



## **Purcari revenue growth accelerating in 3Q22, up 27%, with a strong EBITDA and Net profit margin at 29% and 19%**

*Bucharest, November 17<sup>th</sup>, 2022*

Purcari Wineries PLC (“Group”, “Company”), the CEE’s leading wine producer, announced the publication of the results for the 9 months of 2022. Revenues rose by 20% to RON 199.8 million year on year. In the third quarter, the revenue growth accelerated to 27%. The Group delivered strong performance in terms of margins, demonstrating resilience against inflationary pressures, with 3Q22 EBITDA and Net Income margins reaching 29% and 19%, respectively.

The Group’s value proposition, centered on affordable luxury, demonstrated resilience amidst inflationary, economic, and geopolitical pressures, with Purcari, the Group’s flagship wine brand, and Bardar, the premium brandy brand, growing at double-digit rates.

In October, the Group made one more step towards cementing its position as a leader of CEE winemaking by acquiring a 76% stake in Angel’s Estate, a full cycle winery in Bulgaria, with 100ha of own vineyards and an annual production capacity exceeding one million bottles.

“This quarter, I want to emphasize our excellent 2022 harvest, both in quantity and quality. It was a record harvest year for our group and, jointly, with 3<sup>rd</sup> party grape acquisitions, we are set to benefit from a cost competitive cost structure going into 2023. This is very important, given ongoing inflationary pressures, especially after a very challenging 2021 agricultural season. We are very optimistic about 2023.”, said Victor Bostan, CEO Purcari Wineries PLC.

### **Key highlights**

- **Romania:** +11% revenue expansion in 9M22, showing growth acceleration of 17% in 3Q22. 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.
- **Moldova:** +29% in 9M22, upward trend continuing across the channels. All brands performing strong both in value and volume terms.
- **Poland:** +11% in 9M22, while we keep prioritizing margins over volumes, increasing the share of premium wine sales. Targeting premium segment is paying off with Purcari and Bardar sales increasing +5pp YoY to 7% of the total Group sales in Poland for 9M22.
- **Asia:** +56% growth in sales, as all brands show good traction. Challenging trading and logistic environment persist. Continue delivering through Constanta port in Romania (vs. Odesa, prior).
- **Ukraine:** +4% in 3Q YoY, first growing quarter in 2022, nine months sales being half 2021 levels. Maintaining local team, sales only on 100% prepayment.

## Selected financial information

	3Q 2022	3Q 2021	Δ 3Q	9M 2022	9M 2021	Δ 9M
Revenue	75,891,658	59,908,834	27%	199,771,709	166,439,683	20%
Gross Profit	31,895,171	31,626,149	1%	90,553,843	84,937,175	7%
% Gross margin	42%	53%	(11 pp)	45%	51%	(6 pp)
EBITDA	22,084,229	23,055,027	-4%	60,707,551	58,159,950	4%
% EBITDA margin	29%	38%	(9 pp)	30%	35%	(5 pp)
Net Profit	14,492,459	19,413,080	-25%	35,369,575	39,786,982	-11%
% Net Profit margin	19%	32%	(13 pp)	18%	24%	(6 pp)
Adj. Net Profit <sup>1</sup>	14,492,459	14,548,774	0%	35,369,575	34,922,676	1%
% Adj. Net Profit margin <sup>1</sup>	19%	24%	(5 pp)	18%	21%	(3 pp)

## Investors' Conference Call

The conference call for the discussion and presentation of 9 months 2022 financial results will be held on November 16th, at 11:00 EET, 10:00 CET. The Preliminary Unaudited Financial Results for 9 months 2022 and the Presentation for the conference call are attached.

## About Purcari Wineries

Purcari Wineries Public Company Limited (with its brands: Purcari, Crama Ceptura, Bostavan, Bardar, Domeniile Cuza and Angel's Estate) is one of the largest wine and brandy groups in the Central and Eastern European (CEE) Region. The Group manages around 1,450 hectares of vineyards and operates seven production platforms in Romania, Moldova and Bulgaria. Purcari Wineries is the leader in the Premium wine segment in Romania with a 30% segment share and the largest wine exporter from Moldova, delivering to over 40 countries. Founded in 1827, Chateau Purcari is the most awarded winery of the CEE Region at Decanter London 2015-2021, as well as among the best ranked wineries on Vivino, with an average score of 4.1 out of 5.0, based on over 75,000 reviews. Since February 2018, the Group is listed on the Bucharest Stock Exchange under the ticker WINE. Purcari Wineries is led by Victor Bostan, a veteran with more than 30 years of experience in the wine business and is endorsed by top institutional investors such as: Horizon Capital, Fiera Capital, Conseq, East Capital, Franklin Templeton, and Norges Bank.

## Enquiries

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<sup>1</sup> 3Q2021 Net Income normalized for one-off EUR 978,232 in cash received on 30.07.21 from the Glass Container Company exit transaction and related 12% tax liability.