



Purcari delivers 26% growth in revenue for 9M23, while profitability increases by 24%

Bucharest, November 15th, 2023

Purcari Wineries (“Group”, “Company”), the CEE’s leading wine producer, announced today the publication of results for the 9 months of 2023. Revenues rose by 26% to RON 252.5 million year on year, the third quarter contributing with RON 91.1 million. In 3Q23, the Group saw a gradual improvement in margins, following a period of strong cost pressures, with EBITDA and Net Income margins reaching 30% and 20%, respectively, while maintaining a robust revenue growth of 20%. Encouragingly, the Company yielded a strong harvest of 14.8 thousand tons, the highest since listing, and processed a total of 22.8 thousand tons of grapes from 3rd parties, whilst benefiting from a slightly improved price environment compared to the last year.

“We are encouraged by the trends we see in our business, despite the difficult macro environment. With a strong balance sheet, significant investments in our brands, vineyards, and wineries, we are well positioned to accelerate our growth when the consumer sentiment starts improving”, said Victor Bostan, CEO of Purcari Wineries.

Key highlights for 9 months 2023:

- **Romania:** +37% in 9M23 YoY, demonstrating 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 our sparkling, Cuvée de Purcari, and limited collections. Crama Ceptura, our national brand, maintains rapid growth with a +31% in 3Q23 YoY. Bardar maintains strong momentum. Domeniile Cuza accelerate by 3x YoY, albeit from a smaller base.
- **Moldova:** sales up by 3% in 9M23, Purcari showing resilience and continuous growth, as the premium segment fares well in the current environment. Lower sales for Bostavan and Bardar, on ongoing weak consumer confidence, as well as changes in Duty Free channel, due to the cancelling of tax facilities. Prioritizing margin over volumes.
- **Poland:** pressure in the mainstream wines market continues, affecting our portfolio, skewed to the value segment in Poland. Double digit growth for Purcari whilst expanding in HoReCa and building presence in the premium segment. Prioritizing margins over volumes with Bostavan.
- **Asia:** First signs of economic recovery in China in 3Q23 not yet reflected in the end demand for wines. Active marketing and promoting activities continue under the guidance of our local team. Investing in building brand awareness and local presence.
- **Czech and Slovakia:** Good performance on Tesco channel with Bostavan brands. Overall weak wine market, especially in the value segment. Prioritizing margins over volumes with Bostavan. Betting on premiumization, with Purcari showing double-digit growth at 9M23 YoY, albeit from a smaller base.

- **Ukraine:** Strong 9M23 for both Purcari and Bostavan brands, marginally behind pre full scale invasion 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.

Selected Financial Information

	3Q 2023	3Q 2022	Δ 3Q	9M 2023	9M 2022	Δ 9M
Revenue	91,095,972	75,891,658	20%	252,511,287	199,771,709	26%
Gross Profit	36,887,535	31,895,171	16%	103,845,118	90,553,843	15%
% Gross margin	40%	42%	(2 pp)	41%	45%	(4 pp)
EBITDA	27,671,081	22,084,229	25%	72,168,387	60,707,551	19%
% EBITDA margin	30%	29%	1 pp	29%	30%	(2 pp)
Net Profit	18,225,970	14,492,459	26%	43,762,099	35,369,575	24%
% Net Profit margin	20%	19%	1 pp	17%	18%	-

Update on Guidance for full 2023

In the 9M23, the Group has delivered results exceeding the top-range of the announced guidance for the full year, as follows:

	Announced guidance 2023	9M23 Actuals	Status
Revenue growth, %	+18-22%	+26%	>
Revenue growth, WINE, %	+14-18%	+23%	>
EBITDA margin, %	22-26%	29%	>
Net Income margin, %	12-16%	17%	>

With the crucial fourth quarter ahead, which is seasonally most important, the Group updates the guidance to the top of the initially announced range for 2023 or slightly above it.

Investors' Conference Call

The conference call for the discussion and presentation of 9M23 financial results will take place on November 16th, at 13:00 EET, 12:00 CET. The Preliminary Unaudited Financial Results for 9M 2023, as well as the Presentation for the conference call, are attached.

About Purcari Wineries

Purcari Wineries Public Company Limited (with its brand families: Purcari, Crama Ceptura, Bostavan, Bardar, Domeniile Cuza and Angel's Estate) is one of the largest wine and brandy groups in CEE. 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 circa 25% segment share and the largest wine exporter from Moldova, delivering to over 40 countries. Founded in 1827, Chateau Purcari is the most awarded winery in the CEE at Decanter London 2015-2023, as well as among the best ranked wineries on Vivino, with an average score of 4.1 out of 5.0, based on over 90,000 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, Firebird, East Capital, and Norges Bank.

Enquiries

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