

**DAVIDE CAMPARI-MILANO N.V.
HALF YEAR REPORT
AT 30 JUNE 2024**

**CAMPARI
GROUP**

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This document was not made available to the public with a signed version, which is retained at the Group corporate office.

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About this report

Note on presentation

The interim condensed consolidated financial statements for the six months ended 30 June 2024 have been prepared in accordance with the International Accounting Standards ('IAS') 34-'Interim Financial Reporting', as endorsed by the European Union. The interim condensed consolidated financial statements do not include all the information and disclosures required for the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements at 31 December 2023. Specific additional information is provided in the notes of this report in the event of material changes with respect to what was disclosed in Group's annual consolidated financial statements at 31 December 2023.

Forward-looking statements

Campari Group's half-year report contains forward-looking statements that reflect management's current view of the Group's future development. All statements other than statements of historical facts set forth in this half-year report 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 should the risks or opportunities described materialise, 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 half-year report. 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 half-year report 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 half-year report beyond statutory disclosure requirements.

Information on the figures presented

All references in this half-year report are expressed in Euros (€).

For ease of reference, all the figures in this half-year report 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 half-year report.

The language of this half-year report 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 half-year report 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 six months ended 30 June			
	2024 € million	2023 € million	change	
			% total	% organic
Net sales ⁽¹⁾	1,523.4	1,457.8	4.5%	3.8%
EBITDA	394.4	395.0		
EBITDA-adjusted ⁽²⁾	418.8	411.1	1.9%	3.5%
EBIT	335.6	343.7		
EBIT-adjusted ⁽²⁾	360.0	359.7	0.1%	2.1%
Group net profit	219.7	216.9		
Group net profit-adjusted ⁽²⁾	239.0	233.9		
Basic earnings per share (€)	0.18	0.19		
Diluted earnings per share (€)	0.18	0.19		
Basic earnings per share (€) adjusted ⁽²⁾	0.20	0.21		
Diluted earnings per share (€) adjusted ⁽²⁾	0.20	0.21		
Average number of employees	5,049	4,611		
Free cash flow	(60.1)	(154.4)		
Free cash flow adjusted ⁽²⁾	130.8	(91.7)		
	at 30 June 2024	at 31 December 2023		
Net financial debt (€ million)	2,553.2	1,853.5		
Number of own ordinary shares held ^{(3) (4)}	29,176,106	29,617,742		

⁽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 half year report.

⁽³⁾ Ordinary shares.

⁽⁴⁾ The total number of issued ordinary shares after the capital increase approved by the Board of Directors on 14 December 2023 and the corresponding successful placement on 12 January 2024 is 1,231,267,738.

Corporate bodies

Board of Directors⁽¹⁾

Luca Garavoglia ⁽²⁾	Chairman
Matteo Fantacchiotti ⁽³⁾	Chief Executive Officer
Paolo Marchesini ⁽³⁾	Chief Financial and Operating Officer
Fabio Di Fede ⁽³⁾	General Counsel and Business Development Officer
Eugenio Barcellona ⁽²⁾	Director and member of the Control, Risks and Sustainability Committee and the Remuneration and Appointment Committee
Alessandra Garavoglia ⁽²⁾	Director
Emmanuel Babeau ⁽²⁾	Director and member of the Remuneration and Appointment Committee
Margareth Henriquez ⁽²⁾	Director
Robert Kunze-Concewitz ⁽²⁾	Director
Jean-Marie Laborde ⁽²⁾	Director and member of the Control, Risks and Sustainability Committee
Christophe Navarre ⁽²⁾	Director and member of the Remuneration and Appointment Committee
Lisa Vascellari Dal Fiol ⁽²⁾	Director and 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.

² Non-Executive Director.

³ Executive Director.

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Management board report for the half year ended 30 June 2024

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Campari Group and the global environment

In the first half of 2024, Campari Group showed a solid performance thanks to the contribution of a strong brand portfolio with growth driven especially by the global priorities in the Americas while EMEA remained resilient overall despite the impact of very poor weather in the second quarter of the year.

In terms of the macroeconomic scenario, the global outlook has started to show some positive signals, even though growth remains at low levels. The tighter monetary conditions continued to impact housing and credit markets, while global activity is relatively resilient, with inflation down from its mid-2022 peak. Global growth, according to OECD⁴ analysis, is projected to be +3.1% in 2024, unchanged from 2023, before reaching +3.2% in 2025 helped by stronger real income growth and more supportive monetary policy environment. Looking at the main regions, growth in the United States, supported by household spending and continued the labour market strength, is projected to be +2.6% in 2024. Euro area growth is projected to remain weak, at +0.7% in 2024, but with an expected pick up to +1.5% in 2025 as domestic demand recovers. China's growth is expected to ease to +4.9% in 2024 due to a stable consumer demand and continued adjustments in the real estate sector with housing still falling. Global inflation is forecast to decline steadily, from +6.8% in 2023 to +5.9% in 2024 and +4.5% in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. Accordingly, the global economy remains resilient despite risks from persistent geopolitical tensions.

In terms of consumption trends in the key regions, in the United States, the total spirits market continued to show sign of slowdowns, with Campari Group outperforming, especially supported by tequila, Grand Marnier and aperitifs. In Europe, consumption trends for spirits&aperitifs showed some signs of softening in recent months, impacted also by bad weather leading to fewer consumption occasions. In this environment, Campari Group continued to outperform in Europe mainly driven by positive trends in Germany, while in the rest of the region, particularly in Italy and France, the performance was impacted by bad weather. In Asia-Pacific, performance was impacted by competitive trends in Australia as well as route-to-market changes in the region, albeit with easing impact in the second quarter.

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 focused on global and regional priority brands, as well as on the RARE division, undertaken in the first six months of 2024, are outlined below.

Global priorities⁵

Aperol

Starting from the beginning of the year, the bond between Aperol and tennis was activated through the **Australian Open sponsorship** with an extensive campaign in Australia, New Zealand and Global Travel Retail ('GTR'). During the winter season, the **Aperol Winter Tour** was launched in both the French and Italian Alps in key winter destinations during ski world cup events, aimed at recruiting new consumers and retaining existing ones all year long. 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. In addition, the brand returned again to **Primavera Sound** in Spain, followed by pan European activations: in Germany with the **Aperol Sunday Vibes**, 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.

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 and official global partner at the **Festival de Cannes**. Additionally, an amplification campaign was activated at Nice Airport to engage travellers across different touchpoints, while 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.

Espòlò

The first global campaign for the brand **To the Bone** was launched in the United States 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

⁴ Organization for Economic Cooperation and Development.

⁵ Courvoisier initiatives were negligible in the first two months of inclusion in Campari Group accounts. Brand strategic assessment and way forward is underway to be ready at the end of 2024 for launch and roll-out in 2025.

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 renown **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, with both local and global press trips organised to amplify the brand's new home. Moreover, the 10th edition of the annual limited release series, **Wild Turkey Master's Keep**, showcased **Triumph**, a 10-year-old Kentucky rye whiskey. This whiskey, inspired by Eddie's son Bruce, stands as a testament to both the spirit's tenacity and the profound influence a son can have on his father's craftsmanship. 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

During the first half of the year, 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, as well as being present at exclusive cocktail parties during the **Grammy Awards weekend**. Within the activation **Encounter on the road**, an event was held at Miami Music Week to enhance the brand's cultural and musical blend and expand its consumer base. In major cities in Canada a summer campaign was launched, 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 launched first 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.

Regional priorities

Among regional priority brands, some interesting initiatives were launched during the period. With respect to **Crodino**, a new communication campaign was activated 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 360-degree echoing nationwide, including a digital campaign focused on the iconic bottle. 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. With respect to the dedicated luxury RARE division, Champagne Lallier **Réflexion R.020** was launched in core markets for the brand, accompanied by the presence of esteemed press representatives 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.

Campari Group's path towards sustainable growth

Campari Group recognises that climate change is one of the greatest challenges for the future of the planet and is actively engaged on its path related to the defined sustainability priorities to which all major global functions contribute. In the context of the prevailing macroeconomic environment, it is crucial to underscore that production operations, the comprehensive value chain, and the implementation of the Group's strategies might all potentially be affected by the ramifications of climate change. These impacts could encompass both acute and extreme

unpredictable events, as well as chronic factors such as rising temperatures and drought and they therefore present physical risks. Climate change is therefore a major disruptive force with the potential to drive substantial changes to the Group's operations in the short to medium and long term.

Climate risk can generally affect companies, financial institutions, households, countries and the financial system. However, opportunities may arise for those companies that enable the transition to a low-carbon economy. Following a very positive progression during the recent years, more challenging medium and long-term environmental targets have been set by the Group to reinforce its environmental commitments (please refer to the 'Sustainability disclosure' in the Annual Report at 31 December 2023). The impact of the climate change assessment and related targets set has been considered in evaluating estimates and judgements in the preparation of these half year condensed consolidated financial statements. The details of the climate risk assessment from both impact and financial prospective were deemed proportionate to the nature of the Group's business and the current assessment was sufficient to identify the physical climate risks as well as the transition risks that are material to the Group's operations or financial condition. In the course of the first half of 2024 any issue not attributable to and not addressable in the ordinary course of business has been identified as well as any material economic issue. The assessments and considerations conducted were consistent with those carried out and disclosed in the consolidated financial statements as of 31 December 2023. During the six-month period ended 30 June 2024, the Group has been engaged in the review and integration of non-financial information management for taxonomy disclosure, double materiality analysis, and Corporate Sustainability Reporting Directive ('CSRD') gap analysis to ensure compliance with the new regulatory environment required for the integrated annual report at 31 December 2024.

Significant events of 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 purchase price and the finished goods stock take remain subject to the standard price adjustment mechanisms, which continue to be effective within the stipulated definition and review period. Moreover, an earn-out for a maximum amount of US\$120 million (€112 million 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.

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 Campari Group core brand 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.

Group Significant Events and Corporate Actions

Financial debt management

On 18 June 2024 Davide Campari-Milano N.V. (the 'Issuer' or the 'Company' or 'Davide Campari' or 'Campari') 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.

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 six months ended 30 June 2023			
	after reconfiguration		published	
	€ million	%	€ million	%
Americas	632.1	43.4%	632.1	43.4%
Southern Europe, Middle East and Africa	-	-	441.3	30.3%
North, Central and Eastern Europe	-	-	279.1	19.1%
EMEA	720.4	49.4%	-	-
Asia-Pacific	105.4	7.2%	105.4	7.2%
total	1,457.8	100.0%	1,457.8	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 six months ended 30 June 2023			
	after reconfiguration		published	
	€ million	%	€ million	%
global priority brands	970.1	66.5%	863.4	59.2%
regional priority brands	266.0	18.2%	345.5	23.7%
local priority brands	100.5	6.9%	126.7	8.7%
rest of the portfolio	121.2	8.3%	122.2	8.4%
total	1,457.8	100.0%	1,457.8	100.0%

	for the six months ended 30 June 2023	
	after reconfiguration € million	published € million
global priority brands	970.1	863.4
Aperol	381.2	381.2
Campari	163.4	163.4
Espolòn	106.5	-
Wild Turkey portfolio	111.1	111.1
Jamaican rums portfolio	75.4	75.4
Grand Marnier	62.0	62.0
SKYY	70.4	70.4
regional priority brands	266.0	345.5
Sparkling Wines, Champagne&Vermouth	62.6	-
Other specialties	143.2	-
Other Whisk(e)y	25.8	-
Crodino	34.5	-
Espolòn	-	106.5
Sparkling Wine&Vermouth	-	59.4
Italian specialties	-	38.7
Crodino	-	34.5
Magnum Tonic	-	25.1
Aperol Spritz RTE (ready-to-enjoy)	-	20.0
The GlenGrant	-	14.4
other	-	46.9
local priority brands	100.5	126.7
Campari Soda	47.7	47.7
Wild Turkey ready-to-drink	23.0	23.0
SKYY ready-to-drink	19.0	19.0
Ouzo 12	10.8	-
X-Rated	-	5.8
other	-	31.3
rest of the portfolio	121.2	122.2
total	1,457.8	1,457.8

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.

Annual General Meeting of Davide Campari-Milano N.V. held on 11 April 2024

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, increasing by +8.3% compared to the previous financial year. The total dividend paid, calculated on the shares outstanding and excluding own shares in the portfolio (29,489,664) at the coupon detachment date (i.e., 22 April 2024) was €78.1 million. The cash dividend was paid on 24 April 2024 in accordance with the Italian Stock Exchange calendar, with a record date of 23 April 2023. 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. Moreover, the AGM appointed Matteo Fantacchiotti as Executive Director of the Company, subsequently appointed Chief Executive Officer by the Board of Directors held on 15 April 2024. Robert Kunze-Concewitz was appointed as Non-Executive Director by the AGM, following his decision to resign as Executive Director and Chief Executive Officer of the Company, effective as of the 2024 Annual General Meeting, both for a one-year period expiring at the end of the Annual General Meeting to be held in 2025.

The 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 Regulation n. 11971;

- 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 Regulation n. 11971;
- authorisation of the Board of Directors to purchase the 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.

Sustainability

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.

Subsequent events

Subsequent events relating to corporate actions, significant events, acquisitions and commercial agreements and other significant events impacting results are reported in the dedicated note on 'Subsequent events' in the Campari Group half year condensed consolidated financial statements at 30 June 2024, to which reference is made.

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 vs. 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'.

In order 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 six months of 2024, the Group's net sales amounted to €1,523.4 million, with a reported increase of +4.5% compared with the same period of 2023. This increase was composed of organic growth of +3.8% and a perimeter impact of +1.2% driven by agency brands and Courvoisier. The negative exchange rate effect was negligible.

The organic growth was driven by global priorities in the Americas region while EMEA was resilient despite the impact of very poor weather especially on the high margin aperitif business.

	for the six months ended 30 June			six months change %, of which				organic change % by quarter	
	2024 € million	2023 € million	total change € million	total	organic	perimeter	exchange rate ¹⁾	first	second
total	1,523.4	1,457.8	65.6	4.5%	3.8%	1.2%	-0.5%	0.2%	6.9%

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

To mitigate the effect of hyperinflationary economies, the organic change for countries (Argentina) 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. 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 six months ended 30 June 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 six months ended 30 June 2024 compared with the same period of 2023 is provided in the table below.

Group net sales focus by region	for the six months ended 30 June									
	2024		2023		total change € million	six months change %, of which				second quarter organic change %
	€ million	%	€ million	%		total	organic	perimeter	exchange rate ¹⁾	
Americas ¹⁾	687.5	45.1%	632.1	43.4%	55.4	8.8%	6.8%	2.0%	-	12.2%
EMEA	743.2	48.8%	720.4	49.4%	22.8	3.2%	3.3%	0.4%	-0.6%	4.1%
Asia-Pacific	92.8	6.1%	105.4	7.2%	(12.6)	-12.0%	-10.7%	2.1%	-3.3%	-1.8%
Total	1,523.4	100.0%	1,457.8	100.0%	65.6	4.5%	3.8%	1.2%	-0.5%	6.9%

⁽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 +6.8%. The region is predominantly off-premise skewed, particularly in North America.

% of Group total	for the six months ended 30 June										
	2024		2023		total change € million	six months change %, of which				second quarter organic change %	
	€ million	%	€ million	%		total	organic	perimeter	exchange rate ¹⁾		
US	27.8%	423.8	61.6%	397.1	62.8%	26.7	6.7%	3.5%	3.2%	-	7.2%
Jamaica	5.2%	79.0	11.5%	72.4	11.5%	6.6	9.1%	10.7%	-	-1.6%	32.4%
Other countries of the region ¹⁾	12.1%	184.7	26.9%	162.6	25.7%	22.1	13.6%	13.2%	-0.3%	0.6%	16.5%
Americas	45.1%	687.5	100.0%	632.1	100.0%	55.4	8.8%	6.8%	2.0%	-	12.2%

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

The **United States**, accounting for 27.8% of Group net sales, showed solid growth supported by acceleration in the second quarter (+7.2%) in a subdued market context. The performance of the first half of the year was mainly driven by continued double-digit growth of Espolòn, positive performance in Grand Marnier, thanks to a favourable comparison base, as well as Aperol despite the very challenging comparison base (+122% in the first six months of 2023). The Wild Turkey portfolio was stable. These brands' growth mitigated SKYY Vodka's weakness.

Jamaica showed an increase of +10.7%, positively impacted by growth in the second quarter (+32.4% compared to the same period of 2023) with positive impact of order catch-up following supply shortages in the rum portfolio in the first quarter as well as impact of price increases in Campari.

Overall double-digit growth (+13.2%) was registered across the **rest of the region**, thanks to continued solid performance mainly driven by double-digit growth in Brazil due to aperitifs and local Brazilian brands. Argentina continued to be impacted by the challenging macroeconomic environment despite some improvement in trend in the second quarter. Canada showed resilient organic performance thanks to Aperol and Forty Creek whisky.

EMEA

The region, which is broken down by core markets in the table below, reported an organic increase of +3.3%. The predominance between off-premise and on-premise channels varies by country.

% of Group total	for the six months ended 30 June										
	2024		2023		total change € million	six months change %, of which				second quarter organic change %	
	€ million	%	€ million	%		total	organic	perimeter	exchange rate		
Italy	17.2%	262.2	35.3%	276.5	38.4%	(14.4)	-5.2%	-5.2%	-	-	-5.5%
Germany	8.2%	125.2	16.8%	110.3	15.3%	14.8	13.4%	13.4%	-	-	14.0%
France	5.5%	84.1	11.3%	85.5	11.9%	(1.4)	-1.7%	-0.2%	-1.4%	-	-3.1%
United Kingdom	3.0%	46.4	6.2%	45.1	6.3%	1.3	2.8%	-7.2%	7.6%	2.4%	-9.3%
Other countries of the region	14.8%	225.4	30.3%	202.9	28.2%	22.5	11.1%	13.4%	0.4%	-2.6%	18.7%
EMEA	48.8%	743.2	100.0%	720.4	100.0%	22.8	3.2%	3.3%	0.4%	-0.6%	4.1%

The six months ended 30 June 2024 showed a decrease of -5.2% in **Italy**, driven by the pressure on high-margin aperitifs, resulting from very poor weather, especially in the North of the country in the second quarter, as well as by the impact of the high comparison base (+13.4%) which incorporated significant pricing effects.

Germany showed a solid performance of +13.4% with acceleration in the second quarter (+14.0%), largely driven by Aperol, Sarti Rosa as well as Ouzo12.

France reported a negligible reduction (-0.2%) mainly due to poor weather in the second quarter impacting Aperol and Riccadonna Sparkling wines despite ongoing growth in Campari and Picon. The first six months of the year were further supported by resilient underlying consumption trends.

The **United Kingdom** reported a soft performance of -7.2% compared to the six months ended 30 June 2023, mainly due to a tough comparison base (+20.9% in the same period of last year), poor weather and a challenging trading environment as well as temporary weakness in Jamaican rums.

Strong and accelerating growth (+13.4% in the first six months of the year and +18.7% in second quarter) was achieved across **the other markets of the region**, driven by GTR, Spain, the Netherlands and other markets as well as positive performance in Greece supported by increasing summer activations and by the benefits from 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 -10.7%.

	% of Group total	for the six months ended 30 June									
		2024		2023		total change € million	six months change %, of which				second quarter organic change %
		€ million	%	€ million	%		total	organic	perimeter	exchange rate	
Australia	3.2%	48.3	52.1%	55.3	52.5%	(6.9)	-12.6%	-11.2%	0.9%	-2.3%	-2.9%
Other countries of the region	2.9%	44.4	47.9%	50.1	47.5%	(5.7)	-11.3%	-10.2%	3.4%	-4.4%	-0.7%
Asia-Pacific	6.1%	92.8	100.0%	105.4	100.0%	(12.6)	-12.0%	-10.7%	2.1%	-3.3%	-1.8%

Australia reported a performance of -11.2%, still impacted by a challenging macroeconomic and competitive environment with mitigation of some negative impacts in the second quarter with slight improvement in underlying trends. Aperol showed a resilient performance with solid growth (+5.7% in the first six months of 2024 and +21.2% in the second quarter) despite a tough comparison base, while the Wild Turkey portfolio showed stabilising trends following pressure in the first quarter of the year. Espolòn grew double-digit from a small base. With regard to **the other countries of the region** (-10.2%), performance in the first six months of the year demonstrated stability in the second quarter (-0.7%) following a weak start of the year. This trend was supported by ongoing growth in Japan and New Zealand, as well as growth in South Korea in the second quarter despite the tough trading environment and against a favourable comparison base, offset by the negative impact of route-to-market changes in the region (already initiated in China where growth resumed in the second quarter and to be completed in India by year end 2024).

- **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 six months ended 30 June 2024			six months change % compared with six months 2023, of which ⁽¹⁾				second quarter organic change % compared with second quarter 2023	main region/markets for brands
	%	€ million	total	organic	perimeter	exchange rate		
global priority brands	67.7%	1,031.6	6.4%	5.9%	0.8%	-0.4%	8.9%	-
Aperol	26.2%	398.5	4.5%	4.7%	-	-0.2%	3.8%	Italy, EMEA Germany, EMEA US, AMERICAS France, EMEA United Kingdom, EMEA
Campari	11.7%	178.9	9.5%	9.3%	-	0.2%	11.7%	Italy, EMEA Brazil, AMERICAS US, AMERICAS Jamaica, AMERICAS Germany, EMEA
Espolòn	8.5%	129.7	21.8%	22.2%	-	-0.4%	30.4%	US, AMERICAS Australia, APAC Russia, EMEA Italy, EMEA Canada, AMERICAS
Wild Turkey portfolio ⁽²⁾⁽³⁾	7.2%	109.2	-1.7%	-0.7%	-	-1.0%	9.9%	US, AMERICAS Australia, APAC Japan, APAC South Korea, APAC Canada, AMERICAS
Jamaican rums portfolio ⁽⁴⁾	5.0%	76.3	1.1%	1.9%	-	-0.8%	12.6%	Jamaica, AMERICAS US, AMERICAS Canada, AMERICAS United Kingdom, EMEA Mexico, AMERICAS
Grand Marnier	4.6%	70.1	13.2%	13.3%	-	-0.1%	18.4%	US, AMERICAS Canada, AMERICAS France, EMEA GTR, EMEA Mexico, AMERICAS
SKYY ⁽²⁾	4.0%	60.8	-13.5%	-11.9%	-	-1.6%	-12.5%	US, AMERICAS Argentina, AMERICAS Germany, EMEA South Africa, EMEA GTR, EMEA
Courvoisier ⁽⁵⁾	0.5%	8.0	-	-	-	-	-	US, AMERICAS United Kingdom, EMEA
regional priority brands	16.7%	254.5	-4.4%	-3.4%	-	-0.9%	-0.2%	-
Sparkling Wines, Champagne&Vermouth	4.5%	68.9	10.0%	13.7%	-	-3.6%	16.6%	
Other specialties ⁽⁶⁾	8.6%	130.8	-8.6%	-8.8%	-	0.2%	-4.2%	
Other Whisk(e)y ⁽⁷⁾	1.4%	20.7	-19.7%	-17.8%	-	-1.9%	-11.3%	
Crodino	2.2%	34.1	-1.2%	-1.4%	-	0.1%	-3.7%	
local priority brands	6.5%	98.6	-1.9%	-2.3%	-	0.4%	-3.0%	-
Campari Soda	3.0%	45.6	-4.2%	-4.3%	-	-	-8.3%	
Wild Turkey ready-to-drink ⁽⁸⁾	1.4%	21.0	-8.3%	-5.8%	-	-2.6%	2.2%	
SKYY ready-to-drink	1.3%	19.3	1.3%	-4.1%	-	5.4%	-6.0%	
Ouzo 12	0.8%	12.6	16.7%	16.6%	-	-	16.4%	
rest of the portfolio	9.1%	138.8	14.4%	8.5%	7.9%	-2.0%	14.5%	-
total	100.0%	1,523.4	4.5%	3.8%	1.2%	-0.5%	6.9%	-

⁽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 resilient growth of +5.9%. **Aperol** showed positive growth (+4.7%) despite the impact of poor weather in the second quarter, especially in Italy and France, and against a tough comparison base (+32.4% in the first six months of 2023), led by Germany and the Americas region, including the United States and seeding markets such as Brazil and Mexico, as well as Greece.

Campari recorded strong organic growth (+9.3%) with acceleration in the second quarter (+11.7%), led by the Americas, especially Brazil and Jamaica, as well as Greece, GTR and France, also stabilising growth in the second quarter in the United States following a soft first quarter. **Espolòn** showed continued strong double-digit

growth (+22.2%) with acceleration in the second quarter of the year (+30.4%) driven by the core United States market despite the high comparison base (+43.4% in the first half of 2023) with increasing performance also in seeding markets such as Australia, Italy and GTR, albeit from a small base. **Wild Turkey** showed a negligible reduction of -0.7% in the first half of the year, with positive trend in the second quarter off an easy comparison base led by the core United States, South Korea as well as GTR. **Jamaican Rums** demonstrated a resilient performance with growth of +1.9% supported by continuing solid underlying trends for premium rum. **Grand Marnier** grew by +13.3% with accelerated growth in the second quarter (+18.4%) led by the core United States market (+24.6% in the second quarter of the year), thanks to an easy comparison base after last year's destocking and an increased marketing focus to support long-term development. **SKYY** was down by -11.9%, driven by the core United States, in line with category trends, and thus offsetting growth in GTR and Australia off a small base as well as stabilisation in Argentina. **Courvoisier** was incorporated into the Group's global priority brands and starting from its distribution in May 2024, generated sales of €8.0 million (excluding Salignac), accounting for 0.5% of total net sales.

Regional priority brands showed an organic decrease of -3.4%. **Sparkling Wines, Champagne&Vermouth** reported solid growth (+13.7%) with some acceleration in the second quarter, particularly driven by Cinzano Sparkling wine, Lallier Champagne and Mondoro Sparkling wine, partly offset by Riccadonna Sparkling wine. **Other specialties** were down by -8.8%, mainly driven by Magnum Tonic, which was impacted by the weak trading environment in the United Kingdom, thus offsetting positive growth in Aperol Spritz ready-to-enjoy, Averna as well as Picon and Trois Rivières. **Other Whisk(e)y** recorded negative performance of -17.8% in the period, mainly driven by a tough comparison base for The GlenGrant (+30.9%), while Forty Creek showed stabilising performance supported by solid growth in the second quarter (+10.3%). Core no-alcohol **Crodino** showed strong momentum with solid growth in Germany, France, Belgium, the Netherlands and other EMEA markets off a small base, more than offset by poor weather and portfolio refocus via variants streamlining temporarily impacting trend in Italy.

The **local priority** brands were down by -2.3% organically. **Campari Soda** (-4.3%) was impacted by poor weather in the core Italian market. **Wild Turkey ready-to-drink** (-5.8%) returned to growth in the second quarter of the year (+2.2%) driven by the core Australian market despite ongoing pressure on the category, as well as accelerating growth in New Zealand. **SKYY ready-to-drink** (-4.1%) was impacted by the highly competitive core Mexican market. **Ouzo 12** reported positive double-digit growth (+16.6%) mainly thanks to the core market Germany.

The **rest of the portfolio** reported growth of +8.5%.

3. Perimeter variation

The perimeter variation of +1.2% in the six months ended 30 June 2024, compared with the sales in the same period of the previous year, is analysed in the table below.

breakdown of the perimeter effect	€ million	% on first six months ended 30 June 2024
asset deals and business acquisitions	8.3	0.5%
total asset deals and business acquisitions	8.3	0.5%
new agency brands	20.8	1.4%
discontinued agency brands	(11.6)	-0.8%
total agency brands	9.2	0.6%
total perimeter effect	17.6	1.2%

- **Asset deals and business acquisitions**

In the first half of 2024, the contribution to sales from business acquisitions amounted to +0.5% at the overall Group level. The contribution of the Courvoisier brands (Courvoisier and Salignac) was negligible for the half-year, considering that the business began to be integrated into the Group starting from the completion of the transaction on 30 April 2024.

- **Agency brands distribution**

The perimeter variation due to the agency brands in the six months ended 30 June 2024 was +0.6%, 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, net of new agreements (Proximo portfolio) in France.

