brands' performance

Brand	Share of sales, 1Q24	Δ 1Q24 YoY	Comments
 <p><b>PURCARI</b> CHATEAU 1827 SINCE</p>	 <p>53%</p>	+17%	<ul style="list-style-type: none"> <li>▪ <b>PURCARI:</b> +17% Q1 '24 YoY on volume growth; mix and average prices stable vs. Q1 '23. Seasonality shifts in sales to Q2 '24 due to delayed Orthodox Easter. Premiumization strategy continues to deliver good results. Excellent year start in most markets: Poland, China, Ukraine.</li> <li>▪ <b>BOSTAVAN:</b> Prioritizing margin over volumes strategy delivered first results, +1% Q1 '24 YoY, driven by better pricing. Challenging conditions to the mainstream brands persist. Consumer confidence improving in Czech Republic, Slovakia, Baltics countries. Maintaining cautious optimism given high sensitivity of volumes to pricing.</li> <li>▪ <b>CRAMA CEPTURA:</b> Growth trend persists into Q1 '24. Seasonality shifts in sales to Q2 '24 due to delayed Orthodox Easter. Focus on portfolio development and premiumization. Good year start with deliveries to Poland and China.</li> <li>▪ <b>BARDAR:</b> Strong recovery +14% Q1 '24 YoY after a weak 2023. The growth mainly attributed to increase in volumes, supported by better mix and pricing environment. Moldova leading the growth despite the undergoing challenges: changes to duty-free channel, strong competition in traditional trade segment.</li> <li>▪ <b>ANGEL'S ESTATE:</b> Growth momentum continues, +74% in Q1 '24 YoY. Improving the portfolio quality, focusing on high-margin segments. Expanding the geographical coverage. Enforcing local Marketing and Commercial team.</li> </ul>
<p><b>BOSTAVAN</b></p>	 <p>18%</p>	+1%	
 <p><b>CRAMA CEPTURA</b></p>	 <p>14%</p>	+14%	
 <p><b>DIVIN BARDAR</b></p>	 <p>10%</p>	+14%	
 <p><b>ANGEL'S ESTATE S.A.</b></p>	 <p>4%</p>	+74%	

## 2 Exceptional 2023 agricultural season: high-quality vintage and good yield

### Good 2023 harvest

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



### Comments

- Strong own harvest despite unfavorable weather conditions with moderate rains and heat waves just before harvesting.
- Fulfilling required stocks from 3rd-party purchases; favorable price environment expected to positively influence future margins.
- Irrigation system functional at Purcari Winery vineyards as of July 1, 2022, proved its efficiency, delivering high-quality grapes and volumes amid difficult weather conditions. Irrigation system roll-out at Cuza Vineyards (Bostavan) planned to start in 2024.
- Global wine production<sup>1</sup> volumes 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) International Wine Organization

## 2 Outstanding results at most reputable wine competitions

**Château Purcari in the TOP 3 most awarded wineries in the World**  
430 medals and awards collected in 2023



**In the Top 5 most successful wineries in 2024 at Mundus Vini**  
Grand Gold and Best of show Moldova noble sweet and white



**Best in Show by Country Category at the London Wine Competition**  
Academia Purcari Fetească Neagră – awarded 90 points



**17 Gold Medals at Vinalies Internationales**  
1 Grand Gold and 16 Gold medals



**4 Double Gold Medals at Gilbert Gaillard International Challenge**  
Collected in total 6 Gold Medals



**Rosé session, Concours Mondial de Bruxelles 2024**  
3 Gold Medals for our most popular rosé



## 2 Continue supporting, engaging, inspiring...

### National Contest “Heritage”, 30<sup>th</sup> Edition

Main sponsor of the National contest of history and Romanian literature “Moștenire (Heritage)” for pupils, 30<sup>th</sup> Edition



### First “Mărțișor” Festival in Istanbul

Purcari’s reds and whites provided the perfect “mărțișor” for a warm networking event



### ProWein Germany, Düsseldorf

Awarded Best Producer from Moldova at Mundus Vini Spring Tasting 2024



### ProWein Japan, Tokyo

Honored by the visit of the Ambassador of Republic of Moldova in Japan. Purcari wines – highly valued at the event.



### #PurcariWomen Campaign

A thank you campaign for the 8<sup>th</sup> of March dedicated to the women of Purcari Wineries Group



*Mulumim*  
că adăugați vinurilor noastre  
emoție și dragoste!  
#FemelePurcari

### Château Purcari at Ro-Wine Cluj

Participated at the 2024 edition of the wine dedicated event, among producers from several of countries



- 1** Purcari Wineries Group
- 2** Q1 2024 Operational Results
- 3** Guidance update
- 4** Annual General Shareholder Meeting
- 5** Annual GSM Agenda

# BOSTAVAN

## Black Doktor Dry Red

A deep red wine with a ruby shade, harboring a harmonious and velvety bouquet of mellow berries, blackcurrant and black plums. A wine with notes of maturation and soft tannins

