CAMPARI GROUP
ADDITIONAL FINANCIAL INFORMATION
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024

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About this Report

Note on Presentation

The additional financial information for the nine months ended 30 September 2024 was prepared using the same recognition and measurement criteria used to prepare the Group's annual consolidated financial statements at 31 December 2023, to which reference is made. This document has not been audited. The additional financial information provides a description of the significant events that occurred during and after the end of the period, the Group's sales performance, the Group's profit before taxation, its consolidated net financial debt and outlook.

Forward-looking Statements

Campari Group's additional financial information contains forward-looking statements that reflect management's current view of the Group's future development. All statements other than statements of historical fact set forth in this additional financial information regarding Campari Group business strategy, such as future operations and businesses, management's plans and objectives, are forward-looking statements. In some cases, words such as 'may', 'will', 'expect', 'could', 'should', 'intend', 'estimate', 'anticipate', 'believe', 'outlook', 'continue', 'remain', 'on track', 'design', 'target', 'objective', 'goal', 'plan' and similar expressions are used to identify forward-looking statements that contain risks and uncertainties that are beyond the control of the Group and call for significant judgement. Should the underlying assumptions turn out to be incorrect or if the risks or opportunities described materialise, the actual results and developments may materially deviate (negatively or positively) from those expressed by such statements. The outlook is based on estimates made by Campari Group, utilising all available information at the time of completion of this additional financial information. The effects arising from the persistent volatile macroeconomic environment may be materially different from management's expectations.

Campari Group does not assume any obligations or liability in respect of any inaccuracies in the forward-looking statements made in this additional financial information or for any use by any third party of such forward-looking statements. Campari Group does not assume any obligation to update any forward-looking statements made in this additional financial information beyond statutory disclosure requirements.

Information on the Figures Presented

All references in this additional financial information are expressed in Euros (€).

For ease of reference, all the figures in this additional financial information are expressed in millions of € to one decimal place, whereas the original data is recorded and consolidated by the Group in €. Similarly, all percentages relating to changes between two periods or to percentages of net sales or other indicators are always calculated using the original data in €. The use of values expressed in millions of € may therefore result in apparent discrepancies in both absolute values and data expressed as a percentage.

For information on the definition of the alternative performance measures used, see paragraph 'Definitions and reconciliation of the Alternative Performance Measures ('APMs' or non-GAAP measures) to GAAP measures in the dedicated paragraph of this additional financial information.

The language of this additional financial information is English. Certain legislative references and technical terms have been cited in their original language so that the correct technical meaning may be ascribed to them under applicable law.

This additional financial information is not prepared in the European Single Electronic Format ('ESEF'), which is required for all natural and legal persons with securities listed on a European stock exchange with respect to annual IFRS consolidated financial statements only.

Key Financial Highlights

	for the nine months ended 30 September			
	2024	2023	change	
	€ million	€ million	% total	% organic
Net sales[1]	2,277.0	2,201.3	3.4%	2.1%
EBITDA	559.8	571.9	-2.1%	
EBITDA-adjusted[2]	590.7	601.3	-1.8%	-2.0%
EBIT	468.5	491.1	-4.6%	
EBIT-adjusted[2]	499.4	520.5	-4.1%	-4.2%
Group profit before taxation	423.0	445.2	-5.0%	
Group profit before taxation-adjusted[2]	452.1	473.8	-4.6%	

	at 30 September 2024	at 31 December 2023
	€ million	€ million
Net financial debt	2,564.0	1,853.5
	number	number
Number of ordinary shares held[3]	27,869,445	29,617,742

	third quarter			
	2024	2023	change	
	€ million	€ million	% total	% organic
Net sales[1]	753.6	743.5	1.4%	-1.4%
EBITDA	165.4	176.9	-6.5%	
EBITDA-adjusted[2]	171.8	190.3	-9.7%	-14.0%
EBIT	132.9	147.4	-9.8%	
EBIT-adjusted[2]	139.4	160.8	-13.3%	-18.2%
Group profit before taxation	107.9	135.5	-20.4%	
Group profit before taxation-adjusted[2]	114.4	148.9	-23.2%	

(1) Sales net of excise duties.

(2) For information on the definition of alternative performance measures, see the paragraph ‘Definitions and reconciliation of the Alternative Performance Measures (APMs or non-GAAP measures) to GAAP measures’ of this additional financial information.

(3) The total number of issued ordinary shares after the capital increase successfully placed on 12 January 2024 (69,667,738 new ordinary shares issued) is 1,231,267,738.

Corporate Bodies

Board of Directors(1)

Luca Garavoglia(2)	Chairman
Jean-Marie Laborde(2)	Vice-Chairman and member of the Control, Risks and Sustainability Committee
Paolo Marchesini(1)	Chief Financial and Operating Officer and *ad interim* co-CEO
Fabio Di Fede(1)	General Counsel and Business Development Officer and *ad interim* co-CEO
Eugenio Barcellona(2)	Member of the Control, Risks and Sustainability Committee and the Remuneration and Appointment Committee
Alessandra Garavoglia(2)	
Emmanuel Babeau(2)	Member of the Remuneration and Appointment Committee
Margareth Henriquez(2)	
Robert Kunze-Concewitz(2)	
Christophe Navarre(2)	Member of the Remuneration and Appointment Committee
Lisa Vascellari Dal Fiol(2)	Member of the Control, Risks and Sustainability Committee

External auditor

EY Accountants B.V.

[1] The Annual General Meeting held on 12 April 2022 appointed the new Board of Directors of Davide Campari-Milano N.V. (the 'Company' or 'Davide Campari' or 'Campari') for the three-year period 2022-2024 expiring at the end of the Annual General Meeting to be held in 2025, comprising Luca Garavoglia, Robert Kunze-Concewitz, Paolo Marchesini, Fabio Di Fede, Alessandra Garavoglia, Eugenio Barcellona, Emmanuel Babeau, Margareth Henriquez, Jean-Marie Laborde, Christophe Navarre and Lisa Vascellari Dal Fiol. The new Board of Directors, in the meeting held after the Annual General Meeting, confirmed for the same three-year period: (i) Luca Garavoglia as Chairman of the Board of Directors and (ii) Robert Kunze-Concewitz, Chief Executive Officer, Paolo Marchesini, Chief Financial Officer and Operating Officer and Fabio Di Fede, General Counsel and Business Development Officer, as Executive Directors. Alessandra Garavoglia, Eugenio Barcellona, Emmanuel Babeau, Margareth Henriquez, Jean-Marie Laborde, Christophe Navarre and Lisa Vascellari Dal Fiol qualify as Non-Executive Directors. Emmanuel Babeau, Margareth Henriquez, Jean-Marie Laborde, Christophe Navarre and Lisa Vascellari Dal Fiol are qualified as independent directors pursuant to the Dutch Corporate Governance Code. Eugenio Barcellona, Jean-Marie Laborde and Lisa Vascellari Dal Fiol were also appointed as members of the Control, Risks and Sustainability Committee. Eugenio Barcellona, Emmanuel Babeau and Christophe Navarre were also appointed as members of the Remuneration and Appointment Committee. The Annual General Meeting held on 11 April 2024 appointed Matteo Fantacchiotti as Executive Director of the Company and Robert Kunze-Concewitz as Non-Executive Director effective following his decision to resign as Executive Director and Chief Executive Officer of the Company, effective as of the 2024 Annual General Meeting. During the meeting of the Board of Directors held on 17 September 2024, Matteo Fantacchiotti resigned as Executive Director and Chief Executive Officer of the Company, effective immediately. In the same occasion the Executive Directors Paolo Marchesini and Fabio Di Fede were appointed as ad interim co-CEOs and the Non-Executive Director Jean-Marie Laborde was appointed as Vice-Chairman of the Board of Directors. Paolo Marchesini and Fabio Di Fede are also appointed as executive members of a Leadership Transition Committee, chaired by Robert Kunze-Concewitz (non-executive Director). Such Committee, together with the Remuneration and Appointment Committee, will also be responsible for the identification of the new Chief Executive Officer, to be proposed to the Board of Directors.

[2] Non-Executive Director.

Campari Group Additional Financial Information for the Nine Months ended 30 September 2024

Campari Group and the Global Environment

In the first nine months of 2024, Campari Group performance was driven by Global Priority Brands, primarily in the Americas and EMEA, notwithstanding the impact of poor weather, pressure on disposable income from inflation, consumer and wholesaler reduced confidence.

In the Americas, the persisting challenges in selected categories in the United States, combined with the extraordinary impact of the hurricane in Jamaica, leading to supply shortages in the rum portfolio for both the local and the export markets, more than offset the solid ongoing growth in aperitifs and tequila.

In Europe, particularly in on-premise skewed markets such as Italy, poor weather at the beginning of both spring-summer season and September, combined with softer than expected consumption, led to significantly below expectations re-orders in the back-end of the third quarter.

In Asia-Pacific, net sales were impacted by persisting challenges in the macroeconomic and trading environment.

During the third quarter of 2024, the industry context has continued to show softer than expected consumption dynamics, while the broader macroeconomic context has remained volatile.

In terms of the macroeconomic scenario, the global outlook has started to show some positive signals, although growth remains subdued, with short-term growth prospects undermined by a still-high interest rate environment, while a potential cooling down of the labour market and growing political uncertainty will affect global business and consumer confidence. The tight monetary conditions started to show some signs of easing in key developed areas like the United States and Europe, while global activity is relatively resilient, with inflation declining further from its mid-2022 peak. According to OECD[3] analysis, global growth is projected to be +3.2% in 2024, slightly up from 2023 and be same pace in 2025 (+3.2%), helped by stronger real income growth, combined with improved confidence in the European and emerging-market economies, as well as more supportive monetary policy environment. Looking at the main regions, growth in the United States is projected to be +2.6% in 2024, supported by household spending and continued labour market strength. The Euro area is projected to see weak growth at +0.7% in 2024, with an expected pick up to +1.3% in 2025, as domestic demand recovers. China's growth is expected to ease to +4.9% in 2024 due to a stable consumer demand, several macroeconomic challenges, and continued adjustments in the real estate sector. Global inflation is forecast to decline steadily, from +6.8% in 2023 to +5.9% in 2024 and +4.5% in 2025[4], with advanced economies returning to their inflation targets sooner than emerging market economies. Moreover, the global economy remains resilient despite risks from persistent geopolitical tensions.

Main Brand-Building Initiatives

The brand portfolio represents a strategic asset for Campari Group. Intangible assets are a key component of the market value of spirit products, reflecting the brand strength built over decades. The Group categorises its brands into three main priority clusters (Global, Regional and Local) based on geographic scale, business priority and growth potential. The main marketing initiatives undertaken in the first nine months of 2024 outlined below, focused on global and regional priority brands, as well as on the RARE division.

Global Priorities

<u>Aperol</u>

The bond between Aperol and tennis was initiated through the **Australian Open sponsorship,** with an extensive campaign in Australia, New Zealand and Global Travel Retail ('GTR'), as well as with the **US Open**, focusing on brand awareness, utilizing extensive media coverage, influencer partnerships, and on-site activations to promote Aperol as the ultimate daytime drink. During the winter season, the **Aperol Winter Tour** was launched in both the French and Italian Alps in key winter destinations during skiing world cup events. The music platform continues to be a key channel for the brand with multiple activations around the globe to increase relevance and equity. Starting in February with a communication campaign during the **Sanremo Festival**, arguably the most famous cross-generational song festival in Italy, the brand has then sponsored **Coachella** in the United States with a global amplification plan for a second year, as well as sponsoring multiple local music festivals in Canada. In addition, the brand returned again to **Primavera Sound** in Spain, followed by pan European activations: in Germany with the **Aperol Sunday Vibes** and an extensive TV media campaign, in the United Kingdom with **Aperol Spritz Aperidisco** at the Battersea power station in London, as well as in Belgium and Austria. In Greece, on-premise activations and marketing throughout the cities picked-up pace.

[3] Organization for Economic Cooperation and Development.
[4] International Monetary Fund: World Economic Outlook.

