



CAMPARI GROUP

Results Presentation Full year ended 31 December 2022

February 21, 2023

TOASTING LIFE TOGETHER

Continued successful execution of the long-term growth strategy in a challenging 2022

Continued focus on sustainable long-term growth and brand building

- > **Strong organic topline** performance notwithstanding the very **challenging macro environment**, combined with **numerous logistical and supply chain headwinds**
 - **Effective pricing** taken across **all brand-market combinations**, especially in the **core aperitif business**
 - **Continuous engagement** across all channels for **core brand building** and **occasion ownership**
- > **3-year cumulative organic sales growth of 40%** with **outperformance of aperitifs and tequila**. Continued sustained double-digit organic sales growth of **Aperol** in its **19th year** after acquisition

M&A continued to be a business priority with numerous transactions

- > **Strengthened leadership position in aperitifs** via the acquisitions of **Picon**, a leading bitter aperitif brand in France, and **Del Professore**, a super premium vermouth
- > **Enriched bourbon portfolio**, primed to become a major leg of growth, through the **acquisition of Wilderness Trail Distillery, LLC** in Kentucky and the **global distribution rights and investment in Howler Head** Kentucky straight flavoured bourbon
- > **Enhanced focus on digital and e-commerce** via investment step-up in **Tannico**, leading Italian **e-commerce** platform for wines and spirits, reaching full ownership via **50/50 JV with Moët Hennessy**

Enterprise digital transformation & capacity expansion

- > **Further developing the digital capabilities** across the organization via accelerating **digital transformation** programs
- > **Production capacity expansion to support the expected brand growth trajectory in core markets driven by consumer demand: upgrade of distilling capacity in Mexico for Tequila production** and further investments for **Wild Turkey bourbon** and **aperitifs (Aperol and Campari)** production in the coming years
- > **Route-to-market enhancement** with particular focus on **Asia**: in-market company setup in **India**

Solid progress on Sustainability agenda

- > Recognized **B rating** to the **CDP Climate Change** questionnaire and **first-time disclosure of GHG Scope 3 emissions**
- > **Core environmental targets achieved ahead of time: GHG emissions (kg of CO₂e/L)** from direct operations (scope 1 and 2) **reduced by 47% vs. 2019 (target originally set for 2030 achieved)** and **Water usage (L/L)** reduced by **48% in 2022 vs. 2019 (target originally set for 2030 achieved)**

Strong performance despite macro challenges and supply constraints, thanks to very healthy brand momentum as well as pricing effect, mitigating strong COGS inflation, as expected. Sustained sales growth continued in the last quarter



FY 2022	€ million	vs. FY 2021	Org change (%)		
			vs. Q4 2021	vs. FY 2019	3-year CAGR vs. FY 2019
Net sales	2,697.6	+16.4%	+9.6%	+39.9%	+11.8%
EBIT adj. ⁽¹⁾	569.9	+19.1%	+7.6%	+33.4%	+10.1%
<i>Margin accretion ⁽²⁾</i>		+50 bps	-20 bps	-100 bps	
EBITDA adj. ⁽¹⁾	660.3	+17.3%	+8.0%	+31.2%	+9.5%
Basic EPS adj. ⁽³⁾	0.34				
Recurring FCF	360.5				
Net Debt/ EBITDA adj. ⁽⁴⁾	2.4x				

(1) Before operating adjustments of €(58.3) million in FY 2022 (vs. €(34.3) million in FY 2021)

(2) Basis points rounded to the nearest ten

(3) Before total adjustments (incl. tax effects) of €(54.8) million in FY 2022 (vs. €(23.1) million adjustments in FY 2021)

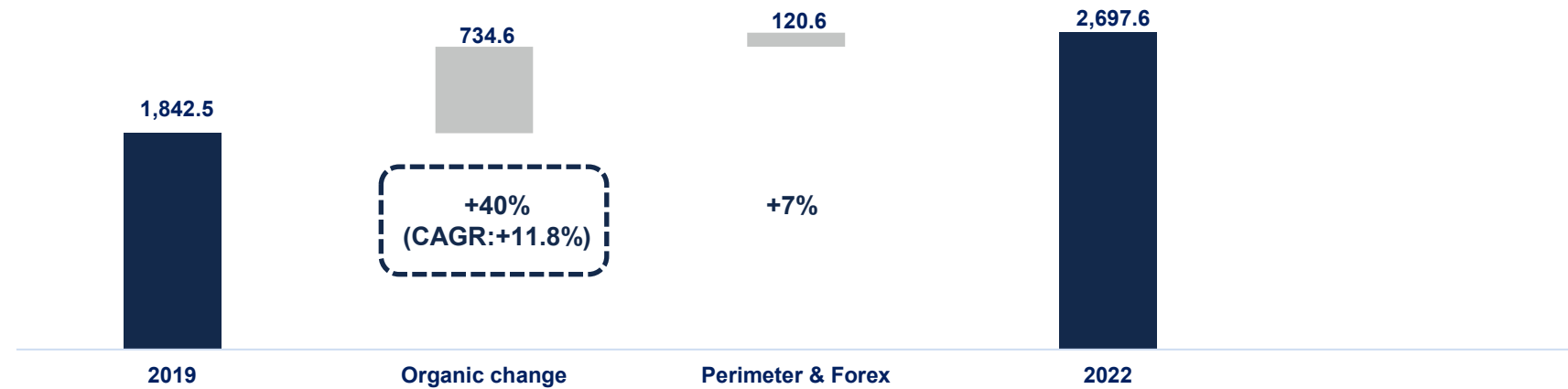
(4) Including the pro-forma EBITDA of the recent acquisitions the ratio would be 2.2x