**52% Cabernet Sauvignon**  
**31% Merlot**  
**17% Saperavi**

**Recommended serving temperature +16 ... +18° C.**



### 3 Guidance 2024 update

Target	2024 guidance	2024 guidance update	Comments
<b>Revenue growth</b>	<b>+16-20%</b>	<b>+12-15%</b>	<ul style="list-style-type: none"> <li>Following the expected discontinuation of the Ecosmart line of business, the Group updates the annual guidance to reflect this change.</li> <li>Ecosmart accounted for circa 8% of Group revenues in 2023 and 4% of EBITDA and Net Profit.</li> <li>No changes in guidance made to the core WINE revenue.</li> </ul>
<b>Revenue growth, WINE<sup>1</sup></b>	<b>+20-24%</b>	<b>+20-24%</b>	
<b>EBITDA margin</b>	<b>26-28%</b>	<b>26-28%</b>	<ul style="list-style-type: none"> <li>Guidance on margins remains unchanged.</li> </ul>
<b>Net Income margin</b>	<b>14-16%</b>	<b>14-16%</b>	

(1) Core wine segment, except Ecosmart revenues



1

Purcari Wineries Group

2

Q1 2024 Operational Results

3

Guidance update

4

Annual General Shareholder Meeting

5

BVB: WINE

DIVIN  
**BARDAR**










### Divin Bardar Platinum XXO 25 years

A divin that represents the essence of Bardar's history, a creation of emblematic taste, full-bodied, harmonious, with nuances of candied fruit, roasted nuts and chocolate.

Aged in the finest oak barriques for at least 25 years.



## 4 Resolutions subject to AGM voting

- 
**ITEM 1** Re-election of Mr. Neil McGregor as independent, non-executive Director of the Company.
- 
**ITEM 2** Election of Ms. Ana-Maria Mihaescu as independent, non-executive Director of the Company.
- 
**ITEM 3** Election of Mr. Alex Filip as executive Director of the Company.
- 
**ITEM 4** Re-appointment of the independent auditors PricewaterhouseCoopers Ltd Cyprus as the auditors of the Group and of the Company for the Financial Year 2024 and authorization to the Board of Directors to fix their remuneration for the year 2024.
- 
**ITEM 5** Advisory vote on the Remuneration Report of the Executive and Non-Executive Directors for the financial year that ended on December 31, 2023.
- 
**ITEM 6** Approval of payment of dividends in the amount of RON 0.65 per ordinary share to be paid to all members of the Company and approval of the following dates: ex-date - 26.07.24, record date - 29.07.24, payment date - 16.08.2024.
- 
**ITEM 7** Approval of the Management Incentive Program 2024-2027 comprising of awarding: up to 802,000 shares with annual vesting (i.e. ¼ vests at the end of each year) and up to 3,007,000 options exercisable at strike prices of RON 15 (802,000 options), RON 20 (1,002,000 options) and RON 25 (1,203,000 options) and the related performance criteria.
- 
**ITEM 8** Approval of Special Resolution 1 instructing the Board of Directors to finalize the legal and financial terms of a buy-back program to meet part of the obligations of the Company arising from the Management Incentive Program 2024-2027, in amount of 200,500 shares.
- 
**ITEM 9** Approval of Special Resolution 2 authorizing the Company's Board of Directors to increase the issued share capital of the Company up to the authorized share capital, by issuing a maximum of 2,646,706 new ordinary shares.

**1**

**Purcari Wineries Group**

**2**

**Q1 2024 Operational Results**

**3**

**Guidance update**

**4**

**Annual General Shareholder Meeting**

**5**

**BVB: WINE**



**ANGEL'S ESTATE S.A.**

### **Deneb Syrah**

A silky dark red wine with noble purple shades and spicy overtones with hints of black cherry and tobacco.

### **100% Syrah**

Matured for 18 months in new French oak barrels at controlled temperature and relative humidity.



## 5 Purcari Wineries PCL (BVB:WINE)

### Consensus forecasts

	Rating	Target Price	Date
<b>Wood &amp; Company</b>	Buy	17.80	Oct-23
<b>Raiffeisen</b>	Buy	18.00	Feb-24
<b>BT Capital</b>	Outperform	12.26 <sup>2</sup>	Aug-23
<b>Ipopema</b>	Buy	11.50	Aug-23
<b>BRK</b>	Buy	18.80	Mar-24

- Included in : BET<sup>1</sup> index, FTSE Russell Microcap, MSCI Romania Index.
- VECTOR 10/10 for the fourth consecutive year from 2020 to 2023. This indicator measures the quality of communication with investors for listed companies, assessed by ARIR, the Romanian Investor Relations Association.
- Next Events: Annual General Meeting of Shareholders 2024 scheduled on the 22<sup>nd</sup> of May 2024.

(1) BET Index – Main stock market index tracking 20 most liquid stocks listed on Bucharest Stock Exchange

(2) Under review as of 20.02.2024

### Backed by Reputable shareholders

AMBOSELT UNIVERSAL  
INC.