4. Exchange rate effects

The exchange rate effect for the six months ended 30 June 2024 was negative at -0.5% mainly due to the depreciation against the € of the Jamaican Dollar, Australian Dollar, Brazilian Real and Canadian Dollar only partially offset by the appreciation of the Mexican Peso with negative impact in Group cost of sales. 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 six months ended 30 June 2024 and the same period of 2023 respectively, and the spot rates at 30 June 2024, with the percentage change against the € compared with 31 December 2023.

	average exchange rates			spot exchange rates		
	for the six months ended 30 June 2024	for the six months ended 30 June 2023	Revaluation (devaluation) vs. first half 2023	at 30 June 2024	at 31 December 2023	revaluation (devaluation) vs. 31 December 2023
	1 Euro	: 1 Euro	%	1 Euro	: 1 Euro	%
US Dollar	1.081	1.081	-%	1.071	1.105	3.2%
Canadian Dollar	1.469	1.457	-0.8%	1.467	1.464	-0.2%
Jamaican Dollar	168.160	165.787	-1.4%	167.171	170.623	2.1%
Mexican Peso	18.518	19.655	6.1%	19.565	18.723	-4.3%
Brazilian Real	5.495	5.483	-0.2%	5.892	5.362	-9.0%
Argentine Peso ⁽¹⁾	975.388	278.502	-71.4%	975.388	892.924	-8.5%
Russian Ruble ⁽²⁾	98.135	83.762	-14.6%	92.361	99.192	7.4%
Great Britain Pound	0.855	0.877	2.6%	0.846	0.869	2.7%
Swiss Franc	0.962	0.986	2.5%	0.963	0.926	-3.9%
Australian Dollar	1.642	1.599	-2.6%	1.608	1.626	1.1%
Yuan Renminbi	7.801	7.490	-4.0%	7.775	7.851	1.0%

⁽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 profit or loss for the six months ended 30 June 2024 demonstrated solid performance driven by outperformance in the Americas and despite the impact of very poor weather in EMEA. The table below shows the statement of profit or loss for the six months ended June 2024 and a breakdown of the total change by organic change, perimeter change and exchange rate effects.

	for the six months ended 30 June											
	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 ⁽²⁾	1,523.4	100.0	1,457.8	100.0	65.6	4.5%	56.0	3.8%	17.6	1.2%	(8.0)	-0.5%
Cost of sales	(625.9)	(41.1)	(585.5)	(40.2)	(40.4)	6.9%	(26.6)	4.5%	(14.8)	2.5%	1.1	-0.2%
Gross profit	897.5	58.9	872.3	59.8	25.3	2.9%	29.4	3.4%	2.8	0.3%	(6.9)	-0.8%
Advertising and promotional expenses	(231.6)	(15.2)	(225.5)	(15.5)	(6.1)	2.7%	(4.7)	2.1%	(1.5)	0.7%	0.2	-0.1%
Contribution margin	665.9	43.7	646.7	44.4	19.2	3.0%	24.7	3.8%	1.2	0.2%	(6.7)	-1.0%
Selling, general and administrative expenses	(305.9)	(20.1)	(287.0)	(19.7)	(18.9)	6.6%	(17.2)	6.0%	(2.9)	1.0%	1.2	-0.4%
Result from recurring activities (EBIT-adjusted) ⁽¹⁾	360.0	23.6	359.7	24.7	0.3	0.1%	7.5	2.1%	(1.7)	-0.5%	(5.5)	-1.5%
Other operating income (expenses)	(24.4)	(1.6)	(16.0)	(1.1)	(8.4)	52.3%						
Operating result (EBIT)	335.6	22.0	343.7	23.6	(8.1)	-2.4%						
Financial income (expenses)	(33.0)	(2.2)	(32.4)	(2.2)	(0.6)	1.9%						
Earn-out income (expenses) and hyperinflation effect	10.2	0.7	1.2	0.1	9.0	774.1%						
Profit (loss) related to joint-ventures	(2.1)	(0.1)	(1.4)	(0.1)	(0.7)	49.3%						
Profit before taxation-adjusted ⁽¹⁾	333.3	21.9	326.2	22.4	7.1	2.2%						
Profit before taxation	310.7	20.4	311.1	21.3	(0.4)	-0.1%						
Taxation	(94.1)	(6.2)	(93.4)	(6.4)	(0.6)	0.7%						
Net profit for the period-adjusted ⁽¹⁾	235.9	15.5	234.6	16.1	1.3	0.6%						
Net profit for the period	216.6	14.2	217.6	14.9	(1.0)	-0.5%						
Non-controlling interests	(3.1)	(0.2)	0.7	0.1	(3.8)	-						
Group net profit-adjusted ⁽¹⁾	239.0	15.7	233.9	16.0	5.1	2.2%						
Group net profit	219.7	14.4	216.9	14.9	2.8	1.3%						
Total depreciation and amortisation	(58.8)	(3.9)	(51.3)	(3.5)	(7.5)	14.5%	(6.8)	13.2%	(0.8)	1.5%	0.1	-0.1%
EBITDA-adjusted ⁽¹⁾	418.8	27.5	411.1	28.2	7.8	1.9%	14.3	3.5%	(0.9)	-0.2%	(5.6)	-1.4%
EBITDA	394.4	25.9	395.0	27.1	(0.6)	-0.2%						

⁽¹⁾ 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.

⁽²⁾ Sales after deduction of excise duties.

The change in profitability in the six months ended 30 June 2024 shown as variation of percentage margin on net sales (basis points) and in percentage terms, is as follows⁽¹⁾.

margin accretion (dilution) in basis point ² and organic	first half 2024 compared to first half 2023		
	total	organic bps	% organic
Net sales	-	-	3.8%
Cost of goods sold	(90)	(30)	4.5%
Gross profit	(90)	(30)	3.4%
Advertising and promotional costs	30	30	2.1%
Contribution margin	(70)	-	3.8%
Selling, general and administrative expenses	(40)	(40)	6.0%
Result from recurring activities (EBIT adjusted) ⁽¹⁾	(100)	(40)	2.1%

⁽¹⁾ 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.

⁽²⁾ There may be rounding effects given that the corresponding basis points have been rounded to the nearest ten.

In organic terms, the result from recurring operations (EBIT-adjusted) showed an increase, though at a lower rate than net sales, thus generating a dilutive effect.

The perimeter component for the six months ended 30 June 2024 reflected the integration of Courvoisier business, despite its contribution to the business remained negligible in profit terms due the inclusion from May 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 Mexican Peso.

Statement of profit or loss in detail

The key profit or loss items for the six months ended 30 June 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 was €897.5 million, up 2.9% compared with the same period of 2023, driven by improved top-line performance despite a challenging comparison base. As a percentage of net sales, gross margin stood at 58.9% (59.8% in the same period of 2023), hence generating a dilutive effect of -90 basis points on a reported basis. The organic component was +3.4%, dilutive on margin (-30 basis points organic variation) due to a negative mix effect of both fast growth in Espolón and the impact of poor weather especially in EMEA on high-margin aperitifs in the second quarter. Moreover, positive pricing impact skewed into the first quarter of 2024 was fully offset by cost of sales inflation largely driven by the carry forward effect of last year high-cost stock. Exchange rate variation was negative at -0.8% (equivalent to a dilution of -10 basis points) while the perimeter was positive at 0.3% (resulting in a dilution of -50 basis points).

Advertising and promotional expenses amounted to €231.6 million, reporting a +2.7% compared with the same period of 2023. As a percentage of sales, advertising and promotional expenses stood at 15.2%, broadly in line with the 15.5% shown in the first half of 2023. In organic terms, the variation was positive by 2.1%, thus generating an organic accretive effect of +30 basis points on profitability. This was achieved by dynamically remodulating the investment program in summer activations in selected markets to account for poor weather in the second quarter. Perimeter was positive at 0.7% while exchange rate variation was flat at -0.1%.

Contribution margin was €665.9 million in the six months ended 30 June 2024, with a reported increase of 3.0% on the same period of 2023. As a percentage of sales, contribution margin stood at 43.7%. The organic growth component was +3.8% with negligible effect on profitability. The perimeter effect was positive at +0.2%, with a -40 basis points dilutive effect on profitability, while the exchange rate effect of -1.0% led to a dilutive impact on margins of -30 basis points.

Selling, general and administrative expenses amounted to €305.9 million in the period, up by +6.6% on the same period of 2023. As a percentage of sales, they amounted to 20.1% (19.7% in the same period of 2023). At organic level, selling, general and administrative expenses increased by +6.0% therefore generating a dilutive effect on margins of -40 basis points, reflecting ongoing investments to ensure sustainable growth balanced with faster topline growth in the second quarter.

The result from recurring operations (EBIT-adjusted) for the period was €360.0 million. The return on sales-adjusted ('ROS') stood at 23.6%, with a marginal decrease from 24.7% recorded in the same period of 2023, resulting in a dilutive effect of -100 basis points on a reported basis. The organic growth component was 2.1% lower than net sales growth thus generating a profit dilution of -40 basis points on net sales. The impact of the exchange rate variation was negative at -1.5% (-20 basis points dilutive), mainly driven by the Mexican Peso, while the perimeter effect was slightly negative at -0.5% (-40 basis points dilutive), mainly due to the net effect of changes in agency brands partly offset by the Courvoisier business contribution from May onwards.

Other operating income (expenses) comprised a net expense of €24.4 million, mainly attributable to Courvoisier deal related costs compared with €16.0 million reported in the same period of 2023.

Operating result (EBIT) in the six months ended 30 June 2024 was €335.6 million, reflecting a decrease of -2.4% compared with the same period of 2023. ROS stood at 22.0% (23.6% in the same period of 2023).

Depreciation and amortisation totalled €58.8 million, up by +14.5% on the six months ended 30 June 2023, of which +13.2% was at organic level, -0.1% related to exchange rate variations and 1.5% increase due to perimeter.

EBITDA-adjusted stood at €418.8 million, up by 1.9% compared to the same period of 2023 (+3.5% organic level, -1.4% exchange rate variations and -0.2% perimeter effect).

EBITDA was €394.4 million in the six months ended 30 June 2024, with a variation of -0.2% on a reported basis compared with the same period of 2023.

Net financial expenses totalled €33.0 million compared with €32.4 million in the same period of 2023, including the positive foreign exchange rate effect of cross-currency transactions of €0.8 million which benefitted from low volatile foreign exchange rates compared to the corresponding negative effect of €10.5 million recorded in the first half of 2023. Excluding these components, the net financial expenses amounted to €33.8 million in the first six months of 2024 showing an increase of €11.8 million compared to the same period of 2023. The growth was mainly due to the higher average net debt in the six months ended 30 June 2024 (€1,907.3 million at 30 June 2024 and €1,664.9 million at 30 June 2023), combined with the overall rise in interest rates, which particularly affected the new bonds and loans. The absolute values of these interest-related figures mirror the broader trend in the interest rates across the two periods. The average cost of net debt was 3.7% (2.6% in the same period of 2023).

A summary of the net financial expenses is provided in the table below.

	for the six months ended 30 June	
	2024 € million	2023 € million
Total interest expenses bond, loans and leases	(53.1)	(27.4)
Bank and other term deposit interest income	22.7	8.5
Interest on tax dispute in Brazil	1.9	-
Other net expenses	(5.2)	(3.0)
Total financial expenses before exchange gain (losses)	(33.8)	(21.9)
Exchange gain (losses)	0.8	(10.5)
Total financial income (expenses)	(33.0)	(32.4)

Focusing in more detail on the composition of interest, the result for the six months ended 30 June 2024 was primarily influenced by the following key factors:

- interest expenses on bonds and loans of €53.1 million, compared to €27.4 million recorded in the corresponding period of the previous year, primarily determined by the overall incremental level of interest associated with the renegotiation of bonds and loans in the ordinary course of business, within an inflationary 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 €22.7 million income stream with a substantial increase compared to the €8.5 million recorded in the first half of 2023;
- non-recurring financial result related to interest gain deriving from the closure of a tax dispute in Brazil relating to indirect taxes for an amount of €1.9 million.

Earn-out income (expenses) and hyperinflation effect was positive at €10.2 million and mainly related to hyperinflation.

Profit (loss) related to joint-ventures represented a net loss of €2.1 million, resulting from the allocation of the results from joint-venture companies.

Profit before taxation (Group and non-controlling interests) was €310.7 million, -0.1% compared with the same period of 2023. Profit before taxation as a percentage of sales was 20.4% (21.3% in the same period of 2023). After excluding operating adjustments, the profit before taxation amounted to €333.3 million, up +2.2% compared to the first half of 2023, adjusted accordingly.

Taxation amounted to €94.1 million on a reported basis in the six months ended 30 June 2024. The reported tax rate, inclusive also of a negligible amount of current taxes attributable to the global minimum taxes ('Pillar two'), was 30.3% and broadly in line with the reported 30.0% of the comparative period. Excluding adjustments to operating, financial and fiscal expenses along with their related tax effects (totalling €19.3 million in first half of 2024 compared to €17.0 million in the first half of 2023), the normalised tax rate was 29.2% in the six months ended 30 June 2024, higher than the 28.1% recognised in the same period of 2023. The increase was driven by the unfavourable country mix, given the business outperformance in markets with higher taxation. Excluding the impact of the non-cash component attributable to the deferred taxes relating to the amortisation of goodwill and brands eligible for tax purposes (€8.2 million, down from €10.9 million in the same period of 2023 with the variance driven by the completion of tax amortising period of trademark values in the United States and Italy), the cash tax rate for the six months ended 30 June 2024 was 26.7% compared to 24.7% in the same period of 2023.

Result relating to non-controlling interests for the period under analysis was negative at €3.1 million, compared to a gain of €0.7 million in the same period of 2023.

Group net profit was €219.7 million in the six months ended 30 June 2024, an increase of 1.3% compared to the same period of 2023, with a sales margin of 14.4% (14.9% in the same period of 2023). Excluding the adjustments to the operating and financial result and the related tax effects and tax adjustments, the Group's net profit increased by 2.2% to €239.0 million (€233.9 million in the same period of 2023 reported on a consistent basis).

The profit before taxation and the net profit, reported and adjusted to take into account other operating income and expenses and adjustments to financial income and expenses, together with the related tax effects and other tax adjustments, are shown below.

	for the six months ended 30 June	
	2024 € million	2023 € million
adjustments to operating income (expenses), of which:	(24.4)	(16.0)
<i>net expenses from acquisition/disposals of business or companies, indemnities from contract resolutions and restructuring and reorganisation costs</i>	(19.4)	(6.6)
<i>last mile long-term incentive schemes with retention purposes</i>	(0.7)	(5.0)
<i>other adjustments to operating income (expenses)</i>	(4.3)	(4.4)
adjustments to financial income (expenses)	1.9	-
adjustment related to remeasurement in joint-ventures	-	0.9
total adjustments	(22.6)	(15.1)
tax adjustments, of which:	3.3	(1.9)
<i>tax adjustments</i>	(3.0)	(6.6)
<i>tax effect on operating and financial adjustments</i>	6.3	4.7
total net adjustment	(19.3)	(17.0)

€ million	for the six months ended 30 June						Changes	
	2024			2023			reported	Adjusted
	reported	adjustments	adjusted	reported	adjustments	adjusted		
profit before taxation	310.7	(22.6)	333.3	311.1	(15.1)	326.2	-0.1%	2.2%
total taxation	(94.1)	3.3	(97.4)	(93.4)	(1.9)	(91.6)	0.7%	6.3%
Group and non-controlling interest net profit for the period	216.6	(19.3)	235.9	217.6	(17.0)	234.6	-0.5%	0.6%
tax rate (reported and adjusted)	-30.3%		-29.2%	-30.0%		-28.1%		
<i>deferred taxes on goodwill and brands</i>		(8.2)	(8.2)		(10.9)	(10.9)		
cash tax rate			-26.7%			-24.7%		

Basic and diluted earnings per share⁶ were both €0.18. Once adjusted for the operating and financial result and the related tax components, adjusted basic earnings amounted to €0.20. Adjusted basic earnings per share and adjusted diluted earnings per share were down by -4.2% and -4.0% respectively, compared to the same period in 2023 measured on a consistent 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' in this management board report.

Profitability by business area

A breakdown of the three geographical regions in which the Group operates is provided below and shows the percentage of sales and the operating result from recurring activities for each segment for the two periods under comparison.

Please refer to the 'Sales performance' paragraph of this management board report for a more detailed analysis of sales by business area for the period.

	for the six months ended							
	2024				2023			
	net sales	% of total	result from recurring activities	% of total	net sales	% of total	result from recurring activities	% of total
	€ million	%	€ million	%	€ million	%	€ million	%
Americas	687.5	45.1%	161.8	44.9%	632.1	43.4%	151.4	42.1%
EMEA	743.2	48.8%	203.5	56.5%	720.4	49.4%	202.8	56.4%
Asia-Pacific	92.8	6.1%	(5.2)	-1.5%	105.4	7.2%	5.6	1.5%
Total	1,523.4	100.0%	360.0	100.0%	1,457.8	100.0%	359.7	100.0%

Americas

	for the six months ended									
	2024		2023		total change		organic change		organic accretion/dilution of profitability basis points	
	€ million	%	€ million	%	€ million	%	€ million	%		
Net sales	687.5	100.0	632.1	100.0	55.4	8.8%	43.2	6.8%		-
Gross margin	379.4	55.2	352.3	55.7	27.1	7.7%	24.6	7.0%		10
Advertising and promotional costs	(106.5)	(15.5)	(101.9)	(16.1)	(4.6)	4.6%	(3.3)	3.2%		50
Selling, general and administrative expenses	(111.1)	(16.2)	(99.1)	(15.7)	(12.0)	12.1%	(11.4)	11.5%		(70)
Result from recurring activities	161.8	23.5	151.4	23.9	10.4	6.9%	9.9	6.5%		(10)

EMEA

	for the six months ended									
	2024		2023		total change		organic change		organic accretion/dilution of profitability basis points	
	€ million	%	€ million	%	€ million	%	€ million	%		
Net sales	743.2	100.0	720.4	100.0	22.8	3.2%	24.1	3.3%		-
Gross margin	477.0	64.2	470.0	65.2	7.0	1.5%	10.7	2.3%		(70)
Advertising and promotional costs	(108.7)	(14.6)	(106.5)	(14.8)	(2.2)	2.1%	(1.6)	1.5%		30
Selling, general and administrative expenses	(164.8)	(22.2)	(160.7)	(22.3)	(4.1)	2.6%	(1.8)	1.1%		50
Result from recurring activities	203.5	27.4	202.8	28.2	0.7	0.3%	7.2	3.6%		10

Asia-Pacific

	for the six months ended									
	2024		2023		total change		organic change		organic accretion/dilution of profitability basis points	
	€ million	%	€ million	%	€ million	%	€ million	%		
Net sales	92.8	100.0	105.4	100.0	(12.6)	-12.0%	(11.3)	-10.7%		-
Gross margin	41.2	44.4	50.0	47.4	(8.8)	-17.6%	(5.9)	-11.8%		(60)
Advertising and promotional costs	(16.4)	(17.7)	(17.2)	(16.3)	0.8	-4.5%	0.2	-1.1%		(180)
Selling, general and administrative expenses	(30.0)	(32.3)	(27.2)	(25.8)	(2.7)	10.1%	(3.9)	14.4%		(730)
Result from recurring activities	(5.2)	(5.6)	5.6	5.3	(10.8)	-	(9.6)	-		(960)

EMEA is the Group's largest region in terms of net sales, at 48.8%, and profitability, at 56.5% followed by Americas (net sales and profitability respectively 45.1% and 44.9%) and APAC (net sales and profitability respectively 6.1% and -1.5%).

Americas reported a result from recurring activities at 44.9% of Group overall, up +6.9%, and organic margin dilution of 10 basis points, driven by: gross margin accretion of 10 basis points due to favourable pricing impact in Brazil and Jamaica offsetting inflation of cost of sales and mix effects due to Espolòn; advertising and promotional costs were accretive by 50 basis points and selling, general and administrative expenses were dilutive by 70 basis points because of the ongoing investments in the commercial and marketing infrastructure.

EMEA reported a result from recurring activities at 56.5% of Group overall, up +0.3%, and organic margin accretion of 10 basis points, driven by: gross margin dilution of -70 basis points caused by a less favourable sales mix due to softer performance of aperitifs impacted by very poor weather; advertising and promotional costs were accretive by 30 basis points primarily driven by the delay in the commencement of summer activations due to

poor weather in the second quarter of 2024. Selling, general and administrative expenses were accretive by 50 basis points because of a phasing of investments in the business.

APAC reported a result from recurring activities at -1.5% of Group overall and organic margin dilution of -960 basis points with an overall contribution remaining relatively negligible within the broader context of the Group's operations, driven by: gross margin dilution of -60 basis points with favourable mix more than offset by tough comparison base effect from the first six months of 2023; advertising and promotional cost and selling, general and administrative expenses were growing due to robust activations and phasing of investments in route-to-market capabilities in the region to support accelerated growth going forward, leading to margin dilution of -180 basis points and -730 basis points, respectively.

Operating working capital

The breakdown of the total change in operating working capital compared with the figure at 31 December 2023 is as follows.

	at 30 June 2024 € million	at 31 December 2023 € million	total change € million	organic € million	perimeter € million	exch. rates € million
Trade receivables	497.3	374.3	123.1	120.2	3.4	(0.6)
Total inventories, of which:	1,790.8	1,252.5	538.4	53.8	466.6	18.0
- maturing inventory	1,043.3	603.3	440.0	40.2	388.0	11.8
- biological assets	17.6	15.1	2.5	3.2	0.1	(0.8)
- other inventory	730.0	634.1	95.9	10.5	78.5	7.0
Trade payables	(534.0)	(521.1)	(12.9)	16.8	(30.1)	0.3
Operating working capital	1,754.2	1,105.6	648.5	190.9	439.9	17.7
Sales in the previous 12 months rolling	2,984.2	2,918.6				
Working capital as % of net sales rolling	58.8	37.9				

As of 30 June 2024, operating working capital amounted to €1,754.2 million, marking an increase of €648.5 million compared to 31 December 2023. This overall increase resulted from several factors, the most significant being Courvoisier business acquisition, which contributed for €439.9 million. Additionally, the existing business registered a €190.9 million increase, while exchange rate variations added €17.7 million.

When measured as a percentage of net sales over a rolling 12-month period, these increases resulted in a shift from 37.9% at the end of 2023 to 44.2% on a like-for-like comparison base. When including the impact of the Courvoisier acquisition, working capital as a percentage of net sales stood at 58.8% at the end of June 2024 on a reported basis.

Focusing solely on organic performance, trade receivables surged by €120.2 million, showing a consistent trend compared with June 2023 (organic increase of €128.4 million) in line with seasonal trends. Inventory was up by €53.8 million mainly due to the increase in maturing inventory of €40.2 million across bourbon, Scotch, rum and cognac to support strategic focus towards premiumisation. It should be noted that, due to its nature, ageing liquid is comparable to invested capital as its growth profile is planned over a long-term horizon. Compared to the end of 2023, other inventory recorded an organic increase of €10.5 million (increase of €170.7 million as of 30 June 2023), driven by softer demand on aperitifs due to poor weather in the second quarter limiting the envisaged reduction of finished goods. Trade payables recorded a slight organic decrease of €16.8 million compared to 31 December 2023, showing a consistent trend as June 2023 (organic decrease of €12.9 million).

The exchange rate component of €17.7 million increase, was mainly related to inventories for €18.0 million, driven by maturing stock (€11.8 million) namely located in the United States and United Kingdom, impacted by the revaluation of the US\$ and Great Britain Pound.

The effect of the initial consolidation of Courvoisier, whose acquisition was completed on 30 April 2024 resulted in a significant increase in operating working capital of €439.9 million. This increase was primarily attributed to maturing inventory of cognac amounting to €388.0 million, which is currently recorded at cost, as the allocation of the corresponding portion of fair market values in compliance with the accounting standards is still in progress (refer to the paragraph 'Acquisitions and commercial agreements' in the events section of this management board report).

Reclassified statement of cash flows

The cash flows relating to changes in net financial debt components are not shown.

	for the six months ended 30 June			
	2024 € million	of which recurring € million	2023 € million	of which recurring € million
Operating result (EBIT)	335.6		343.7	
Result from recurring activities (EBIT-adjusted)		360.0		359.7
Depreciation and amortisation	58.8	58.8	51.3	51.3
EBITDA	394.4		395.0	
EBITDA-adjusted		418.8		411.1
Effects from hyperinflation accounting standard adoption	8.6	8.6	5.2	5.2
Accruals and other changes from operating activities	(8.8)	(8.8)	44.5	39.5
Tangible fixed assets impairment	0.9		0.3	-
Income taxes paid	(19.3)	(23.5)	(120.4)	(115.4)
Cash flow from operating activities before changes in working capital	375.9	395.2	324.6	340.4
Changes in net operating working capital	(190.9)	(190.9)	(372.1)	(372.1)
Cash flow from operating activities	185.0	204.3	(47.5)	(31.7)
Net interests paid	(26.0)	(26.0)	(18.5)	(18.5)
Capital expenditure	(219.0)	(47.5)	(88.4)	(41.5)
Free cash flow	(60.1)	130.8	(154.4)	(91.7)
(Acquisition) disposal of business	(1,120.6)		(13.0)	
Issuing of new shares/capital increase net of related ancillary costs	643.3		-	
Dividend paid out by the Company	(78.1)		(67.5)	
Other items including net sale of own shares	39.9		6.3	
Cash flow invested in other activities	(515.6)		(74.2)	
Total change in net financial debt due to operating activities	(575.6)		(228.6)	
Put option and earn-out liability changes ¹	(99.2)		(17.4)	
Increase in investments for lease right of use ²	(7.1)		(4.2)	
Net cash flow of the period=change in net financial debt	(682.0)		(250.2)	
Effect of exchange rate changes	(17.7)		(17.9)	
Net financial debt at the beginning of the period	(1,853.5)		(1,552.5)	
Opening restatements ³	-		(2.7)	
Net financial debt at the end of the period	(2,553.2)		(1,823.2)	

⁽¹⁾ This item, which is a non-cash item, was included purely to reconcile the change in financial debt relating to activities in the period with the overall change in net financial debt.

⁽²⁾ For information on the value shown, please see note 6 ii-‘Property, plant and equipment-right-of-use assets by nature’ of the Campari Group-condensed consolidated financial statements at 30 June 2024.

⁽³⁾ For information on reclassifications of comparative figures, refer to note 2 vi.-‘Reclassification of comparative figures at 31 December 2022’ of Campari Group consolidated financial statements at 31 December 2023.

Key highlights

As of 30 June 2024, net cash flow showed a cash flow absorption of €682.0 million, also reflected as an equivalent increase in net financial debt compared to 31 December 2023, to which a negative exchange rate effect of €17.7 million was added. The cash generation in terms of free cash flow on a reported basis was negative at €60.1 million in the first six months of 2024 compared to negative €154.4 million reported in the same period of 2023. The main drivers of the 2024 six-month period flows were due to the cash absorption related to operating working capital, as well as extraordinary capital expenditure. The recurring free cash flow was positive during the period and amounted to €130.8 million, compared with a negative recurring cash flow of €91.7 million in the first half of 2023. In terms of percentages on EBITDA-adjusted, recurring free cash flows totalled 31.2%, compared to -22.3% in the same period of 2023.

Analysis of the consolidated statement of cash flows

The following drivers contributed to the generation of the above-mentioned free cash flows in the first six months of 2024:

- operating result (EBIT) amounted to €335.6 million, compared to €343.7 million in the same period of 2023, and included a negative effect of €24.4 million related to operating adjustments (negative effect of €16.0 million in the first half of 2023). Excluding operating adjustments, the result from recurring activities (EBIT-adjusted) amounted to €360.0 million (€359.7 million in the same period of 2023);
- EBITDA amounted to €394.4 million with a decrease of €0.6 million compared to the previous year. Excluding the aforementioned non-recurring components, EBITDA-adjusted amounted to €418.8 million (€411.1 million in the first six months of 2023);
- non-cash component arising from the application of hyperinflation accounting standard in Argentina amounted to €8.6 million in the first half of 2024;
- accruals for provisions net of utilisations and other miscellaneous operating changes showed an absorption effect of €8.8 million primarily attributable to payouts associated with the resolution of immaterial legal clauses and risks;
- non-cash write-off losses related to intangible assets were negligible and stood at €0.9 million;
- the cash financial impact deriving from the tax payments effected in the first six months of the year was €19.3 million. The amount paid included refunds of tax credits totalling €4.2 million, which pertained to the Courvoisier

business prior to acquisition but were received after its completion. Consequently, this effect was classified as a non-recurring item. Excluding these refunds, taxes paid amounted to €23.5 million, a decrease of €92.1 million compared to the same period of the previous year. This variation is primarily due to cash phasing effects based on tax calendars and the use of tax credits from previous years;

- working capital recorded a strong cash absorption of €190.9 million (refer to the paragraph ‘Operating working capital’ for details);
- interest paid, net of interest received, stood at €26.0 million in the first six months of 2024;
- net investment in capital expenditure amounted to €219.0 million, of which the recurring component was €47.5 million. Extraordinary capital expenditure amounted to €171.5 million, confirming the Group’s commitment to continue to invest in the expansion of its production capacity and efficiency to support long-term growth. Additionally, the extraordinary capital expenditure also included the Group’s real-estate project in the heart of Milan.