Campari

Campari continued to champion the art of cinematic storytelling with a number of initiatives. Among these, Campari was the official sponsor at the 30th annual **Screen Actors Guild Awards** held in Los Angeles, as well as co-partner of the 74th **Berlinale Film Festival** in Germany, the official global partner at the **Festival de Cannes**, the sponsor of the **Toronto International Film Festival** and official partner of the **Locarno Film Festival**. For the 7th year in a row, Campari renewed its presence as the main sponsor of the **81st Venice International Film Festival** with several activities, including a one-night-only Red Carpet of lights at the Nicelli Airport, celebrating a party of passion, mystery, and elegance. In Switzerland, the brand returned for the second year to **Art Basel**, the world's most prestigious art fair, continuing its long history of collaborating with contemporary artists and creatives.

Espolòn

The first global campaign for the brand **To the Bone** was launched in the United Stated and Australia: a departure from the industry-standard backdrop of agave fields, shot instead in the inspiring, creative hub of Mexico City, highlighting the contemporary, un-staged vibrancy of Mexican culture, that is at the core of the brand, and aiming to become the most irreverent and iconic premium tequila globally. Espolòn launched its **25th Anniversary Edition**, the first ever limited edition, in collaboration with renowned artist Saner, to celebrate modern Mexico and the brand's connection to street art and design. Moreover, the brand was the main tequila partner of the renowned **Governor's Ball Music Festival in New York**.

Wild Turkey portfolio

The new **Jimmy Russell Wild Turkey Experience** brand house was opened in Lawrenceburg, building on its established Kentucky roots to offer immersive whiskey experiences, celebrate its heritage and strengthen its position as a global premium American icon. Jimmy Russell's 70th anniversary as the world's longest-serving spirits Master Distiller was celebrated in September with a special limited-edition **Wild Turkey Jimmy Russell's 70th Anniversary 8-Year-Old,** which was launched firstly in the United States. Moreover, the 10th edition of the annual limited release series, **Wild Turkey Master's Keep**, showcased **Triumph**, a 10-year-old Kentucky rye whiskey. Driven by a commitment to release just the highest quality offerings, only when they are at their peak of maturity, Master Distiller Eddie Russell and his team identified a particular 15-year small-batch bourbon as this year's gold standard from the historic distillery and thus **15-year-old Kentucky Straight Bourbon Whiskey** was launched as a limited edition.

Jamaican rums portfolio

Appleton Estate continued its journey to become the ultimate luxury rum, engaging consumers in a series of high touch rum Masterclasses at the world's most prestigious art fair, **Art Basel** in Switzerland. In terms of innovations and exclusively for the Canadian market, Appleton Estate launched an **8-year-old Double Cask rum**, an innovative rum finished in Speyside scotch barrels; while one of the rarest and most exclusive releases of the collection to date the **Appleton Estate Hearts Collection** (1998 release) was launched with successful press tastings and events across the European markets.

Grand Marnier

The brand was prominently featured on several occasions in the United States, including sponsorship of the post-event celebration of the **NBA All-Star weekend festival** featuring a surprise performance by hip-hop icon 2 Chainz, with whom a partnership agreement has been started and will include various events and marketing initiatives in the upcoming period. In fact, 2 Chainz was also present at the **New York Fashion Week** to celebrate the fusion of Grand Marnier, music and fashion, collaborating with designer Brandon Blackwood. Moreover, the brand was celebrated at exclusive cocktail parties during the **Grammy Awards weekend**, and within the activation **Encounter on the road**, an event held at Miami Music Week to enhance the brand's cultural and musical blend and expand its consumer base. A summer campaign was launched in major cities in Canada, aimed at enhancing the perception of Grand Marnier as a viable alternative in the Margarita, the country's most popular cocktail.

SKYY

The new global campaign **Embrace Every Y** was firstly launched in the core United States market, celebrating the spirit of innovation and bold creativity that the brand has embodied since its inception in San Francisco in 1992. The brand was the official **Vodka Partner of EDC Las Vegas**, the biggest electronic dance music festival in the United States.

Courvoisier

The brand strategic assessment and way forward are expected to be ready at the end of 2024 for launch and roll-out in 2025 with focus on structural reset of brand health and profitability with clear long-term roadmap, definition of market segmentation and region approach, portfolio premiumisation in all markets, also offering innovation. In October, the **grand reopening of Maison Courvoisier in Jarnac**, France, was also announced, following a multi-year restoration project and historic transformation which have turned an iconic home into a stunning showcase of Cognac heritage.

Regional Priorities

Among regional priority brands, some interesting initiatives were launched during the period.

With respect to **Crodino**, a new communication campaign was launched in Italy during the Italian Sanremo Festival to reinforce Crodino's position as the leading non-alcoholic aperitif, while a 360-degree video strategy campaign was launched, focusing on multimedia platforms to enhance brand appeal among young individuals. In Antwerp (Belgium) the brand was one of the main sponsors of the Drip Festival.

Campari Soda exploited its unbreakable connection with the world of design at the Milan Design Week 2024, leveraging a nationwide, digital campaign focused on the iconic bottle. **Campari Soda** and Kappa Authentic brand collaborated on a limited-edition capsule collection, launched at the end of September with a digital campaign and a series of events across Italy, to celebrate the value of authenticity and the spirit of conviviality.

At the Global Spirits Masters for Tequila&Mezcal awards, organised by 'The Spirits Business' publication in London, the Group's tequila and mezcal portfolio emerged as significant winner affirming the quality of products and their strong presence in the premium market with brands like **Cabo Wabo**, as well as highlighting the potential of **Mayenda** as an ultra-premium tequila brand and recognising **Montelobos** as a standout in the mezcal category.

With respect to Champagne **Lallier**, the brand sponsored a sommelier event aimed at high-profile German sommeliers to generate reach for the brand. In the dedicated luxury RARE division, Champagne Lallier Réflexion R.020 was launched in the brand's core markets, accompanied by the presence of esteemed representatives of the press and distinguished clients.

In terms of innovations, **The GlenGrant** launched 'The Glasshouse Collection', featuring the brand's permanent prestige range of whiskies, including new 25-year-old and 30-year-old expressions, and partnered with artist Lachlan Turczan for an installation.

Significant events during the period

Acquisitions and Commercial Agreements

Acquisition of Courvoisier Cognac

On 30 April 2024, Campari Group completed the acquisition of 100% of Beam Holdings France S.A.S. (as per 24 April 2024 renamed Courvoisier Holding France S.A.S.), which in turn owns 100% of Courvoisier S.A.S., the owner of the Courvoisier brand, according to the terms of the acquisition agreement previously disclosed. The closing of the agreement occurred subsequent to the successful and seamless completion of the consultation process with the French employees' representatives, the fulfilment of the appropriate regulatory processes, as well as the receipt of customary antitrust approvals.

The purchase price paid amounted to US$1.2 billion, corresponding to €1.1 billion at the hedged currency exchange rate. In addition to the price paid, an amount related to finished goods has been agreed following a dedicated stock transfer agreement, leading to an upfront enterprise value of approximately US$1.2 billion (€1.1 billion). The standard price adjustment mechanisms resulted in an additional payment obligation of US$7.7 million (€7.2 million at the exchange rate on the closing date), which is scheduled to be paid in the last quarter of 2024. Moreover, an earn-out for a maximum amount of US$120 million (€112 million undiscounted at the closing date currency exchange rate) will be payable in 2029 based on the achievement of net sales targets realised in full year 2028. Hence, should the earn-out be paid, the total enterprise value is confirmed at US$1.3 billion (€1.2 billion).

The transaction was financed in cash using the Group's available resources resulting from the combined offer directed to qualified investors on 10 January 2024. This offer consisted of the issuance of new ordinary shares for gross proceeds of approximately €650 million, as well as senior unsecured bonds that are convertible into new and/or existing ordinary shares of Davide Campari-Milano N.V. due in 2029, resulting in gross proceeds of approximately €550 million (for more detailed information refer to Campari Group annual report for the year ended 31 December 2023).

The consolidation effect of the acquisition was reflected in Campari Group financials from the closing date onwards. The acquired business includes an enviable inventory of maturing eaux-de-vie, consisting of well-balanced age profiles to support future brand development. Moreover, the acquisition perimeter includes the trademarks as well as comprehensive production facilities consisting of distillation, warehouses, vineyards, a visitor centre and château (hosting a museum), blending facilities, ageing cellars and an automated bottling plant. As a premium cognac, Courvoisier is positioned to further strengthen Campari Group's portfolio of global brand priorities, particularly in aged spirits, as well as supporting future long-term premiumisation ambitions in key strategic segments for the Group. The brand, world-renowned and a global icon of luxury, presents the opportunity to strategically enhance the Group's presence in one of the most significant spirit categories in the United States. Additionally, it promises to reshape Campari Group's growth profile in Asia and GTR through the expansion of its footprint of luxury expressions. Leveraging Campari Group's established leadership, focused approach and expertise in brand development, the Courvoisier brand stands to gain substantial benefits, capitalising on Campari Group's strengthened operational and business infrastructure.

Additional Acquisition Endeavours

In September 2024, Campari Group announced the completion of the acquisition of a 14.6% minority stake in Capevin Holdings Proprietary Limited, with an additional 0.7% through a transaction related to the first one finalised in October 2024, thus leading to a total stake of 15.4%. The target South African holding company indirectly owns 100% of CVH Spirits Limited, a Scottish company operating in the production and commercialisation of renowned Single Malt Whiskies Bunnahabhain, Deanston, Tobermory and Ledaig, and Blended Whiskies Scottish Leader and Black Bottle. Campari Group also holds distribution rights for brands from CVH Spirits Limited portfolio in France and South Korea. In accordance with Capevin Holdings Proprietary Limited's memorandum of incorporation, Campari Group has exercised its right to appoint a board member and has additional governance rights to protect its minority position. The purchase price paid in September amounted to GBP69.6 million (corresponding to €82.6 million at the exchange rate of the transaction date) plus GBP3.5 million for the additional stake subsequently acquired. The transaction was financed using available cash.

Moreover, in September 2024, the Group finalised the negotiation to acquire the remaining 49% minority interests in Licorera Ancho Reyes y cia, S.A.P.I. de C.V. and Casa Montelobos, S.A.P.I. de C.V.. The final consideration was confirmed to be aligned with the estimated debt recognised previously and payment will take place in two tranches in accordance with the contractual terms, with the second instalment due within the next 12 months. As both companies were already under Campari Group's control and included within its consolidation perimeter, the transaction had no material impact on the economic or financial results.

New Route-to-Market in Greece
As of 1 January 2024, Campari Group entered the Greek market by leveraging on its subsidiary Campari Hellas S.A., which undertook the trading and distribution of the Group's portfolio for Greece. The strategic decision demonstrates the importance of the Greek market for the Group's growth trajectory, given the prospects and opportunities the country offers, particularly for the aperitifs, as one of the most popular summer destinations.

Distribution Agreements
From January 2024, Campari France is the exclusive distributor of Irish whiskeys Bushmills and The Sexton and of The Kraken rum owned by Proximo Spirits for the European territory of France and Monaco, across all trade channels. Proximo Spirits products will complete and reinforce Campari's position in two key segments of the market. From the same date, Campari Group is no longer distributing Beam Suntory brands in the French market as the distribution agreement expired at the end of 2023 with no extension. From October 2024, Campari Japan entered into an exclusive distribution agreement for Jägermeister products in the Japanese market.