 Horizon Capital

  
FIREBIRD MANAGEMENT LLC

 NORGES BANK

**Paval Holding**

**~114 institutional  
investors**

  
FIERACAPITAL

**CONSEQ**

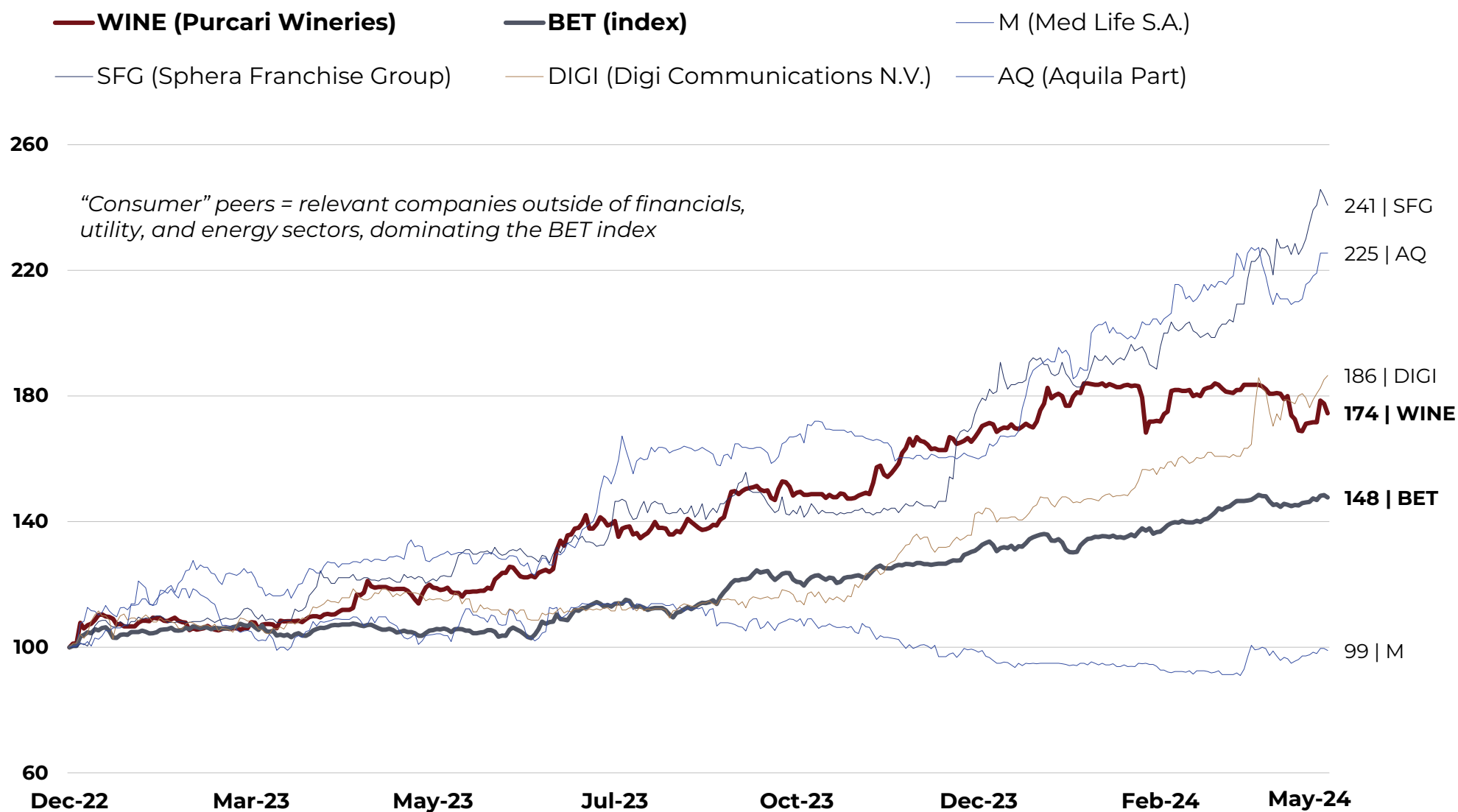
**EAST CAPITAL**

**ERSTE**  
Asset Management

 **DWS**

**21% / 79%**  
**Retail /  
Institutional**