Cash flow invested in other activities was negative at €515.6 million, compared to a negative absorption of €74.2 million in the same period of last year, resulting primarily in:

- the purchase of the Courvoisier business for a total consideration of €1,118.5 million, inclusive of the net financial positions acquired, as well as the capital contribution amounting to €2.1 million in the Dioniso joint-venture (contribution equally supported by Moët Hennessy);
- the proceeds from the issuance of new ordinary shares net of related fees for €643.3 million;
- dividends paid of €78.1 million;
- other items including net sale of own shares for €39.9 million.

New **lease** changes, **put option and earn-out liabilities changes** are shown purely to reconcile net cash flows for the period with total net financial debt.

Net financial debt

As of 30 June 2024, consolidated net financial debt amounted to €2,553.2 million, up by €699.7 million compared with €1,853.5 million reported at 31 December 2023.

Changes in the debt structure in the two periods under comparison are shown in the table below.

	at 30 June 2024 € million	at 31 December 2023 € million	total change € million	organic € million	perimeter ¹⁾ € million	exchange rates € million
cash and cash equivalents	555.4	620.3	(64.9)	1,041.6	(1,104.7)	(1.8)
bonds	-	(300.0)	300.0	300.0	-	-
loans due to banks	(234.9)	(130.6)	(104.3)	(94.7)	(11.5)	1.9
lease payables	(17.7)	(16.0)	(1.7)	(1.5)	(0.1)	(0.1)
other financial assets and liabilities	(15.0)	5.3	(20.3)	(16.5)	(4.2)	0.4
short-term net financial debt	287.9	179.1	108.8	1,228.8	(1,120.4)	0.4
bonds	(1,576.0)	(845.8)	(730.2)	(730.2)	-	-
loans due to banks	(889.5)	(901.5)	12.0	22.6	-	(10.6)
lease payables	(58.2)	(60.0)	1.8	3.2	(0.1)	(1.3)
other financial assets and liabilities	16.3	9.8	6.5	6.5	-	-
medium-/long-term net financial debt	(2,507.5)	(1,797.5)	(709.9)	(697.9)	(0.1)	(11.9)
net financial debt before put option and earn-out	(2,219.5)	(1,618.4)	(601.2)	530.9	(1,120.6)	(11.5)
liabilities for put option and earn-out payments	(333.6)	(235.1)	(98.6)	0.5	(92.8)	(6.2)
net financial debt	(2,553.2)	(1,853.5)	(699.7)	531.4	(1,213.4)	(17.7)

As of 30 June 2024, net financial debt 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 €789.0 million, of which €400.0 million committed with an expiry date in 2029 (undrawn as of 30 June 2024) and uncommitted for an amount of €389.0 million (of which €174.9 million was drawn down at the end of the period). The increase in net financial debt during the period was mainly driven by a rise in the medium to long-term net financial debt following the successful placement of senior unsecured convertible bonds due in 2029 with an aggregate principal amount of €550.0 million as well as the placement of an unrated bond issue due in 2031 for €220.0 million in principal aggregate amount.

The significant perimeter component reported during the first six months of the year primarily reflected the acquisition of the Courvoisier business and, for a minor instance, the capital contribution in the Dioniso joint-venture (contribution equally supported by Moët Hennessy).

	Courvoisier Holding France S.A.S. € million ¹⁾	joint-ventures € million	total € million
interests acquisition in business or investments	(1,102.6)	(2.1)	(1,104.7)
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)	(2.1)	(1,120.6)
payables for future put option and earn-outs	(92.8)	-	(92.8)
Net effect of (acquisitions) disposals over net financial debt	(1,211.3)	(2.1)	(1,213.4)
<i>of which reported at 30 June 2024</i>			
net impact on cash and cash equivalent	(1,102.6)	(2.1)	(1,104.7)
net impact on net financial debt other than cash and cash equivalent	(108.7)	-	(108.7)

The short-term net financial position, mainly consisting of cash and cash equivalents (€555.4 million) net of loans due to banks (€234.9 million), was positive at €287.9 million. This represented a reported overall increase of €108.8 million compared with 31 December 2023. The main transactions that occurred in the period were the following:

- the issuance of new ordinary shares and convertible bonds for a total gross amount cashed of €1,200.0 million primarily used to support the acquisition of Courvoisier in 2024, as well as to capitalise on market conditions optimising the funding structure;
- the repayment of a 7-year unrated bond issued in 2017 and a 5-year unrated bond issued in 2019 with maturity in April 2024 for a total overall amount of €300.0 million;
- the issuance of a new unrated 7-year bond on 18 June 2024 for a nominal amount of €220.0 million allocated for general corporate purposes.

The medium to long-term financial debt primarily consisted of bonds and loans due to banks totalling €2,507.5 million. This reflected an increase of €709.9 million compared to 31 December 2023 mainly related to the aforementioned issues of the new senior unsecured convertible 5-year bond and a new unrated 7-year bond issued on 18 June 2024.

Furthermore, the Group's net financial debt included liabilities of €333.6 million related to future commitments to acquire outstanding minority interests in controlled companies as well as liabilities for future earn-out, including that related to the Courvoisier acquisition. In addition, the reported variation in net financial debt was impacted by

negative exchange rate effects of €17.7 million, mainly driven by the revaluation of the US\$ against € on the loans and debts denominated in such currency.

As of 30 June 2024, the Campari Group's net debt/EBITDA-adjusted ratio⁷ was 3.5 times, compared with 2.5 times as of both 31 December 2023 and 30 June 2023. As of 30 June 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 with a negligible amount only for two months. The proforma index-adjusted at 30 June 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 (2.5 times at 30 June 2023 on a consistent basis), assuming the same negligible impact from the new business on a conservative basis.

Capital expenditure

During the first half of 2024, net investments totalled €219.0 million, of which €47.5 million were recurring and €171.5 million were non-recurring.

The recurring investments were related to initiatives aimed at continuously enhancing the supply chain, via efficiency improvements and sustainability-related initiatives, as well as business infrastructure.

Specifically, they related to the following projects:

- maintenance expenditure on the Group's operations and production facilities, offices and IT infrastructure which, although individually not material, amounted overall to €7.9 million;
- the purchase of barrels for maturing bourbon and rum totalling €30.1 million, net of related disposals;
- investments to develop biological assets, totalling €9.5 million.

In terms of non-recurring investments, €93.1 million were related to the above mentioned real-estate project to host the future Group's new headquarters.

Moreover, initiatives associated with supply chain capacity expansion aimed at meeting anticipated long-term consumer demand, and with a constant emphasis on sustainability matters, were carried out for an amount of €73.9 million. The initiatives were primarily allocated in the United States to expand bourbon production capacity (€20.0 million), in Jamaica (€17.6 million), in Mexico to expand supply chain facilities for tequila production (€15.1 million), in Italy to enhance the manufacturing footprint for aperitifs (€9.3 million), as well as in France to modernise the production process for cognac (€9.3 million).

Additionally, the Group continues to pursue its digital transformation path, investing €4.5 million during the first six months of the year.

Concerning the nature of investments, net purchases encompassed tangible assets totalling €201.1 million, biological assets namely related to agave plantations amounting to €9.5 million and intangible assets valued at €8.4 million.

Lastly, investments for the rights of use of third-party assets were related to tangible assets attributable to offices, plant and machinery and vehicles, which increased by €7.1 million during the period.

Reclassified statement of financial position

The Group's financial position is shown in the table below in summary and in reclassified format, to highlight the structure of invested capital and financing sources.

	at 30 June 2024	at 31 December 2023	total change	organic	perimeter ⁽¹⁾	exchange rates and hyperinflation
	€ million	€ million	€ million	€ million	€ million	€ million
fixed assets	5,175.5	4,115.4	1,060.1	185.8	819.8	54.5
other non-current assets (liabilities)	(418.2)	(375.9)	(42.3)	25.6	(57.5)	(10.5)
operating working capital	1,754.2	1,105.6	648.5	190.9	439.9	17.7
other current assets (liabilities)	(158.0)	(64.9)	(93.1)	(100.4)	9.6	(2.2)
total invested capital	6,353.5	4,780.2	1,573.2	301.9	1,211.8	59.6
Group shareholders' equity	3,800.0	2,925.2	874.8	836.5	(2.1)	40.4
non-controlling interests	0.3	1.6	(1.3)	(3.3)	0.5	1.4
net financial debt	2,553.2	1,853.5	699.7	(531.4)	1,213.4	17.7
total financing sources	6,353.5	4,780.2	1,573.2	301.9	1,211.8	59.6

Invested capital at 30 June 2024 was €6,353.5 million, reporting an increase of €1,573.2 million compared to 31 December 2023. This change was primarily related to the Courvoisier acquisition, which was completed on 30 April 2024 and namely driven by intangible assets for brand and goodwill and inventory (including maturing

⁷ 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.

inventory). All reported values are provisional the context of the purchase price allocation, which will be finalised according to the timeframe specified by the relevant accounting standards. Regarding inventory valuations, they are currently recorded at cost, with the allocation of the corresponding portion of fair market values to be determined as part of the aforementioned allocation process.

Focusing on the organic change, the most significant variations attributable to the invested capital referred to:

- the increase of €190.9 million in operating working capital, attributable to trade receivables driven by positive business performance namely in the second quarter of 2024 as well as rise in inventories primarily due to the increase in maturing inventory across bourbon, Scotch, rum and cognac to support strategic focus towards premiumisation (refer to paragraph 'Operating working capital' for more information);
- the increase of €185.8 million in fixed assets, mainly related to investments envisaged for enhancing supply chain capacity and efficiency, as well as the real-estate project for the Group's headquarters in Italy;
- the increase of other current liabilities of €100.4 million, mainly related to the increase in net income tax and VAT payable.

Moreover, invested capital at 30 June 2024 was significantly impacted by non-monetary foreign currency exchange effects, resulting in a net increase of €59.6 million.

In terms of financing sources, significant changes occurred, notably an overall increase of €874.8 million in the Group's shareholders' equity. This increase predominantly arose from the combined effect of issuance of new ordinary shares for gross proceeds of approximately €650.0 million, the Group results for the period of €219.7 million, dividend payment of €78.1 million as well as an increase in non-monetary foreign currency effect of €40.4 million. The net financial debt variations totalling €699.7 million were primarily related to the successful placement of senior unsecured convertible bonds due in 2029 with an aggregate principal amount of €550.0 million as well as the placement of an unrated bond issue due in 2031 for €220.0 million in principal aggregate amount (for more detailed information, refer to the paragraph 'Net financial debt' in this management board report).

As a result of the changes mentioned above, the Group's financial structure showed a net debt to shareholders' funds ratio of 67.2% at the end of the period, slightly increased from 63.4% recorded at 31 December 2023 restated.

Half year 2024 conclusion and outlook

The Group reported a solid performance in the first six months of 2024 with organic net sales growth of +3.8% compounded by acceleration in the second quarter (+6.9%) continuing to outperform the industry, especially in the Americas and despite the negative impact of poor weather in EMEA, which resulted in a negative mix impact on margin.

Looking at the remainder of the year, in organic terms, the Group is expected to continue outperforming the industry, leveraging on strong brands in growing categories in an environment which is currently showing softer market dynamics and increased price competition in core markets, while the macroeconomic scenario remains volatile. On a full year basis, the Group's ability to expand gross margin is expected to be impacted by the negatively affected sales mix due to poor weather in the peak season for high margin aperitifs as well as lower absorption of fixed costs and higher weight of last year higher-cost inventory, the latter equally impacted due to poor weather influencing the aperitifs business. Moreover, the longer-than-expected agave supply contract renewals are shifting some of the expected benefits into the next year. Contained impact is expected in the first transition year regarding the perimeter effect, which reflects the consolidation of Courvoisier as of May 2024.

The medium-term outlook remains unchanged due to confidence in continued healthy brand momentum in key brand-market combinations as well as industry outperformance leveraging strengthened portfolio and geographic exposure, as well as focus on revenue growth management. Moreover, the Group remains confident in its ability to achieve consistent operating margin expansion driven by sales mix, pricing, input cost inflation easing and operational efficiencies, with continuous reinvestment into brand building and marketing & commercial capabilities to fuel organic topline growth.

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 half-year report 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.

In order 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. For a detailed reconciliation of the items that had an impact on the alternative performance measures referred to above in the current and comparison periods, see the appendix given at the end of this section.

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.

Tax adjustments: include the tax effects of transactions or events identified by the Group as components adjusting the taxation of the period related to events covering a single period or financial year, such as:

- positive (negative) taxation effects associated with the operating and financial adjustments, as well as the put option earn-out income (expenses) and the profit (loss) related to re-assessments of previously held joint-ventures before their consolidation;
- non-recurring positive (negative) taxation effects.

Tax rate-adjusted

The tax rate-adjusted is calculated by deducting the tax adjustments mentioned above from the taxation. The new value of taxation adjusted is then correlated to the profit or loss before taxation-adjusted.

Cash tax rate

The cash tax rate is calculated by deducting the tax adjustments mentioned above and the deferred taxes on brands and goodwill which are relevant for tax purposes from the taxation. The new value of cash taxation is then correlated to the profit or loss before taxation-adjusted.

Group's net profit-adjusted: the result for the period attributable to the Group (i.e., excluding the non-controlling interests result after taxation) before other operating income (expenses), adjustments to financial income

(expenses), to put option, earn-out income (expenses) and the profit (loss) related to re-assessments of previously held joint-venture investments before their consolidation, before the related taxation effect and before other positive/negative tax adjustments for the period.

Basic and diluted earnings per share-adjusted (basic/diluted EPS-adjusted): basic/diluted earnings per share ('EPS') before other operating income (expenses), adjustments to financial income (expenses), to put option earn-out income (expenses) and the profit (loss) related to re-assessments of previously held joint-venture investments before their consolidation, before the related taxation effect and before other positive (negative) tax adjustments for the period.

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.

Operating working capital as percentage of net sales

The ratio is calculated by dividing the net sales on operating working capital balances based on the reported value at the closing date of the reference period; the net sales reference value is twelve months and is calculated based on the reported value at the closing date of the reference period, into which the portion of net sales recorded in the previous year is incorporated for the remaining months. Upon the occurrence of significant business acquisition (or disposal) transactions a pro-forma index is calculated to take into account the annual effect on net sales 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.

Reclassified statement of financial position

The items included in the reclassified statement of financial position are defined below as the algebraic sum of specific items contained in the financial statements:

Fixed assets: calculated as the algebraic sum of:

- property, plant and equipment;
- right of use assets;
- biological assets;
- investment property;
- goodwill;
- brands;
- intangible assets with a finite life.

Other non-current assets and liabilities: calculated as the algebraic sum of:

- other non-current assets;
- deferred tax assets;
- other non-current financial assets;
- deferred tax liabilities;
- post-employment benefit obligations;
- provisions for risks and charges;
- investments in joint-ventures.
- other non-current liabilities;
- other non-current financial liabilities.

Operating working capital: calculated as the algebraic sum of:

- inventories;
- biological asset inventories;
- trade receivables;
- trade payables.

Other current assets and liabilities: calculated as the algebraic sum of:

- income tax receivables;
- other current assets;
- income tax payables;
- other current liabilities;
- other current financial assets;
- other current financial liabilities;
- assets and liabilities held for sales.

Invested capital: calculated as the algebraic sum of the items listed above and in particular:

- fixed assets;
- other non-current assets and liabilities;
- operating working capital;

– other current assets and liabilities.

Financing sources: calculated as the algebraic sum of:

- Group shareholders' equity;
- non-controlling interests;
- net financial debt.

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 operating working capital, net financial debt and reclassified financial position items

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.

Capital expenditure

This item includes the cash flow from the purchase of intangible and tangible fixed assets net of disposals made during the period.

Recurring capital expenditure

This item shows the net cash flows from purchases/disposals relating to projects managed in the ordinary course of business.

Reclassified statement of cash flows

The reclassified statements show a simplified and reclassified version of the cash flow statement disclosed in the consolidated financial statements. The main classification consists of the representation of the change in net financial debt at the end of the period as the final result of the total cash flow generated (or absorbed). The total cash flows generated (or used) in the period thus correspond to the change in net financial debt.

Free cash flow

This is a liquidity measure and provides useful information to the readers of the report about the amount of cash generated, which can be used for general corporate purposes, after payments for interests, direct taxes, capital expenditure, and excluding income from the sale of fixed assets. Free cash flow shall be considered in addition to, not as a substitute for, or superior to, cash flow from operating activities prepared in accordance with GAAP.

Recurring free cash flows: cash flows that measure the Group's self-financing capacity, calculated on the basis of cash flows from operations, before the other operating income and expenses referred to above, and adjusted for interest, net direct taxes paid and cash flows used in capital expenditure attributable to ordinary business before the income/losses component arising from the sale of fixed assets.

Recurring provisions and operating changes: these include provisions and operating changes, excluding the other operating income and expenses referred to above.

Recurring taxes paid: these include taxes paid, excluding cash flows from tax incentives and from the disposal of the Group's non-strategic assets.

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 (or 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 six months ended 30 June 2024.

for the six months ended 30 June 2024	EBITDA		EBIT		profit before taxation		Group net profit		basic earnings per share	diluted earnings per share
	€ million	% on sales	€ million	% on sales	€ million	% on sales	€ million	% on sales	€	€
alternative performance measure reported	394.4	25.9%	335.6	22.0%	310.7	20.4%	219.7	14.4%	0.18	0.18
devaluation of tangible assets, goodwill, brands and business disposed	(0.9)	-0.1%	(0.9)	-0.1%	(0.9)	-0.1%	(0.9)	-0.1%	-	-
restructuring and reorganisation costs	(8.3)	-0.5%	(8.3)	-0.5%	(8.3)	-0.5%	(8.3)	-0.5%	(0.01)	(0.01)
last mile long-term incentive schemes with retention purposes	(0.7)	-	(0.7)	-	(0.7)	-	(0.7)	-	-	-
fees from acquisition/disposals of business or companies and indemnities from contract resolutions	(11.1)	-0.7%	(11.1)	-0.7%	(11.1)	-0.7%	(11.1)	-0.7%	(0.01)	(0.01)
Net penalties or gains arising from the settlement of tax and legal disputes	(3.4)	-0.2%	(3.4)	-0.2%	(3.4)	-0.2%	(3.4)	-0.2%	-	-
Financial interest on tax litigation					1.9	0.1%	1.9	0.1%	-	-
tax adjustments							3.3	0.2%	-	-
total adjustments	(24.4)	-1.6%	(24.4)	-1.6%	(22.6)	-1.5%	(19.3)	-1.3%	(0.02)	(0.02)
alternative performance measure-adjusted	418.8	27.5%	360.0	23.6%	333.3	21.9%	239.0	15.7%	0.20	0.20

for the six months ended 30 June 2024	basic	diluted ⁽¹⁾
Group net profit adjusted	€ million 239.0	245.7
outstanding shares	n. 1,199,428,260	1,248,199,419
earnings per share-adjusted	€ 0.20	0.20

⁽¹⁾ Both Group net profit adjusted and outstanding shares are calculated also including the dilution from convertible instrument effect

for the six months ended 30 June 2024	free cash flow
	€ million
alternative performance measure reported	(60.1)
goodwill, brand and sold business impairment	0.9
other changes from operating activities	(24.4)
non-recurring taxes paid	4.2
net cash flow from non-recurring investments	(171.5)
total adjustments	(190.8)
alternative performance measure-adjusted (recurring free cash flow)	130.8

	for the six months ended 30 June 2024
	€ million
EBITDA-adjusted at 30 June 2024 (+)	418.8
EBITDA-adjusted at 31 December 2023 (+)	728.9
EBITDA-adjusted at 30 June 2023 (-)	411.1
rolling twelve months EBITDA-adjusted (adjusted also for business acquisition)	736.7
net financial debt at 30 June 2024	2,553.2
net debt/EBITDA-adjusted ratio (adjusted also for business acquisition)	ratio 3.5

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

for the six months ended 30 June 2023	EBITDA		EBIT		profit before taxation		Group net profit		basic earnings per share	diluted earnings per share
	€ million	% on sales	€ million	% on sales	€ million	% on sales	€ million	% on sales	€	€
alternative performance measure reported	395.0	27.1%	343.7	23.6%	311.1	21.3%	216.9	14.9%	0.19	0.19
devaluation of tangible assets, goodwill, brands and business disposed	(0.3)	-	(0.3)	-	(0.3)	-	(0.3)	-	-	-
restructuring and reorganisation costs	(7.8)	-0.5%	(7.8)	-0.5%	(7.8)	-0.5%	(7.8)	-0.5%	(0.01)	(0.01)
last mile long-term incentive schemes with retention purposes	(5.0)	-0.3%	(5.0)	-0.3%	(5.0)	-0.3%	(5.0)	-0.3%	-	-
fees from acquisition/disposals of business or companies and indemnities from contract resolutions	(0.7)	-	(0.7)	-	(0.7)	-	(0.7)	-	-	-
indemnities for contract resolution	1.9	0.1%	1.9	0.1%	1.9	0.1%	1.9	0.1%	-	-
other adjustments of operating income (expenses)	(4.1)	-0.3%	(4.1)	-0.3%	(4.1)	-0.3%	(4.1)	-0.3%	-	-
profit (loss) related to re-assessments of previously held joint-ventures	-	-	-	-	0.9	0.1%	0.9	0.1%	-	-
tax adjustments	-	-	-	-	-	-	(1.9)	-0.1%	-	-
total adjustments	(16.0)	-1.1%	(16.0)	-1.1%	(15.1)	-1.0%	(17.0)	-1.2%	(0.02)	(0.01)
alternative performance measure-adjusted	411.1	28.2%	359.7	24.7%	326.2	22.4%	233.9	16.0%	0.21	0.21

for the six months ended 30 June 2023	€ million	basic	diluted
Group net profit adjusted		233.9	233.9
outstanding shares	n.	1,124,142,852	1,140,476,081
earnings per share-adjusted	€	0.21	0.21

for the six months ended 30 June 2023	Free cash flow
	€ million
alternative performance measure reported	(154.4)
goodwill, brand and sold business impairment	0.3
other changes from operating activities	(16.0)
non-recurring taxes paid	(5.1)
changes in other non-financial assets and liabilities	5.0
net cash flow from non-recurring investments	(46.9)
total adjustments	(62.8)
alternative performance measure-adjusted (recurring free cash flow)	(91.7)

for the six months ended 30 June 2023	
	€ million
EBITDA-adjusted at 30 June 2023 (+)	411.1
EBITDA-adjusted at 31 December 2022 (+)	660.3
EBITDA-adjusted at 30 June 2022 (-)	353.0
rolling twelve months EBITDA-adjusted	718.4
net financial debt at 30 June 2023	1,823.2
net debt/EBITDA-adjusted ratio	ratio 2.5
rolling twelve months EBITDA adjusted for business acquisition	724.2
net debt/EBITDA-adjusted ratio	ratio 2.5

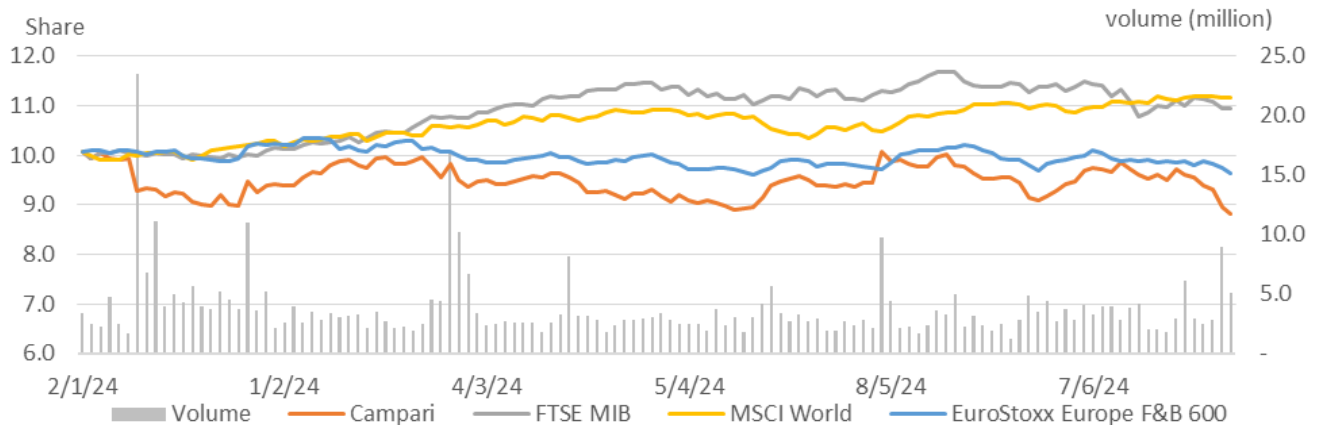
for the year ended 31 December 2023	
	€ million
EBITDA-adjusted at 31 December 2023	728.9
net financial debt at 31 December 2023	1,853.5
net debt/EBITDA-adjusted ratio	ratio 2.5

Stock performance in the capital market

The Campari stock price performance during the first half of 2024 has been impacted by the volatility in financial markets affecting the entire spirits market as well as by the technical effect of the equity raise carried out in January to finance the acquisition of Courvoisier S.A.S.. The impact on the spirits market is mainly driven by consumer demand normalisation after years of buoyant consumption coupled with a highly inflationary environment. In terms of business momentum, Campari continued to outperform the market and its peers in terms of growth over the period.

During the first half of 2024, the Campari stock price declined by -13.6% in absolute terms, underperforming the FTSE MIB by -22.9%, and the STOXX Europe 600 Food&Beverage index by -8.1%.

Performance of the Campari stock and the main benchmark indices from 1 January 2024 to 30 June 2024^(*)



^(*) The STOXX Europe 600 Food & Beverage Price Index is a capitalisation-weighted index that includes European companies operating in the food and beverage industry.

Davide Campari-Milano N.V. stock

Shares⁽⁸⁾

At 30 June 2024, the total share capital of Davide Campari-Milano N.V. (including Special Voting Shares) was equal to €36,790,502.92.

The total share capital consisted of 1,231,267,738 ordinary shares with a nominal value of €0.01 each, for a total of €12,312,677.38, of 71,696,938 Special Voting Shares A with a nominal value of €0.01 each, for a total of €716,969.38 and 594,021,404 Special Voting Shares B with a nominal value of €0.04, for a total of €23,760,856.16. Further update is available at Campari Group's website: [Investors | Campari Group](#).

Dividend

On 11 April 2024, the Shareholders' Meeting approved the distribution of a dividend of €0.065 per ordinary share for 2023 (an +8.3% increase vs. the previous year).

The dividend was paid on 24 April 2024 (with an ex-coupon date for coupon no. 4 of 22 April 2024), in line with the Italian Stock Exchange calendar, and a record date of 23 April 2024, for a total amount of €78.1 million.

Investor relations

In compliance with both applicable Italian and Dutch laws, Davide Campari-Milano N.V. (as a Dutch company listed on the Italian Stock Exchange) transmits any regulated information through the transmission system 1Info SDIR, managed by Computershare S.p.A., as well as files such information through 'Loket AFM' to the AFM (Authority for the Financial Markets), which makes it available on its website's relevant register at www.afm.nl.

Other information

Transactions with related parties

As for related parties transactions, the Company is subject to the regulation applicable on this matter as well as the procedure for transactions with related parties approved by the Board of Directors of the Company on 27 October 2020, as subsequently amended and supplemented. It should be noted that transactions with related parties, including intra-group transactions, are not classified as material related parties transactions, as they are part of the normal business of Group companies. These transactions are carried out under market conditions, taking into account the characteristics of the goods and services provided.

⁸ For additional information on major Shareholders refer to the 'Governance' section in the 2023 annual report. For additional information on the composition of the share capital refer to note 9ii. 'Shareholder's equity' of the Campari Group condensed consolidated financial statements at 30 June 2024.