Group Significant Events and Corporate Actions

Annual General Meeting of Davide Campari-Milano N.V. and Board member changes
The Annual General Meeting of shareholders held on 11 April 2024 ('AGM') approved the annual accounts for the financial year 2023 (including, inter alia, the financial statements for the year ended 31 December 2023, the non-financial disclosure, the corporate governance and the remuneration report) and the distribution of a cash dividend of €0.065 per share outstanding, gross of withholding taxes, up by +8.3% compared with the previous financial year. The total dividend amounted to €78.1 million and was paid on 24 April 2024 in accordance with the Italian Stock Exchange calendar. The AGM granted discharge to the Executive and Non-Executive directors in office in 2023 in relation to the performance of their respective duties pursuant to applicable regulation. Other AGM resolutions were the following:

- adoption of a new Company remuneration policy aimed at providing a compensation structure that allows Campari to attract and retain the most highly qualified executive talent and to motivate such executives to achieve business and financial goals that create value for shareholders and other stakeholders consistently with the Group's core business and leadership values;
- approval of a Long-Term Incentive Plan ('LTI Plan') for the Company's Lead Team with the aim of creating a link between the Company's performance and the Company's Lead Team members: the latter will be awarded a right to receive a number of Campari shares for free, subject to i) their continued directorship or employment relationship during a three-year vesting period and ii) the achievement of certain performance targets; as well as approval of a LTI Plan for eligible employees of the Group, aimed at rewarding selected employees of the Group for their active participation in Group performance and to foster retention. The eligible employees will be awarded a right to receive for free a number of Campari shares, subject to their continued employment during a three-year vesting period. All details of the plans are available at https://www.camparigroup.com/en/page/group/governance in the 'Lead Team LTI Information Document' and in the 'LTI Information Document', prepared in accordance with Article 84-*bis* of the 11971 Regulation;
- approval of a LTI Plan for the Company's Chief Financial and Operating Officer ('CFOO'), aimed at rewarding the CFOO, who has provided the Company with extraordinary value during a long-standing managerial period, and ensuring retention of the CFOO with a long-term vision. The Company's CFOO will be awarded a right to receive for free a number of Campari shares, subject to his continued directorship relationship during an eight-year vesting period and the achievement of certain performance targets, as further explained in accordance with Article 114-*bis* of the 11971 Regulation;
- authorisation of the Board of Directors to purchase Company's own shares, mainly aimed at the replenishment of the portfolio of own shares to serve the current and future equity-based incentive plans for the Group's management, according to the limits and procedures provided by the applicable laws and regulations. The authorisation is granted until 11 October 2025.

Following the decision of Robert Kunze-Concewitz to resign as Executive Director and Chief Executive Officer of the Company, effective as of the 2024 AGM, Matteo Fantacchiotti was appointed as Executive Director of the Company by the AGM and subsequently Chief Executive Officer by the Board of Directors held on 15 April 2024. Due to Matteo Fantacchiotti's resignation for personal reasons, effective 18 September 2024, the Board decided to appoint Paolo Marchesini (Chief Financial and Operating Officer) and Fabio Di Fede (General Counsel and Business Development Officer) as *ad interim* co-CEOs. In light of these Board changes, Paolo Marchesini and Fabio di Fede have also been appointed as executive members of a Leadership Transition Committee, which will be chaired by Bob Kunze-Concewitz. This Committee, along with the Remuneration and Appointment Committee, will be responsible for the identification of the new Chief Executive Officer, to be proposed to the Board of Directors after evaluating both internal and external candidates in accordance with best practices governance. Concomitantly, Jean-Marie Laborde, currently member of the Board of Directors of Davide Campari-Milano N.V. and member of the Control, Risks and Sustainability Committee, has been appointed as Vice Chairman.

The search process for the new Chief Executive Officer, which is a top priority for the Leadership Transition Committee and for the Board of Directors, is proceeding at full speed and is currently at an advanced stage. The company expects to conclude it by the first half of next year.
In parallel, Lagfin S.C.A., Société Anonyme par Actions, acting through its Italian Branch, confirmed once again its strong long-term commitment to Campari Group and announced its intention to purchase up to €100 million of Campari's shares.

Financial Debt Management
On 18 June 2024 Davide Campari-Milano N.V. successfully completed the placement of an unrated 7-year bond targeted at institutional investors for €220 million in principal aggregate amount of notes maturing on 25 June 2031, paying a fixed annual coupon of 4.256% and issued at an issue price of 100% of the principal amount. The notes were admitted to trading on Euronext Access Milan on 25 June 2024. The funds raised from the issuance will be allocated towards general corporate purposes, encompassing capital investments aimed at fostering the Group's growth. Through this transaction, which follows the repayment of the two bonds that expired in April 2024 for an overall amount of €300 million, Davide Campari-Milano N.V. intends to optimise its debt structure by extending the average maturity of its liabilities while benefitting from favourable market conditions.

Treasury ordinary shares
In terms of ordinary shares, between 1 January and 30 September 2024, Davide Campari-Milano N.V. granted 1,748,297 own shares, of which 829,442 shares were sold for a total cash inflow of €4.7 million, corresponding to the average exercise price multiplied by the number of own shares sold to beneficiaries upon the exercise of their stock option rights. Additionally, 918,855 shares were transferred in the context of share matching plans. No purchases of shares took place in the same period. At 30 September 2024, Davide Campari-Milano N.V. held 27,869,445 own shares, equivalent to 2.3% of the share capital.

Reorganisation of brand clusters and business unit reconfiguration
The Group undertook a partial business unit reconfiguration, resulting in the combined EMEA region starting from 1 January 2024. The unified European area is aimed at strengthening the Group's leadership position in this region, unlocking operational and commercial efficiencies. Therefore, to enhance disclosure concerning net sales information, from 2024 the Group is overseen through distinct business units organised by the following geographical regions: 'Americas', 'EMEA' (combining Europe and Southern Europe Developing Markets, Middle East and Africa), and 'Asia-Pacific'.

The following table highlights the changes that affected the Group's net sales data, published during 2023, which are re-presented combined, with reference to the new EMEA region. Despite the changes mentioned being applicable from 1 January 2024, the table is shown to guarantee comparative consistency.

Group net sales focus by region	for the nine months ended 30 September 2023			
	after reclassification		published	
	€ million	%	€ million	%
Americas	958.6	43.5%	958.6	43.5%
Southern Europe, Middle East and Africa	-	-	630.9	28.7%
North, Central and Eastern Europe	-	-	447.1	20.3%
EMEA	1,078.0	49.0%	-	-
Asia-Pacific	164.7	7.5%	164.7	7.5%
total	**2,201.3**	**100.0%**	**2,201.3**	**100.0%**

Simultaneously, the Group reorganised its brand clusters, with Espolòn being promoted to global priority brand status effective from the same date. Global expansion for Espolòn is now enabled by an unconstrained supply supported by the recent production capacity expansion. Furthermore, to align with the comprehensive product portfolio review, minor adjustments have been made to the composition of regional priority clusters.

The following table highlights the changes that affected the Group's net sales data published during 2023, which are re-presented with reference to the brand clusters review, despite the changes mentioned being applicable from 1 January 2024, to guarantee comparative consistency.

Group net sales focus by priorities	for the nine months ended 30 September 2023			
	after reclassification		published	
	€ million	%	€ million	%
global priority brands	1,467.4	66.7%	1,297.5	58.9%
regional priority brands	402.2	18.3%	531.4	24.1%
local priority brands	142.5	6.5%	181.9	8.3%
rest of the portfolio	189.2	8.6%	190.5	8.7%
total	**2,201.3**	**100.0%**	**2,201.3**	**100.0%**

	for the nine months ended 30 September 2023	
	after reclassification € million	published € million
global priority brands	**1,467.2**	**1,297.5**
Aperol	577.6	577.6
Campari	238.3	238.3
Espolòn	169.7	-
Wild Turkey portfolio	168.5	168.5
Jamaican rums portfolio	113.2	113.2
Grand Marnier	99.7	99.7
SKYY	100.2	100.2
regional priority brands	**402.2**	**531.4**
Sparkling Wines, Champagne & Vermouth	98.1	-
Other specialties	213.7	-
Other Whisk(e)y	40.8	-
Crodino	49.5	49.5
Espolòn	-	169.7
Sparkling Wine&vermouth	-	93.5
Italian specialties	-	55.6
Magnum Tonic	-	37.4
Aperol Spritz RTE (ready-to-enjoy)	-	32.4
The GlenGrant	-	22.2
other	-	71.1
local priority brands	**142.5**	**181.9**
Campari Soda	60.8	60.8
Wild Turkey ready-to-drink	35.2	35.2
SKYY ready-to-drink	29.9	29.9
Ouzo	16.7	-
X-Rated	-	9.2
other	-	46.9
rest of the portfolio	**189.4**	**190.5**
total	**2,201.3**	**2,201.3**

For more detailed information refer to the Campari Group annual report for the year ended 31 December 2023.

Future Relocation of Campari Group's Headquarters
Campari Group undertook new investments in a real-estate project to host its new headquarters and the new combined EMEA region, creating a fully modernised working environment, leveraging its proprietary brand houses and academies in the city centre, thus reestablishing its bond with Milan. The new headquarters will serve as a pivotal, iconic and accessible hub, attracting and retaining the best domestic and international talents. Additional capital expenditure to support the Group's move to new headquarters in downtown Milan is estimated at an initial investment of approximately €110 million in 2024 plus renovation. The move is expected to take place in 2027 following renovation.

Group Sustainable actions

In a world where environmental, social and governance ('ESG') protection is not merely an option but an imperative, Campari Group is focused to spearheading change through sustainable innovation and responsible practices in the management of its business activities, consistently with the system of values that has always guided it and that it considers of fundamental importance for the Group sustainable growth.
During the period, the Group has been engaged in the analysis of non-financial information required according to the Corporate Sustainability Reporting Directive ('CSRD'). In particular the Group reviewed and integrated the following activities to ensure compliance for the first integrated annual report at 31 December 2024: i) EU taxonomy disclosure; ii) double materiality analysis; iii) European Sustainability Reporting Standards ('ESRS') with a gap analysis compared to what was disclosed in the 2023 sustainability disclosure.
By embedding ESG principles into every facet of its operations, the Group is committed to foster a culture of sustainability. Below are some of the initiatives undertaken in the first nine months of 2024.

Commitment for Gender Pay Equity
In September 2024, the Group was awarded Fair Pay certification by the non-profit organisation Fair Pay Workplace. This milestone underscores the Group's ongoing commitment to ensuring that everyone receives fair compensation for their hard work, earning equal pay for equal work, regardless of gender.

Global Parental Leave Policy
In June 2024 the Group approved a Global parental leave policy designed to support Camparistas during one of life's most significant milestones. The policy ensures consistent leave duration (establishing a comprehensive framework for minimum leave periods for both primary and secondary caregivers), eligibility criteria, and benefits offered across all countries, creating a more equitable and inclusive workplace and is part of the Group's commitment to enable Caring and Career and to create the best Camparista experience.

UN Global Compact

The Group joined the UN Global Compact in May 2024: a call to companies to conduct their operations and strategies according to ten universal principles in human rights, labour, environment and anti-corruption. In alignment with the UN Global Compact, Campari Group continues to take action in support of the Sustainable Development Goals and operating responsibly to create a brighter future and a better society.

Negroni Week Fundraising for Slow Food

The 12th annual #NegroniWeek took place in September, celebrating the bonds between Campari, the iconic Negroni, and the world of mixology, with fundraising proceeds going to charitable partner Slow Food. Campari, the iconic Milanese red Aperitivo, and Imbibe Magazine, the ultimate guide to liquid culture, came together for Negroni Week once again to support Slow Food's mission to foster a more equitable and sustainable world of food and beverage through a series of local events at bars, restaurants, and retailers around the world. This year's Negroni Week edition collaborated with even more venues than ever before to benefit the Slow Food Negroni Week Fund, which aids in preserving cultural and biological diversity, promoting food and beverage education, and advocating for equity and justice globally.

Group Financial Review

Sales Performance

The nature, amount, timing and uncertainty of sales, as well as the corresponding cash flows, are affected by economic and business factors which differ across markets, also as a function of their different sizes and maturity profiles. These elements are primarily attributable to demographics, consumption habits and are also influenced by historical, social and climatic factors, local consumer taste preferences, propensity to consume, the market commercial structure in terms of the weight of the distribution channels (off-premise versus on-premise) as well as retailer concentration. As an effect of the above factors, the sales composition by brand differs from market to market. Consequently, the brand-building and sales infrastructure investments are allocated to respond to each market priority.
Starting from 1 January 2024, the Group implemented a partial business unit reconfiguration which combined the EMEA region (combining Europe and Southern Europe Developing Markets, Middle East and Africa), aiming to enhance the Group's leadership position in this region, unlocking operational and commercial efficiencies. Following the aforementioned changes, the Group's business units are organised by the subsequent geographical regions: 'Americas', 'EMEA' and 'Asia-Pacific'.
To highlight the main business performance drivers in a diversified context and to assess the contribution of the different brands to the overall sales performance of the Group, further breakdowns by brand category (global, regional and local brands) and for major brands are provided to better explain their contribution to the region. The categorisation of brands into three main clusters (global priorities, regional priorities and local priorities) is based on their scale, growth potential and business priority. As indicated in the ‘Group significant events and corporate actions’, effective as of 1 January 2024, the Group also reorganised its brand clusters, applying modifications with a retrospective approach.
Although the changes mentioned are applicable from 1 January 2024, the information presented below has been uniformly restated to ensure comparative consistency.