# 5 Stock performance, WINE +74% since the end of 2022 (as of May-7), well ahead of BET

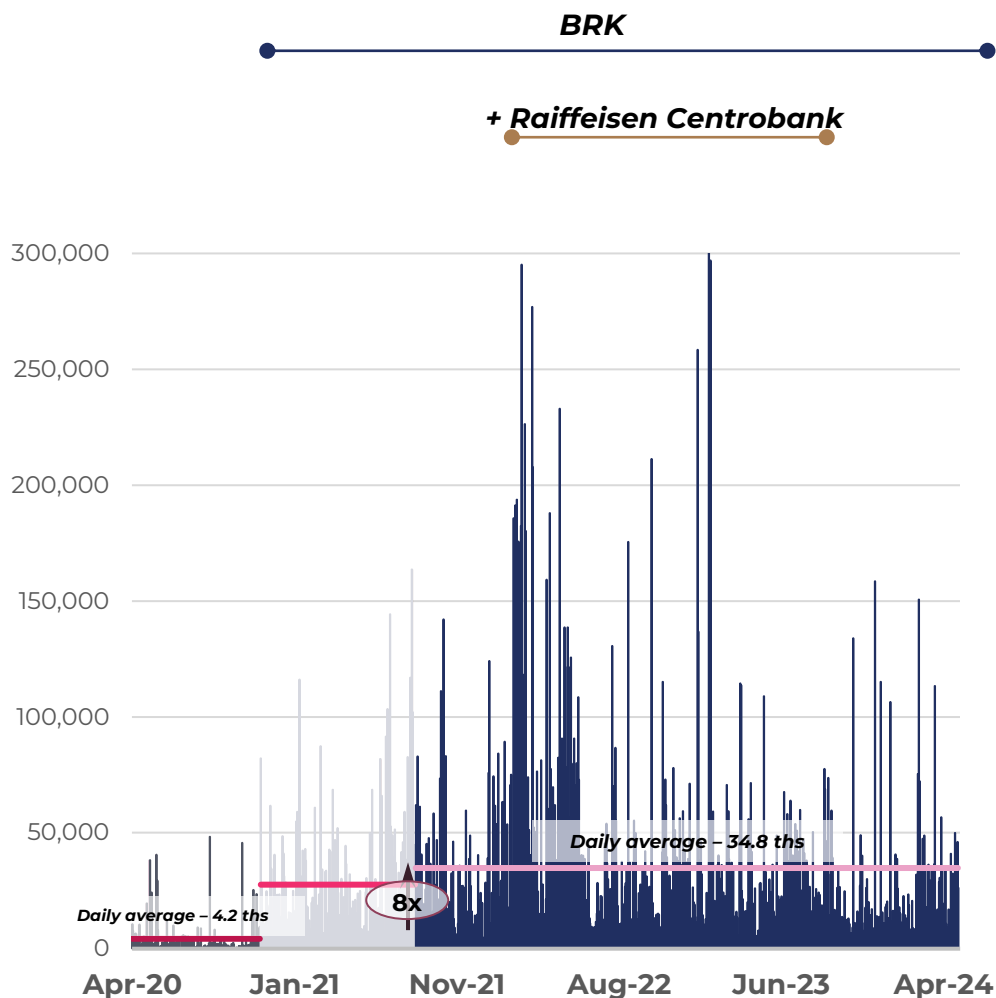


Source: Bucharest Stock Exchange

## 5 Purcari shares liquidity

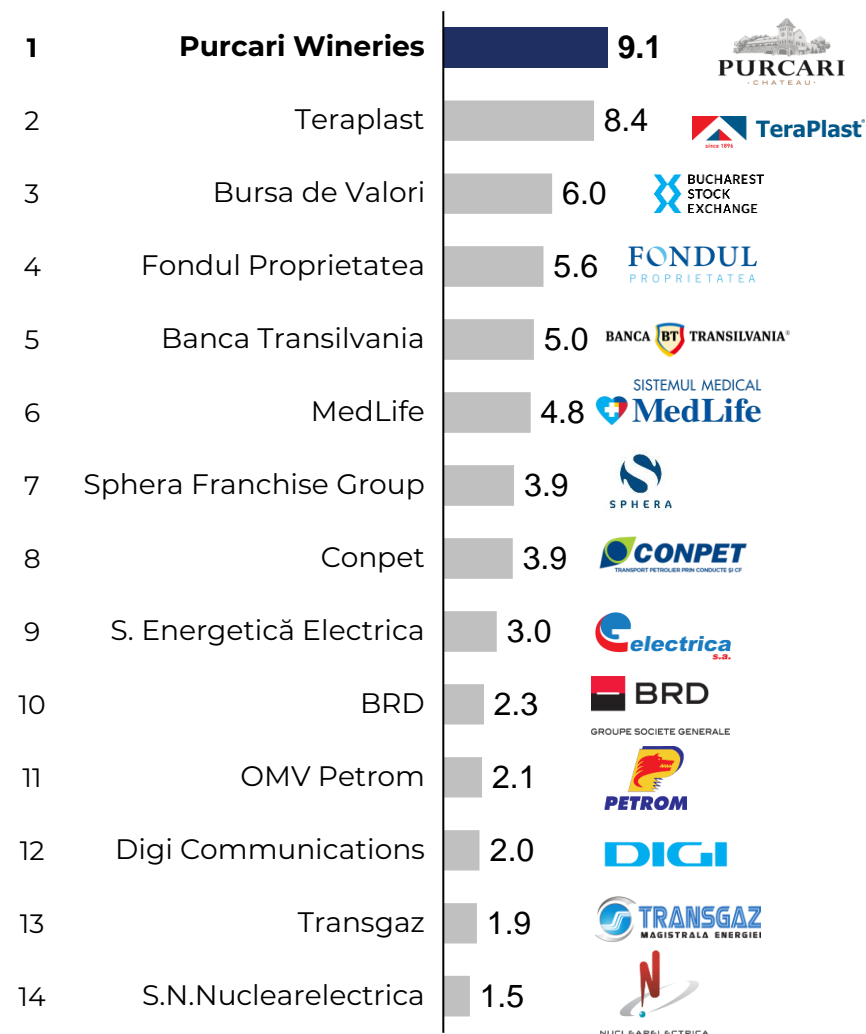
### Rapid rise of stock's liquidity after starting working with Market Makers for Purcari shares