Campari Group-Half year condensed consolidated financial statements at 30 June 2024

Index-Campari Group condensed consolidated financial statements**CONSOLIDATED PRIMARY STATEMENTS**

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Consolidated primary statements

Consolidated statement of profit or loss⁽¹⁾

	notes	for the six months ended 30 June	
		2024 € million	2023 € million
Gross sales		1,797.7	1,737.9
Excise duties ⁽²⁾		(274.3)	(280.1)
Net sales	5 i.	1,523.4	1,457.8
Cost of sales	5 iii.	(625.9)	(585.5)
Gross profit		897.5	872.3
Advertising and promotional costs	5 iv.	(231.6)	(225.5)
Contribution margin		665.9	646.7
Selling, general and administrative expenses	5 vi.	(330.3)	(303.0)
Operating result		335.6	343.7
Financial expenses	5 x.	(45.5)	(39.7)
Financial income	5 x.	22.7	8.5
Share of profit (loss) of joint-ventures	5 xii.	(2.1)	(1.4)
Profit before taxation		310.7	311.1
Taxation	5 xiii.	(94.1)	(93.4)
Profit for the period		216.6	217.6
Profit attributable to:			
Shareholders of the parent Company		219.7	216.9
Non-controlling interests		(3.1)	0.7
Basic earnings per share (€)	9 vii.	0.18	0.19
Diluted earnings per share (€)	9 vii.	0.18	0.19

⁽¹⁾ For information on the definition of alternative performance measures reported in the management board report, see the paragraph 'Definitions and reconciliation of the Alternative Performance Measures (APMs or non-GAAP measures) to GAAP measures'.

⁽²⁾ Excise duties where Campari Group acts as an agent.

Consolidated statement of other comprehensive income

	notes	for the six months ended 30 June	
		2024 € million	2023 € million
Profit for the period (A)		216.6	217.6
B1) Items that may be subsequently reclassified to the statement of profit or loss			
Gains (losses) on cash flow hedge	9 iv.	2.0	(11.2)
Related Income tax effect	5 xiii.	(0.7)	3.2
Cash flow hedge		1.3	(8.0)
Exchange differences on translation of foreign operations	9 iv.	37.0	11.9
Total: items that may be subsequently reclassified to the statement of profit or loss (B1)		38.3	3.9
B2) Items that may not be subsequently reclassified to the statement of profit or loss			
Gains (losses) on remeasurement of defined benefit plans	9 iv.	(0.3)	-
Related Income tax effect	5 xiii.	0.1	-
Remeasurements of defined benefit plans		(0.2)	-
Total: items that may not be subsequently reclassified to the statement of profit or loss (B2)		(0.2)	-
Other comprehensive income (expenses) (B=B1+B2)		38.1	3.9
Total comprehensive income (A+B)		254.7	221.5
Attributable to:			
Shareholders of the parent Company		256.4	223.9
Non-controlling interests		(1.7)	(2.4)

Consolidated statement of financial position

	notes	at 30 June 2024 € million	at 31 December 2023 € million
ASSETS			
Non-current assets			
Property, plant and equipment	6 ii.	1,199.5	964.5
Right of use assets	6 ii.	64.6	65.4
Biological assets	6 ii.	30.2	22.8
Goodwill	6 iii.	2,454.4	1,850.8
Brands	6 iii.	1,371.3	1,155.8
Intangible assets with a finite life	6 iii.	55.6	56.1
Interests in joint-ventures	5 xii.	32.7	32.6
Deferred tax assets	5 xiii.	84.6	78.9
Other non-current assets	6 iv.	21.5	22.9
Other non-current financial assets	8 iv.	16.3	9.8
Total non-current assets		5,330.5	4,259.6
Current assets			
Inventories	7 iii.	1,773.3	1,237.4
Biological assets	7 iii.	17.6	15.1
Trade receivables	7 i.	497.3	374.3
Other current financial assets	8 ii.	11.0	21.3
Cash and cash equivalents	8 ii.	555.4	620.3
Income tax receivables	5 xiii.	31.4	46.1
Other current assets	6 v.	125.0	101.4
Total current assets		3,011.0	2,415.9
Total assets		8,341.5	6,675.6
LIABILITIES AND SHAREHOLDERS' EQUITY			
Shareholders' equity			
Issued capital and reserves attributable to shareholders of the parent Company	9 ii.	3,800.0	2,925.2
Non-controlling interests	9 ii.	0.3	1.6
Total shareholders' equity		3,800.3	2,926.8
Non-current liabilities			
Bonds	8 v.	1,576.0	845.8
Loans due to banks	8 v.	889.5	901.5
Other non-current financial liabilities	8 v.	367.3	269.0
Post-employment benefit obligations		25.2	22.6
Provisions for risks and charges	10 i.	37.5	41.4
Deferred tax liabilities	5 xiii.	475.8	403.7
Other non-current liabilities	6 vi.	18.5	42.6
Total non-current liabilities		3,389.7	2,526.6
Current liabilities			
Bonds	8 vi.	-	300.0
Loans due to banks	8 vi.	234.9	130.6
Other current financial liabilities	8 vi.	68.2	58.1
Trade payables	7 ii.	534.0	521.1
Income tax payables	5 xiii.	68.8	22.3
Other current liabilities	6 vii.	245.6	190.2
Total current liabilities		1,151.5	1,222.1
Total liabilities		4,541.2	3,748.8
Total liabilities and shareholders' equity		8,341.5	6,675.6

Consolidated statements of cash flows

	notes	for the six months ending 30 June	
		2024 € million	2023 € million
Operating profit		335.6	343.7
Depreciation and amortisation	5 viii.	58.8	51.3
Gain (loss) on sale of fixed assets		0.4	(1.2)
Impairment loss (reversal) of tangible fixed assets, goodwill, brand and sold business	6 ii. - iii	0.9	0.3
Net cost of share-based instruments		12.1	11.6
Change in payables to employees		(8.0)	3.8
Change in provisions		(6.0)	0.3
Change in net operating working capital		(190.9)	(372.1)
Income taxes refund (paid)		(19.3)	(120.4)
Other operating items including changes in other indirect taxes		1.3	9.6
Cash flow generated from (used in) operating activities		185.0	(73.1)
Purchase of tangible and intangible fixed assets	6 ii. - iii.	(227.8)	(94.7)
Disposal of tangible and intangible assets		8.8	6.4
Investment in joint-ventures		(2.1)	(5.0)
Acquisition of companies or business divisions net of cash and cash equivalents acquired	6 i.	(1,102.6)	2.0
Put options and earn-out payments		(0.6)	(3.4)
Interests received		24.2	9.1
Decrease (increase) in short-term deposits and investments	8 iii.	9.2	0.3
Dividends received		-	0.1
Cash flow generated from (used in) investing activities		(1,290.9)	(85.3)
Proceeds from issue of bonds, notes and debentures		761.7	300.0
Repayments of bonds, notes and debentures	8 viii.	(300.0)	-
Proceeds from non-current borrowings	8 viii.	-	450.0
Repayment of non-current borrowings	8 viii.	(22.8)	(278.9)
Net change in short-term financial payables and loans due to bank	8 viii.	94.9	(55.0)
Payment of lease payables	8 vii.	(8.5)	(7.6)
Interest on paid leases	8 vii.	(1.8)	(1.5)
Interests paid on other financial items	8 viii.	(48.4)	(26.1)
Inflows (outflows) of other financial items	8 viii.	0.7	13.9
Purchase of own shares	9 iv.	-	(21.0)
Sale of own shares	9 iv.	2.0	46.4
Issue of new shares net of fees		643.3	-
Dividend paid to equity holders of the Parent	9 ii	(78.1)	(67.5)
Cash flow generated from (used in) financing activities		1,042.8	352.7
Net change in cash and cash equivalents: increase (decrease)		(63.1)	194.3
Effect of exchange rate changes on cash and cash equivalents		(1.8)	(5.9)
Cash and cash equivalents at the beginning of period	8 ii.	620.3	435.4
Cash and cash equivalents at end of period	8 ii.	555.4	623.7

Consolidated statement of changes in shareholders' equity

	notes	share capital € million	retained earnings and other reserves € million	cash flow hedge reserve € million	currency translation differences € million	remeasurement of defined benefit plans € million	equity attributable to owners of the parent € million	non-controlling interests € million	total € million
at 31 December 2023		36.1	2,962.0	9.3	(85.9)	3.7	2,925.2	1.6	2,926.8
Dividends to shareholders of the parent Company	9 ii.	-	(78.1)	-	-	-	(78.1)	-	(78.1)
Issue of new shares net of fees		0.7	642.6	-	-	-	643.3	-	643.3
Increase (decrease) through treasury share transactions	9 ii.	-	2.0	-	-	-	2.0	-	2.0
Increase (decrease) through share-based payment transactions	9 ii.	-	11.9	-	-	-	11.9	-	11.9
Changes in non-controlling interests	9 v.	-	3.2	-	-	-	3.2	(2.7)	0.5
Increase (decrease) through other changes	9 ii.	-	36.2	-	-	-	36.2	3.0	39.2
Profit (loss)		-	219.7	-	-	-	219.7	(3.1)	216.6
Other comprehensive income (expense)	9 iv.	-	-	1.3	35.6	(0.2)	36.7	1.4	38.1
Total comprehensive income		-	219.7	1.3	35.6	(0.2)	256.4	(1.7)	254.7
at 30 June 2024		36.8	3,799.5	10.6	(50.4)	3.5	3,800.0	0.3	3,800.3

		share capital € million	retained earnings and other reserves € million	cash flow hedge reserve € million	currency translation differences € million	remeasurement of defined benefit plans € million	equity attributable to owners of the parent € million	non-controlling interests € million	total € million
at 31 December 2022		18.3	2,675.3	27.3	(48.1)	3.5	2,676.2	1.4	2,677.6
Dividends to shareholders of the parent Company		-	(67.5)	-	-	-	(67.5)	-	(67.5)
Dividends to non-controlling interests		-	-	-	-	-	-	(1.5)	(1.5)
Increase (decrease) through treasury share transactions		-	25.4	-	-	-	25.4	-	25.4
Increase (decrease) through share-based payment transactions		-	11.4	-	-	-	11.4	-	11.4
Changes in non-controlling interests		-	(25.2)	-	-	-	(25.2)	3.0	(22.1)
Increase (decrease) through other changes		-	(0.6)	-	-	-	(0.6)	0.9	0.3
Profit (loss)		-	216.9	-	-	-	216.9	0.7	217.6
Other comprehensive income (expense)		-	-	(8.0)	15.0	-	7.0	(3.1)	3.9
Total comprehensive income		-	216.9	(8.0)	15.0	-	223.9	(2.4)	221.5
at 30 June 2023		18.3	2,835.9	19.3	(33.1)	3.5	2,843.8	1.4	2,845.2

Notes to the condensed consolidated financial statements

1. General Information

Davide Campari-Milano N.V., the Group's parent company, is listed on the Italian Stock Exchange, with its legal domicile in Amsterdam, the Netherlands, and corporate address at Via Franco Sacchetti 20, 20099 Sesto San Giovanni, Milan, Italy. For the purposes of carrying out its business operations in Italy, the Company has established a secondary seat with a permanent representative office, within the meaning of article 2508 of the Italian Civil Code. The Company is registered in both the Netherlands Chamber of Commerce under the number 78502934 and Milan Monza Brianza Lodi Chamber of Commerce under the number 06672120158.

At 30 June 2024, 51.4% of the share capital and 82.5% of the total voting rights of the Company were held by the Italian Branch of Lagfin S.C.A., Société en Commandite par Actions, headquartered in Luxembourg, which is in turn controlled by Artemisia Management S.A., Société Anonyme, the ultimate controlling company of the Group. Founded in 1860, Campari is the sixth-largest player in the premium spirits industry, with an extensive and varied product portfolio. Its internationally-recognised brands include Aperol, Campari, SKYY, Grand Marnier, Wild Turkey, Appleton Estate, Espolòn and, after the successful completion of the acquisition on 30 April of this year, Courvoisier. The Group has a global distribution reach, trading in over 190 nations with leading positions in Europe and the Americas. It has 25 production sites, its own distribution network in 26 countries and employs around 5,000 people.

The publication of this half year report at 30 June 2024, which was subject to a limited review by the independent auditor, was authorised by the Board of Directors on 30 July 2024. The financial statements are presented in Euros (€), the reference currency for the Company and for many of its subsidiaries. Unless otherwise indicated, the figures reported in these notes are expressed in millions of €.

2. Significant events of the year

Significant events during the period relating to corporate actions, significant events, acquisitions and commercial agreements and other significant events impacting the results are reported in the dedicated section in the management board report of this half year report, to which reference is made.

3. Accounting information and significant general accounting policies

These half year condensed consolidated financial statements for the six months ended 30 June 2024 have been prepared in accordance with the International Accounting Standard ('IAS') 34-'Interim Financial Reporting' as endorsed by the European Union. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern. The Directors consider that there are no material uncertainties that may cast significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months subsequent to the authorisation of these condensed consolidated financial statements for issue..

The condensed consolidated half year financial statements were prepared in accordance with the historical cost method and taking any value adjustments into account where appropriate for certain categories of assets and liabilities, which were measured in accordance with the methods provided by IFRS.

The form and content of these half year condensed consolidated financial statements for the six months ended 30 June 2024 are consistent with those applied for the annual financial statements for the year ended 31 December 2023 to which reference is made.

Transactions with related parties form part of ordinary operations and are carried out under market conditions (i.e., conditions that would apply between two independent parties) or using criteria that allow for the recovery of costs incurred and a return on invested capital. All transactions with related parties were carried out in the Group's interest.

The half year condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2023, to which reference is made.

The Group's condensed half year financial statements focus on changes since the last annual financial statements. An explanation of events and transactions which have been significant to an understanding of the changes in the financial position and performance since the last annual reporting date has been provided.

Therefore, the information disclosed in the half year condensed consolidated financial statements related to those events and transactions provides an update with respect to the relevant information presented in the 31 December 2023 annual financial report.

i. Use of estimates

Preparation of the half year condensed consolidated financial statements at 30 June 2024 and the related notes in accordance with IFRS requires management to make estimates and assumptions that have an impact on the Group's assets and liabilities and items in the profit or loss during the first half of the year. These estimates and assumptions, which are based on the best valuations available at the time of their preparation and are reviewed regularly, may differ from the actual circumstances and may be revised accordingly at the time the circumstances change or when new information becomes available. Future outcomes can consequently differ from estimates. Details of critical estimates and judgements that could have a significant impact on the financial statements are consistent with those applied for the annual financial statements for the year ended 31 December 2023 to which reference is made:

– Macroeconomic and geopolitical uncertainty

During the first half of 2024 Campari Group has continued to monitor and analyse the evolution of macroeconomic and geopolitical uncertainties. The critical review that was conducted included the ongoing Russia-Ukraine conflict: a detailed analysis has been performed to identify, and consequently manage, the principal risks and uncertainties to which the Group is exposed, and to address the effects of the conflict and the related sanctions in Russia on Group system of internal control. The impact of the conflict continues to be immaterial on the Group's results and business performance at a consolidated level, as reported in these condensed consolidated financial statements, since Russia and Ukraine together accounted overall for approximately 3% of the Group's net sales in the first half of 2024 and its comparison period, as well as in the full years 2023, 2022 and 2021.

Campari Group, like all members of the spirits industry, has been exposed to a still volatile macroeconomic environment, with possible related downside effects that might impact consumer behaviour. The Group constantly monitors the evolution of the macroeconomic scenario with the aim of mitigating the implications on its operations and performance also by leveraging the contribution of a strong brand portfolio, especially the global priorities.

– Sustainability matters

The impact of the sustainability matters, including climate change assessment and related targets set, has been considered in evaluating estimates and judgements in the preparation of these half year condensed consolidated financial statements. The details of the climate risk assessment from both impact and financial prospective were deemed proportionate to the nature of the Group's business and the current assessment was sufficient to identify the physical climate risks as well as the transition risks that are material to the Group's operations or financial condition. In the course of the first half of 2024 no issue not attributable to and not addressable in the ordinary course of business has been identified and no material economic issue with material impact on these condensed consolidated financial statements was recognised. The assessments and considerations conducted were consistent with those carried out and disclosed in the consolidated financial statements as of 31 December 2023. During the six-month period ended 30 June 2024, the Group has been engaged in the review and integration of non-financial information management for taxonomy disclosure, double materiality analysis, and Corporate Sustainability Reporting Directive ('CSRD') gap analysis to ensure compliance with the new regulatory environment required for the integrated annual report at 31 December 2024.

Specific additional supplementary information is provided below with respect to identified priorities and their impact on the Group disclosure.

Going concern including net financial debt

In terms of its operating and financial profiles, the Group continues to be very sound and has not been exposed to any going-concern issues during the first half of 2024. Furthermore, it does not anticipate any such issues in the 12 months subsequent the authorisation of these condensed consolidated financial statements for issue.

The positive business momentum has continued for Campari Group since the beginning of the year, mainly driven by the global priorities and by leveraging a solid business infrastructure and organisation. With regard to the Group's net debt position and namely with respect to financial assets, these are not subject to particular risks, since the investments considered by the Group are always subject to a careful and scrupulous preliminary analysis and are always coherent with the financial needs. With respect to financial liabilities, the Group's indebtedness ratios are consistently monitored and considered to a level fully sustainable by the Group. During the first half of 2024, the Group's financial structure was confirmed to have been strengthened by the availability of significant committed and uncommitted credit lines. No renegotiation of interest rates or conditions has been performed. The debt profile is appropriately balanced between variable and fixed rate, thus minimising the Group's exposure to

market risk. During the first six months of 2024 and with respect to lease and rental agreements, there have been no new significant negotiations, including sub-leases, nor any significant contract amendments generating financial receivables or liabilities. In terms of fair value measurement hierarchies of financial items, there were no changes to be reflected other than those disclosed in the related notes.

A separate analysis has been performed with reference to financial liabilities arising from put option and earn-out agreements valued at fair value and where the basis of the estimate is linked to brand performance. The analysis was conducted in conjunction with the considerations described in relation to the impairment test on goodwill, brands and intangible assets with a finite life, in order to ensure homogeneity and consistency in the valuation, and from the analyses no particular circumstances emerged requiring significant revisions of these liabilities.

The macroeconomic trend in the first half of 2024 did not trigger any significant change in contracts with customers or any change in the revenue recognition criteria previously identified. Significant judgements were used to review the expected credit losses based on the Group business model to manage financial instruments, namely with reference to the markets directly impacted by the Russia-Ukraine conflict. To facilitate the liquidity management, the Group continued the reverse factoring program, confirmed with a limited number of trusted suppliers involved, consistent with the previous years: the trade payables under reverse factoring agreements continued to be classified as a component of the Group's operating working capital with no separate disclosure as primary line items of the condensed consolidated financial statements in consideration of the total exposure.

Impairment of goodwill, brands and intangible assets with a finite life

Intangible assets with an infinite life are represented by goodwill and brands, both associated with business acquisitions. The Group expects to obtain positive cash flow from these assets for an infinite period of time. In particular, the Group showed a solid performance in the first half, thanks to the contribution of a strong brand portfolio with growth driven especially by the global priorities in the Americas while EMEA remained resilient overall despite the impact of very poor weather in the second quarter of the year. In the current environment characterised by continued macro volatilities and tight monetary policies despite improved inflation outlook, the Group performed an assessment to identify any event that might trigger the risk of impairment on its goodwill, brands and intangible assets with a finite life. This assessment confirmed that neither external nor internal events have led to any substantial change on the recoverability of these intangible assets.

In the current macroeconomic circumstances, there was no evidence of significant deterioration of consumer demand affecting business plans. Moreover, there has not been any interruption of the operation of the Group's plants or supply from suppliers or problems with logistic and freight transport activities which the Group was not able to mitigate in the ordinary course of business.

During the first half of 2024 there were no issues related to operations in terms of production facilities since all the Group's plants and distilleries remained fully operational. Furthermore, there was no direct impact caused by international conflicts as the Group does not have any production facilities in the countries directly involved.

Provision for risk and charges and onerous contracts

In terms of the assessment of provisions for risks and charges and onerous contracts, significant judgements were used to assess the impact of triggering events. Moreover, no supply chain constraints were detected that should have been reflected in the above assessment.

Taxation

During the period, all material assumptions and estimates considered in the preparation of these condensed consolidated financial statements were reviewed. In particular tax rates were investigated to check for any changes that occurred during the period in the various tax jurisdictions and any amendments substantially enacted were considered in assessing both current and deferred taxes. The review conducted has not identified any new triggering events, that could influence the recoverability of deferred tax assets and the recognition of any additional liabilities for uncertain tax positions or tax risks related to the macroeconomic environment connected with the Russia-Ukraine conflict or concerning climate-related or other environmental matters. With reference to Organisation for Economic Cooperation and Development ('OECD') global minimum taxes ('Pillar two'), the Group updated its assessment confirming a negligible amount of current taxes recorded in the profit or loss for the half year 2024.

ii. Basis of consolidation

The following changes were made to the basis of consolidation, resulting from the acquisitions and reorganisation of companies as follows:

- on 30 April 2024, Campari Group completed the acquisition of 100% of Beam Holdings France S.A.S. (now renamed Courvoisier Holding France S.A.S.), which in turn owns 100% of Courvoisier S.A.S., the owner of the Courvoisier brand. The structure of the transaction is described in paragraph 'significant events of the

period' in the management board report of this half year report at 30 June 2024, and the impact of the acquisition is described in note 6 i-'Acquisition and sale of businesses and purchase of non-controlling interests'. The transaction implied the inclusion in the basis of consolidation starting from 1 May 2024 of the above-mentioned companies and the related subsidiaries all located in France: L. De Salignc & CIE, Distillerie Charentaise Jubert S.A.S., SCEA Domaine Guilloteau, SICA Des Baronnie de Jarnac, SICA Quinze des Borderies et Champagnes, Association Coopérative des Bouilleurs de Cru. The effect of the acquisition are highlighted as 'perimeter effect' in the notes to the condensed consolidated financial statements, where applicable;

- following the acquisition of the remaining outstanding shares of 60% in the trading company CT Spirits Japan Ltd. occurred in 2023, during 2024 the company was renamed Campari Japan Limited.

The table below list the companies included in the basis of consolidation at 30 June 2024.

name of company, activity	registered office	share capital at 30 June 2024		% owned by Davide Campari-Milano N.V.		indirect ownership through
		currency	amount	direct	Indirect	
Davide Campari-Milano N.V. , holding, trading and manufacturing company	legal domicile: Amsterdam (Netherlands) corporate address: Via Franco Sacchetti 20, 20099 Sesto San Giovanni, Milan, Italy.	€	12,312,677 ⁽¹⁾			
Fully consolidated companies						
<i>Italy</i>						
Campari International S.r.l. , trading company	Via Franco Sacchetti 20, 20099 Sesto San Giovanni; Milan, Italy	€	700,000	100.00		
Campari Mixology S.r.l. , trading company	Piazza Duomo 21, 20121 Milan, Italy	€	68,880	100.00		
<i>Europe and Africa</i>						
Campari Austria GmbH , trading company	Naglergasse 1/Top 13,1010 Wien, Austria	€	500,000	100.00		
Campari Benelux S.A. , trading company	Rue aux Laines 70, 1000 Bruxelles, Belgium	€	1,000,000	61.01	38.99	Glen Grant Ltd. 38.99%
Campari Deutschland GmbH , trading company	Adelgundenstr. 7 Munich, 80538 Germany	€	5,200,000	100.00		
Campari España S.L.U. , holding and trading company	Calle de la Marina 16-18, planta 29, Barcelona, Spain	€	4,279,331	100.00		
Campari RUS LLC , trading company	115088, Moscow, 2 nd Yuzhnoportovy proezd, 14/22, Russia	RUB	210,000,000	100.00		
Campari Schweiz A.G. , trading company	Lindenstrasse 8, 63471 Baar, Switzerland	CHF	500,000	100.00		
Campari Ukraine LLC , trading company	8, Illinska Street, 5 Floor, block 8 and 9, Kiev, 4070 Ukraine	UAH	87,396,209	99.00	1.00	Campari RUS LLC 1%
Glen Grant Ltd. , manufacturing and trading company	Glen Grant Distillery, Elgin Road, Rothes, Morayshire, AB38 7BS, United Kingdom	GBP	24,949,000	100.00		
Campari Hellas Single Member Societe Anonyme. , manufacturing and trading company	6 and E Street, A' Industrial Area, 38500 Volos, Greece	€	6,811,220	100.00		
Société des Produits Marnier Lapostolle S.A.S. , holding and manufacturing company	14, rue Montalivet 75008 Paris, France	€	62,941,820	100.00		
Campari France S.A.S. , manufacturing and trading company	14 rue Montalivet 75008 Paris, France	€	262,093,200		100.00	Société des Produits Marnier Lapostolle S.A.S. 100%
Bellonnie et Bourdillon Successeurs S.A.S. , manufacturing and trading company	Zone de Génipa, 97224, Ducos, Martinique	€	5,100,000		96.53	Campari France S.A.S.96.53%
Distilleries Agricole de Sainte Luce S.A.S. , agricultural production company	Zone de Génipa, 97224, Ducos, Martinique	€	2,000,000		96.53	Bellonnie et Bourdillon Successeurs S.A.S. 100%
SCEA Trois Rivières , agricultural service company	Zone de Génipa, 97224, Ducos, Martinique	€	5,920		96.53	Bellonnie et Bourdillon Successeurs S.A.S. 25% Distilleries Agricoles de Sainte Luce S.A.S 75%
Champagne Lallier S.A.S. , manufacturing company	4 Place de la Libération, 51160, AY, France	€	3,575,420		100.00	Campari France S.A.S. 100%
Scev des Gloriettes , property company	4 Place de la Libération, 51160, AY, France	€	34,301		100.00	Campari France S.A.S. 100%
Sci Athena , property company	4 Place de la Libération, 51160, AY, France	€	1,000		100.00	Champagne Lallier S.A.S. 100%
Eric Luc , manufacturing and property company	5 rue Ritterbandt, 51160, AY,Franceagne, France	€	700,000		95.00	Campari France S.A.S. 95%
Courvoisier Holding France , Holding company	2, place du Château, 16200, Jarnac, France	€	583,312,764		100.00	Campari France S.A.S. 100%
Courvoisier S.A.S. , manufacturing and trading company	2, place du Château, 16200, Jarnac, France	€	144,265,000		100.00	Courvoisier Holding France 100%
L. De Salignc & CIE , trading company	2, place du Château, 16200, Jarnac, France	€	1,143,750		100.00	Courvoisier S.A.S 100%
Distillerie Charentaise Jubert S.A.S , manufacturing and trading Company	12, rue Guy Barat, 16120, Châteauneuf-Sur-Charente, France	€	329,400		100.00	Courvoisier S.A.S 100%
SCEA Domaine Guilloteau , agricultural production company	16, rue de la Croix, Les Basses Champagnères, 16200 Les Métairies, France	€	10,000		85.00	Courvoisier S.A.S 85%

name of company, activity	registered office	share capital at 30 June 2024		% owned by Davide Campari-Milano N.V.		indirect ownership through
		currency	amount	direct	Indirect	
SICA Des Baronnies de Jarnac , agricultural production company	4, place du Château, 16200 Jarnac, France	€	116,024 ⁽³⁾		16.38	Courvoisier S.A.S 8.19% Distillerie Charentaise Jubert S.A.S. 8.19%
SICA Quinze des Borderies et Champagnes , agricultural production company	4, place du Château, 16200 Jarnac, France	€	152,363 ⁽³⁾		5.42	Courvoisier S.A.S 3.61% Distillerie Charentaise Jubert S.A.S. 1.81%
Association Coopérative des Bouilleurs de Cru , agricultural production company	2, Place Du Chateau, 16200 Jarnac, France	€	238,050 ⁽³⁾		1.96	SCEA Domaine Guilloteau 2.30%
Campari South Africa Pty Ltd. , trading company	2 nd Floor ICR House Alphen Park, Constantia main road, Constantia, Western Cape 7806, South Africa	ZAR	310,247,750		100.00	Campari España S.L.U.
Americas						
Campari America, LLC , manufacturing and trading company	1114 Avenue of the Americas, 19 th Floor New York, 10036 United States	US\$	566,321,274	100.00		
Wilderness Trail Distillery, LLC , holding company	4095 Lebanon Road Danville, Kentucky 40422 United States	US\$	-		70.00	Campari America LLC 70%
Wilderness Trace Distillery, LLC , manufacturing and trading company	4095 Lebanon Road Danville, Kentucky 40422 United States	US\$	-		70.00	Wilderness Trail Distillery, LLC 100%
Campari Argentina S.A. , manufacturing and trading company	Tucuman, Piso 4 1107 Buenos Aires, Ciudad de Buenos Aires Argentina	ARS	1,179,565,930 ⁽²⁾	98.81	1.19	Campari do Brasil Ltda. 1.19%
Campari do Brasil Ltda. , manufacturing and trading company	Alameda Rio Negro 585, Edificio Demini, Conjunto 62, Alphaville-Barueri-SP, Brasil	BRL	36,870,056	99.9999	0.0001	Campari Schweiz A.G. 0.0001%
Campari Mexico S.A. de C.V. , trading company	Avenida Americas 1500 Piso G-A Colonia Country Club, Guadalajara, Jalisco, 44610 Mexico	MXN	5,525,434,642		100.00	Campari España S.L.U. 99.00% Campari America, LLC 1.00%
Campari Mexico Destiladora S.A. de C.V. , manufacturing company	Camino Real a Atotonilco No. 1081, La Trinidad, San Ignacio Cerro Gordo, Jalisco, Z.C. 47195, Mexico	MXN	10,100,000		100.00	Campari Mexico, S.A. de C.V. 99.99% Campari America, LLC 0.01%
Licorera Ancho Reyes y cia, S.A.P.I. de C.V. , manufacturing and trading company	Paseo de los Tamarindos No. 90 Edificio Arcos Bosques Torre II-Piso 5C Col. Bosques de las Lomas, 05120, Mexico	MXN	177,888,738		51.00	Campari España S.L.U. 51%
Casa Montelobos, S.A.P.I. de C.V. , manufacturing and trading company	Paseo de los Tamarindos No. 90 Edificio Arcos Bosques Torre II-Piso 5C Col. Bosques de las Lomas, 05120, Mexico	MXN	144,810,964		51.00	Campari España S.L.U. 51%
Campari Peru SAC , trading company	Av. Jorge Basadre No.607, oficina 702, distrito de San Isidro, Lima, Peru	PEN	34,733,588		100.00	Campari España S.L.U. 99.92%, Campari do Brasil Ltda. 0.08%
Forty Creek Distillery Ltd. , manufacturing and trading company	297 South Service Road West, Grimsby, ON L3M 1Y6 Canada	CAD	105,500,100	100.00		
J. Wray and Nephew Ltd. , manufacturing and trading company	23 Dominica Drive, Kingston 5, Jamaica	JMD	750,000		100.00	Campari España S.L.U.
Asia						
Campari (Beijing) Trading Co. Ltd. , trading company	Building 1, Level 5, Room 66, 16 Chaowai Avenue, Chaoyang District, Beijing, China	CNY	104,200,430	100.00		
Campari Australia Pty Ltd. , manufacturing and trading company	Level 21, 141 Walker Street North Sydney, 2060, Australia	AUD	56,500,000	100.00		
Campari India Private Ltd. , trading company	Upper Ground and First Floor Shop No. SG-1 and SF-1, DT Greater Kailash-II, New Delhi 110048, India	INR	172,260	99.9	0.01	Campari Australia Pty Ltd. 0.01%
Campari New Zealand Ltd. , trading company	C/o KPMG 18, Viaduct Harbour Av., Maritime Square, Auckland, New Zealand	NZD	10,000		100.00	Campari Australia Pty Ltd.
Thirsty Camel Limited , trading company	c/- Farry Law, Level 11, 152 Quay Street Auckland CBD, 1010, New Zealand	NZD	5,180,000		60.01	Campari Australia Pty Ltd. 60.01%
Campari Singapore Pte Ltd. , trading company	152 Beach Road, #24-06, 1Gateway East, 189721, Singapore	SGD	19,100,000	100.00		
Trans Beverages Company Ltd. , trading company	5th Floor, 14 Samsung-ro 133-gil Gangnam-gu, Seoul, South Korea, Songpa-gu, Seoul, Korea	KRW	2,000,000,000		51.00	Glen Grant Ltd.
Campari Japan Limited , trading company	107-0062 Tokyo 1-1-1 Minami-Aoyama, Shin Aoyama Bldg West 6F, Minato-Ku Japan	JPY	100,000,000	100.00		

⁽¹⁾The €12,312,677 represents ordinary share capital.