1. Key Highlights

In the first nine months of 2024, Group’s net sales amounted to €2,277.0 million, with a reported increase of +3.4% compared with the same period of 2023 continuing to outperform the industry in key brand-market combinations, mainly thanks to aperitifs and tequila. This increase was composed of organic growth of +2.1%, driven by global priorities, primarily in the Americas and EMEA notwithstanding negative impact of poor weather, pressure on disposable income from inflation, consumer and distributors reduced confidence, and a perimeter impact of +2.1% mainly driven by Courvoisier, while exchange rate component was negative at -0.8%.

	for the nine months ended 30 September			nine months change %, of which				organic change % by quarter		
	2024 € million	2023 € million	total change € million	total	organic	perimeter	exchange rate[1]	first	second	third
total	**2,277.0**	2,201.3	**75.7**	3.4%	**2.1%**	2.1%	-0.8%	0.2%	3.8%	**-1.4%**

[1] Includes the effects associated with hyperinflation in Argentina.

In the third quarter of 2024, the Group’s results reflected a soft market context despite outperformance compared to the industry in its key brand-market combinations:
- persisting challenges in the Americas, mainly in selected categories in the United States, and an extraordinary impact of the hurricane in Jamaica in the third quarter of the year, leading to supply shortages in rum portfolio for both the local and the export markets, more than offsetting ongoing growth in aperitifs and tequila;
- poor weather conditions at the beginning of the spring-summer season as well as September in Europe, particularly in the on-premise skewed markets such as Italy, and softer than expected consumption, leading to below expectations re-orders in the back-end of the third quarter;
- persisting challenging macroeconomic and trading conditions in Asia-Pacific.

To mitigate the effect of hyperinflationary economies, the organic change for countries having to adopt the hyperinflationary methodology laid down in IFRS (i.e. Argentina) includes only the component attributable to volumes sold in relation to net sales, while the effects associated with hyperinflation, including price index variation and price increases, are treated as exchange rate effects. As regards the ongoing business in Russia-Ukraine, it continued to have a limited impact on the Group’s consolidated results.

An in-depth analysis by geographical region and core market of sales registered in the nine months ended 30 September 2024 compared with the same period of 2023 is provided below. Unless otherwise stated, the comments relate to the organic change in each market.

2. Organic Sales Performance of Operating Segments

The sales performance of the Group's operating segments in the nine months ended 30 September 2024 compared with the same period of 2023 is provided in the table below.

Group net sales focus by region	for the nine months ended 30 September										
	2024		2023		total change	nine months change %, of which				third quarter organic change %
	€ million	%	€ million	%	€ million	total	organic	perimeter	exchange rate[1]	
Americas	1,027.3	45.1%	958.6	43.5%	68.7	7.2%	4.9%	3.3%	-1.0%	1.0%
EMEA	1,102.1	48.4%	1,078.0	49.0%	24.1	2.2%	1.4%	1.1%	-0.3%	-2.4%
Asia-Pacific	147.6	6.5%	164.7	7.5%	(17.0)	-10.3%	-9.8%	1.8%	-2.3%	-8.1%
total	**2,277.0**	**100.0%**	**2,201.3**	**100.0%**	**75.7**	**3.4%**	**2.1%**	**2.1%**	**-0.8%**	-1.4%

(1) Includes the effects associated with hyperinflation in Argentina.

- **Americas**

The region, broken down into its core markets below, recorded an overall organic increase of +4.9%. The region is predominantly off-premise skewed, particularly in North America.

	% of Group total	for the nine months ended 30 September 2024		2023		total change	nine months change %, of which				third quarter organic change %
		€ million	%	€ million	%	€ million	total	organic	perimeter	exchange rate[1]	
US	28.4%	647.8	63.1%	604.8	63.1%	43.0	7.1%	2.2%	5.2%	-0.3%	-0.2%
Jamaica	4.6%	105.5	10.3%	106.3	11.1%	(0.9)	-0.8%	1.0%	-	-1.8%	-19.7%
Other countries of the region[1]	12.0%	274.1	26.7%	247.5	25.8%	26.5	10.7%	12.9%	0.2%	-2.4%	12.3%
Americas	**45.1%**	**1,027.3**	**100.0%**	**958.6**	**100.0%**	**68.7**	**7.2%**	**4.9%**	**3.3%**	**-1.0%**	**1.0%**

(1) Includes the effects associated with hyperinflation in Argentina.

In the nine months ended 30 September 2024, the **United States**, accounting for 28.4% of Group net sales, showed an organic growth of +2.2% in a subdued market context, with a flat performance in the third quarter of the year which was impacted by persisting challenges in SKYY Vodka, some softness in the Wild Turkey portfolio and Grand Marnier, offsetting the continuing outperformance in Espolòn and Aperol, both on a tough comparison base (+40.0% and +50.9% in the first nine months of 2023 respectively), as well as Campari.
The performance of **Jamaica** in the third quarter of the year was affected by the hurricane in July, leading to product availability constraints and softer operating environment. The cumulative sales performance of the first nine months of 2024 was supported by price increases in both rums and Campari, thus offsetting impact on volumes.
Ongoing solid performance (+12.9%) was registered across the **rest of the region**, mainly driven by double-digit growth in Brasil due to aperitifs and local Brazilian brands. In Argentina, the positive trend, which started in the second quarter, accelerated further in the third quarter of the year, while Canada also showed solid growth mainly driven by Aperol and Espolòn.

- **EMEA**

The region, which is broken down by core markets in the table below, reported an organic increase of +1.4%. The predominance between off-premise and on-premise channels varies by country.

	% of Group total	for the nine months ended 30 September 2024		2023		total change	nine months change %, of which				third quarter organic change %
		€ million	%	€ million	%	€ million	total	organic	perimeter	exchange rate	
Italy	15.9%	363.1	32.9%	385.0	35.7%	(21.9)	-5.7%	-5.7%	-	-	-7.0%
Germany	8.6%	196.3	17.8%	185.6	17.2%	10.6	5.7%	5.5%	0.2%	-	-6.2%
France	5.4%	123.5	11.2%	129.7	12.0%	(6.2)	-4.8%	-2.7%	-2.0%	-	-7.6%
United Kingdom	3.2%	73.9	6.7%	68.4	6.3%	5.5	8.1%	-8.0%	14.0%	2.1%	-9.7%
Other countries of the region	15.2%	345.3	31.3%	309.3	28.7%	36.0	11.7%	11.7%	1.3%	-1.4%	8.7%
EMEA	**48.4%**	**1,102.1**	**100.0%**	**1,078.0**	**100.0%**	**24.1**	**2.2%**	**1.4%**	**1.1%**	**-0.3%**	**-2.4%**

In the third quarter of the year, **Italy** was affected by significantly below expectations re-orders in the back-end of the third quarter driven by the impact of poor weather conditions at the start of the spring-summer season and September, leading to lower wholesaler appetite to hold stock. Concomitantly, underlying trends and brand health indicators remain strong.
Germany's performance in the third quarter of 2024 was impacted by a high base (+38.8% in the same period of last year) due to Aperol re-listing following some commercial disruptions in the second quarter of 2023. Aperol remained the clear market leader with strong brand health, while Sarti Rosa has been growing rapidly and complementing the aperitifs leadership.

France showed a reduction (-7.6%) in the third quarter of the year in a challenging operating environment, which impacted the whisky and rum portfolio, while the aperitifs portfolio remained resilient. Excluding the agency brands trend, the first nine months of 2024 were stable.
The **United Kingdom** reflected a relatively stable performance across most of the portfolio in a challenging operating environment, which was offset by weakness in the Jamaican rums and Magnum Tonic, mainly driven by supply constraints due to the hurricane in Jamaica.
Strong and accelerating growth (+11.7% in the first nine months of the year and +8.7% in the third quarter) was achieved across **the other markets of the region**, driven by positive contribution from most markets, in particular GTR (+23.3%), Spain and Austria. Strong acceleration was also achieved in Greece, with growth in Aperol and Campari. Greece's share of sales reached 1% of the total Group's sales, benefitting from recent local route-to-market investments.

- **Asia-Pacific**

This region, which is predominantly off-premise skewed and whose market breakdown is shown in the table below, recorded an organic decrease of -9.8%.

		for the nine months ended 30 September									
	% of Group total	2024		2023		total change	nine months change %, of which				third quarter organic change %
		€ million	%	€ million	%	€ million	total	organic	perimeter	exchange rate	
Australia	3.4%	77.9	52.8%	86.1	52.3%	(8.2)	-9.5%	-8.8%	0.5%	-1.2%	-4.5%
Other countries of the region	3.1%	69.8	47.2%	78.6	47.7%	(8.9)	-11.3%	-10.8%	3.2%	-3.6%	-12.1%
Asia-Pacific	**6.5%**	**147.6**	**100.0%**	**164.7**	**100.0%**	**(17.0)**	**-10.3%**	**-9.8%**	**1.8%**	**-2.3%**	**-8.1%**

Australia showed a performance of -8.8%, impacted by a challenging macroeconomic and competitive environment, especially in the Wild Turkey portfolio. Aperol and Campari achieved double-digit growth momentum. Espolòn grew double-digit from a small base with rapid uptake also of the newly launched Espolòn ready-to-drink.
Regarding **the other countries of the region** (-10.8%), performance in the first nine months of the year was impacted mainly by India, South Korea and China, offsetting ongoing growth in both Japan, also leveraging success of recently launched Wild Turkey Highball ready-to-drink, and New Zealand. South Korea benefitted from easier comparison base after a tough comparison base affecting the first quarter. China was impacted by challenging macroeconomic environment and India by route-to-market changes, which will be completed by the end of the year.

- **Brand Contribution to Segments**

The table shows the brand contribution to consolidated net sales and the most relevant segment and markets for each brand. While the global priority cluster includes brands with a globally diversified geographic exposure (either current or potential), regional priorities are concentrated in a limited number of countries within the same region, and local priorities focus on one main domestic market.

Group percentage and net sales by priority for the nine months ended 30 September 2024			nine months change % compared with nine months 2023, of which[1]				third quarter organic change % compared with third quarter 2023	main region/markets for brands
	%	€ million	total	organic	perimeter	exchange rate		
global priority brands	**67.9%**	**1,546.0**	**5.4%**	**3.5%**	**2.3%**	**-0.4%**	**-1.3%**	**-**
Aperol	26.1%	595.4	3.1%	3.2%	-	-0.1%	0.3%	- *Italy, EMEA* *Germany, EMEA* *US, AMERICAS* *France, EMEA* *United Kingdom, EMEA*
Campari	11.2%	254.9	6.9%	7.6%	-	-0.6%	3.8%	- *Italy, EMEA* *Brazil, AMERICAS* *US, AMERICAS* *Germany, EMEA* *Jamaica, AMERICAS*
Espolòn	8.8%	200.6	18.2%	18.8%	-	-0.6%	13.0%	- *US, AMERICAS* *Australia, APAC* *Canada, AMERICAS* *Russia, EMEA* *Italy, EMEA*
Wild Turkey portfolio[2][3]	7.0%	158.8	-5.8%	-4.7%	-	-1.0%	-12.5%	- *US, AMERICAS* *Australia, APAC* *Japan, APAC* *South Korea, APAC* *Canada, AMERICAS*
Jamaican rums portfolio[4]	4.7%	106.1	-6.3%	-5.2%	-	-1.1%	-19.4%	- *Jamaica, AMERICAS* *US, AMERICAS* *United Kingdom, EMEA* *Canada, AMERICAS* *Mexico, AMERICAS*
Grand Marnier	4.6%	105.7	6.0%	6.5%	-	-0.4%	-4.7%	- *US, AMERICAS* *Canada, AMERICAS* *France, EMEA* *GTR, EMEA* *Mexico, AMERICAS*
SKYY[2]	4.0%	90.9	-9.3%	-10.1%	-	0.8%	-5.7%	- *US, AMERICAS* *Argentina, AMERICAS* *Germany, EMEA* *South Africa, EMEA* *GTR, EMEA*
Courvoisier[5]	1.5%	33.7	-	-	-	-	-	- *US, AMERICAS* *United Kingdom, EMEA*
regional priority brands	**17.2%**	**390.6**	**-2.9%**	**-2.5%**	**-**	**-0.4%**	**-0.6%**	**-**
Sparkling Wines, Champagne&Vermouth	4.7%	107.0	9.0%	10.4%	-	-1.3%	4.5%	
Other specialties[6]	8.8%	200.0	-6.4%	-6.6%	-	0.2%	-2.0%	
Other Whisk(e)y[7]	1.5%	33.9	-17.0%	-15.1%	-	-1.9%	-10.5%	
Crodino	2.2%	49.7	0.3%	0.2%	-	0.1%	3.6%	
local priority brands	**6.2%**	**140.5**	**-1.4%**	**-1.0%**	**-**	**-0.4%**	**2.2%**	**-**
Campari Soda	2.6%	59.2	-2.6%	-2.6%	-	-	3.5%	
Wild Turkey ready-to-drink[8]	1.5%	35.1	-0.3%	1.3%	-	-1.6%	14.7%	
SKYY ready-to-drink	1.2%	27.1	-9.4%	-9.2%	-	-0.2%	-18.1%	
Ouzo 12	0.8%	19.1	14.7%	14.7%	-	-	11.1%	
rest of the portfolio	**8.8%**	**200.0**	**5.6%**	**3.4%**	**6.8%**	**-4.6%**	**-5.6%**	**-**
total	**100.0%**	**2,277.0**	**3.4%**	**2.1%**	**2.1%**	**-0.8%**	**-1.4%**	**-**