Daily volume



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

Ratio of daily trade value to Market Capitalisation, 2021-2024 YTD average, bps

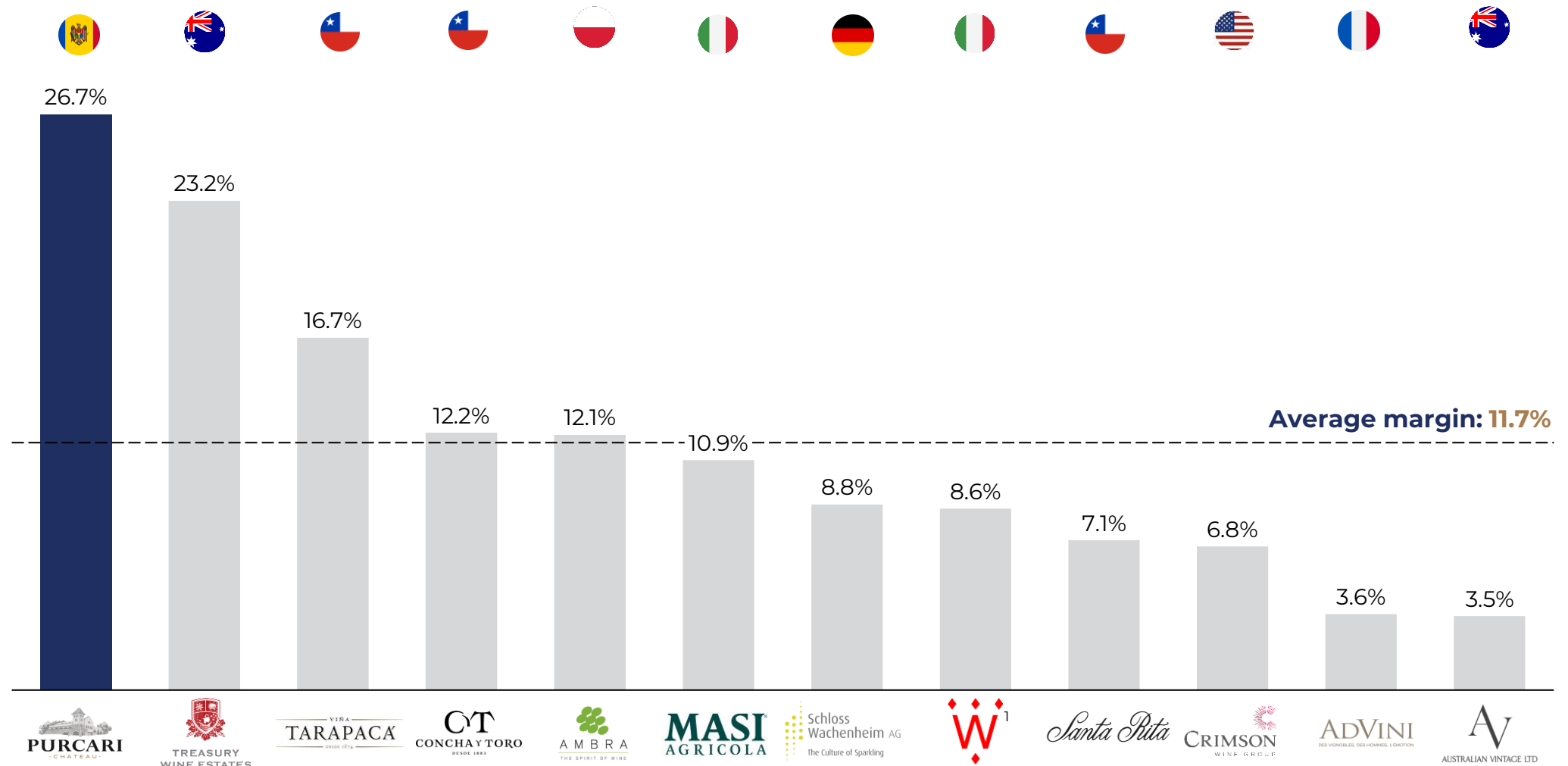


Source: Bucharest Stock Exchange, Capital IQ

