

Purcari Wineries Public Company Limited

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HE201949

Share capital: EUR 200,000

www.purcari.wine



To: Bucharest Stock Exchange (BVB)

cc: Cyprus Securities & Exchange Commission (CySEC), Romanian Financial Supervisory Authority (FSA)

Announcement and Current Report

Report date: **21 April 2020**

Company name: **Purcari Wineries Public Company Limited**

Headquarters: 1 Lampousas Street, 1095, Nicosia, Cyprus

Phone/fax no.: +373 22 856 035/ +373 22 856 022

Cyprus Trade Register Registration Number: HE201949

Subscribed and paid in share capital: EUR 200,000

Regulated market where the issued securities are traded: Bucharest Stock Exchange

Symbol: WINE

**Mandatory update following CySEC Circular no. C360 dated 06 March 2020 and FSA
communiqué dated 12 March 2020**

In compliance with the requirements of CySEC and FSA on monitoring and assessing the financial impact, as well as any risks and uncertainties that the COVID-19 outbreak may have on all Issuers, Purcari Wineries Public Company Limited (the “Company”) is issuing the following update.

The Company would like to report that five employees at its subsidiary, Vinaria Bostavan SRL (“Subsidiary”) have been hospitalized, with suspicion of SARS-CoV-2 infection. To the best of management’s knowledge, the five people tested positive for the virus upon being hospitalized during the Easter weekend. This announcement summarizes all the known facts to date and provides an update on the undertaken actions following this development.

The known facts:

- On April 17, one employee was hospitalized with suspicion for SARS-CoV-2. The employee was on a self-imposed home quarantine upon arriving from a personal trip to Russia and has not worked at the Subsidiary since April 1;
- Following contact tracing efforts, four more Subsidiary employees were hospitalized on April 18 and April 19. All four employees were at work at the Subsidiary through April 16;
- The five employees (two men and three women, 40-55 years old) reside in two villages surrounding the Subsidiary; two of the five employees are closely related and live in the same household;
- Three of the employees have been hospitalized at the regional COVID-19 center in Comrat and other two at the center in Cahul. None of the five employees hospitalized are reported to be experiencing serious effects as of the moment of this writing, to the best knowledge of Company management;

- The Subsidiary is one of four Company-operated production platforms, accounting for circa 28% of Company revenues in 2019, focused primarily on the value segment of the market.

#	Subsidiary	Share of sales, 2019, %	Location	SARS-CoV-2 cases
1	Vinaria Bardar	15%	Bardar village (Center of Moldova)	0
2	Vinaria Bostavan	28%	Etulia village (South of Moldova)	5
3	Crama Ceptura	15%	Ceptura village (South of Romania)	0
4	Vinaria Purcari	42%	Purcari village (South-East of Moldova)	0

Company actions:

- The Company and Subsidiary management are in close contact with government authorities to support subsequent contact tracing and isolation of any other possible infection cases;
- In addition to contact tracing efforts and testing undertaken by authorities, the Company has arranged for testing of other employees (and family members) known to be in contact with the hospitalized employees, by a private lab contracted by the Company from the onset of the pandemic;
- All Company production platforms, including the Subsidiary, were scheduled for a planned closure for Easter break through May 4, hence will not be operational for a two-week period. This production closure takes place every year immediately after Easter given the high number of bank holidays during this period (20 April, 27 April; 1 May are public holidays in Moldova);
- Subsidiary facilities were immediately and thoroughly disinfected; management will perform additional full disinfection measures at all Company facilities during the planned closure;
- All production sites will resume operations after the planned break on May 4, subject to incoming employees testing negative to SARS-CoV-19 by the contracted private lab;
- The Company will continue to follow medical protocols from global and national health authorities to ensure high safety standards are in effect at all facilities. Following the onset of the pandemic, all Company facilities were subject to strict workplace safety rules, including: temperature checks before the start of work; personal protective gear for all production employees; wide availability of hand sanitizers at production locations; a chlorine solution for shoe-cleaning prior to start of shifts; social distancing measures in effect; regular health and safety training, etc. All office employees are in remote work mode effective March 16;
- As closure of the four production platforms through May 4 had been planned in advance, the Company does not anticipate any supply disruptions.

“The health and safety of our employees is our number one priority”, said Victor Bostan, CEO. “Our thoughts are with our hospitalized colleagues. We wish them a complete and speedy recovery”.

The Company is issuing an additional COVID19 trading update, available on our Investor Relations page: <https://purcari.wine/en/page/investor-press/>