(1) For information on reclassifications of comparative figures, refer to note 'Significant events during and after the end of the period'
(2) Excludes ready-to-drink.
(3) Includes American Honey.
(4) Includes Appleton Estate, Wray&Nephew Overproof and Kingston 62.
(5) Excluding Salignac.
(6) Includes Braulio, Cynar, Averna, Frangelico, Del Professore, Ancho Reyes, Montelobos, Cabo Wabo, Bisquit&Dubouché, Bulldog, Trois Rivières, Picon, Maison La Mauny, Magnum Tonic, Aperol Spritz ready-to-enjoy and X-Rated.
(7) Includes The GlenGrant, Forty Creek and Wilderness Trail.
(8) Includes American Honey ready-to-drink.

Focusing on the key brands driving the aforementioned performance by segment, the main drivers by brand-category and by brand, are reported below.

Global priority brands reported a resilient performance of +3.5%. **<u>Aperol</u>** showed a growth of +3.2% against a tough comparison base (+23.3% in the first nine months of 2023), impacted by phasing of shipments and poor weather conditions during spring and September in Italy and Germany, while the Americas markets reported strong growth, particularly the United States, Canada and seeding markets such as Brasil and Mexico, as well as Australia, Greece and the GTR. Excluding Italy and Germany, growth achieved in the nine months of the year was +9.0%. **<u>Campari</u>** recorded solid ongoing growth (+7.6%) led by the Americas, especially Brasil, as well as Greece, GTR and France. Solid growth in the third quarter was also achieved in the United States (+16.6%)

supported by Negroni week activations in September. **Espolòn** continued a double-digit growth (+18.8%) driven by the core United States market with strong performance also in seeding markets like Australia, Italy and GTR, in line with the strategy of proactively building the brand internationally. **Wild Turkey** showed a soft performance across the portfolio in the third quarter of the year, driven by the core United States market. Flat results of Russell's Reserve in the nine months of the year with impact on volumes partly offset by ongoing price increases in a backdrop of intensifying competition, particularly in the super premium category. Ongoing growth was achieved in Japan, Canada and in other European markets off a small base. **Jamaican Rums** declined in the third quarter across all core markets (the United States, the United Kingdom and Jamaica) due to the impact on supply of the hurricane in Jamaica in July, which may potentially continue to affect performance in the fourth quarter of the year. **Grand Marnier** grew by +6.5% in the first nine months of the year, with pace impacted by a decline in the third quarter in the core United States market on a normalised comparison base in a highly competitive category, thus offsetting growth across the rest of its geographies. **SKYY** was down by -10.1%, driven by the core United States market, in line with other major players in the category, and thus offsetting growth in the rest of the Americas region, as well as in GTR off a small base. **Courvoisier** was incorporated into the Group's global priority brands as of May 2024 and generated sales of €33.7 million (excluding Salignac) primarily in the United States and the United Kingdom, accounting for 1.5% of total net sales. The integration of the new business is progressing in line with plan, with strengthening of sales capabilities in core focus markets underway, primarily the United States, the United Kingdom and China. Concomitantly, commercial actions are ongoing with focus on (i) clearing of trade channels, (ii) renegotiation of commercial agreements to re-align pricing structure and (iii) start of brand building investments.

Regional priority brands showed an organic decrease of -2.5%. **Sparkling Wines**, **Champagne&Vermouth** reported solid growth (+10.4%) particularly driven by Lallier Champagne, Mondoro Sparkling Wine and Cinzano Sparkling Wine, partly offset by Riccadonna Sparkling Wine, albeit with improved performance in the third quarter of 2024. **Other specialties** were down by -6.6%, mainly driven by Magnum Tonic due to supply constraints and X-Rated in the Asia-Pacific region, as well as Cabo Wabo. Frangelico, Aperol Spritz and Picon grew despite a soft market context. The performance of the **other Whisk(e)y** category (-15.1% in the first nine months of the period) was impacted by softer category trends, albeit with positive trends ongoing in South Korea. Core no-alcohol **Crodino** showed strong momentum with solid double-digit growth in the Netherlands, Germany, Greece, Switzerland, the United Kingdom and other EMEA markets off a small base with stabilisation in Italy in the third quarter.

The **local priority** brands showed negligible organic reduction of -1.0%. **Campari Soda** (-2.6%) was impacted by poor weather in the core Italian market in the second quarter of the year, while the third quarter showed a solid performance (+3.5%), supported by Italy. **Wild Turkey ready-to-drink** (+1.3%) grew double-digit in the third quarter, driven by the launch of Highball innovation in Japan and in the core Australian market, despite ongoing pressure on the category, leading to a positive trend in the nine months ended 30 September 2024. **SKYY ready-to-drink** (-9.2%) was impacted by the highly competitive core Mexican market. **Ouzo 12** reported solid positive double-digit growth (+14.7%) mainly thanks to the core market Germany as well as GTR off a small base.

The **rest of the portfolio** reported growth of +3.4%.

3. Perimeter Variation

The perimeter variation of +2.0% in the nine months ended 30 September 2024, compared with the sales in the same period of the previous year, is analysed in the table below.

perimeter variation		
breakdown of the perimeter effect	€ million	% on first nine months ended 30 September 2024
asset deals and business acquisitions	34.9	1.5%
total asset deals and business acquisitions	**34.9**	**1.5%**
new agency brands	29.8	1.3%
discontinued agency brands	(18.1)	-0.8%
total agency brands	11.7	**0.5%**
total perimeter effect	**46.5**	**2.0%**

- **Asset Deals and Business Acquisitions**

In the first nine months of 2024, the contribution to sales from business acquisitions amounted to +1.5% at the overall Group level and was comprised of the Courvoisier brands (Courvoisier and Salignac), since the business has been integrated into the Group since the completion of the transaction on 30 April 2024.

- **Agency Brands Distribution**

The perimeter variation due to the agency brands in the nine months ended 30 September 2024 was +0.5%, mainly related to the sales generated by Miraval, which was exclusively distributed in the United States and France markets, partly offset by the discontinuation of agency brands and net of new agreements (Proximo portfolio) in France.

4. Exchange Rate Effects

The exchange rate effect for the nine months ended 30 September 2024 was negative at -0.8% mainly due to the depreciation against the € of the Group's key currencies such as the US Dollar, Jamaican Dollar, Australian Dollar, Brazilian Real and Canadian Dollar. The exchange rate effect includes the impact of applying the IAS29 Hyperinflation principle in Argentina. Moreover, as a prudent measure to strip out the effects of the local high inflation rate, the exchange rate effect also includes the pricing component.
The table below shows, for the Group's most important currencies, the average exchange rates for the nine months ended 30 September 2024 and the same period of 2023 respectively, and the spot rates at 30 September 2024, with the percentage change against the € compared with 31 December 2023.

	average exchange rates			spot exchange rates		
	for the nine months ended 30 September 2024	for the nine months ended 30 September 2023	revaluation/(devaluation) vs. nine months 2023	at 30 September 2024	at 31 December 2023	revaluation/(devaluation) vs. 31 December 2023
	1 Euro	: 1 Euro	%	1 Euro	: 1 Euro	%
US Dollar	1.087	1.084	-0.3%	1.120	1.105	-1.3%
Canadian Dollar	1.479	1.458	-1.4%	1.513	1.464	-3.2%
Jamaican Dollar	169.646	166.591	-1.8%	176.894	170.623	-3.5%
Mexican Peso	19.288	19.293	-	21.984	18.723	-14.8%
Brazilian Real	5.694	5.425	-4.7%	6.050	5.362	-11.4%
Argentine Peso (1)	1,082.809	370.815	-65.8%	1,082.809	892.924	-17.5%
Russian Ruble (2)	98.183	90.006	-8.3%	104.529	99.192	-5.1%
Great Britain Pound	0.851	0.871	2.3%	0.835	0.869	4.0%
Swiss Franc	0.958	0.978	2.0%	0.944	0.926	-1.9%
Australian Dollar	1.642	1.620	-1.3%	1.617	1.626	0.6%
Yuan Renminbi	7.824	7.621	-2.6%	7.851	7.851	-

(1) The average exchange rate of the Argentine Peso was equal to the spot exchange rate at the reporting date.
(2) On 2 March 2022, the European Central Bank ('ECB') decided to suspend the publication of the € reference rate for the Russian Rouble until further notice. The Group has therefore decided to refer to an alternative reliable source for exchange rates based on executable and indicative quotes from multiple dealers.

Statement of Profit or Loss

Key Highlights

The table below shows the statement of profit or loss for the nine months ended September 2024 and a breakdown of the total change by organic, perimeter and exchange rate effects.

	for the nine months ended 30 September												
	2024		2023		total change		of which organic		of which perimeter		of which due to exchange rates and hyperinflation	
	€ million	%	€ million	%	€ million	%	€ million	%	€ million	%	€ million	%
Net sales[1]	**2,277.0**	**100.0**	**2,201.3**	**100.0**	**75.7**	**3.4%**	**45.9**	**2.1%**	**46.5**	**2.1%**	**(16.7)**	**-0.8%**
Cost of sales	(944.1)	(41.5)	(898.2)	(40.8)	(45.9)	5.1%	(21.6)	2.4%	(35.2)	3.9%	10.9	-1.2%
Gross profit	**1,332.9**	**58.5**	**1,303.1**	**59.2**	**29.8**	**2.3%**	**24.3**	**1.9%**	**11.4**	**0.9%**	**(5.9)**	**-0.5%**
Advertising and promotional expenses	(365.2)	(16.0)	(350.8)	(15.9)	(14.5)	4.1%	(13.0)	3.7%	(3.0)	0.9%	1.5	-0.4%
Contribution margin	**967.7**	**42.5**	**952.3**	**43.3**	**15.4**	**1.6%**	**11.3**	**1.2%**	**8.4**	**0.9%**	**(4.4)**	**-0.5%**
Selling, general and administrative expenses	(468.3)	(20.6)	(431.8)	(19.6)	(36.5)	8.4%	(33.0)	7.6%	(6.2)	1.4%	2.7	-0.6%
Result from recurring activities (EBIT-adjusted)[2]	**499.4**	**21.9**	**520.5**	**23.6**	**(21.1)**	**-4.1%**	**(21.7)**	**-4.2%**	**2.2**	**0.4%**	**(1.7)**	**-0.3%**
Other operating income (expenses)	(30.9)	(1.4)	(29.4)	(1.3)	(1.5)	5.0%						
Operating result (EBIT)	**468.5**	**20.6**	**491.1**	**22.3**	**(22.6)**	**-4.6%**						
Financial income (expenses)	(57.7)	(2.5)	(50.5)	(2.3)	(7.2)	14.2%						
Earn-out income (expenses) and hyperinflation effect	9.6	0.4	6.4	0.3	3.2	50.3%						
Profit (loss) related to joint-ventures	(3.2)	(0.1)	(2.6)	(0.1)	(0.6)	21.7%						
Profit before taxation	**417.2**	**18.3**	**444.3**	**20.2**	**(27.1)**	**-6.1%**						
Profit before taxation-adjusted[2]	**446.3**	**19.6**	**472.9**	**21.5**	**(26.5)**	**-5.6%**						
Non-controlling interests before taxation	(5.8)	(0.3)	(0.9)	-	(4.9)	-						
Group profit before taxation	**423.0**	**18.6**	**445.2**	**20.2**	**(22.2)**	**-5.0%**						
Group profit before taxation adjusted[2]	**452.1**	**19.9**	**473.8**	**21.5**	**(21.6)**	**-4.6%**						
Total depreciation and amortisation	(91.3)	(4.0)	(80.8)	(3.7)	(10.5)	13.0%	(9.4)	11.6%	(1.7)	2.1%	0.6	-0.8%
EBITDA-adjusted[2]	**590.7**	**25.9**	**601.3**	**27.3**	**(10.6)**	**-1.8%**	**(12.3)**	**-2.0%**	**4.0**	**0.7%**	**(2.3)**	**-0.4%**
EBITDA	**559.8**	**24.6**	**571.9**	**26.0**	**(12.1)**	**-2.1%**						