⁽²⁾The share capital does not include effects related to the hyperinflation accounting standard.

⁽³⁾Share capital values at 30 April 2024.

iii. Currency conversion criteria and exchange rates applied to the financial statements

- Currency conversion

The key exchange rates used for conversion transactions are shown below.

	average exchange rates			spot exchange rates		
	for the six months ended 30 June 2024	for the six months ended 30 June 2023	revaluation (devaluation) vs. first half 2023	at 30 June 2024	at 31 December 2023	revaluation (devaluation) vs. 31 December 2023
	1 Euro	: 1 Euro	%	1 Euro	: 1 Euro	%
US Dollar	1.081	1.081	-	1.071	1.105	3.2%
Canadian Dollar	1.469	1.457	-0.8%	1.467	1.464	-0.2%
Jamaican Dollar	168.160	165.787	-1.4%	167.171	170.623	2.1%
Mexican Peso	18.518	19.655	6.1%	19.565	18.723	-4.3%
Brazilian Real	5.495	5.483	-0.2%	5.892	5.362	-9.0%
Argentine Peso ^{1*}	975.388	278.502	-71.4%	975.388	892.924	-8.5%
Russian Ruble ^{2*}	98.135	83.762	-14.6%	92.361	99.192	7.4%
Great Britain Pound	0.855	0.877	2.6%	0.846	0.869	2.7%
Swiss Franc	0.962	0.986	2.5%	0.963	0.926	-3.9%
Australian Dollar	1.642	1.599	-2.6%	1.608	1.626	1.1%
Yuan Renminbi	7.801	7.490	-4.0%	7.775	7.851	1.0%

⁽¹⁾ The average exchange rate of the Argentine Peso was assumed to be equal to the spot exchange rate at the reporting date as required by the hyperinflation accounting standard.

⁽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.

- Hyperinflation

The indices used to remeasure the values at 30 June 2024, in accordance with IFRS rules for hyperinflationary economies, are shown in the table below.

Specifically, the national Consumer Price Index ('nationwide CPI') of Argentina was used.

	for the six months ended 30 June	
	2024	2023
Consumer Price Index	average rate 6,407.771	average rate 1,742.677
January	2024 conversion factor 1.504	2023 conversion factor 1.449
February	1.328	1.359
March	1.196	1.262
April	1.099	1.164
May	1.055	1.080
June	1.000	1.000

4. Accounting standards

The accounting standards adopted by the Group are the same as those that were applied for the annual financial statements for the year ended 31 December 2023 to which reference is made, except for the accounting standards below and the dedicated accounting policies for 'Financial instruments', mainly related to 'compound financial instruments' as well as for 'share-based payments in the form of 'Long-Term Incentive Plan ('LTI')', as these were new items compared to the previous period. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Summary of the new accounting standards endorsed and adopted by the Group from 1 January 2024

These amendments applied for the first time in 2024 but did not have a significant impact to be reported on Campari Group half year condensed consolidated financial statements.

Amendment to IAS 1-'Presentation to Financial Statements' includes the following amendments:

- Classification of Liabilities as Current or Non-current and Deferral of Effective Date (issued on 23 January 2020 and 15 July 2020 respectively). The amendment specifies the requirements to classify liabilities as current or non-current by clarifying i) what is meant by a right to defer the settlement; ii) that if an entity has the right to roll over an obligation for at least twelve months after the end of the reporting period, it classifies the obligation as non-current, even if it would otherwise be due within a shorter period; iii) that the classification is unaffected by the likelihood that an entity will exercise its deferral right; and iv) that the settlement refers to a transfer to the counterparty that results in the extinguishment of the liability.
- Non-current Liabilities with Covenants (issued on 31 October 2022). The amendments clarify that only covenants with which an entity must comply on or before the reporting date will affect a liability's classification as current or non-current; while additional disclosures are required for non-current liabilities arising from loan arrangements that are subject to covenants to be complied with within twelve months after the reporting period.

Amendment to IFRS 16-'Leases', Lease Liability in a Sale and Leaseback (issued on 22 September 2022). A sale and leaseback transaction involves the transfer of an asset by an entity (the seller-lessee) to another entity (the buyer-lessor) and the leaseback of the same asset by the seller-lessee. The amendment specifies how a seller-

lessee measures the lease liability, which arises in a sale and leaseback transaction, to ensure that it does not recognise any amount of the gain or loss related to the right-of-use retained. The amendment does not change the accounting for leases unrelated to sale and leaseback transactions.

Amendments to IAS 7-‘Statement of Cash Flows’ and IFRS 7-‘Financial Instruments: Disclosures: Supplier Finance Arrangements’ (issued on 25 May 2023) which address the disclosure requirements to enhance the transparency of supplier finance arrangements and their effects on a company’s liabilities, cash flows and exposure to liquidity risk. The transition rules clarify that an entity is not required to provide the disclosures in any interim periods in the year of initial application of the amendments. Thus, the amendments had no impact on the Group’s interim condensed consolidated financial statements.

5. Results for the period

This section details the results and performance for the six months ended 30 June 2024. Disclosures are provided for segmented information, operating costs, other operating items, finance income and expenses, the Group’s share of profit or loss of joint-ventures and taxation. For taxation and joint-ventures the balance sheet disclosures are also provided in this section.

i. Net sales

Net sales, which almost entirely relate to the sale of spirits, totalled €1,523.4 million at total Group level, compared with €1,457.8 million from the same period of 2023. The overall performance in the six months ended 30 June 2024 was positive with strong organic sales growth, driven primarily by global priorities in the Americas, while EMEA proved resilient despite the impact of poor weather (for a full disclosure in relation to net sales performance, refer to ‘Sales performance’ in the management board report).

In order to highlight the main business performance drivers in a geographically diversified context and assess the contribution of the newly acquired brands to the overall sales performance of the Group, further breakdowns by brand category and for major brands are provided below to explain better their contribution to the region and the main related market. The categorisation of brands into three main clusters is based on the brands’ geographic scale, business priorities and growth potential.

The following disclosures shown the comparative data for the six months ended 30 June 2023 embedding the effect of the partial reorganisation of brand clusters and business unit reconfiguration undertaken by the Group starting from 1 January 2024, to guarantee comparative consistency (for more information refer to the ‘Significant events of the period’ in the management board report).

Net sales focus by region	for the six months ended 30 June	
	2024 € million	2023 € million
Americas	687.5	632.1
EMEA	743.2	720.4
Asia-Pacific	92.8	105.4
total	1,523.4	1,457.8

	for the six months ended 30 June	
	2024 € million	2023 € million
global priority brands	1,031.6	970.1
Aperol	398.5	381.2
Campari	178.9	163.4
Espolòn	129.7	106.5
Wild Turkey portfolio ⁽¹⁾⁽²⁾	109.2	111.1
Jamaican rums portfolio ⁽³⁾	76.3	75.4
Grand Marnier	70.1	62.0
SKYY ⁽¹⁾	60.8	70.4
Courvoisier	8.0	-
regional priority brands	254.5	266.0
Sparkling Wines, Champagne&Vermouth ⁽⁴⁾	68.9	62.6
Other specialties ⁽⁵⁾	130.8	143.2
Other Whisk(e)y	20.7	25.8
Crodino	34.1	34.5
local priority brands⁽⁶⁾	98.6	100.5
Campari Soda	45.6	47.7
Wild Turkey ready-to-drink ⁽⁷⁾	21.0	23.0
SKYY ready-to-drink	19.3	19.0
Ouzo 12	12.6	10.8
rest of the portfolio	138.8	121.2
total	1,523.4	1,457.8

⁽¹⁻²⁻³⁻⁴⁻⁵⁻⁶⁻⁷⁾ For notes from 1 to 7 please refer to the following disclosure table.

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.

	for the six months ended 30 June 2024	
	percentage of Group sales	main country/region for brands
global priority brands	67.7%	
Aperol	26.2%	- Italy, EMEA Germany, EMEA US, AMERICAS France, EMEA United Kingdom, EMEA
Campari	11.7%	- Italy, EMEA Brazil, AMERICAS US, AMERICAS Jamaica, AMERICAS Germany, EMEA
Espolòn	8.5%	- US, AMERICAS Australia, APAC Italy, EMEA Canada, AMERICAS GTR, EMEA
Wild Turkey portfolio ⁽¹⁾⁽²⁾	7.2%	- US, AMERICAS Australia, APAC Japan, APAC South Korea, APAC Canada, AMERICAS
Jamaican rums portfolio ⁽³⁾	5.0%	- Jamaica, AMERICAS US, AMERICAS Canada, AMERICAS United Kingdom, EMEA Mexico, AMERICAS
Grand Marnier	4.6%	- US, AMERICAS Canada, AMERICAS France, EMEA GTR, EMEA Mexico, AMERICAS
SKYY ⁽¹⁾	4.0%	- US, AMERICAS Argentina, AMERICAS Germany, EMEA South Africa, EMEA GTR, EMEA
Courvoisier	0.5%	- US, AMERICAS United Kingdom, EMEA South Africa, EMEA Canada, AMERICAS Netherlands, EMEA
regional priority brands	16.7%	
Sparkling Wines, Champagne&Vermouth ⁽⁴⁾	4.5%	-
Other specialties ⁽⁵⁾	8.6%	-
Other Whisk(e)y ⁽⁶⁾	1.4%	-
Crodino	2.2%	-
local priority brands	6.5%	
Campari Soda	3.0%	-
Wild Turkey ready-to-drink ⁽⁷⁾	1.4%	-
SKYY ready-to-drink	1.3%	-
Ouzo 12	0.8%	-
rest of the portfolio	9.1%	
total	100.0%	

⁽¹⁾ Excludes ready-to-drink.

⁽²⁾ Includes American Honey.

⁽³⁾ Includes Appleton Estate, Wray and Nephew Overproof and Kingston 62.

⁽⁴⁾ Includes Cinzano, Lallier, Mondoro and Riccadonna.

⁽⁵⁾ Includes Averna, Cynar, Braulio, Del Professore, Frangelico, Ancho Reyes, Montelobos, Cabo Wabo, Mayenda, Bulldog, Bisquit and Dubouché, Maison La Mauny, Magnum Tonic, Aperol Spritz Ready-to-Enjoy, Trois Rivières, Picon, X-Rated.

⁽⁶⁾ Includes The GlenGrant, Forty Creek, Wilderness.

⁽⁷⁾ Includes American Honey ready-to-drink.

ii. Operating segment

The following disclosures show the segment reporting for the six months ended 30 June 2024, as well as the comparative data for the six months ended 30 June 2023 embedding the effect of the partial reorganisation of business unit reconfiguration undertaken by the Group starting from 1 January 2024, to guarantee comparative

consistency. The new EMEA region is combining Southern Europe, Middle East and Africa as well as North, Central and Eastern Europe, published in 2023 as two different regions.

for the six months ended 30 June 2024	Americas	EMEA	Asia-Pacific	total allocated	non-allocated items and adjustments	total consolidated
	€ million	€ million	€ million	€ million	€ million	€ million
Net sales to third-parties	687.5	743.2	92.8	1,523.4	-	1,523.4
Net sales between segments	39.3	133.2	0.1	172.5	(172.5)	-
Total net sales	726.8	876.4	92.8	1,695.9	(172.5)	1,523.4
Segment result	161.8	203.5	(5.2)	360.0	(24.4)⁽¹⁾	335.6
Operating result	-	-	-	-	-	335.6
Financial income (expenses)	-	-	-	-	(22.8)	(22.8)
Share of profit (loss) of joint-ventures	-	-	-	-	(2.1)	(2.1)
Taxation	-	-	-	-	(94.1)	(94.1)
Profit for the period	-	-	-	-	-	216.6
Non-controlling interests	-	-	-	-	(3.1)	(3.1)
Group profit for the period	-	-	-	-	-	219.7

for the six months ending 30 June 2023	Americas	EMEA	Asia-Pacific	total allocated	non-allocated items and adjustments	total consolidated
	€ million	€ million	€ million	€ million	€ million	€ million
Net sales to third parties	632.1	720.4	105.4	1,457.8	-	1,457.8
Net sales between segments	44.6	294.3	-	338.9	(338.9)	-
Total net sales	676.7	1,014.7	105.4	1,796.7	(338.9)	1,457.8
Segment result	151.4	202.8	5.6	359.7	(16.0)⁽¹⁾	343.7
Operating result	-	-	-	-	-	343.7
Financial income (expenses)	-	-	-	-	(31.2)	(31.2)
Share of profit (loss) of joint-venture	-	-	-	-	(1.4)	(1.4)
Taxation	-	-	-	-	(93.4)	(93.4)
Profit for the period	-	-	-	-	-	217.6
Non-controlling interests	-	-	-	-	0.7	0.7
Group profit for the period	-	-	-	-	-	216.9

⁽¹⁾ Other operating income and expenses non-allocated, for details please refer to 5 vi- 'Comprehensive selling, general and administrative expenses including other operating income and expenses'.

Geographical information

		for the period ended	
		at June 2024	at December 2023
		€ million	€ million
non-current non-financial assets ⁽¹⁾			
country of domicile	Italy	943.2	826.6
other countries		4,286.4	3,344.3
	United States	1,753.1	1,673.1
	France	1,532.4	704.7
	Jamaica	315.6	291.8
	Mexico	227.8	227.4
	United Kingdom	135.8	130.4
	other	321.7	316.9
total		5,229.7	4,170.9

⁽¹⁾ Non-current assets other than financial instruments, deferred tax assets and post-employment benefit assets.

		for the six months ended 30 June	
		2024	2023
		€ million	€ million
net sales to third-parties			
country of domicile	Italy	291.9	314.8
other countries		1,231.5	1,143.0
	United States	433.5	402.0
	Germany	125.2	110.3
	Jamaica	90.6	86.2
	France	84.3	85.7
	United Kingdom	73.2	70.2
	other	424.8	388.5
total		1,523.4	1,457.8

iii. Cost of sales

	for the six months ended 30 June	
	2024	2023
	€ million	€ million
Materials and manufacturing costs	538.9	489.5
Distribution costs	87.0	96.1
Total cost of sales	625.9	585.5
Breakdown by nature		
Raw materials and finished goods acquired from third parties	397.5	352.2
Inventory write-downs	4.6	8.3
Personnel costs ⁽¹⁾	68.5	56.0
Depreciation/amortisation ⁽¹⁾	36.6	31.1
Utilities	17.0	17.1
External production and maintenance costs	21.0	20.7
Variable transport costs	63.6	71.8
Other costs	17.2	28.3
Total cost of sales	625.9	585.5

⁽¹⁾ For an analysis of personnel costs and depreciation and amortisation components by nature, please see also the breakdown of personnel costs in notes 5 vii- 'Personnel costs' and 5 viii- 'Depreciation and amortisation'.

As a percentage of net sales, the cost of sales increased from 40.2% for the six months ended 30 June 2023 to 41.1% in the same period of 2024, reflecting a less favourable sales mix due to impact of poor weather especially in EMEA on aperitifs in the second quarter and cost of sales headwind not fully mitigated by positive pricing.

iv. Advertising and promotional costs

A breakdown of advertising and promotional costs is shown in the table below.

	for the six months ended 30 June	
	2024	2023
	€ million	€ million
Merchandising and promotional costs	95.9	86.3
Advertising spaces	53.8	55.6
Media production	14.1	9.4
Sponsorships, testimonial, influencers and events	50.9	59.6
Research and innovation	10.1	11.2
Advertising contribution paid (received)	(1.3)	(2.7)
Depreciation/amortisation ⁽¹⁾	1.9	1.6
Personnel costs ⁽¹⁾	3.0	2.4
Other advertising and promotional costs	3.1	2.3
Total advertising and promotional costs	231.6	225.5

⁽¹⁾ For an analysis of personnel costs and depreciation and amortisation components by nature, please see also the breakdown of personnel costs in notes 5 vii- 'Personnel costs' and 5 viii- 'Depreciation and amortisation'.

Advertising and promotional expenses as a percentage of sales, stood at 15.2% in the six months ended 30 June 2024, broadly aligned with the 15.5% shown in the same period of 2023, with negligible variation reflecting phasing effects connected with late start of the summer activation season, impacted by bad weather condition across core Europe.

v. Public grants

In the six months ended 30 June 2024 operating grants for an overall €0.6 million (€0.2 million during the same comparative period in 2023) were recorded in the statement of profit or loss under cost of sales and under selling, general and administrative expenses.

vi. Selling, general and administrative expenses

	for the six months ended 30 June	
	2024 € million	2023 € million
Personnel costs ⁽¹⁾	208.0	182.8
of which:		
Restructuring and reorganisation costs	8.4	7.7
Last mile long-term incentive schemes with retention purposes ⁽²⁾	0.7	5.0
Services, maintenance and insurance	54.4	55.1
of which:		
Non-recurring costs related to IT system implementation	-	5.0
Net expenses from acquisition/disposals of business or companies and indemnities from contract resolutions	11.1	0.7
Other net (gain) expenses	1.7	-
Travel, business trips, training and meetings	27.0	27.4
Depreciation/amortisation ⁽¹⁾	20.3	18.6
Agents and other variable sales costs	3.4	2.1
Utilities, fuel and insurance	4.3	3.8
Board fees and indemnities	3.3	4.2
Charges for use of third-party assets	3.8	3.0
Other	5.9	6.3
of which:		
Impairment of assets	0.9	0.3
Net penalties or gains arising from the settlement of tax and legal disputes	1.7	-
Restructuring and reorganisation costs	(0.2)	-
Other net (gain) expenses	0.1	(2.5)
Total selling, general and administrative expenses	330.3	303.1

⁽¹⁾ For an analysis of personnel costs and depreciation and amortisation components by nature, please see also the breakdown of personnel costs in notes 5 vii- 'Personnel costs' and 5 viii- 'Depreciation and amortisation'.

⁽²⁾ For 2024, pursuant to the Remuneration Policy, a last mile incentive scheme with retention purpose to be potentially awarded to the current CFOO has been approved by the Parent Company's corporate bodies. For more information, refer to section 'Significant events'. In terms of 2023, pursuant to the Remuneration Policy, a last mile incentive scheme with retention purpose to be awarded to the current CEO has been approved by the Parent Company's corporate bodies. For more information, refer to the section 'Governance' in the Campari Group annual report for the year ended 31 December 2023.

The increase of €27.7 million reported at 30 June 2024 in the selling, general and administrative expenses, compared to the figures reported at 30 June 2023 mainly related to personnel costs driven by a strengthening of commercial capabilities and incentives catch-up. The six-month period ended 30 June 2024 also reflected ongoing investments to ensure sustainable headcount growth balanced with revenue growth.

Selling, general and administrative expenses also included the non-recurring costs associated with restructuring and reorganisational projects, mergers and acquisitions projects, tax and legal dispute settlement as well as the long-term non-recurring last-mile incentive plans with retention purposes to be potentially awarded to senior management. These items were reported as adjustments in the performance indicators disclosed in the management board report (please refer to 'Alternative Performance Measures (APMs or non-GAAP measures) to GAAP measures' of this half year report).

vii. Personnel costs

	for the six months ended 30 June	
	2024 € million	2023 € million
Salaries and wages	207.1	171.9
Social security contributions	43.3	38.2
Cost of defined contribution plans	8.3	6.3
Cost of defined benefit plans	0.2	0.3
Other costs relating to mid/long-term benefits	0.1	0.1
Cost of share-based payments	11.3	11.6
Other personnel costs ⁽¹⁾	9.2	12.7
Total personnel costs	279.5	241.1
of which:		
Included in cost of sales	68.5	56.0
Included in selling, general and administrative expenses ⁽¹⁾	208.0	182.8
Included in advertising and promotional expenses	3.0	2.4
Total personnel costs	279.5	241.1

⁽¹⁾ The amount included a last-mile incentive scheme with retention purpose to be potentially awarded to the current CFOO, which has been approved by the Parent Company's corporate bodies. For more information, refer to section 'Significant events'.

As a percentage of sales, personnel costs amounted to 18.3% in the six months ended 30 June 2024, an increase compared to 16.5% reported in the same period of 2023 driven by a strengthening of commercial capabilities and incentives catch-up. The total personnel costs also included the expenses associated with indemnities and non-recurring last-mile long-term incentive schemes with retention purposes to be potentially awarded to senior management.

viii. Depreciation and amortisation

	for the six months ended 30 June	
	2024 € million	2023 € million
- Property, plant and equipment	33.4	28.4
- Right of use assets	1.3	1.1
- Intangible assets	1.9	1.7
Depreciation and amortisation included in cost of sales	36.6	31.1
- Property, plant and equipment	5.3	5.0
- Right of use assets	7.0	5.8
- Intangible assets	8.0	7.8
Depreciation and amortisation included in selling, general and administrative expenses	20.3	18.6
- Property, plant and equipment ⁽¹⁾	1.3	1.0
- Right of use assets	0.5	0.6
- Intangible assets	0.1	0.1
Depreciation and amortisation included in advertising and promotional expenses	1.9	1.6
- Property, plant and equipment ⁽¹⁾	40.0	34.4
- Right of use assets	8.9	7.5
- Intangible assets	10.0	9.5
Total depreciation and amortisation in the statement of profit or loss	58.8	51.3
Total depreciation and amortisation	58.8	51.3

⁽¹⁾ This item included depreciation of biological assets.

ix. Research and innovation costs

The Group's research and development activities are related solely to ordinary production and commercial activities, namely ordinary product quality control and packaging studies in various markets.

The research and innovation costs totalling €10.1 million in the six months ended 30 June 2024 (€11.2 million in the same period of 2023) are recognised in the statement of profit or loss for the year they are incurred.

x. Financial income and expenses

	for the six months ended 30 June	
	2024 € million	2023 € million
Interest expenses	(53.1)	(27.4)
Bank expenses	(3.8)	(1.9)
Put option and earn-out change in estimate	(0.6)	-
Exchange rate differences	-	(10.5)
Hyperinflation effects	10.8	1.2
Other expenses	(1.4)	(1.2)
Total financial expenses	(48.1)	(39.7)
Bank and term deposit interests	22.7	8.5
Exchange rate differences	0.8	-
Financial income on tax assessment	1.9	-
Total financial income	25.3	8.5
Net financial income (expenses)	(22.8)	(31.2)
<i>of which adjustments to financial income (expenses)</i>	<i>1.9</i>	<i>-</i>

Net financial income (expenses), which included the effects of exchange rate differences and hyperinflation, reported a total net cost of €22.8 million, a decrease of €8.4 million compared to the same period in 2023.

The breakdown by nature of net financial expenses for the period is as follows.

	for the six months ended 30 June	
	2024 € million	2023 € million
Interest expenses on bonds	(22.3)	(10.9)
Interest expenses on loans	(28.9)	(14.9)
Interest expenses on leases	(1.8)	(1.5)
Total interest expenses	(53.1)	(27.4)
Bank and term deposit interests	22.7	8.5
Bank expenses	(3.8)	(1.9)
Other net expenses	(1.4)	(1.2)
Total financial expenses	(5.2)	(3.0)
Exchange rate differences	0.8	(10.5)
Total financial expenses before adjustments, hyperinflation and put option	(34.9)	(32.4)
Interest on tax dispute in Brazil	1.9	-
Total financial expenses before hyperinflation and put option	(33.0)	32.4
Discounting from put option liabilities and change in estimate	(0.6)	-
Hyperinflation effects	10.8	1.2
Net financial income (expenses)	(22.8)	(31.2)

Focusing on the main components of the six months ended 30 June 2024, interest expenses stood at €53.1 million compared to €27.4 million reported in the same period of 2023, with an increase mainly attributable to a higher

level of average net debt reported at 30 June 2024 (€1,907.3 million) compared with the same period of 2023 (€1,664.9 million). The costs have been only partially offset by income deriving from short term deposits held in the first part of the year before the completion of the Courvoisier business acquisition (for detailed information please refer to the 'Significant events of the period' paragraph in the management board report). Adjustments to financial income (expenses) comprised non-recurring interest gain deriving from the closure of a tax dispute in Brazil relating to indirect taxes for an amount of €1.9 million.

Concerning exchange rate differences, the main driver of a net gain of €0.8 million reported in the first half of 2024 (net loss of €10.5 million in the corresponding period of 2023) was due to losses on the Argentinian Peso that cannot be hedged because of currency restrictions and the Mexican Peso more than offset by good momentum in US Dollar and Great Britain Pound appreciation.

xi. Leases components in the statement of profit or loss

The amounts recognised in the statement of profit or loss are shown in the table below.

	for the six months ended 30 June	
	2024 € million	2023 € million
Interest on lease payables	1.8	1.5
Depreciation and amortisation on right of use underlying assets	8.9	7.5
Variable lease payment not included in measurement of lease liability	8.0	8.1
Expense related to short-term leases	1.1	1.0
Expense related to low-value leases	3.3	3.1
Total lease components in the statement of profit or loss	23.2	21.1

xii. Share of profit (loss) of joint-ventures

The list of joint-ventures is provided below.

name, activity	registered office	share capital at 30 June 2024 ⁽¹⁾		% owned by Davide Campari-Milano N.V.		indirect ownership through
		currency	amount	direct	indirect	
Dioniso S.r.l., holding and trading company	Via Franco Sacchetti, 20 Sesto San Giovanni; Milan, Italy	€	1,000,000	50.00		
Spiritus Co Ltd., trading company	4F., No. 70, Sec. 3, Nanjing E. Rd Zhongshan Dist, Taipei City 104503, Taiwan (R.O.C.)	TWD	33,600,000	40.00		Glen Grant Ltd.