# 5 EBITDA profitability relative to WINE listed peers

## Purcari vs selected Wine public companies

EBITDA 2023 Margin, %



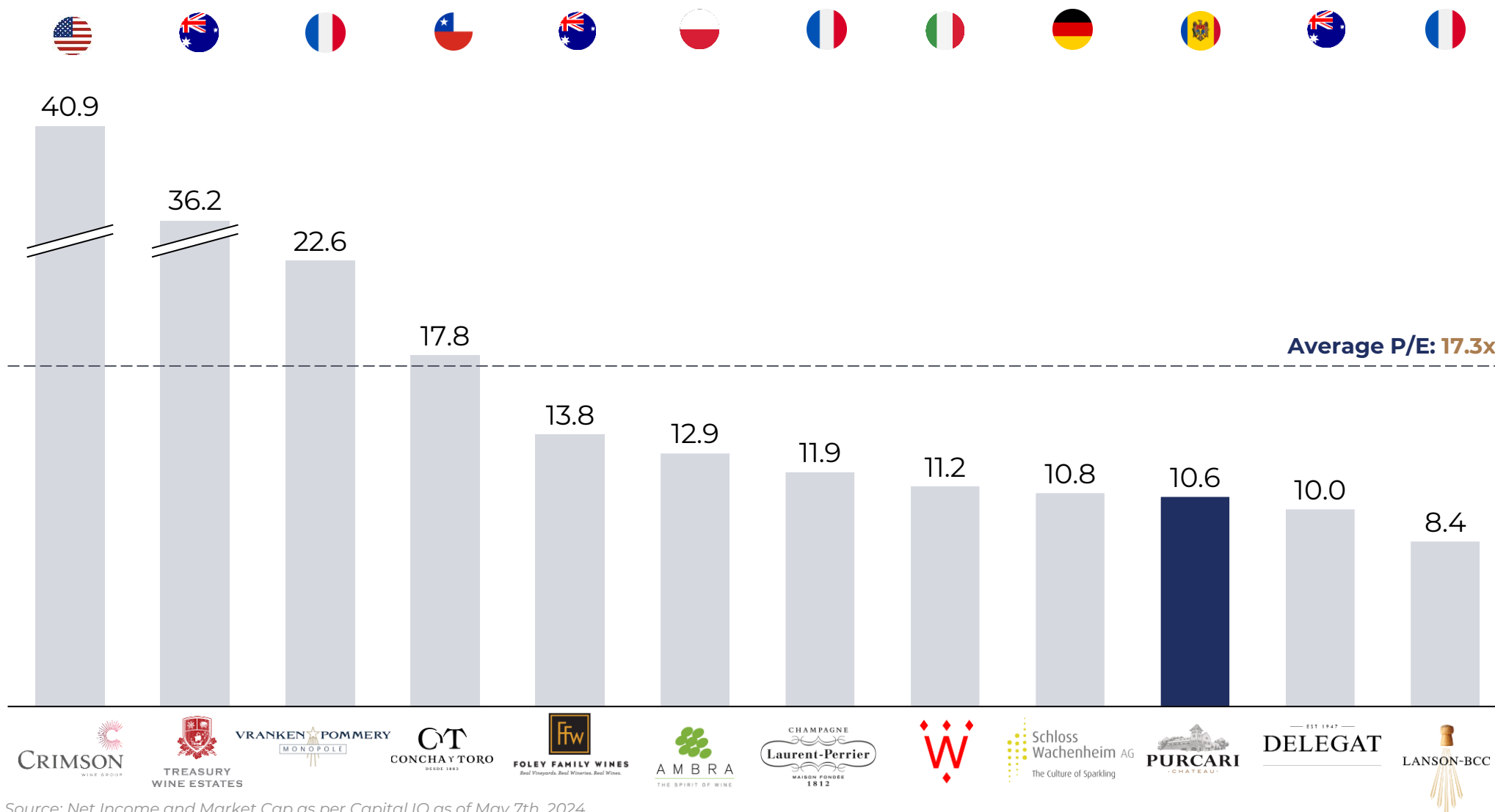
Source: Capital IQ, Company Data as per Capital IQ as of May 7th, 2024.