The table below shows the statement of profit or loss for the third quarter of 2024 broken down into total change, organic change, perimeter change and exchange rate effects.

	third quarter												
	2024		2023		total change		of which organic		of which perimeter		of which due to exchange rates and hyperinflation	
	€ million	%	€ million	%	€ million	%	€ million	%	€ million	%	€ million	%
Net sales[1]	**753.6**	**100.0**	**743.5**	**100.0**	**10.1**	**1.4%**	**(10.1)**	**-1.4%**	**29.0**	**3.9%**	**(8.8)**	**-1.2%**
Cost of sales	(318.3)	(42.2)	(312.7)	(42.1)	(5.6)	1.8%	5.0	-1.6%	(20.3)	6.5%	9.8	-3.1%
Gross profit	**435.4**	**57.8**	**430.8**	**57.9**	**4.5**	**1.1%**	**(5.1)**	**-1.2%**	**8.7**	**2.0%**	**1.0**	**0.2%**
Advertising and promotional expenses	(133.6)	(17.7)	(125.2)	(16.8)	(8.4)	6.7%	(8.2)	6.6%	(1.5)	1.2%	1.3	-1.1%
Contribution margin	**301.8**	**40.0**	**305.6**	**41.1**	**(3.8)**	**-1.3%**	**(13.4)**	**-4.4%**	**7.2**	**2.4%**	**2.3**	**0.8%**
Selling, general and administrative expenses	(162.4)	(21.6)	(144.8)	(19.5)	(17.6)	12.2%	(15.8)	10.9%	(3.3)	2.3%	1.5	-1.0%
Result from recurring activities (EBIT-adjusted)[2]	**139.4**	**18.5**	**160.8**	**21.6**	**(21.4)**	**-13.3%**	**(29.2)**	**-18.2%**	**3.9**	**2.4%**	**3.8**	**2.4%**
Other operating income (expenses)	(6.5)	(0.9)	(13.4)	(1.8)	6.9	-51.7%						
Operating result (EBIT)	**132.9**	**17.6**	**147.4**	**19.8**	**(14.5)**	**-9.8%**						
Financial income (expenses)	(24.6)	(3.3)	(18.1)	(2.4)	(6.5)	36.1%						
Hyperinflation effect	(0.6)	(0.1)	5.2	0.7	(5.8)	-112.3%						
Profit (loss) related to joint-ventures	(1.1)	(0.1)	(1.2)	(0.2)	0.1	-9.2%						
Profit before taxation	**106.5**	**14.1**	**133.3**	**17.9**	**(26.8)**	**-20.1%**						
Profit before taxation-adjusted[2]	**113.0**	**15.0**	**146.7**	**19.7**	**(33.6)**	**-22.9%**						
Non-controlling interests before taxation	(1.4)	(0.2)	(2.3)	(0.3)	0.9	-37.8%						
Group profit before taxation	**107.9**	**14.3**	**135.5**	**18.2**	**(27.6)**	**-20.4%**						
Group profit before taxation adjusted[2]	**114.4**	**15.2**	**148.9**	**20.0**	**(34.5)**	**-23.2%**						
Total depreciation and amortisation	(32.5)	(4.3)	(29.4)	(4.0)	(3.0)	10.2%	(2.6)	8.9%	(1.0)	3.3%	0.6	-1.9%
EBITDA-adjusted[2]	**171.8**	**22.8**	**190.3**	**25.6**	**(18.4)**	**-9.7%**	**(26.6)**	**-14.0%**	**4.9**	**2.6%**	**3.3**	**1.7%**
EBITDA	**165.4**	**21.9**	**176.9**	**23.8**	**(11.5)**	**-6.5%**						

(1) Sales after deduction of excise duties.
(2) For information on the definition of alternative performance measures, see the paragraph 'Definitions and reconciliation of the Alternative Performance Measures (APMs or non-GAAP measures) to GAAP measures' of this additional financial information.

The change in profitability in the nine months ended 30 September 2024 shown as variation of percentage margin on net sales (basis points) and in percentage terms, is as follows[5].

[5] For information on the definition of alternative performance measures, see the paragraph 'Definitions and reconciliation of the Alternative Performance Measures (APMs or non-GAAP measures) to GAAP measures' of this additional financial information.

	first nine months 2024 compared to first nine months 2023		
margin accretion (dilution) in basis point[(1)] and organic	total	organic bps	% organic
Net sales	-	**-**	**2.1%**
Cost of sales	(70)	(10)	2.4%
Gross profit	**(70)**	**(10)**	**1.9%**
Advertising and promotional expenses	(10)	(30)	3.7%
Contribution margin	**(80)**	**(40)**	**1.2%**
Selling, general and administrative expenses	(90)	(110)	7.6%
Result from recurring activities (EBIT-adjusted)	**(170)**	**(140)**	**-4.2%**

	third quarter 2024 compared to third quarter 2023		
margin accretion (dilution) in basis point[(1)] and organic	total	organic bps	% organic
Net sales	-	**-**	**-1.4%**
Cost of sales	(20)	10	-1.6%
Gross profit	**(20)**	**10**	**-1.2%**
Advertising and promotional expenses	(90)	(140)	6.6%
Contribution margin	**(110)**	**(130)**	**-4.4%**
Selling, general and administrative expenses	(210)	(240)	10.9%
Result from recurring activities (EBIT-adjusted)	**(310)**	**(370)**	**-18.2%**

[(1)] There may be rounding effects given that the corresponding basis points have been rounded to the nearest ten.

The perimeter component for the nine months ended 30 September 2024 reflected the integration of Courvoisier business, which despite its contribution to the business remained negligible in profit terms due to its inclusion from May 2024 onwards, as well as the net effect of new agency brands, including Miraval and Proximo Spirits brands, which were more than offset by the discontinuation of other agency business in France.

The exchange rate effect was negative during the period, mainly driven by the positive impact of the US Dollar and Great Britain Pound depreciation and the flat Mexican Pesos effect following a positive third quarter trend, offset by other South American currencies.

Statement of Profit or Loss in detail

The key profit or loss items for the nine months ended 30 September 2024 are analysed below, while a detailed analysis of the 'sales performance' is included in the previous paragraph, to which reference is made.

Gross profit for the period amounted to €1,332.9 million, representing an increase of +2.3% compared to the same period in 2023. This growth was driven by top-line performance despite a challenging comparison base with the same period of the previous year, and was achieved against a backdrop of stable production costs. As a percentage of net sales, gross margin stood at 58.5% almost in line with the 59.2% in the same period of 2023 and hence generating a dilutive effect of -70 basis points on a reported basis. The organic component was +1.9%, which had a dilutive effect on margin (-10 basis points organic variation) entirely due to mix effect (mainly in the second quarter and September) from impact of poor weather and macro-economic environment on high-margin aperitifs in EMEA. Positive pricing impact was fully offset by cost of sales inflation, both effects mainly skewed into first quarter, driven by carry forward effect of last year high-cost stock. In the third quarter, gross profit was impacted by inefficient absorption of fixed production costs due to lower production volume. Exchange rate variation was negative at -0.5% (equivalent to an accretion of 10 basis points) while the perimeter was positive at 0.9% (resulting in a dilution of -70 basis points).

Advertising and promotional expenses amounted to €365.2 million, reporting a +4.1% increase compared with the same period of 2023. In organic terms, the variation was positive by 3.7%, thus generating an organic dilutive effect of -30 basis points on profitability. Investments were dynamically re-modulated to ensure ongoing focus on brand building during the summer, despite impact of lower activations due to poor weather in spring and September leading to stable advertising and promotional expenses as a percentage of net sales (16.0% in the nine months ended 30 September 2024, broadly in line with the 15.9% shown in the same period of 2023). Perimeter and exchange rate variation were both negligible at 0.9% and -0.4% respectively.

Contribution margin was €967.7 million in the nine months ended 30 September 2024, with a reported increase of 1.6% on the same period of 2023. As a percentage of sales, contribution margin stood at 42.5%. The organic growth component was +1.2% with a dilutive effect on profitability (-40 basis point). The perimeter effect was positive at +0.9%, with a -50 basis points dilutive effect on profitability, while the exchange rate effect of -0.5% led to an accretive impact on margins of 10 basis points.

Selling, general and administrative expenses amounted to €468.3 million in the period, up by +8.4% on the same period of 2023. As a percentage of sales, they amounted to 20.6% (19.6% in the same period of 2023). At organic level, selling, general and administrative expenses increased by +7.6%, therefore generating a dilutive effect on margins of -110 basis points. The variation was largely due to the continuation of already committed infrastructure investments, including route to market enhancements, in a softer market context with muted sales performance which led to lower absorption of fixed costs and business investments.

The result from recurring operations (EBIT-adjusted) for the period was €499.4 million. The return on sales-adjusted ('ROS') stood at 21.9%, with a decrease from 23.6% recorded in the same period of 2023, resulting in a dilutive effect of -170 basis points on a reported basis. The organic component was -4.2% with a profit dilution of -140 basis points on net sales. The impact of the exchange rate variation was negative at -0.3% (10 basis points accretive), mainly driven by the positive impact of the US Dollar and Great Britain Pound depreciation, and the flat Mexican Pesos effect following a positive third quarter trend, offset by the mix of the other currencies. The perimeter effect was positive at 0.4% (-40 basis points dilutive), mainly due to the net effect of the Courvoisier business contribution from May 2024 onwards partly offset by termination of France agency brands.

Other operating income (expenses) comprised a net expense of €30.9 million, which mainly included costs attributable to Courvoisier deal and restructuring initiatives, compared with €29.4 million reported in the same period of 2023.

Operating result (EBIT) in the nine months ended 30 September 2024 was €468.5 million, reflecting a decrease of -4.6% compared with the same period of 2023. ROS stood at 20.6% (22.3% in the same period of 2023).

Depreciation and amortisation totalled €91.3 million, up by +13.0% on the nine months ended 30 September 2023, of which +11.6% was at organic level, -0.8% related to exchange rate variations and +2.1% increase due to perimeter.

EBITDA-adjusted stood at €590.7 million, down by -1.8% compared to the same period of 2023 (-2.0% organic level, -0.4% exchange rate variations and +0.7% perimeter effect).

EBITDA was €559.8 million in the nine months ended 30 September 2024, with a variation of -2.1% on a reported basis compared with the same period of 2023.

Net financial expenses totalled €57.7 million compared with €50.5 million in the same period of 2023, including the negative foreign exchange rate effect of cross-currency transactions of €2.1 million compared with the corresponding negative effect of €12.1 million recorded in the nine months ended 30 September 2023, benefitting from supportive trend in exchange rates. Excluding these components, the net financial expenses amounted to €55.6 million in the first nine months of 2024, showing an increase of €17.2 million compared to the same period of 2023. The growth was driven by the higher average net debt in the nine months ended 30 September 2024 (€2,071.5 million at 30 September 2024 and €1,702.5 million at 30 September 2023) mainly due to Courvoisier acquisition combined with the increased average cost of refinancing in a higher interest rate environment, partially offset by benefit of temporary significant cash position ahead of Courvoisier closing and debt repayments. The average cost of net debt was 3.7% (3.0% in the same period of 2023). A summary of the net financial expenses is provided in the table below.

	for the nine months ended 30 September	
	2024 € million	2023 € million
Total interest expenses bond, loans and leases	(82.4)	(48.0)
Bank and other term deposit interests income	29.4	14.4
Interest on tax dispute in Brazil	1.8	-
Other net expenses	(4.4)	(4.7)
Total financial expenses before exchange gain (losses)	**(55.6)**	**(38.4)**
Exchange gain (losses)	(2.1)	(12.1)
Total financial income (expenses)	**(57.7)**	**(50.5)**

Focusing in more detail on the composition of interest, the result for the nine months ended 30 September 2024 was primarily influenced by the following key factors:
- interest expenses on bonds and loans of €82.4 million, compared to €48.0 million recorded in the corresponding period of the previous year, primarily determined by the higher average net debt and incremental level of interest associated with the renegotiation of bonds and loans in the ordinary course of business, within a higher interest rate environment;
- interest income accrued from substantial liquidity available from the issuance of new ordinary shares and senior unsecured convertible bonds which contributed to the majority of the €29.4 million income stream with a factual increase, compared to the €14.4 million recorded in the nine months ended 30 September 2023;
- non-recurring financial result related to interest income deriving from the closure of a tax dispute in Brasil regarding indirect taxes for an amount of €1.8 million.