⁽¹⁾ Data from last approved financial statements.

€ million	Investment in joint-ventures
at 31 December 2023	32.6
Share of profit (loss)	(2.1)
Increase in interests	2.1
at 30 June 2024	32.7

During the six months ended 30 June 2024 the Group completed a capital injection in Dioniso S.r.l. of € 2.1 million (contribution equally supported by Moët Hennessy).

The following table includes the breakdown of interest in joint-ventures at 30 June 2024.

name of entity	country of business	% of ownership interest	nature of relationship	measurement method	currency	carrying amount	
						at 30 June 2024 € million	at 31 December 2023 € million
Dioniso Group	Italy	50.0%	Joint-venture	Equity method	EUR	32.3	32.2
Spiritus Co. Ltd	Taiwan	40.0%	Joint-venture	Equity method	TWD	0.4	0.4
Total investments in joint-ventures						32.7	32.6

xiii. Taxation

Details of current and deferred taxes included in the Group's statement of profit or loss and statement of other comprehensive income are as follows.

	for the six months ended 30 June	
	2024 € million	2023 € million
- current taxes for the year	(88.8)	(86.2)
- current taxes relating to previous years	0.3	0.2
- deferred tax expenses	(5.6)	(7.4)
Taxes recorded in the statement of profit or loss	(94.1)	(93.4)
Taxes recorded in the statement of other comprehensive income	(0.6)	3.2

Taxation recorded in the statement of profit or loss for the six months ended 30 June 2024 totalled €94.1 million compared to the €93.4 million recorded in the same period of 2023. The reported tax rate in the first six months ended 30 June 2024 was 30.3%, compared to a reported tax rate of 30.0% in the same comparative period. The normalised tax rate, i.e. the tax-adjusted ratio of normalised income taxation to the profit before taxation, excluding other operating income and expenses⁹, adjustments to financial¹⁰ and to tax income and expenses¹¹ was 29.2% in the six months ended 30 June 2024 (28.1% recognised consistently in the comparative period). The variance was mainly driven by the unfavourable country mix, given the disproportional contribution to the profit before taxation from countries with higher taxation.

Effective 1 January 2024, Pillar Two legislation applies in Italy, where Davide Campari-Milano N.V. is tax resident (see Legislative Decree of 27 December 2023, no. 209 or 'Italian Pillar Two legislation').

According to the Italian Pillar Two legislation, Davide-Campari-Milano N.V. qualifies as POPE ('Partially owned parent entity') for Pillar Two purposes. As a consequence, the Pillar Two perimeter would be identified with the perimeter of the consolidated financial statements of Davide Campari-Milano N.V., including all the entities which are consolidated on a line-by-line basis. As the POPE, Davide Campari-Milano N.V. will be generally required to pay in Italy a top-up tax on profits of its subsidiaries that are taxed at an effective tax rate (determined in accordance with the Italian Pillar Two rules) of less than 15%. The Group has performed a preliminary calculation of the 'Transitional Safe Harbours' for Pillar Two purposes ('TSH') on the basis of the Ministerial Decree of 20 May 2023, which is based on OECD standards, intended as 'qualifying international agreement on safe harbours' for the purposes of the EU Directive n. 2523/2022 (article 32) and the Italian Pillar Two rules. Calculation is based on the accounting data for the six months ended June 2024 and a negligible top-up-tax exposure regarding the United States of America (as the effective tax rate calculated for TSH purposes is close to 15%) was included in the income taxes for the period.

Breakdown of deferred taxes by type

The balance of current and deferred tax assets and liabilities is shown below.

	at 30 June 2024 € million	of which perimeter € million	at 31 December 2023 € million
Deferred tax assets	84.6	-	78.9
Deferred tax liabilities	(475.8)	(50.7)	(403.7)
Net deferred tax	(391.2)	(50.7)	(324.8)

The breakdown of income tax receivables and payables is as follows.

	at 30 June 2024 € million	of which perimeter € million	at 31 December 2023 € million
Income taxes	30.8	4.6	26.1
Receivables from controlling shareholders for tax consolidation ⁽¹⁾	0.6	-	20.0
Income tax receivables	31.4	4.6	46.1
Taxes payable	26.7	-	13.1
Payables to controlling shareholder for tax consolidation ⁽¹⁾	42.1	-	9.2
Income tax payables	68.8	-	22.3

⁽¹⁾ Please refer to paragraph 10 iv-'Related parties' for more information.

Income tax receivables and payables are all due within 12 months. The corporate income tax payable is shown net of advance payments and taxes deducted at source. The increase in tax payable during the six months ended

⁹ Refer to note 5 vi-'Selling, general and administrative expenses including other operating income and expenses'.

¹⁰ In the first half of the year 2024, the adjustments to financial income (expenses) were €1.9 million linked to interest income from closing of tax litigation in Brazil.

¹¹ The tax adjustments were a net benefit of €3.3 million for the six months ended 30 June 2024 and a net cost of €1.9 million in the same period in 2023.

30 June 2024 is mainly due to phasing with the 2023 balance for tax payment in Italy settled in July 2024 due to an extension in the Italian tax calendar.

6. Operating assets and liabilities

This section discloses the information on the assets used to generate the Group's performance and the liabilities incurred, in addition to providing detailed disclosures on the recent acquisitions and disposals.

i. Acquisition and sale of businesses and purchase of non-controlling interests

Business combinations

Acquisition of Courvoisier cognac

As mentioned in the dedicated section 'Significant events of the period' in the management board report, to which reference is made, on 30 April 2024 Campari Group completed the acquisition of 100% of Beam Holdings France S.A.S. (on 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.

The total consideration amounted to €1,211.3 million consisting of the following:

- the price paid at closing of €1,081.4 million (equivalent to US\$1,170.0 million at the hedged currency exchange rate). According to the agreement, the standard post-closing price adjustment mechanisms resulted in an additional estimated liability amounting to €8.4 million (of which €4.2 million already paid) will be finalised in the second half of the year, with no significant changes expected to occur;
- the deferred consideration in form of an earn-out agreement to be paid ranging from nil to a maximum amount of US\$120.0 million based on achievement of net sales targets realised in the full year 2028. The best estimate at the closing date was €112.0 million at the closing date currency exchange rate and €92.8 million discounted at its present value at 30 April 2024. This deferred liability will be payable in 2029;
- the net financial position of the acquired companies at closing amounting to €5.2 million (composed of €11.7 million of financial debt and €6.5 million of cash and cash equivalents, the latter also reflected in the statements of cash flows leading to an overall net cash outflow effect of €1,102.6 million, including also the price paid);
- the post-closing liability paid for €23.5 million in relation to finished goods according to a stock transfer agreement.

Based on the assessment conducted it has been concluded that the Group has control over the relevant activities of the acquired companies, and it is evident that the fair value of the gross assets acquired is not concentrated substantially in a single identifiable asset or group of similar assets and that the processes and inputs acquired together will contribute significantly to the Group's ability to create outputs. Consequently, the transaction equates to a business combination over which the Group has full control, as defined in the relevant accounting standards. The interests acquired on 30 April 2024 and consolidated by the Group from that date equate to 100% of the companies based on the Group's control on the closing date and included non-controlling interests in the amount of €0.5 million. Given their nature, it was deemed appropriate to value the non-controlling interests based on the subsidiary's proportionate share of identifiable net assets, determined according to the rules set out by the accounting standard for business acquisitions. Ancillary costs relating to external legal fees and due-diligence costs amounted to €11.0 million and were classified in the statement of profit or loss under selling, general and administrative expenses for the six months ended 30 June 2024. Furthermore, the Group was progressively reducing its exposure to foreign exchange translation and liquidity risks associated with the commitment made on 26 February 2024 to acquire Courvoisier cognac which was denominated in US\$. This was achieved through pre-hedge derivatives subscribed in 2024 and maintained up to the closing date (i.e., 30 April 2024). The impact of those agreements amounting to €10.5 million was incorporated in the initial cost of the business combination.

Provisional purchase price allocation

On the date on which the publication of these condensed consolidated financial statements was authorised, the Group is still in the process of recognising and reworking the information for allocating the purchase price to the fair value of the net assets acquired. It should therefore be emphasised that this allocation is provisional. Concerning inventory valuations, these were presently recorded at cost, as the allocation of the corresponding portion of fair market values in compliance with the accounting standards, is still in progress. Once further information about facts and events existing at the closing of the transaction is obtained, the values calculated may differ from those presented in this report. This analysis will be carried out with the support of independent external experts within 12 months of the closing date.

Details of the consideration paid, the net assets acquired and the goodwill obtained are as follows. The values shown here were explained in the notes to the financial statements, where they are highlighted as changes in the basis of consolidation.

values at acquisition date	IFRS values at acquisition date € million	adjustments and reclassifications € million	provisional fair value disclosed at 30 June 2024 € million
ASSETS			
Non-current assets			
Property, plant and equipment	43.2	-	43.2
Biological assets	1.1	-	1.1
Brand	-	204.6	204.6
Other non-current assets	0.1	-	0.1
Total non-current assets	44.5	204.6	249.1
Current assets			
Inventories	468.4	(1.9)	466.5
Biological current assets	0.1	-	0.1
Trade receivables	3.4	-	3.4
Cash and cash equivalents	6.5	-	6.5
Income tax receivables	4.6	-	4.6
Other current assets	9.3	-	9.3
Total current assets	492.4	(1.9)	490.5
Total asset	536.9	202.7	739.5
LIABILITIES			
Non-current liabilities			
Financial non-current liabilities	0.1	-	0.1
Post-employment benefit obligations	3.1	-	3.1
Other non-current liabilities	0.5	-	0.5
Provisions for risks and charges	-	3.3	3.3
Deferred tax liabilities	-	50.7	50.7
Total non-current liabilities	3.8	53.9	57.7
Current liabilities			
Loans due to banks	11.5	-	11.5
Other current financial liabilities	0.1	-	0.1
Trade payables	30.1	-	30.1
Other current liabilities	4.4	-	4.4
Total current liabilities	46.1	-	46.1
Total liabilities	49.8	53.9	103.8
NET ASSET ACQUIRED	487.0	148.7	635.8
TOTAL LIABILITY AND EQUITY	536.9	202.7	739.5
a) Total cost, of which:			1,206.1
Price paid in cash, excl. ancillary costs and incl. hedging effects			1,081.4
Liabilities for price adjustment post-closing			8.4
Liabilities for stock transfer agreement			23.5
Liabilities for earn-out agreement			92.8
b) Net financial position acquired, of which:			5.2
- Cash, cash equivalent and financial assets			(6.5)
- Financial liabilities			11.7
Enterprise value (a+b)			1,211.3
Non-controlling interests			0.5
Purchase price to be allocated			1,206.6
Price paid in cash, excl. ancillary costs and incl. hedging effects			1,081.4
Liabilities for adjustments post-closing			8.4
Liabilities for stock transfer agreement			23.5
Liabilities for earn-out agreement			92.8
Non-controlling interests			0.5
Total value allocation			1,206.6
Net assets acquired			635.8
Goodwill generated by acquisition			570.8

The Courvoisier acquisition represents the largest deal in Campari Group's history with a unique opportunity to enter the cognac category with a world-renowned brand and a global icon of luxury.

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 is composed of 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 acquisition of the brand presents the opportunity to strategically enhance the Group's presence in one of the most significant spirit categories in the United States.

The Group has provisionally allocated to the acquired brand an amount of €204.6 million (with a related deferred tax liability component of €51.1 million). Goodwill, that is not tax-deductible based on the relevant local regulations, provisionally amounted to €570.8 million and was deemed to be fully reportable due to the revenue synergies that are expected to be generated by including the new acquired brands in the Group's commercial structure. In particular, the integration is expected to strengthen Campari Group's position in core United States market as well as enhance its growth profile in Asia and Global Travel Retail ('GTR') through the expansion of its offering of premium and high-end expressions. Specifically, by leveraging the Group's enhanced operational and business infrastructure as well as increased focus; by benefitting from fit with current commercial route-to-market enabling a significant step up in the United States as well as long-term transformational potential in the

strategic Asian markets; by leveraging on increasing key distilling, bottling and warehousing capacity; by enabling further brand development opportunities and portfolio premiumisation, particularly in aged brown spirits, further enriching the Group's RARE portfolio.

intangible assets generated by Courvoisier	goodwill € million	brands € million	total € million
provisional fair value at the date of acquisition	570.8	204.6	775.4
provisional fair value at the date of acquisition restated	570.8	204.6	775.4

In the first half of the year and since the acquisition date on 30 April 2024, the business has contributed €8.3 million to Group's net sales, though its contribution to profits has remained negligible in the two months of consolidation. The simulated amounts for revenue and profit or loss of the acquired business, as if it had been integrated into the Group figures since the beginning of the year, are not disclosed as audited data provided by the seller is not available for this timeframe.

ii. Property, plant and equipment, right of use assets and biological assets

<i>property, plant and equipment by nature</i>	land and buildings € million	plant and machinery € million	other € million	total € million
Carrying amount at the beginning of the period	631.5	631.4	322.6	1,585.7
Accumulated depreciation at the beginning of the period	(174.4)	(302.9)	(143.9)	(621.2)
at 31 December 2023	457.1	328.4	178.9	964.5
Perimeter effect for acquisitions	19.6	6.1	17.3	43.0
Additions ⁽¹⁾	142.1	43.9	39.0	225.1
Disposals	(0.1)	(0.4)	(4.3)	(4.9)
Depreciation	(9.0)	(13.3)	(14.7)	(37.0)
Impairment	(0.6)	-	(0.3)	(0.9)
Exchange rate differences and other changes	2.7	2.7	4.3	9.7
at 30 June 2024	611.8	367.5	220.3	1,199.5
Carrying amount at the end of the period	827.9	705.4	390.5	1,923.8
Accumulated depreciation at the end of the period	(216.1)	(337.9)	(170.3)	(724.3)

⁽¹⁾ Additions in property, plant and equipment exclude advances to suppliers for fixed assets, which are considered as capital expenditure in the cash flow.

Capital expenditure for the period, totalling €225.1 million, was mainly associated with supply chain capacity expansion aimed at meeting anticipated long-term consumer demand, carried out for an amount of €73.9 million. The initiatives were primarily allocated in the United States to expand bourbon production capacity (€20.0 million), in Jamaica (€17.6 million), in Mexico to expand supply chain facilities for tequila production (€15.1 million), in Italy to enhance the manufacturing footprint for aperitifs (€9.3 million), as well as in France to modernise the production process for cognac (€9.3 million). Moreover, €109.2 million were related to the real-estate project to host the Group's new headquarters and the new combined EMEA region in the city centre of Milan.

Disposals, amounting to €4.9 million, mainly related to the sale of barrels that were no longer suitable for use in the maturing process.

There are no restrictions or covenants on the aforementioned assets.

The changes in assets underlying the right of use are indicated in the tables below.

<i>right of use assets by nature</i>	land and buildings € million	plant and machinery € million	other € million	total € million
Carrying amount at the beginning of the period	89.9	7.5	29.1	126.5
Accumulated depreciation at the beginning of the period	(40.6)	(3.7)	(16.9)	(61.2)
at 31 December 2023	49.4	3.8	12.2	65.4
Perimeter effect for acquisitions	-	0.1	0.1	0.2
Additions	1.3	(0.3)	6.2	7.1
Depreciation	(4.9)	(0.6)	(3.4)	(8.9)
Exchange rate differences and other changes	0.4	-	0.3	0.8
at 30 June 2024	46.2	3.1	15.3	64.6
Carrying amount at the end of the period	88.4	7.2	26.7	122.4
Accumulated depreciation at the end of the period	(42.2)	(4.2)	(11.4)	(57.8)

Changes in the biological assets item are shown in the tables below.

<i>biological assets represented as fixed assets</i>	<i>assets valued at cost</i> € million
Carrying amount at the beginning of the period	42.3
Accumulated depreciation at the beginning of the period	(19.5)
at 31 December 2023	22.8
Perimeter effect for acquisitions	1.1
Additions	10.6
Disposal	(1.1)
Depreciation	(3.0)
Exchange rate differences and other changes	(0.3)
at 30 June 2024	30.2
Carrying amount at the end of the period	53.2
Accumulated depreciation at the end of the period	(23.0)

The addition of €10.6 million was related to agave plantations in Mexico (€6.9 million) as well as to grape plantations in France (€3.7 million), while the perimeter effect was related to the acquisition of Courvoisier on 30 April 2024. All biological assets at 30 June 2024 were recognised on a cost basis, net of depreciation and impairment. No guarantees were given to third parties in relation to these fixed assets.

At 30 June 2024, the Mexican agave plantations comprised 1545 hectares. There is no non-productive biological asset for agave plantations and the average growing cycle covers a period of 6 years. During the first half of the year, the Group harvested approximately 2420 tons of agave in Mexico, which have been measured at fair value less costs to sell and transferred to inventories.

At 30 June 2024, the French grape plantations located in the Champagne region comprised 19.9 hectares, of which overall 52% of these hectares were rented with medium and long-term agreements, and the remaining 48% was owned. There are no non-productive biological assets for grape plantations. Agricultural output covers a one-year period and the harvest occurred in the second half of the year. Taking into account the biological and vegetative cycle, all the costs incurred in anticipation of the future harvest (service, products and other ancillary costs) have been considered as inventory in current biological assets at 30 June 2024 in the Group's accounts: this value is in line with the fair value of the growing grapes based on available information on commodities markets.

In addition, in the Martinique area, sugar cane plantations comprised 553 hectares, of which, overall, 45% were owned and 55% rented with long-term agreements. Among them, 501 hectares are cultivated, and the remaining 52 hectares are not cultivated. Agricultural output covers a one-year period and the harvest is expected from February to June. Given this process, the sugar cane has been considered as a current biological asset classified within the inventory and measured based on the costs sustained during the production process at 30 June: this value was estimated based on the costs of infrastructure, land preparation and sugar cane cultivation, due to the absence of any active reference market for comparable plantation and similar output in terms of age and qualitative characteristics. Operating grants in support of industrial investments and of sugar cane plantations in Martinique recognised in the statement of profit or loss in the first half of 2024 were equal to €0.1 million (€0.2 million in the first half of 2023).

No triggering events for impairment tests occurred during the six months ended 30 June 2024.

iii. Intangible assets

- Goodwill and brands

	goodwill € million	brands with an indefinite life € million	brands with a finite life ⁽¹⁾ € million	total € million
Carrying amount at the beginning of the period	1,853.6	1,204.1	31.5	3,089.1
Cumulative impairment at the beginning of the period	(2.7)	(52.6)	(27.2)	(82.5)
at 31 December 2023	1,850.8	1,151.5	4.4	3,006.6
Perimeter effect for acquisitions	570.8	204.6	-	775.4
Amortisation	-	-	(1.1)	(1.1)
Exchange rate differences ⁽²⁾	32.7	11.8	0.1	44.7
at 30 June 2024	2,454.4	1,367.9	3.4	3,825.6
Carrying amount at the end of the period	2,457.0	1,410.2	28.2	3,895.4
Cumulative impairment at the end of the period	(2.7)	(42.3)	(24.8)	(69.8)

⁽¹⁾ Brands with a finite life included the value of the X-Rated brand.

⁽²⁾ Including hyperinflation effects.

The change in the basis of consolidation at 30 June 2024 includes the intangible assets related to the acquisition of 100% of Beam Holding France S.A.S, renamed Courvoisier Holding France S.A.S. on 24 April 2024 (for further details, see note 6 i-‘Acquisition and sale of businesses and purchase of non-controlling interests’).

The positive exchange rate differences on goodwill and brands denominated in local currencies totalled €44.7 million, mainly related to US Dollar, Jamaican Dollar and Great Britain Pound.

Intangible assets with an indefinite life are represented by goodwill and brands, both associated with business acquisitions. The Group expects to obtain positive cash flow from these assets for an infinite period of time. In the current environment characterised by continued macro volatility and tight monetary policies despite an improved inflation outlook, the Group performed an assessment to identify any event that might trigger the risk of impairment on its goodwill and trademarks values. This assessment confirmed that these external events have not led to any substantial change in the recoverability of these intangible assets.

As disclosed in the annual report for the year ended 31 December 2023, to which reference is made, the goodwill values are tested at the aggregate level based on the value allocated to the cash-generating units ('CGUs'). The identification of the CGUs, reflecting the lowest level at which goodwill is monitored by the Group, is in line with the geographical segment reporting design adopted by the Group based on its current organisational structure, given the synergies and efficiencies obtained at the regional level. In this respect, the Group has reorganised its geographical areas starting from 1 January 2024 with a combined EMEA business unit, aiming to unlock operational and commercial efficiencies in this area. Consequently, the CGUs for goodwill value aggregate the previous 'Southern Europe, Middle East and Africa' and 'Northern, Central and Eastern Europe' together, reflecting the Group's business unit structure for 'EMEA'.

	at 30 June 2024 € million	at 1 January 2024	reconfiguration € million	at 31 December 2023 € million
CGU				
Americas	1,200.0	1,167.1	-	1,167.1
Southern Europe, Middle East and Africa	-	-	(401.0)	401.0
Northern, Central and Eastern Europe	-	-	(247.4)	247.4
EMEA	649.2	648.4	648.4	-
Asia-Pacific	34.3	35.3	-	35.3
Unallocated	570.8	-	-	-
Total	2,454.4	1,850.8	-	1,850.8

As of 30 June 2024, the accounting for the Courvoisier business combination is still ongoing, thus the amounts should be considered as provisional and subject to subsequent adjustments if required. As a consequence, the provisional goodwill has not yet been allocated to a specific CGU or group of CGUs and such allocation will be completed as soon as the purchase price allocation process is finalised (within 12 months of the acquisition date according to IFRS) and synergies related to goodwill are identified.

- Other intangible assets

	software € million	other € million	other with indefinite life € million	total € million
Carrying amount at the beginning of the period	170.1	18.1	3.6	191.8
Accumulated amortisation at the beginning of the period	(121.1)	(14.7)	-	(135.7)
at 31 December 2023	49.1	3.5	3.6	56.1
Additions	8.4	-	-	8.4
Amortisation	(8.4)	(0.5)	-	(8.8)
Exchange rate differences and other changes	0.1	(0.1)	-	(0.1)
at 30 June 2024	49.1	2.9	3.6	55.6
Carrying amount at the end of the period	177.7	18.0	3.6	199.3
Accumulated amortisation at the end of the period	(128.6)	(15.1)	-	(143.7)

Additions in the period totalling €8.4 million related to projects to continuously upgrade the new information technology environment. During the period, no triggering events were identified leading to the performance of an impairment test on the Group's intangible assets subject to amortisation.

iv. Other non-current assets

	at 30 June 2024 € million	of which perimeter effect € million	at 31 December 2023 € million
Equity investment in other companies	15.6	0.1	16.3
Other non-current assets	5.9	-	6.6
Other non-current assets	21.5	0.1	22.9

v. Other current assets

	at 30 June 2024 € million	of which perimeter effect € million	at 31 December 2023 € million
Other receivables from tax authorities	57.9	0.7	52.6
Prepaid expenses	45.4	8.5	13.2
Advances and other receivables from suppliers	11.1	-	10.3
Receivables from personnel	4.1	-	4.1
Advances to suppliers for fixed assets	0.2	-	16.3
Receivables from controlling shareholder for Group VAT	0.1	-	0.1
Other	6.1	0.1	4.9
Other current assets	125.0	9.3	101.4

Other receivables from tax authorities, totalling €57.9 million, primarily comprised VAT (€49.9 million) and excise taxes (€4.5 million). The overall increase in the period was mainly driven by prepaid expenses attributable to phasing effects related to third-party services for outsourcing of IT and back-office activities as well as other IT services, partially offset by a decrease of advances to suppliers.

vi. Other non-current liabilities

	at 30 June 2024 € million	of which perimeter effect € million	at 31 December 2023 € million
Other employee benefits (including retention incentives)	10.5	0.5	35.5
Social security on share-based plans	2.4	-	1.8
Other share benefits long-term (cash settled plans)	0.6	-	0.3
Profit sharing	4.1	-	4.2
Other non-current liabilities	0.9	-	0.7
Other non-current liabilities	18.5	0.5	42.6

The balance at 31 December 2023 included a non-recurring last mile long-term incentive (for more information, please refer to section 'Governance' in the Campari Group annual report for the year ended 31 December 2023), which was reclassified to 'Other current liabilities' during the first half of 2024 as cash-out is expected in the second part of the year.

vii. Other current liabilities

	at 30 June 2024 € million	of which perimeter effect € million	at 31 December 2023 € million
Payables to staff	112.6	3.5	98.5
Payables to agents	2.9	-	3.2
Deferred income	4.9	-	5.1
Amounts due to controlling shareholder for Group VAT	17.1	-	3.3
Value added tax	35.9	0.2	27.9
Tax on alcohol production	50.5	-	32.9
Withholding and miscellaneous taxes	11.7	0.6	9.9
Other	9.9	0.1	9.3
Other current liabilities	245.6	4.4	190.2

The increase of €55.4 million compared to 31 December 2023 was mainly attributable to the combined effect of the increase in VAT, Group VAT and excise tax payables, due to phasing, as well as an increase in payables to staff following the reclassification to short-term of the non-recurring last mile long-term incentive.

7. Operating working capital

This section explains the Group's operating working capital composition broken down into the various items that are managed to generate Group performance.

i. Trade receivables

A breakdown of trade receivables is shown in the table below.

	at 30 June 2024 € million	of which perimeter effect € million	at 31 December 2023 € million
Trade receivables from external costumers	497.1	3.4	373.9
Receivables in respect of contributions to promotional costs	0.2	-	0.3
Trade receivables	497.3	3.4	374.3

The increase of €123.1 million, excluding the perimeter effect of the period, reflected the positive business performance in the second quarter of 2024.

The following tables show the impairment changes for expected future losses and bad debt as of 30 June 2024 and 2023.

€ million	provision for expected future losses and bad debt
at 31 December 2023	(17.0)
Accruals	(0.3)
Utilisations	0.4
Releases	1.9
Exchange rate differences and other changes	0.2
at 30 June 2024	(14.8)
at 31 December 2022	(18.1)
Change resulting from provisional allocation of acquisition value	(0.3)
31 December 2022 post reclassification	(18.4)
Perimeter effect from business combinations	(0.4)
Accruals	(3.3)
Utilisations	0.1
Releases	4.8
Exchange rate differences and other changes	2.1
at 30 June 2023	(15.1)

With respect to the overall provision of €14.8 million, the provision for expected future losses stood at €8.0 million at 30 June 2024, compared to €10.0 million out of overall €17.0 million at 31 December 2023. The movements recorded in the first half of 2024 comprised a net decrease mainly driven by the partial release of the provision in Russia, due to the updated and specific valuation after a decrease in the country probability of default, as well as the partial release of the provision in Ukraine.