(1) Italian Wine Brands

## 5 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 May 7th, 2024.

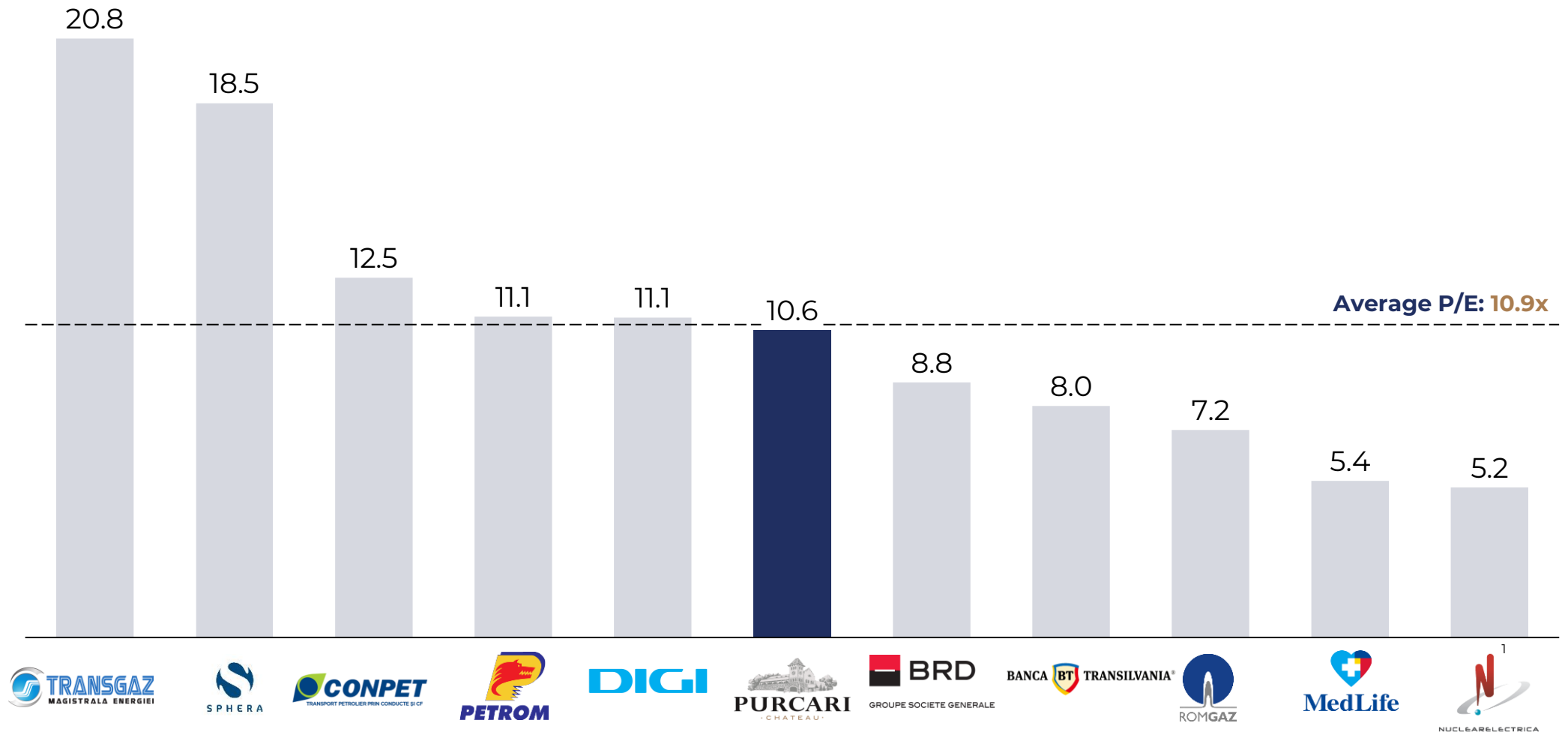
Note: Diluted EPS excluding extra items used for P/E multiple.