Earn-out income (expenses) and hyperinflation effect was positive at €9.6 million and mainly related to hyperinflation in Argentina.

Profit (loss) related to joint-ventures represented a net loss of €3.2 million, resulting from the allocation of the results from joint-venture companies.

Profit before taxation (Group and non-controlling interests) was €417.2 million, -6.1% compared with the same period of 2023. Profit before taxation as a percentage of sales was 18.3% (20.2% in the same period of 2023). After excluding operating adjustments, the **profit before taxation-adjusted** amounted to €446.3 million, down 5.6% compared to the nine months ended 30 September 2023, adjusted accordingly.

Group profit before taxation amounted to €423.0 million, -5.0% on the comparative 2023 period. The Group's profit before taxation as a percentage of sales was 18.6%, compared with the 20.2% reported in the nine months ended 30 September 2023. After excluding operating adjustments, the **Group profit before taxation-adjusted** amounted to €452.1 million, -4.6% on the figure reported in the nine months ended 30 September 2023, adjusted accordingly.

Net financial debt

As of 30 September 2024, consolidated net financial debt amounted to €2,564.0 million, up by €710.5 million compared with €1,853.5 million reported at 31 December 2023, driven by an organic increase of €68.9 million, a perimeter increase of €1,304.9 million, partially compensated by the issuance of ordinary shares (€650.0 million) and exchange rates effect (€13.3 million). The overall net financial debt position remains skewed into medium to long-term maturities in line with Campari Group's long-term growth strategy, supported by significant credit lines available to the Group for a total of €778.3 million, of which €400.0 million are committed with an expiry date in 2029 (undrawn as of 30 September 2024) and uncommitted for an amount of €378.3 million (of which €134.4 million was drawn down at 30 September 2024). Changes in the debt structure in the two periods under comparison are shown in the table below.

	at 30 September 2024	at 31 December 2023	total change	*organic*	*issuance of ordinary shares*	*perimeter*	*exchange rates*
	€ million	€ million	€ million	*€ million*	*€ million*	*€ million*	*€ million*
cash and cash equivalents	436.6	620.3	(183.8)	*369.9*	*650.0*	*(1,196.2)*	*(7.4)*
bonds	-	(300.0)	300.0	*300.0*		*-*	*-*
loans due to banks	(226.0)	(130.6)	(95.5)	*(93.1)*		*(11.5)*	*9.2*
lease payables	(18.1)	(16.0)	(2.1)	*(2.4)*		*(0.1)*	*0.3*
other financial assets and liabilities	(18.7)	5.3	(24.0)	*(19.9)*		*(4.2)*	*0.1*
short-term net financial debt	**173.8**	**179.1**	**(5.4)**	***554.5***	***650.0***	***(1,212.0)***	***2.1***
bonds	(1,578.1)	(845.8)	(732.3)	*(732.3)*		*-*	*-*
loans due to banks	(836.0)	(901.5)	65.4	*61.1*		*-*	*4.3*
lease payables	(51.7)	(60.0)	8.4	*8.3*		*(0.1)*	*0.2*
other financial assets and liabilities	3.5	9.8	(6.3)	*(6.1)*		*-*	*(0.2)*
medium-/long-term net financial debt	**(2,462.3)**	**(1,797.5)**	**(664.8)**	***(668.9)***	***-***	***(0.1)***	***4.2***
net financial debt before put option and earn-out	**(2,288.5)**	**(1,618.4)**	**(670.1)**	***(114.4)***	***650.0***	***(1,212.1)***	***6.4***
liabilities for put option and earn-out payments	(275.5)	(235.1)	(40.4)	*45.5*		*(92.8)*	*7.0*
net financial debt	**(2,564.0)**	**(1,853.5)**	**(710.5)**	***(68.9)***	***650.0***	***(1,304.9)***	***13.3***

Here below a deep dive on the business development initiatives impact on net financial debt position for the period, split by items.

	Courvoisier cognac business[1]	joint-ventures and third-party investments[2]	total perimeter	liabilities for put option related to minority acquisition[3]
	€ million	€ million	€ million	€ million
net impact on cash and cash equivalents	(1,102.6)	(93.6)	(1,196.2)	(45.9)
net financial assets (debt) acquired in business combinations	(11.7)	-	(11.7)	-
other financial debt for contingent considerations	(4.2)	-	(4.2)	-
total acquisition effect on closing date	**(1,118.5)**	**(93.6)**	**(1,212.1)**	**(45.9)**
settlement or (recognition) of put option liabilities	(92.8)	-	(92.8)	45.9
Net effect of (acquisitions) disposals over net financial debt	**(1,211.3)**	**(93.6)**	**(1,304.9)**	**-**
of which reported at 30 September 2024				
net impact on cash and cash equivalent	(1,102.6)	(93.6)	(1,196.2)	(45.9)
net impact on net financial debt other than cash and cash equivalent	(108.7)	-	(108.7)	45.9

(1) Courvoisier Holding France S.A.S. acquisition completed in April 2024 (refer to 'Significant events during the period' paragraph of this additional financial information).
(2) Acquisition of a minority stake of 14.6% in Capevin Holdings Proprietary Limited and capital contribution in the Dioniso joint-venture.
(3) Put option payment related to Licorera Ancho Reyes y cia, S.A.P.I. de C.V. and Casa Montelobos, S.A.P.I. de C.V. included in organic variation.

The **short-term net financial debt position**, mainly consisting of cash and cash equivalents (€436.6 million) net of loans due to banks (€226.0 million), was positive at €173.8 million, thus broadly in line compared with 31 December 2023. The main transactions that impact the cash position in the period were the following:

- the issuance of new ordinary shares (for €650.0 million) and 5-year convertible bonds (for €550.0 million), leading to a total gross amount cashed in of €1,200.0 million, primarily used to support the acquisition of Courvoisier business, as well as to capitalise on market conditions optimising the funding structure;
- the issuance of a new unrated 7-year bond on 18 June 2024 for a nominal amount cashed in of €220.0 million allocated for general corporate purposes;
- the repayment of unrated bonds issued in 2017 and 2019 with maturity in April 2024 for a total overall amount cashed out of €300.0 million;
- the cash out for the acquisition of a minority stake of 14.6% in Capevin Holdings Proprietary Limited for €82.6 million;
- the cash out for the first tranche payment for the acquisition of the remaining 49% stake in Licorera Ancho Reyes y cia, S.A.P.I. de C.V. and Casa Montelobos, S.A.P.I. de C.V. (€45.9 million);
- the capital contribution in the Dioniso joint-venture (contribution of €11.0 million equally supported by Moët Hennessy);
- capital expenditure initiatives (€294.0 million), the dividend payment (€78.1 million) and income taxes paid (€46.1 million).

The **medium to long-term financial debt position** primarily consisted of bonds and loans due to banks totalling €2,462.3 million, increasing by €664.8 million, primary related to the issue of aforementioned bonds.

The Group's net financial debt position included liabilities of €275.5 million related to future commitments to acquire outstanding minority interests in controlled companies as well as liabilities for **put options and earn-out payments**, including the earn-out related to the Courvoisier acquisition. The main drivers for the change reported in the period were the following:

- Courvoisier earn-out initially assessed for €92.8 million at the acquisition date and payable in 2029 based on the achievement of net sales targets realised in full year 2028;
- acquisition of the remaining 49% minority interests in Licorera Ancho Reyes y cia, S.A.P.I. de C.V. and Casa Montelobos, S.A.P.I. de C.V. for a total consideration of €55.2 million, which was confirmed to be aligned with the debt previously recognised, with a first instalment of €45.9 million at 30 September 2024 and remaining tranche to be paid according to contractual terms within the next 12 months. As both companies were already under the Campari Group's control and included within its consolidation perimeter, hence in the estimated put option and earn-out liabilities, the transaction had no material impact on the Group's figures.

As of 30 September 2024, **Campari Group's net debt/EBITDA-adjusted ratio**[6] was 3.6 times, compared with 2.5 times as of 31 December 2023 and 2.6 at 30 September 2023. As of 30 September 2024, the increase in the ratio was primarily attributable to a temporary rise in financial leverage resulting from the Courvoisier acquisition, as opposed to the increase in adjusted EBITDA, which contributed only for five months. The proforma index-adjusted at 30 September 2024, taking into account a simulated annual effect on EBITDA of the new business in the last 12 months, would be equal to 3.5 times (2.6 times at 30 September 2023 on a consistent basis), assuming the same contained impact from the new business on a conservative basis.

[6] For information on the definition of alternative performance measures, see the paragraph 'Definitions and reconciliation of the Alternative Performance Measures (APMs or non-GAAP measures) to GAAP measures' of this management board report.

2024 First Nine Months Conclusion and Outlook

Outlook for the Remainder of the Year

Looking at the remainder of the year, cyclical macroeconomic-headwinds are expected to persist. Based on current visibility, Campari Group expects net sales growth to be at low single digit driven by:
- the Americas region, impacted by the performance in the United States, affected by an ongoing muted consumption environment with growth rates also reflecting a high comparison base in the fourth quarter, as well as the tail-end impact of the hurricane in Jamaica, while other countries continue to grow;
- the EMEA region showing ongoing impact of destocking, competition and low consumer confidence in selected markets and no recovery of shortfall from the third quarter, also due to low seasonality of aperitifs;
- the APAC region reflecting some potential benefit from easing macro environment but with ongoing impact of route to market finalisation.

The full year EBIT-adjusted performance in terms of margin and organic change, considering also a very challenging comparison base in the last quarter of last year, is expected to be negatively impacted by unfavourable sales mix and lack of absorption of fixed production costs due to lower production volume despite benefits on raw materials as well as by ongoing completion of committed business investments.

Medium-term Outlook and Strategic Actions

Looking into 2025 and beyond, as the impact of the above cyclical factors fades away, Campari Group expects to continue to achieve sector outperformance and market share gains leveraging its strong brands in growing categories with a gradual return in the medium-term to mid-to-high single digit organic net sales growth trajectory in a normalised macro environment. Accretion on EBIT margin will be supported by the positive impact of sales growth and mix driven by aperitifs, tequila and premiumisation across the portfolio, as well as cost of sales efficiencies on gross margin, increased efficiency in brand building and creation of operating leverage. The performance will also be supported by key initiatives to accelerate growth and profitability through focus, simplification and cost containment:
- **Houses of Brands**
  To fully exploit the long-term potential of the Campari Group's diversified portfolio with increasing share of aged premium spirits, its operating model will evolve towards an organisation that combines four newly created Houses of Brands interacting with our existing three Regions. In addition to the already created House of Cognac&Champagne, the new model will include the House of Aperitifs, House of Whisk(e)y and Rum as well as the House of Tequila. According to the new model, the Houses of Brands will be capable of enhancing the definition of the category ambition, focusing not only on premiumising, but also having end-to-end responsibility for the global category profit or loss and resource allocation including marketing, commercial, innovation and upstream supply chain. Additionally, marketing effectiveness will be enhanced via stronger central coordination leveraging existing local marketing capabilities. Increase in efficiency and agility is expected to be achieved also via a more focused and effective allocation of brand building resources and investments.
- **Portfolio streamlining**
  In addition, in line with the strategy to continuously enhance its focus on core priority brands and optimise resource allocation to maximise returns, Campari Group will accelerate on its portfolio streamlining with the view to dispose non-core brands. The objective is to ensure increased focus on its accelerator brands, via freeing up resources to partly allocate to priority brands, to support growth consistently with House of Brands model, and partly to support margins.
- **Cost containment program**
  The combination of the above two initiatives, together with a cost containment program leveraging on tech infrastructure investments, including a next-generation planning process enabling enhanced business insights, will allow Campari Group to create efficiency in Selling, general and administrative expenses. The program is expected to deliver a benefit in terms of reduction of 200 basis points in Selling, general and administrative expenses on net sales in the next three years by 2027 and lead to operating margin accretion.