The following table provides the probability of default, obtained from external data providers, used for the calculation of the expected future losses for each subsidiary, used at 30 June 2024 and 31 December 2023, according to the country in which the subsidiary is based.

	at 30 June 2024	at 31 December 2023
Argentina	21.68%	20.94%
Australia	0.04%	0.06%
Austria	0.07%	0.06%
Belgium	0.07%	0.08%
Brazil	0.28%	0.25%
Canada	0.08%	0.13%
China	0.21%	0.25%
France	0.06%	0.07%
Germany	0.04%	0.06%
India	0.16%	0.22%
Italy	0.11%	0.19%
Jamaica	0.84%	0.84%
Martinique	0.06%	0.07%
Mexico	0.16%	0.22%
New Zealand	0.05%	0.07%
Peru	0.15%	0.17%
Russia	6.89%	9.12%
Singapore	0.09%	0.09%
South Africa	0.46%	0.84%
South Korea	0.20%	0.22%
Spain	0.08%	0.13%
Switzerland	0.03%	0.05%
UK	0.10%	0.11%
Ukraine	100.00%	100.00%
United States	0.21%	0.31%

ii. Trade payables

	at 30 June 2024	of which perimeter effect	at 31 December 2023
	€ million	€ million	€ million
Trade payables to external suppliers	534.0	30.1	521.1
Trade payables	534.0	30.1	521.1

During the first half of 2024, the Group continued the reverse factoring program launched in previous years in cooperation with an external banking provider and selected key suppliers. The program involved strategic partners based in Italy and in the United States to allow participating suppliers to receive early payments on their invoices. Based on the program's characteristics and the nature of the transaction, the trade payables in scope continued to be classified as a trade payable on the grounds which led to an improvement in terms of commercial payment without giving any guarantee or change in terms or conditions of the original agreements. The program

increased payables by approximately €34.6 million at 30 June 2024 (€27.8 million at 31 December 2023) resulting in a consistent average extension of payment terms to 30 days across both years, as disclosed.

iii. Inventories and current biological assets

The breakdown of this item is as follows.

	at 30 June 2024 € million	of which perimeter effect € million	at 31 December 2023 € million
Finished products and goods for resale	412.9	40.9	347.8
Maturing inventory	1,052.1	388.0	603.3
Work in progress	185.5	28.5	177.8
Raw materials, supplies and consumables	122.8	9.0	108.4
Inventories	1,773.3	466.5	1,237.4
Current biological assets	17.6	0.1	15.1
Total	1,790.8	466.6	1,252.5

Stocks totalled €1,790.8 million at 30 June 2024, up by €538.4 million on 31 December 2023. This change was primarily attributed to the Courvoisier acquisition and driven by the maturing inventory of cognac amounting to €388.0 million which is currently recorded at cost, as the allocation of the corresponding portion of fair market values in compliance with the accounting standards is still in progress. Furthermore, the rise in maturing inventories was in line with the Group's guidelines to support strategic focus towards premiumisation.

Current biological assets at 30 June 2024 totalled €17.6 million, corresponding to the fair value of the sugar cane, grape and agave harvests that had not yet ripened. All of these biological products are classified as current inventory in consideration of their annual vegetative growing process, except agave, which is also classified as inventory during the 6-year growing period even though the agave plants are not yet ripe for the harvest useful for distillation, as they can theoretically be sold as a growing plant. For more information related to the fair value estimation, refer to paragraph 10 iii- 'Fair value information on assets and liabilities'. As of 30 June 2024, some eaux-de-vie inventories in France were subject to agricultural warrants for €8.0 million. Agricultural produce in Martinique benefitting from public grants was €0.1 million at 30 June 2024 (€0.3 million at 31 December 2023).

Inventories are reported net of the relevant impairment provisions amounting to €25.2 million (€22.3 million at 31 December 2023).

	€ million
at 31 December 2023	(22.3)
Perimeter effect for acquisition	(4.7)
(Accruals)/release	2.4
Utilisation	1.1
Exchange rate differences and other changes	(1.8)
at 30 June 2024	(25.2)

	€ million
at 31 December 2022	(15.1)
Change resulting from provisional allocation of acquisition value	(1.2)
31 December 2022 post reclassification¹⁴	(16.3)
(Accruals)/release	(8.1)
Utilisation	(0.9)
Exchange rate differences and other changes	8.6
at 30 June 2023	(16.7)

8. Net financial debt

This section provides details of the Group's net financial debt composition broken down into the various items.

i. Financial instruments

The value of individual categories of financial assets and liabilities held by the Group at 30 June 2024 and 31 December 2023 is shown below.

at 30 June 2024	carrying amount	measurement at amortised cost	measurement at fair value through profit and loss	measurement at fair value with changes recognised in the statement of comprehensive income
€ million				
Cash and cash equivalents	555.4	555.4	-	-
Other current financial asset	9.5	9.5	-	-
Other non-current financial assets	6.5	6.5	-	-
Lease payables	(75.9)	(75.9)	-	-
Loans due to banks ⁽¹⁾	(1,124.4)	(1,124.4)	-	-
Bonds	(1,576.0)	(1,576.0)	-	-
Accrued interest on bonds	(12.7)	(12.7)	-	-
Other current financial liabilities	(5.5)	(5.5)	-	-
Liabilities for put option and earn-out payments ⁽²⁾	(333.6)	(3.4)	(93.5)	(236.8)
Non-current and current assets for hedging derivatives	11.3	-	1.3	10.0
Non-current and current liabilities for hedging derivatives ⁽³⁾	(7.8)	-	(2.0)	(5.7)
Other non-current assets	21.5	5.9	15.6	-
Trade receivables	497.3	497.3	-	-
Trade payables	(534.0)	(534.0)	-	-
Total	(2,568.4)	(2,257.3)	(78.6)	(232.5)

⁽¹⁾ Excluding derivative on loans due to bank.

⁽²⁾ Liabilities linked to some business combination may be elected to have the fair value variation accounted for against the Group equity.

⁽³⁾ Derivative on loans due to bank and new pre-hedging contract subscribed.

at 31 December 2023	carrying amount	measurement at amortised cost	measurement at fair value through profit and loss	measurement at fair value with changes recognised in the statement of comprehensive income
€ million				
Cash and cash equivalents	620.3	620.3	-	-
Other current financial asset	18.7	18.7	-	-
Other non-current financial assets	7.0	7.0	-	-
Lease payables	(76.0)	(76.0)	-	-
Loans due to banks ⁽¹⁾	(1,032.1)	(1,032.1)	-	-
Bonds	(1,145.8)	(1,145.8)	-	-
Accrued interest on bonds	(14.5)	(14.5)	-	-
Other current financial liabilities	(1.2)	(1.2)	-	-
Liabilities for put option and earn-out payments ⁽²⁾	(235.1)	(3.3)	-	(231.8)
Non-current and current assets for hedging derivatives	5.5	-	1.0	4.5
Non-current and current liabilities for hedging derivatives ⁽³⁾	(0.4)	-	(0.2)	(0.1)
Other non-current assets	22.9	6.6	16.3	-
Trade receivables	374.3	374.3	-	-
Trade payables	(521.1)	(521.1)	-	-
Total	(1,977.4)	(1,767.0)	17.0	(227.4)

⁽¹⁾ Excluding derivative on loan due to bank.

⁽²⁾ Liabilities linked to some business combination may be elected to have the fair value variation accounted for against the Group equity.

⁽³⁾ Derivative on loan due to bank.

ii. Cash and cash equivalents

The breakdown of the Group's cash and cash equivalents is as follows.

	at 30 June 2024 € million	perimeter effect € million	at 31 December 2023 € million
Bank current accounts and cash	437.4	6.5	269.9
Term deposit maturing within 3 months	118.0	-	350.4
Cash and cash equivalents	555.4	6.5	620.3

Cash and cash equivalents stood at €555.4 million compared to €620.3 million reported at the end of 2023 and are supported by significant credit lines available to the Group for a total of €789.0 million, of which €400.0 million committed with an expiry date in 2029 (undrawn as of 30 June 2024) and uncommitted for an amount of €389.0 million (of which €174.9 million was drawn down at the end of the period). For additional details, reference is made to cash flow information and the net financial debt (note 8 viii- 'Reconciliation with net financial debt and cash flow statement').

iii. Other current financial assets

	at 30 June 2024 € million	at 31 December 2023 € million
Valuation at fair value of forward contracts	1.5	2.6
Other financial assets	9.5	18.7
<i>of which:</i>		
Marketable securities maturing more than 3 months	6.9	13.9
Financial receivables from Terra Moretti (i.e. business disposal) ⁽¹⁾	0.9	2.0
Other financial assets	1.7	2.8
Other current financial assets	11.0	21.3

⁽¹⁾ The financial receivable was associated with the past sale of Sella&Mosca S.p.A. and Teruzzi&Puthod S.r.l..

iv. Other non-current financial assets

	at 30 June 2024 € million	at 31 December 2023 € million
Non-current restricted bank accounts	4.8	4.7
Non-current assets for hedging derivatives	9.8	2.9
Other non-current financial assets	1.7	2.3
Non-current financial assets	16.3	9.8

Non-current assets derivatives of €9.8million referred to interest rate hedging derivatives associated with a €400.0 million floating-rate term loan.

v. Non-current financial debt

Accounting policy

Compound financial instruments

Compound financial instruments issued by the Group comprise convertible notes denominated in € that can be converted to ordinary shares at the option of the holder, when the number of shares to be issued is fixed and does not vary with changes in fair value. The liability component of compound financial instruments is initially recognised at fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts. The liability component is measured at amortised cost using the effective interest method. The equity component of the compound financial instrument is not remeasured. Interest related to the financial liability is recognised in profit or loss.

The breakdown of bonds and other non-current liabilities is as follows:

	at 30 June 2024 € million	of which perimeter € million	at 31 December 2023 € million
Bond issued in 2020	547.6	-	547.2
Bond issued in 2023	298.8	-	298.6
Bond issued in 2024	729.6	-	-
Non-current bonds	1,576.0	-	845.8
Liabilities and loans due to banks	889.5	-	901.5
Lease payables	58.2	0.1	60.0
Liabilities for put option and earn-out payments	309.0	92.8	209.0
Other non-current financial liabilities	367.3	92.9	269.0
Total non-current financial debt	2,832.8	92.9	2,016.3

The main changes that occurred in non-current financial debt during the six months ended 30 June 2024 were related to the placement, on 18 June 2024, of an unrated 7-year bond targeted at institutional investors for €220.0 million (net proceed excluding transaction costs amounting to €217.5 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 (for more detailed information refer to 'Group significant events and corporate actions' in the management board report) and the issuance of a 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 €550.0 million to finance the Courvoisier acquisition. Pursuant to the resolution approved during the Company's Board of Directors meeting on 14 December 2023, the offering of this convertible bonds excluded pre-emptive rights associated with the transaction. The bonds have been issued in registered form, at their principal amount of €100,000 each at par, and bear a coupon of 2.375% per annum, payable semi-annually in arrears on 17 July and 17 January of each year, with the first coupon to be paid on 17 July 2024. The maturity is 5 years (unless previously redeemed, converted or repurchased and cancelled) and the bonds will be redeemed at their principal amount at maturity (on or around 17 January 2029) subject to Group's option to deliver bond shares and, as the case may be, an additional amount in cash ('Share Settlement Option'). The bookbuilding process concluded on 10 January 2024 with initial conversion price set at €12.3623, representing a premium of 32.5% above the

reference share price and each convertible bond will be convertible into 8,089 underlying bond shares for a total issue of approximately 44.5 million bond shares which represent approximately: 3.8% and 3.6% of the Issuer's issued ordinary share capital as of 31 December 2023 and 30 June 2024 respectively. The convertible bonds were traded on Euronext Access Milan, a multilateral trading facility organised and managed by Borsa Italiana S.p.A. by 26 March 2024.

The carrying amount of the host liability is composed as follow.

	€ million
Proceeds for issue of convertible bond	550.0
Transaction costs	(5.8)
Net proceeds	544.2
Amount classified as equity net of transaction costs of €0.4 million	(37.2)
Amortising cost for the six months ended 30 June 2024	3.5
Carrying amount of host liability at 30 June 2024	510.7

The conversion option of €37.6 million was classified as an equity component since the conversion will result in a fixed number of notes, that is the outstanding principal amount of the notes, exchanged for a fix number of ordinary shares (i.e., since the 'fixed-for-fixed' requirement for the relevant accounting principle was met). The above-mentioned equity component was estimated as the difference between the fair value of the convertible bond as a whole and the fair value of the liability component only. The transaction cost associated with the equity component, amounting to €0.4 million, were accounted for as a deduction from equity by affecting retained earnings reserve.

Liabilities for put options and earn-outs

at 31 December 2023 € million	total 209.0	variation impacting profit or loss	variation impacting Group net equity or investment value
amortisation costs effect	0.6	0.6	
remeasurement	(0.2)		(0.2)
perimeter effect	92.8		92.8
exchange rate differences and other changes	6.8	0.1	6.7
at 30 June 2024	309.0		
<i>of which measured at fair value</i>	<i>309.0</i>		
<i>of which measured at amortised cost</i>	<i>-</i>		

The movement reported in liabilities for put option and earn-out payments in the first half of 2024 mainly referred to the earn-out liability from the Courvoisier acquisition €92.8 million, discounted at its present value at 30 April 2024 which will be payable in 2029 (refer to 6 i-'Acquisition and sale of businesses and purchase of non-controlling interests').

As at 30 June 2024 the overall put options and earn-out liabilities is composed as follows: €156.8 million related to Wilderness Trail acquisition put-option, €93.6 million related to Courvoisier acquisition earn-out, €58.4 million related to Ancho Reyes and Montelobos acquisitions put-option and €0.3 million related to CT Spirits Japan Ltd. earn-out (now renamed to Campari Japan Ltd.) acquisition.

vi. Current financial debt

The table below provides a breakdown of the Group's bond, loans due to banks and other current financial payables.

	at 30 June 2024 € million	of which perimeter € million	at 31 December 2023 € million
Bond issued in 2017	-	-	150.0
Bond issued in 2019	-	-	150.0
Accrued interest on bonds	12.7	-	14.5
Loans due to banks	234.9	11.5	130.6
Lease payables	17.7	0.1	16.0
Liabilities for put option and earn-out payments	24.6	-	26.1
Liabilities on hedging contracts	5.7	-	0.1
Current liabilities for hedging derivatives, not reported using hedge accounting procedures	2.0	-	0.2
Other financial liabilities	5.5	4.2	1.2
Current financial debt	303.1	15.8	488.6

During the six months ended 30 June 2024, the current financial debt decreased by €185.5 million mainly due to the repayment of the two bonds that expired in April 2024 for an overall amount of €300.0 million, partially offset by the increase of current liabilities due to banks.

Liabilities for put options and earn-outs

at 31 December 2023 € million	total	variation impacting profit or loss	variation impacting Group net equity or investment value
	26.1		
payments	(0.6)	-	(0.6)
Remeasurement	(0.3)	-	(0.3)
exchange rate differences and other changes	(0.5)	-	(0.5)
at 30 June 2024	24.6		
<i>of which measured at fair value</i>	21.2		
<i>of which measured at amortised cost</i>	3.4		

As at 30 June 2024 the overall put options and earn-out liabilities is composed as follows: €21.2 million Trans-Beverages Company Ltd. put-option and €3.4 million liability for the residual non-controlling shares in J.Wray&Nephew Ltd, secured by an equivalent amount of restricted cash and cash equivalents.

vii. Lease components in the statement of financial position

Changes in the lease payables are provided in the tables below.

lease payables	at 31 December 2023 € million	addition € million	payments € million	interest expenses € million	reclassification € million	perimeter effect € million	exchange rate differences and other changes € million	at 30 June 2024 € million
Within 12 months	(16.0)	-	10.4	-	(11.9)	(0.1)	-	(17.7)
Over 12 months	(60.0)	(6.9)	-	(1.8)	11.9	(0.1)	(1.2)	(58.2)
Total lease payables	(76.0)	(6.9)	10.4	(1.8)	-	(0.2)	(1.3)	(75.9)

viii. Reconciliation with net financial debt and cash flow statement

	at 30 June 2024 2024 € million	at 31 December 2023 2023 € million
Cash and cash equivalents	555.4	620.3
Cash (A)	555.4	620.3
Securities	6.9	13.9
Other current financial assets	4.2	7.4
Current financial receivables (B)	11.0	21.3
Loans due to banks current	(234.9)	(130.6)
Current portion of lease payables	(17.7)	(16.0)
Current portion of bonds	-	(300.0)
Other current financial payables	(26.0)	(16.0)
Current portion of payables for put option and earn-out	(24.6)	(26.1)
Current financial payables (C)	(303.1)	(488.6)
Net current financial debt (A+B+C)	263.3	153.0
Loans due to banks non-current ⁽¹⁾	(889.5)	(901.5)
Non-current portion of lease payables	(58.2)	(60.0)
Non-current portion of bonds	(1,576.0)	(845.8)
Non-current portion of payables for put option and earn-out	(309.0)	(209.0)
Non-current financial debt (D)	(2,832.8)	(2,016.3)
Net debt (A+B+C+D)⁽²⁾	(2,569.5)	(1,863.3)
Reconciliation with the Group's net financial debt as shown in the management report:		
Non-current financial assets for hedging derivatives	9.8	2.9
Term deposits	4.8	4.7
Non-current financial receivables	1.7	2.3
Group net financial debt	(2,553.2)	(1,853.5)

⁽¹⁾ Included related derivatives.

⁽²⁾ In accordance with ESMA guidelines.

A reconciliation of the net financial debt with the statement of financial position is provided below.

	notes	at 30 June 2024 € million	at 31 December 2023 € million
Cash and cash equivalents	8 iii.	555.4	620.3
Bonds current	8 vi	-	(300.0)
Loans due to banks current	8 vi	(234.9)	(130.6)
Other current financial assets	8 iii.	11.0	21.3
Other current financial liabilities	8 vi	(68.2)	(58.1)
short-term net financial debt including liabilities for put option and earn-out payments		263.3	153.0
Bonds non-current	8 v.	(1,576.0)	(845.8)
Loans due to banks non-current	8 v.	(889.5)	(901.5)
Other non-current financial assets	8 iv.	16.3	9.8
Other non-current financial liabilities	8 v.	(367.3)	(269.0)
medium-/long-term net financial debt including liabilities for put option and earn-out payments		(2,816.5)	(2,006.5)
net financial debt		(2,553.2)	(1,853.5)

A reconciliation of the changes in financial liabilities used in financing activities indicated in the cash flow statement and the balances shown on the financial statements is provided below.

Cash flow generated (absorbed) from financial liabilities	bonds		payables for interest	borrowings		leases		other financial assets (liabilities)	
	current	non-current	current	Current ⁽²⁾	non-current	current	non-current	current	non-current
€ million									
at 31 December 2023	(300.0)	(845.8)	(14.5)	(130.6)	(901.5)	(16.0)	(60.0)	20.2	10.9
Notional liabilities addition	-	-	-	-	-	-	(6.9)	-	-
Interest accrued	-	-	(48.4)	-	-	-	(1.8)	1.7	(0.1)
New financing⁽¹⁾	-	(770.0)	-	(195.3)	-	-	-	-	0.8
Repayment⁽¹⁾⁽³⁾	300.0	8.3	48.4	100.5	22.8	-	10.3	(0.1)	-
- of which long-term debt	-	-	-	-	22.8	-	-	-	-
- of which other borrowings	-	-	-	100.5	-	-	-	-	-
Perimeter change	-	-	-	(11.5)	-	(0.1)	(0.1)	(4.2)	-
Exchange rate effects	-	-	-	1.9	(10.6)	(0.1)	(1.2)	0.4	-
Reclassification	-	-	-	0.6	(0.6)	(1.6)	1.6	1.5	(1.5)
Other movements	-	31.6	1.7	(0.4)	0.4	0.1	-	0.1	10.6
at 30 June 2024	-	(1,576.0)	(12.7)	(234.9)	(889.5)	(17.6)	(58.2)	19.6	20.7

⁽¹⁾ Cash flow generated (absorbed) from financial liabilities.

⁽²⁾ Net change in short-term financial payables and bank loans is equal to €98.4 million (repayments of €100.5 million net of proceeds of €195.3 million).

⁽³⁾ The repayment of non-current borrowings related to the long-term debt item is €22.8 million.

9. Risk management and capital structure

This section details the Group's capital structure and the related financial risks. For information on the composition of changes in shareholders' equity during the periods under review, refer to the statement of changes in shareholders' equity.

i. Capital management

With regard to capital management, in the six months ended 30 June 2024 no changes have been introduced compared to what was described in the disclosures provided in the annual financial statements for the year ended 31 December 2023 to which reference is made. For the purposes of the net debt on EBITDA-adjusted ratio calculation (which is an internal ratio and does not follow from any covenants included in financial agreements), net debt (refer to note 8 viii-'Reconciliation with net financial debt and cash flow statement') is the value of the Group's net financial debt at 30 June 2024, whereas the EBITDA-adjusted relates to the Operating result excluding depreciation and amortisation and excluding the separately highlighted components that may be considered non-representative of the current operating results (refer to note 5 vi-'Selling, general and administrative expenses' and 5 viii-'Depreciation and amortisation') 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.

At 30 June 2024, the Campari Group's net debt/EBITDA-adjusted ratio was 3.5 times, compared with 2.5 times in both 31 December 2023 and 30 June 2023. As of 30 June 2024, the increase in the ratio was primarily attributable to a temporary rise in financial leverage resulting from the acquisition of Courvoisier, as opposed to the increase in adjusted EBITDA, which contributed with a negligible amount only for two months. The proforma index-adjusted at 30 June 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 (2.5 times at 30 June 2023 on a consistent basis), assuming the same negligible impact from the new business on a conservative basis.

ii. Shareholders' equity

For information on the composition of and changes in shareholders' equity during the periods under review, see the statement of changes in shareholders' equity.

- Issued capital and capital structure

At 30 June 2024, the issued capital of Davide Campari-Milano N.V. is represented in the table below. Both ordinary and special voting shares A have a nominal value of €0.01 each, while special voting shares B have a nominal value of €0.04 each. The ordinary share capital at 30 June 2024 is 1,231,267,738.

On 10 January 2024, Davide Campari-Milano N.V. successfully placed an offer totalling approximately €650 million through an accelerated bookbuilding offering at €9.33 per ordinary share. The offering was directed to qualified investors pursuant to the resolution approved during the Company's Board of Directors meeting on 14 December 2023, for the issuance of new ordinary shares with a nominal value of €0.01 each, which excluded preemptive rights and will carry equivalent rights, including dividend entitlements, as the existing ordinary shares. The transaction cost associated with the issuance, amounting to €6.7 million, were accounted for as a deduction from equity by affecting retained earnings reserve. The newly issued ordinary shares amounted to 69,667,738.

	n. of shares				nominal value (€)			
	ordinary shares	special voting shares A	special voting shares B	total	ordinary shares	special voting shares A	special voting shares B	Total
Share capital at 31 December 2023	1,161,600,000	71,696,938	594,021,404	1,827,318,342	11,616,000	716,969	23,760,856	36,093,826
Issue of new ordinary shares	69,667,738	-	-	69,667,738	696,677	-	-	696,677
Issued capital at 30 June 2024	1,231,267,738	71,696,938	594,021,404	1,896,986,080	12,312,677	716,969	23,760,856	36,790,503

The features of the special voting shares (which can be A, B, C depending on the voting rights assigned) are described in the articles of association as well as in the terms and conditions for special voting shares ('SVS Terms'). The special voting shares are not tradable on a regulated market. The special voting mechanism and the features of the special voting shares has been also described in the Governance section of the annual report at 31 December 2020.

- Outstanding shares, own shares rights associated to the shares

The table below shows the reconciliation between the number of outstanding shares.

	no. of shares				nominal value (€)			
	ordinary shares	special voting shares A	special voting shares B	total	ordinary shares	special voting shares A	special voting shares B	Total
Outstanding shares at 31 December 2023	1,131,982,258	40,657,598	594,001,404	1,766,641,260	11,319,823	406,576	23,760,056	35,486,455
Issue of new ordinary shares	69,667,738	-	-	69,667,738	696,677	-	-	696,677
Ordinary shares assigned under share-based programs	441,636	-	-	441,636	4,416	-	-	4,416
Special voting shares allocation	-	(94,115)	(20,000)	(114,115)	-	(941)	(800)	(1,741)
Outstanding shares at 30 June 2024	1,202,091,632	40,563,483	593,981,404	1,836,636,519	12,020,916	405,635	23,759,256	36,185,807
Total own shares held	29,176,106	31,133,455	40,000	60,349,561	291,761	311,335	1,600	604,696
Own shares as a % total respective shares	2.37%	43.42%	0.01%	3.18%				

With reference to ordinary shares, between 1 January and 30 June 2024, the Company issued 69,667,738 new ordinary shares and granted 441,636 own shares, of which 389,416 shares were sold for a total cash inflow of €2.0 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 52,220 shares were transferred in the context of share matching plans. No purchases of shares took place in the same period. At 30 June 2024, the Company held 29,176,106 own shares, equivalent to 2.4% of the share capital.

With reference to special voting shares, between 1 January and 30 June 2024 the Company allocated the nominal value of n.114,115 special voting shares to the treasury shares reserve. This resulted from disposals of outstanding ordinary shares having corresponding special voting shares. During the period, no cancellation of the treasury special voting shares has been resolved by the shareholders' meeting of the Company.

The table below shows changes in the number and values of own ordinary shares held during the periods considered.

	no. of ordinary shares held		purchase price (€ million)	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
Balance at 1 January 2024	29,617,742	39,952,423	306.4	388.1
Purchases	-	1,850,962	-	21.0
Disposals	(441,636)	(12,185,643)	(3.6)	(102.7)
Balance at 30 June 2024	29,176,106	29,617,742	302.7	306.4
% of share capital	2.37%	2.55%		

Sales of own ordinary shares during the year, which are shown in the above table at an amount equal to the original purchase cost of €3.6 million, were sold for a total cash inflow of €2.0 million corresponding to the average exercise price multiplied by the number of own ordinary shares sold to stock option beneficiaries. The Parent Company consequently reported a negative difference of €1.6 million, which was recorded in shareholders' equity (embedded within the retained earnings) and partially offset by the use of the share-based payments reserve of €1.2 million.

- Dividends paid

The table below shows the dividends paid during the period and previous years.

	2024	2023	2022
	€	€	€
Dividend per share paid during the year on ordinary shares	0.065	0.060	0.060
total amount to owners of the Parent	€ million 78.1	€ million 67.5	€ million 67.6

On 11 April 2024, the Annual General Meeting approved the distribution of a dividend per share of €0.065 for 2023. The dividend payment date was 24 April 2024 for a total amount of €78.1 million.

- Other reserves and retained earnings attributable to Group shareholders

	Equity reserves					Retained earnings and other reserves					total Retained earnings and other reserves	
	cash flow hedge reserve	currency translation differences	hyperinflation effect reserve	remeasurement of defined benefit plans	total equity reserves	treasury shares-common shares	treasury shares-special voting shares	share-based payments reserve	other reserves	retained earnings		
€ million												
at 31 December 2023 before non-controlling interest	9.3	(153.1)	67.2	3.7	(72.9)	(0.3)	(0.3)	56.8	33.6	2,872.2	2,962.0	
Cost of share based payments for the period ⁽¹⁾	-	-	-	-	-	-	-	11.9	-	-	11.9	
Share-based payments assigned	-	-	-	-	-	-	-	(1.2)	-	1.2	-	
Issue of new shares net of fees	-	-	-	-	-	-	-	-	-	642.6	642.6	
Profits (losses) allocated to shareholders' equity	2.0	-	-	(0.3)	1.7	-	-	-	-	-	-	
Tax effect recognised in shareholders' equity	(0.7)	-	-	0.1	(0.6)	-	-	-	-	-	-	
Translation difference	-	27.7	-	-	27.7	-	-	-	-	-	-	
Effects from hyperinflation accounting standard adoption	-	-	7.9	-	7.9	-	-	-	-	-	-	
Sale of treasury shares	-	-	-	-	-	-	-	-	-	2.0	2.0	
Changes in ownership interests	-	-	-	-	-	-	-	-	-	3.2	3.2	
Dividends	-	-	-	-	-	-	-	-	-	(78.1)	(78.1)	
Net result of the period	-	-	-	-	-	-	-	-	-	219.7	219.7	
Other variations	-	-	-	-	-	-	-	-	-	36.2	36.2	
at 30 June 2024 before non-controlling interest	10.6	(125.4)	75.0	3.5	(36.3)	(0.3)	(0.3)	67.5	33.6	3,699.0	3,799.5	
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	
Changes in ownership interests	-	-	-	-	-	-	-	-	-	(2.7)	(2.7)	
Net result of the period	-	-	-	-	-	-	-	-	-	(3.1)	(3.1)	
Translation difference	-	1.4	-	-	1.4	-	-	-	-	-	-	
Other variations	-	-	-	-	-	-	-	-	-	3.0	3.0	
at 30 June 2024 including non-controlling interests	10.6	(124.0)	75.0	3.5	(34.8)	(0.3)	(0.3)	67.5	33.6	3,696.2	3,796.7	

⁽¹⁾ The item also includes the shares cancelled and expired. Please refer to 5 vii- 'Personnel costs'.

In the half year 2024 the impact of the non-monetary foreign currency effect was mainly guided by the US Dollar and the Jamaican Dollar partially offset by Mexican Pesos and Brazilian Real.

The other variation of €36.2 million included mainly an amount of €37.6 million represented by the equity component connected with the convertible bond issued on 10 January 2024 (refer to the note 8 v-'Non-current financial debt').