## 5 Valuation relative to Romanian listed peers

### Purcari vs selected Romanian public companies

P/E LTM Multiples



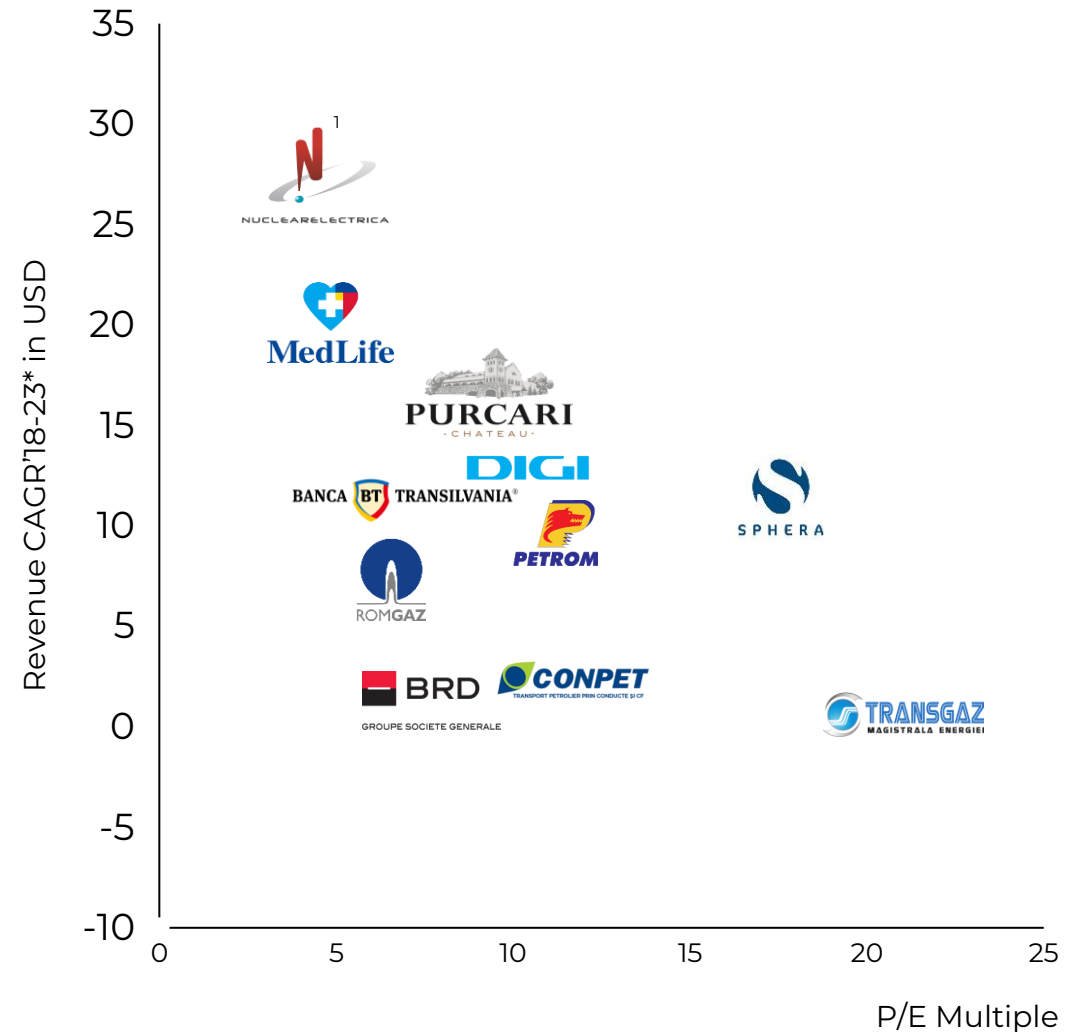
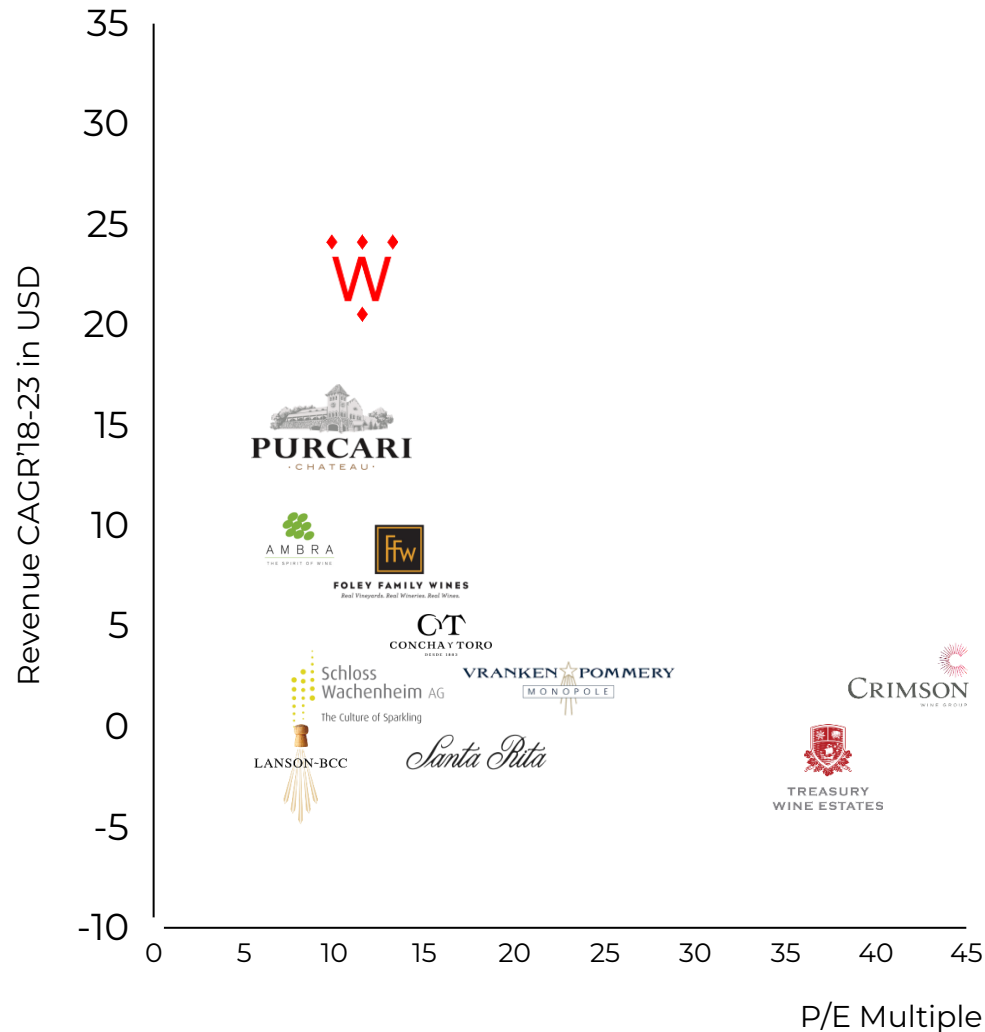
Source: Capital IQ, Company Data as per Capital IQ as of May 7th, 2024.

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

# 5 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 May 7th, 2024.

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

## Learn more about Purcari Wineries Group

On March 5, Purcari Wineries PCL launched a new website: [purcariwineries.com](http://purcariwineries.com).

The new website features a friendly, easy-to-navigate design that allows visitors to learn about the latest events and ongoing initiatives, explore our vast wine portfolio and discover the rich history of the Group's wineries.

**For more information, please scan:**



Investors



Reports



Wineries



**PURCARI**  
WINERIES GROUP



BOSTAVAN



[www.purcariwineries.com](http://www.purcariwineries.com)



**Thank you for your attention!**



BOSTAVAN