Definitions and reconciliation of the Alternative Performance Measures (APMs or non-GAAP measures) to GAAP measures

This paragraph presents and comments on certain financial performance measures that are not defined in the IFRS (non-GAAP measures).
These measures, which are described below, are used to analyse the Group's business performance in the 'Key highlights' and 'Management board report' sections and comply with the Guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority ('ESMA') in its communication ESMA/2015/1415.
The alternative performance measures listed below should be used to supplement the information required under IFRS to help readers of the additional financial information to gain a better understanding of the Group's economic, financial and capital position. They are applied to Group planning and reporting, and some are used for incentive purposes.
Alternative performance measures can serve to facilitate comparison with groups operating in the same sector, although, in some cases, the calculation method may differ from those used by other companies. They should be viewed as complementary to, and not replacements for, the comparable GAAP measures and movements they reflect.

FINANCIAL MEASURES USED TO MEASURE GROUP PERFORMANCE

Organic change: Campari Group shows organic changes to comment on its underlying business performance. By using this measure, it is possible to focus on the business performance common to both periods under comparison, and which management can influence. Organic change is calculated by excluding both the impact of currency movement against the € (expressed at average exchange rates for the same period in the previous year) and the effects of brand asset deals, business acquisitions and disposals, as well as the signing or termination of distribution agreements.
Specifically:
- the exchange rate effects are calculated by converting the figures for the current period at the exchange rates applicable in the same period in the previous year. The exchange rate includes the effects associated with hyperinflationary economies;
- the results attributable to businesses acquired or the conclusion of distribution agreements during the current year are excluded from organic change for 12 months from the date on which the transaction is closed;
- the results attributable to businesses acquired or the conclusion of distribution agreements during the previous year are included in full in the figures for the previous year as from the closing date of the transaction, and are only included in the current period's organic change 12 months after their conclusion;
- the results from business disposals or the termination of distribution agreements during the same period in the previous year are wholly excluded from the figures for that period and, therefore, from organic change;
- the results from business disposals or the termination of distribution agreements during the current period are excluded from the figures for the same period in the previous year from their corresponding date of disposal or termination.

To mitigate the effect of hyperinflationary economies, the organic change for countries having to adopt the hyperinflationary methodology laid down in IFRS includes only the component attributable to volumes sold in relation to net sales, while the effects associated with hyperinflation, including price index variation and price increases, are treated as exchange rate effects.
The organic change as a percentage is the ratio of the overall value of the organic change, calculated as described above, to the overall value of the measure in question for the previous period under comparison.

Gross profit: calculated as the difference between net sales and the cost of sales (consisting of their materials, production and distribution cost components).

Contribution margin: calculated as the difference between net sales, the cost of sales (consisting of their materials, production and distribution cost components) and advertising and promotional expenses.

Other operating income (expenses): related to certain transactions or events identified by the Group as adjustment components for the operating result, such as:
- capital gains (losses) on the disposal of tangible and intangible assets;
- capital gains (losses) on the disposal of businesses;
- penalties or gains arising from the settlement of tax disputes;
- impairment losses on fixed assets (tangible and intangible);
- restructuring and reorganisation costs;
- ancillary expenses associated with acquisitions (disposals) of businesses or companies;

- other non-recurring income (expenses).

These items are deducted from, or added to, the following measures: operating result (EBIT), EBITDA, profit or loss before taxation and the Group's profit before taxation for the period.
For a detailed reconciliation of the items that impacted on the alternative performance measures referred to above in the current and comparison periods, see the appendix given at the end of this section.
The Group believes that properly adjusted measures help both management and investors to assess the Group's results and cash flows year on year on a comparable basis as well as against those of other groups in the sector, as they exclude the impact of certain items that are not relevant for assessing performance.

Operating result (EBIT): calculated as the difference between net sales, the cost of sales (in terms of their materials, production and distribution), advertising and promotional expenses, and selling, general and administrative expenses.

Result from recurring operations (EBIT-adjusted): the operating result for the period before the other operating income (expenses) mentioned above.

EBITDA: the operating result before depreciation and amortisation of intangible assets with a finite life, property, plant and equipment and right of use assets.

EBITDA-adjusted: EBITDA, as defined above, excluding other operating income (expenses).

Adjustments to financial income (expenses): certain transactions or events identified by the Group as components adjusting the profit or loss before taxation related to events covering a single period or financial year, such as:

- interest on penalties or gains arising from the settlement of tax disputes;
- expenses related to the early settlement of financial liabilities or liability management operations, including financial liability remeasurement effects;
- financial expenses arising from acquisitions (disposals) of businesses or companies;
- other non-recurring financial income (expenses).

Put option, earn-out income (expenses): relates to the income (expenses) associated with the review of estimates and assessment of expected cash-out settlement for put option and earn-out agreements, also including the non-cash effect arising from the related actualisation.

Profit (loss) related to joint-ventures: relates to the income (expenses) resulting from the application of the equity method in the valuation of the Group's interests in joint-ventures. The item also includes any fair value reassessments of previously held Group interests in joint-ventures before their consolidation.

Profit (loss) before taxation-adjusted: the result before taxation for the period, before other operating income (expenses), adjustments to financial income (expenses), before put option, earn-out income (expenses) and the profit (loss) related to reassessments of previously held joint-venture investments before their consolidation and including the non-controlling interests result before taxation.

ROS (return on sales): the ratio of the operating result (EBIT) to net sales for the period.

ROS-adjusted: the ratio of the result from recurring activities (EBIT-adjusted) to net sales for the period.

Net financial debt: calculated as the algebraic sum of:

- cash and cash equivalents;
- lease receivables;
- bonds;
- loans due to banks;
- lease payables;
- liabilities for put option and earn-out payments;
- other current and non-current financial assets and liabilities.

Organic change reported in net financial debt

The organic change is calculated by excluding, from the overall change of the period, the exchange rate effects and the perimeter effect. The perimeter effect represents the items of the business acquired and sold as well as the items connected with brand asset deals, at the date of their transaction.

Debt/EBITDA-adjusted ratio

The net debt/EBITDA-adjusted ratio is used by management to assess the Group's level of financial leverage, which affects its capacity to refinance its debt by the set maturity dates and to obtain further financing to invest in business development. The Group's debt management objective is based on the achievement of an optimal and sustainable level of financial solidity while maintaining an appropriate level of flexibility with regard to funding options. The Group monitors changes in this measure on an ongoing basis. Net debt is the Group's net financial debt reported at the closing date of the reference period; the Group's EBITDA-adjusted for the past 12 months is calculated based on the reported value at the closing date of the reference period, into which the portion of EBITDA-adjusted recorded in the previous year is incorporated for the remaining months. Upon the occurrence of significant business acquisition (disposal) transactions, a pro-forma index-adjusted is calculated to take into account the annual effect on EBITDA of the business transaction (including for acquisition, excluding for a disposal) of the last twelve months, to ensure consistency in comparative terms with the previous year reported.

- **Appendix of alternative performance indicators**

For the nine months ended 30 September 2024

for the nine months ended 30 September 2024	EBITDA		EBIT		profit before taxation		Group profit before taxation	
	€ million	% on sales	€ million	% on sales	€ million	% on sales	€ million	% on sales
alternative performance measure reported	**559.8**	**24.6%**	**468.5**	**20.6%**	**417.2**	**18.3%**	**423.0**	**18.6%**
restructuring and reorganisation costs	(12.1)	-0.5%	(12.1)	-0.5%	(12.1)	-0.5%	(12.1)	-0.5%
last mile long-term incentive schemes with retention purposes	(1.6)	-0.1%	(1.6)	-0.1%	(1.6)	-0.1%	(1.6)	-0.1%
fees from acquisition/disposals of business or companies	(11.9)	-0.5%	(11.9)	-0.5%	(11.9)	-0.5%	(11.9)	-0.5%
net penalties or gains arising from the settlement of tax and legal disputes	(3.5)	-0.2%	(3.5)	-0.2%	(3.5)	-0.2%	(3.5)	-0.2%
other adjustments of operating income (expenses)	(1.8)	-0.1%	(1.8)	-0.1%	(1.8)	-0.1%	(1.8)	-0.1%
financial interest on tax litigation	-	-	-	-	1.8	0.1%	1.8	0.1%
total adjustments	**(30.9)**	**-1.4%**	**(30.9)**	**-1.4%**	**(29.1)**	**-1.3%**	**(29.1)**	**-1.3%**
alternative performance measure-adjusted	**590.7**	**25.9%**	**499.4**	**21.9%**	**446.3**	**19.6%**	**452.1**	**19.9%**

	for the nine months ended 30 September 2024 € million
EBITDA-adjusted at 30 September 2024 (+)	590.7
EBITDA-adjusted at 31 December 2023 (+)	728.9
EBITDA-adjusted at 30 September 2023 (-)	601.3
rolling twelve months EBITDA-adjusted	**718.3**
net financial debt at 30 September 2024	**2,564.0**
net debt/EBITDA-adjusted ratio	**ratio 3.6**
rolling twelve months EBITDA adjusted for business acquisition	**734.7**
net debt/EBITDA-adjusted for business acquisition ratio	**ratio 3.5**

For the comparative figures ended 30 September 2023 and 31 December 2023.

for the nine months ended 30 September 2023	EBITDA		EBIT		profit before taxation		Group profit before taxation	
	€ million	% on sales	€ million	% on sales	€ million	% on sales	€ million	% on sales
alternative performance measure reported	**571.9**	**26.0%**	**491.1**	**22.3%**	**444.3**	**20.2%**	**445.2**	**20.2%**
devaluation of tangible assets, goodwill, brands and business disposed	(0.9)	-	(0.9)	-	(0.9)	-	(0.9)	-
restructuring and reorganisation costs	(12.5)	-0.5%	(12.5)	-0.5%	(12.5)	-0.5%	(12.5)	-0.5%
last mile long-term incentive schemes with retention purposes	(7.5)	-0.3%	(7.5)	-0.3%	(7.5)	-0.3%	(7.5)	-0.3%
fees from acquisition/disposals of business or companies	(1.4)	-0.1%	(1.4)	-0.1%	(1.4)	-0.1%	(1.4)	-0.1%
indemnities for contract resolution	1.9	0.1%	1.9	0.1%	1.9	0.1%	1.9	0.1%
finance transformation cost	(8.0)	-0.3%	(8.0)	-0.3%	(8.0)	-0.3%	(8.0)	-0.3%
other adjustments of operating income (expenses)	(1.0)	-	(1.0)	-	(1.0)	-	(1.0)	-
profit (loss) related to re-assessments of previously held associates and joint-ventures	-	-	-	-	0.9	-	0.9	-
total adjustments	**(29.4)**	**-1.3%**	**(29.4)**	**-1.3%**	**(28.5)**	**-1.3%**	**(28.5)**	**-1.3%**
alternative performance measure-adjusted	**601.3**	**27.3%**	**520.5**	**23.6%**	**472.9**	**21.5%**	**473.8**	**21.5%**

	for the nine months ended 30 September 2023 € million
EBITDA-adjusted at 30 September 2023 (+)	601.3
EBITDA-adjusted at 31 December 2022 (+)	660.3
EBITDA-adjusted at 30 September 2022 (-)	557.8
rolling twelve months EBITDA-adjusted	**703.8**
net financial debt at 30 September 2023	**1,815.6**
net debt/EBITDA-adjusted ratio	**ratio 2.6**
rolling twelve months EBITDA adjusted for business acquisition	**707.6**
net debt/EBITDA-adjusted for business acquisition ratio	**ratio 2.6**

	for the year ended 31 December 2023
	€ million
EBITDA-adjusted at 31 December 2023	728.9
net financial debt at 31 December 2023	**1,853.5**
net debt/EBITDA-adjusted ratio	**ratio 2.5**

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