The increase (decrease) through changes in ownership interests, included the reclassification of non-controlling interests values and put option and earn-out remeasurements to Group reserves, is as follows.

for the six months ended 30 June 2024	net result of the period € million	translation difference, other movements and dividends € million	put and/or call option measurement € million	reclassification to Group equity € million
Ancho Reyes and Montelobos	(1.4)	(0.2)	3.2	1.6
Trans Beverages	-	(0.1)	0.3	0.3
Wilderness Trail Distillery	(0.1)	4.4	(3.0)	1.3
Changes in ownership interests	(1.5)	4.1	0.5	3.2

iii. Share-based payments

- Compensation plans in the form of stock options

The last stock option plan was approved in 2023. The AGM approved a new remuneration policy in the form of other share-based instruments as described below. Consequently, in the first half of the year 2024, no options were granted. The following table shows the changes in stock option plans during the periods concerned.

	at 30 June 2024		at 31 December 2023	
	n. of shares	average allocation/exercise price (€)	n. of shares	average allocation/exercise price (€)
options outstanding at the beginning of the period	26,500,938	7.72	38,970,219	6.70
options granted during the period	-	-	450,033	11.61
(options cancelled during the period)	(1,346,867)	8.83	(727,195)	8.94
(options exercised during the period) ⁽¹⁾	(389,416)	5.39	(12,158,728)	4.47
(options expired during the period)	-	-	(33,391)	-
options outstanding at the end of the period	24,764,655	7.71	26,500,938	7.72
of which exercisable at the end of the period	5,796,928	6.25	6,173,487	6.16

(1) The average market price on the exercise date was €9.63.

- Compensation plans in the form of other share-based payments

The table below shows the changes in share-based rights connected to the various schemes described in the following disclosures, during the first half 2024.

n. of rights	at 30 June 2024	at 31 December 2023
outstanding rights at the beginning of the year	3,678,420	3,606,911
assigned during the period	6,478,491	447,921
cancelled during the period	(152,028)	(349,497)
exercised during the period	(52,220)	(26,915)
outstanding rights at the end of the period	9,952,663	3,678,420

i) Share-based payments in the form of Employees Share Ownership Plan ('ESOP'), Extra-Mile Bonus Plan ('EMB') and Mid-Term Incentive plan ('MTI')

The following assumptions were used for the weighted average fair value measurement of the ESOP plan for complementary free shares assignment in the six months ended 30 June 2024 and for the year ended 31 December 2023. The weighted average fair value for complementary free shares assigned in 2024 was €10.33 (€11.07 in 2023 year).

Black-Scholes - model parameters	2024	2023
Expected dividends (€)	0.065	0.065
Expected volatility (%)	197.12%	202.58%
Historic volatility (%)	24%	24%
Market interest rate	3.06%	3.34%
Expected option life (years)	3.0	3.0

If a share-based scheme is not permitted or is not effective based on specific national legislation, a phantom stock option plan is awarded, resulting in a liability. The latter, recorded under the item personnel long-term liabilities, was at €0.6 million at 30 June 2024 (negligible at 30 June 2023).

ii) Long-Term Incentive Plan for eligible employees of the Group iii) Long-Term Incentive Plan for the Company's Lead Team and iv) CFOO Last-Mile Incentive plan

Accounting policy

Share-based payments in the form of 'Long-Term Incentive Plan ('LTI')

The General Meeting of 11 April 2024 approved a remuneration policy that entitles key management personnel and senior employees to receive Long-Term Incentive Plans. The plans entitle eligible Camparistas to receive a number of Campari shares for free, subject to their uninterrupted employment over a contractually defined vesting period from the grant date (Restricted Stock Units or 'RSU') and a number of Campari shares for free, subject to the achievement of Campari Group's performance conditions (Performance Stock Units or 'PSU') to be achieved over the vesting period. The performance conditions are both market conditions represented by the relative Total Shareholders' Return ('TSR') and non-market conditions represented by renewable energy targets. The fair value of these plans has been measured based on the following: for RSU the number of award rights to be granted to each beneficiary is calculated based on the beneficiary's annual base gross salary as of 31 December preceding the grant date; for PSU the fair value has been measured using a stochastic or Black-Scholes method, where

service and non-market conditions attached to the agreements were not taken into account in measuring fair value.

The approved remuneration policy pursuant to Dutch and European legislation included the following plans: i) Long-Term Incentive Plan for eligible employees of the Group ii) Long-Term Incentive Plan for the Company's Lead Team and iii) CFOO Last Mile Incentive plan. All plans rules are available on the Company's website. The 2024 grant date of the three plans was 14 April 2024.

The first one has the purpose to reward selected employees of the Group for their active participation in Group performance and to foster retention. The eligible employees have been awarded a right to receive for free a number of Campari shares, subject to their continued employment during a vesting period of 3 years. The number of award rights granted to each beneficiary was calculated based on the beneficiary's annual base gross salary as of 31 December 2023 with a fair value of €9.13.

With respect to the second plan mentioned above, the Long-Term Lead Team Incentive Plan, its purpose is to create a link between the Company's performance and the Company's Lead Team members. The latter will be awarded a right to receive for free a number of Campari shares, subject to their continued position or employment relationship during a vesting period, and the achievement of a relative TSR target and a Sustainability target. Two-thirds of the award rights were granted in the form of RSU and the remaining one-third will be assigned in the form of PSU. The methodology valuation used for the RSU is the same applied for the first plan described above, with a fair value of €9.13. PSU fair value was measured using a stochastic and Black-Scholes method with a weighted average of €6.77.

With respect to the third plan, the Last Mile Incentive plan for the Chief Financial and Operating Officer ('CFOO'), its purpose is to reward the CFOO, who has provided the Company with extraordinary value during a long-standing managerial period, and to ensure his retention over the long-term. The CFOO will be awarded a right to receive for free a number of Campari shares, subject to his continued directorship relationship during a vesting period of 8 years and the achievement of certain performance targets: (i) the uninterrupted directorship relationship with the Company until the vesting date under the terms and conditions set forth in the plan rules; and (ii) the achievement of at least one of the envisaged key performance indicators stated in the plan agreement. PSU fair value was measured using a Black-Scholes method with a weighted average of €8.64.

The following assumptions were used for the fair value measurement of PSU assigned during the six months ended 30 June 2024 in connection with LTI plans for Lead Team and Last Mile Incentive for CFOO. The weighted average fair value of share-based rights assigned in 2024 was €8.47.

Black-Scholes and stochastic method - model parameters	2024
Expected dividends yield (%)	0.71%
Expected volatility (%)	22.46%
Historic volatility (%)	24%
Market interest rate	3.30%
Expected option life (years)	7.6

iv. Other comprehensive income

The changes during the period and the related tax effect on other comprehensive income items for the half year periods ended 30 June 2024 and 2023 were as follows.

	for the six months ended	
	30 June 2024 € million	30 June 2023 € million
Cash flow hedge:		
Profit (loss) for the period	0.1	(8.7)
Profit (losses) classified to other comprehensive income	1.9	(2.5)
Related Income tax effect	(0.7)	3.2
Total cash flow hedge	1.3	(8.0)
Foreign currency translation:		
Hyperinflation effects	7.9	12.3
Exchange differences on translation of foreign operations	29.1	(0.4)
Total foreign currency translation	37.0	11.9
Remeasurements of defined benefit plans:		
Gains (losses) on remeasurement of defined benefit plans	(0.3)	-
Related Income tax effect	0.1	-
Total remeasurements of defined benefit plans	(0.2)	-

In the first half of the year 2024, the impact of the non-monetary foreign currency effect was mainly driven by the US Dollar and the Jamaican Dollar partially offset by Mexican Pesos and Brazilian Real.

v. Shareholders' equity attributable to non-controlling interests

The changes during the period are reflected below.

non-controlling interests	at 31 December 2023	perimeter effect for acquisition	net result	translation difference	other movements	reclassification to Group net equity	at 30 June 2024
	€ million	€ million	€ million	€ million	€ million	€ million	€ million
BBS Group	1.1	-	(0.2)	-	-	-	1.0
Ancho Reyes and Montelobos	-	-	(1.4)	-	(0.2)	1.6	-
Trans Beverages	-	-	-	(0.1)	-	-	-
Wilderness Trail Distillery	-	-	(0.1)	1.5	2.9	(4.3)	-
Thirsty Camel Ltd.	0.5	-	(1.4)	-	(0.3)	-	(1.2)
Courvoisier Group	-	0.5	-	-	-	-	0.5
Non-controlling interests	1.6	0.5	(3.1)	1.4	2.5	(2.7)	0.3

vi. Transactions with non-controlling interests

Except for the business combination completed during the year and involving non-controlling interests, there were no other transactions with non-controlling interests for the first six months ended 30 June 2024 and 2023.

vii. Basic and diluted earnings per share

		30 June 2024	30 June 2023
		€ million	€ million
Group net profit attributable to ordinary shareholders	€ million	219.7	216.9
Weighted average of ordinary share outstanding	number	1,199,428,260	1,124,142,852
Basic earnings per share	€	0.18	0.19
Group net profit attributable to ordinary shares outstanding net of dilution	€ million	226.4	216.9
Weighted average of ordinary share outstanding	number	1,199,428,260	1,124,142,852
Dilution effect of share-based payments	number	4,281,659	16,333,230
Dilution effect of convertible bond	number	44,489,500	-
Weighted average of ordinary shares outstanding net of dilution	number	1,248,199,419	1,140,476,081
Diluted earnings per share	€	0.18	0.19

10. Other disclosures

This section includes additional financial information required by the relevant accounting standards or that management considers relevant for stakeholders.

i. Provisions for risks, charges and contingent assets and liabilities

Provision for risks and charges

The tables below show the changes in this item during the first half of 2024. No unrecognised contingent assets were identified.

	tax provision	restructuring provisions	agent severance fund	other	total
	€ million	€ million	€ million	€ million	€ million
at 31 December 2023	5.5	6.8	0.8	28.2	41.4
Perimeter effect for acquisition	3.3	-	-	-	3.3
Accruals	-	0.8	0.1	4.4	5.2
Utilizations	-	(1.1)	-	(7.4)	(8.5)
Releases	-	(2.2)	-	(0.5)	(2.7)
Exchange rate differences and other changes	0.1	-	-	(1.3)	(1.2)
at 30 June 2024	8.9	4.2	0.9	23.4	37.5

Contingent liability

With regard to one of the ongoing disputes in Brazil with the Brazilian tax authorities, namely for production tax (IPI), no significant updates were identified compared to what was disclosed in the Campari Group consolidated financial statements at 31 December 2023. However, the Group believes it is unlikely to suffer an unfavourable conclusion of this case based on the information available at the date of this report.

On the date of this report the other outstanding dispute, that related to a tax inspection report concerning the payment of ICMS (tax on the consumption of goods and services) with respect to sales made by Campari do Brasil Ltda. to a customer back in 2008, was resolved. Thanks to a dedicated programme for settlements of tax disputes initiated by the government of the state of São Paulo, at the beginning of 2024 the company decided to join this programme by signing an agreement with the state to settle those ICMS litigations ongoing in the court. The total amount claimed was BRL71.3 million (€12.1 million at the exchange rate of 30 June 2024). However the company, thanks to the aforementioned settlement programme, paid BRL22.1 million during the six months ended

30 June 2024 (€3.8 million at the exchange rate of 30 June 2024) with negative impact in profit or loss. Based on the assessments conducted by external legal consultants which have appealed the findings of the local tax authorities, the Group believes that the outcome of the dispute was finally resolved, and no further material settlements are to be expected.

ii. Commitments and risks

For information regarding the Group's other commitments and risks, please see note 10 ii-'Commitments and risks' to the Campari Group consolidated financial statements at 31 December 2023. No significant updates were identified during the first half of 2024.

The following table shows the amounts owed by the Group in future periods, broken down by maturity, relating to the main contractual commitments for the use of third-party assets out of scope for lease accounting.

	at 30 June 2024 € million	at 31 December 2023 € million
Within 1 year	13.8	21.2
1-5 years	15.5	12.7
After 5 years	23.9	21.6
Total	53.1	55.5

iii. Fair value information on assets and liabilities

A summary of the financial and non-financial assets and liabilities measured at fair value is shown below. As complementary information, the fair value of the financial items measured with a different criterion based on the applicable business model is also included.

	at 30 June 2024 € million	at 31 December 2023 € million
A) Items reported at fair value	285.7	194.9
<i>of which assets</i>	44.5	36.9
<i>Current assets for hedging derivatives</i>	0.2	1.6
<i>Current assets for hedging derivatives, not in hedge accounting</i>	1.3	1.0
<i>Non-current assets for hedging derivatives</i>	9.8	2.9
<i>Other non-current assets (non-financial item)</i>	15.6	16.3
<i>Biological asset inventory (non-financial item)</i>	17.6	15.1
<i>of which liability</i>	338.0	232.2
<i>Current liabilities for hedging derivatives</i>	5.7	0.1
<i>Current liabilities for hedging derivatives, not in hedge accounting</i>	2.0	0.2
<i>Liabilities for put option and earn-out payments</i>	330.3	231.8
B) Financial liabilities reported at amortised cost method but for which fair value information is provided	1,785.9	2,192.9
<i>of which liability</i>	2,557.8	2,192.9
<i>Loans due to banks</i>	967.8	1,072.3
<i>Bonds issued in 2017</i>	-	149.0
<i>Bonds issued in 2019</i>	-	148.5
<i>Bonds issued in 2020</i>	505.2	504.4
<i>Bonds issued in 2023</i>	312.9	318.7
<i>Bonds issued in 2024</i>	771.9	-

There were no changes in the Group's valuation processes, techniques and types of inputs used in the fair value measurements during the period regarding the fair value of a) financial and b) non-financial instruments. The valuation date for all items is 30 June 2024.

a) Financial instruments

There were no changes in the fair value measurement criteria reported in Campari Group consolidated financial statements at 31 December 2023, to which reference is made.

An analysis of financial instruments measured at fair value based on three different valuation levels is provided in the table below. There were no transfers between level 1 and level 2 fair value measurements during the first half of 2024.

at 30 June 2024	level 1 € million	level 2 € million	level 3 € million
Assets reported at fair value			
Current assets for hedging derivatives	-	0.2	-
Current assets for hedging derivatives, not in hedge accounting	-	1.3	-
Non-current assets for hedging derivatives	-	9.8	-
Other non-current assets	-	-	15.6
Biological asset inventory	-	-	17.6
Liabilities reported at fair value			
Current liabilities for hedging derivatives	-	5.7	-
Current liabilities for hedging derivatives, not in hedge accounting	-	2.0	-
Liabilities for put option and earn-out payments	-	-	330.3
Financial liabilities theoretical fair value			
Loans due to banks	-	967.8	-
Bonds issued in 2020	-	505.2	-
Bonds issued in 2023	-	312.9	-
Bonds issued in 2024	-	771.9	-

at 31 December 2023	level 1 € million	level 2 € million	level 3 € million
Assets reported at fair value			
Current assets for hedging derivatives	-	1.6	-
Current assets for hedge derivatives, not in hedge accounting	-	1.0	-
Non-current assets for hedging derivatives	-	2.9	-
Other non-current assets	-	-	16.3
Biological asset inventory	-	-	15.1
Liabilities reported at fair value			
Current liabilities for hedging derivatives	-	0.1	-
Current liabilities for hedge derivatives, not in hedge accounting	-	0.2	-
Liabilities for put option and earn-out payments	-	-	231.8
Financial liabilities at fair value			
Loans due to banks	-	1,072.3	-
Bonds issued in 2017	-	149.0	-
Bonds issued in 2019	-	148.5	-
Bonds issued in 2020	-	504.4	-
Bonds issued in 2023	-	318.7	-

The following tables show the valuation techniques used in measuring level 2 and level 3 fair values at 30 June 2024 for financial instruments measured at fair value in the statement of financial position, and the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Forward and option exchange contracts	The fair value is determined using quoted forward exchange rates at the reporting date based on high credit quality yield curves in the respective currencies. The models incorporate various inputs, including the counterparty's credit rating, market volatility, spot and forward exchange rates and current and forward interest rates.	Not applicable.	Not applicable.
Interest rate swaps	The fair value of interest rate swaps agreements is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources reflecting the applicable benchmark interbank rate used by market participants when pricing interest rate swaps. The fair value estimate is subject to a credit risk adjustment that reflects the credit risk of the Group and the counterparty; this is calculated based on credit spreads derived from current credit default swap or bond prices.	Not applicable.	Not applicable.
Contingent consideration and put or put/call agreements connected with business combination	The valuation model considers the present value of expected payments, discounted using a risk-adjusted discount rate.	<p><u>Wilderness Trail Distillery option</u> – expected contractually target business performances measured over a period of 9 years from the acquisition date; – risk-adjusted discount rate: 3.9%.</p> <p><u>Ancho Reyes and Montelobos option</u> – expected contractually target business performances measured over a period of 5 years from the acquisition date; – risk-adjusted discount rate: 3.5%.</p> <p><u>Trans Beverage Company Ltd.</u> – expected contractually target business performances measured over a period of 6 years from the acquisition date; – risk-adjusted discount rate: 3.5%.</p>	The estimated fair value would increase (decrease) if: – the expected contractually target business performances, was higher (lower); or – the risk-adjusted discount rate was lower (higher) with related impact in financial liabilities affecting the expected cash out value and Campari Group net equity.
Variable payments in form of earn-out agreements	The valuation model considers the present value of expected payments.	<u>CT Spirits Japan variable earn-out</u> – expected contractually target business performances measured over a period of 3 years from the acquisition date	The estimated fair value would increase (decrease) if: – the expected contractually target business performances, was higher (lower)

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
		– risk-adjusted discount rate 3.5%. <u>Courvoisier earn-out.</u> – company performance contractually envisaged with targets based on sales performances measured in 2028 – risk-adjusted discount rate 4.1% .	with related impact in financial liabilities affecting the expected cash out value and the statement of profit or loss.
Derivatives resulting from put/call agreement connected with equity investment and joint-venture	The valuation model considers the present value of expected payments, discounted using a risk-adjusted discount rate.	<u>Spiritus Co Ltd.</u> – expected contractually target business performances measured over a period of 3 years from the acquisition date; – risk-adjusted discount rate 3.5%.	The estimated fair value would increase (decrease) if: – the expected contractually target business performances, was higher (lower); or – the risk-adjusted discount rate was lower (higher) with related impact in financial liabilities affecting the expected cash out value and Campari Group net equity.

The following table shows a reconciliation from the opening balance at 31 December 2023 to the closing balance at 30 June 2024 for level 3 fair values.

€ million	contingent considerations
level 3 fair values at 31 December 2023	(231.8)
-change in fair value	(0.1)
-perimeter	(92.8)
-payments	0.6
-exchange rate effect and other movements	(6.2)
level 3 fair values at 30 June 2024	(330.3)

With regard to the level 3 fair value items and reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, there are no significant variations to be reported compared to 31 December 2023.

b) Non-financial instruments

There were no changes in the fair value measurement criteria reported in the Campari Group consolidated financial statements at 31 December 2023, to which reference is made.

The table below details the hierarchy of non-financial instruments measured at fair value, based on the valuation methods used. There were no transfers between level 1 and level 2 fair value measurements during the first half of 2024.

30 June 2024	level 1 € million	level 2 € million	level 3 € million
Assets valued at fair value			
Third-party investment	-	-	15.6
Biological assets in inventory	-	-	17.6
31 December 2023	level 1 € million	level 2 € million	level 3 € million
Assets valued at fair value			
Third-party investment	-	-	16.3
Biological assets in inventory ¹¹	-	-	15.1

The following tables show the valuation techniques used in measuring level 2 and level 3 fair values at 30 June 2024 for non-financial instruments measured at fair value in the statement of financial position, and the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
biological assets (inventory)	The fair value of agricultural products grown on the plant is determined by considering the market value of similar commodities and the biological/vegetative cycle, which is based on all costs incurred in anticipation of the future harvest (service, products and other ancillary costs).	- actual cost of cultivation and preparation of the land and the plant per hectare - estimated yields per hectare - estimated market price for similar commodities.	The estimated fair value would increase (decrease) if: – the estimated cost of cultivation and preparation of the land and plantation were higher (lower); or - the estimated yield per hectare was higher (lower).
third-party investments	The valuation model considers investments in companies that are strategic investments for the Group for which the election has been to recognise changes in the related fair values through profit or loss. The fair value is defined based on the performance result of the companies based on the last Financial Statements available.	- business performances	The estimated fair value would increase (decrease) if the business performances, were higher (lower).

The following table shows a reconciliation from the opening and the closing balance for level 3 fair values as of 31 December 2023 and 30 June 2024 respectively.

€ million	third-party investments
level 3 fair values at 31 December 2023	16.3
-change in fair value included in profit or loss	(1.1)
-perimeter	0.1
-exchange rate effect and other movements	0.4
level 3 fair values at 30 June 2024	15.6

In the first half of 2024, the change in fair value indicated referred to the harvests of agave and sugar cane carried out during the year.

€ million	biological assets in inventory ¹⁾
at 31 December 2023	15.1
harvest and reclassification to raw materials	(0.6)
accretion	3.6
change in fair value included in profit or loss (cost of goods sold)	0.2
exchange rate differences	(0.8)
at 30 June 2024	17.6

⁽¹⁾ Please refer to note 7 iii- 'Inventories and current biological assets.

All the biological products (agave, sugar cane and grapes) are classified as current inventory in consideration of their annual vegetative growing process, apart from agave which is classified as inventory even during the 6-year growing period in consideration of the vegetative characteristics of the product. The amount disclosed in the consolidated accounts at 31 December 2023 for sugar cane and grapes, was used in the production process during the first six months of ended 30 June 2024 and the value reported in the Group statement of the financial position at the same date, represented the new value of agricultural products that are growing on the plantations.

In light of the negligible amount of biological assets in inventory and other non-current assets classified as level 3 fair value items, no material sensitivity effect was detected as any reasonably possible changes at the balance sheet date of one of the significant unobservable inputs, keeping the other variables constant, would not have generated significant effects either on the statement of profit or loss or on the inventory item.

iv. Related parties

At 30 June 2024, Davide Campari-Milano N.V. was controlled by the Italian Branch of Lagfin S.C.A., Société en Commandite par Actions. Davide Campari-Milano N.V. and its Italian subsidiaries have adopted the national tax consolidation scheme governed by articles 117 et seq of the Consolidated Law on Corporate Income Tax ('TUIR') for 2024 to 2026 and the individual Italian companies' income tax receivables and payables were recorded from or to, respectively, Lagfin S.C.A., Société en Commandite par Actions. Furthermore, Lagfin S.C.A., Société en Commandite par Actions, Davide Campari-Milano N.V. and some of its Italian subsidiaries, have joined the Group-wide VAT scheme pursuant to article 73, para. 3, of Presidential Decree ('DPR') 633/72. All tax receivables and payables are non-interest-bearing.

The tables below indicate the amounts for the various categories of transactions with related parties.

	receivables for tax consolidation € million	payables for tax consolidation € million	receivables (payables) for Group VAT € million	other non-current tax receivables € million	other financial liabilities € million
30 June 2024					
Lagfin S.C.A., Société en Commandite par Actions	0.6	(42.1)	(17.0)	0.1	(1.1)
Total	0.6	(42.1)	(17.0)	0.1	(1.1)
% on the related financial statements item	1.9%	61.2%	14.1%	0.4%	1.9%

	receivables for tax consolidation € million	payables for tax consolidation € million	receivables (payables) for Group VAT € million	other non-current tax receivables € million	other financial liabilities € million
31 December 2023					
Lagfin S.C.A., Société en Commandite par Actions	20.0	(9.2)	(3.2)	0.1	(1.2)
Total	20.0	(9.2)	(3.2)	0.1	(1.2)
% on the related financial statements item	43.5%	41.4%	3.6%	0.5%	2.1%

During the six months ended 30 June 2024, no transactions with related parties were accounted in the profit or loss (no transactions were accounted in the comparison period).

11. Subsequent events

There have been no events subsequent to period end which require adjustment of or disclosure in the interim condensed consolidated financial statements or notes thereto.

Sesto San Giovanni (Milan)-Italy, Tuesday, 30 July 2024

Chairman of the Board of Directors

Luca Garavoglia

Responsibilities in respect of the half year condensed consolidated financial statements at 30 June 2024

The Board of Directors is responsible for preparing the half year report, inclusive of the half year condensed consolidated financial statements and the half year management board report at 30 June 2024, in accordance with the Dutch Financial Supervision Act and the applicable International Financial Reporting Standards (IFRS) for interim reporting, IAS 34-‘Interim Financial Reporting’ as endorsed by the European Union.

In accordance with Section 5:25d, paragraph 2, of the Dutch Financial Supervision Act, the Directors state that, to the best of their knowledge:

- the half year condensed consolidated financial statements prepared in accordance with applicable accounting standards provide a true and fair view of the assets, liabilities, financial position and profit or losses of Davide Campari-Milano N.V. and its subsidiaries, and undertakings included in the consolidation as a whole; and
- the half year management board report at 30 June 2024 provides a fair view of the information required pursuant to Section 5:25d, paragraphs 8 and 9, of the Dutch Financial Supervision Act.

Sesto San Giovanni (Milan)-Italy, Tuesday, 30 July 2024

On behalf of the Board of Directors:

Luca Garavoglia
Chairman

Matteo Fantacchiotti
Chief Executive Officer

Paolo Marchesini
Chief Financial and Operating Officer

Fabio Di Fede
General Counsel and Business Development Officer



Independent auditor's review report

To: the shareholders of Davide Campari-Milano N.V.

Our conclusion

We have reviewed the half year condensed consolidated financial statements included in the accompanying half year report of Davide Campari-Milano N.V. based in Amsterdam for the period from 1 January 2024 to 30 June 2024.

Based on our review, nothing has come to our attention that causes us to believe that the half year condensed consolidated financial statements of Davide Campari-Milano N.V. for the period from 1 January 2024 to 30 June 2024, is not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

The half year condensed consolidated financial statements comprise:

- The consolidated statement of financial position as at 30 June 2024
- The following consolidated statements for the period from 1 January 2024 to 30 June 2024:
 - Profit or loss, other comprehensive income, cash flows, and changes in shareholders' equity
- The notes comprising of a summary of the significant accounting policies and selected explanatory information

Basis for our conclusion

We conducted our review in accordance with Dutch law, including the Dutch Standard 2410, "Het beoordelen van tussentijdse financiële informatie door de accountant van de entiteit" (Review of interim financial information performed by the independent auditor of the entity). A review of interim financial information in accordance with the Dutch Standard 2410 is a limited assurance engagement. Our responsibilities under this standard are further described in the Our responsibilities for the review of the condensed interim financial information section of our report.

We are independent of Davide Campari-Milano N.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of management and the control, risk and sustainability committee for the half year condensed consolidated financial statements

Management is responsible for the preparation and presentation of the half year condensed consolidated financial statements in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

Furthermore, management is responsible for such internal control as it determines is necessary to enable the preparation of the half year condensed consolidated financial statements that is free from material misstatement, whether due to fraud or error.



The control, risk and sustainability committee is responsible for overseeing the entity's financial reporting process.

Our responsibilities for the review of the half year condensed consolidated financial statements

Our responsibility is to plan and perform the review in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

The level of assurance obtained in a review engagement is substantially less than the level of assurance obtained in an audit conducted in accordance with the Dutch Standards on Auditing. Accordingly, we do not express an audit opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the review, in accordance with Dutch Standard 2410.

Our review included among others:

- Updating our understanding of the company and its environment, including its internal control, and the applicable financial reporting framework, in order to identify areas in the half year condensed consolidated financial statements where material misstatements are likely to arise due to fraud or error, designing and performing analytical and other review procedures to address those areas, and obtaining assurance evidence that is sufficient and appropriate to provide a basis for our conclusion
- Obtaining an understanding of internal control as it relates to the preparation of half year condensed consolidated financial statements
- Making inquiries of management and others within the company
- Applying analytical procedures with respect to information included in the half year condensed consolidated financial statements
- Obtaining assurance evidence that the half year condensed consolidated financial statements agrees with, or reconciles to, the entity's underlying accounting records
- Evaluating the assurance evidence obtained
- Considering whether there have been any changes in accounting principles or in the methods of applying them and whether any new transactions have necessitated the application of a new accounting principle
- Considering whether management has identified all events that may require adjustment to or disclosure in the half year condensed consolidated financial statements
- Considering whether the half year condensed consolidated financial statements has been prepared in accordance with the applicable financial reporting framework and represents the underlying transactions free from material misstatement

Rotterdam, 30 July 2024

EY Accountants B.V.

signed by P.W.J. (Pieter) Laan

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