(5) The perimeter effect in the statement of profit or loss Wilderness Trail Distillery, LLC acquisition (closed in December 2022)

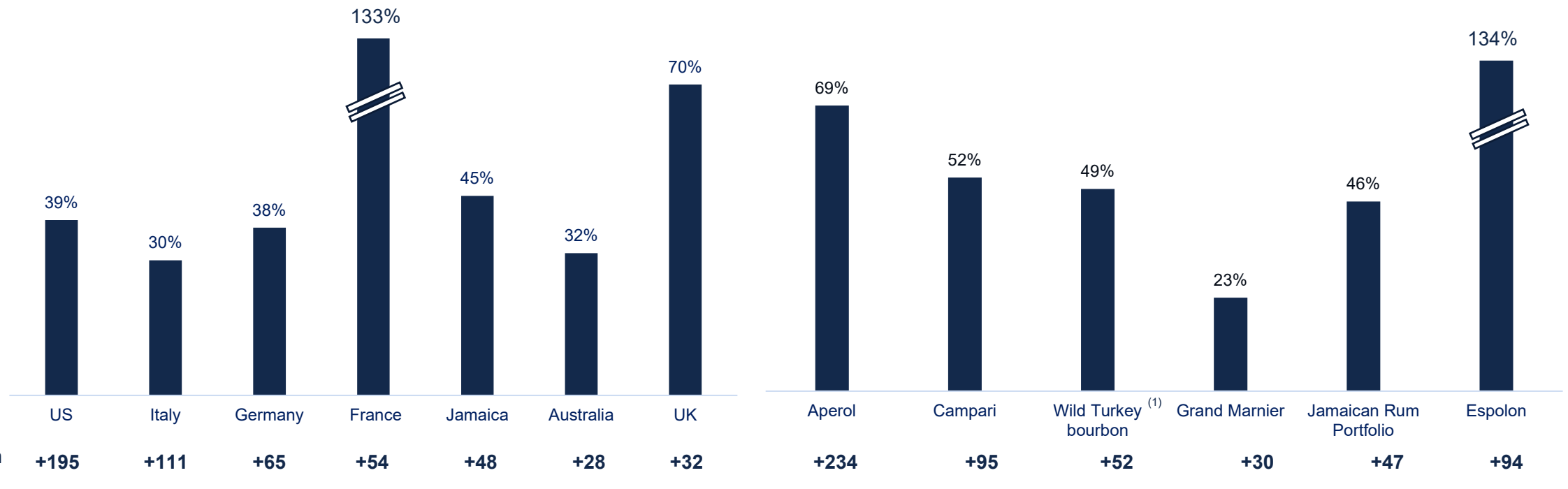
- > **Strong organic sales growth of +16.4% in FY 2022 (or +39.9% vs. FY 2019) thanks to robust brand momentum, boosted also by price increases. Normalizing trends in Q4 (+9.6%), benefiting from strong pricing** whilst reflecting expected supply constraints
- > **Strong organic EBIT growth of +19.1% in FY 2022 (or +33.4% vs. 2019) with +50bps margin expansion**
 - **Gross margin** dilution of -120bps in FY, reflecting the expected COGS inflation, **partially mitigated by pricing**, and -20 bps in Q4 thanks to strong pricing
 - Sustained investments behind **A&P** and **SG&A** whilst **delivering margin accretion** thanks to strong topline
- > **Positive FX effects (€50.0 million on EBIT adj.), mainly driven by strong USD. Positive perimeter effect of €1.6 million ⁽⁵⁾ on EBIT adj.**
- > **Net debt on EBITDA adj.⁽⁴⁾ to 2.4 times**, increased from 1.6 times as of 31 December 2021 driven by increased net debt level mainly due to acquisitions
- > **Proposed full year dividend of €0.06 per share, unchanged vs. last year**

Business growing 40% organically vs. pre-pandemic, thanks to strong brand health and enhanced commercial capabilities driving strong consumer demand. Accelerating supply chain investments to satisfy future demand

3-year cumulative Net sales overall growth key drivers (FY2022 vs. FY2019)



3-year cumulative Net sales organic growth by top markets & brands



3-year Net sales Org change in value (€m)

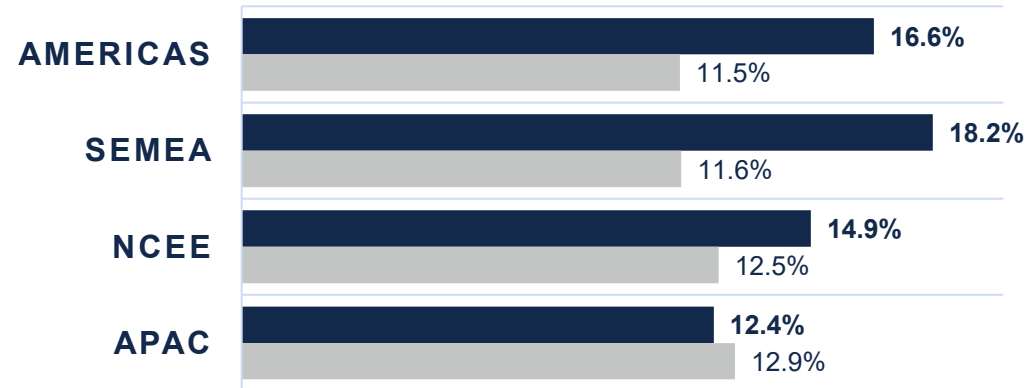
(1) Including Wild Turkey core bourbon and Russell's Reserve

Strong double-digit growth across all regions, largely driven by the aperitifs and brown spirits, notwithstanding supply constraints

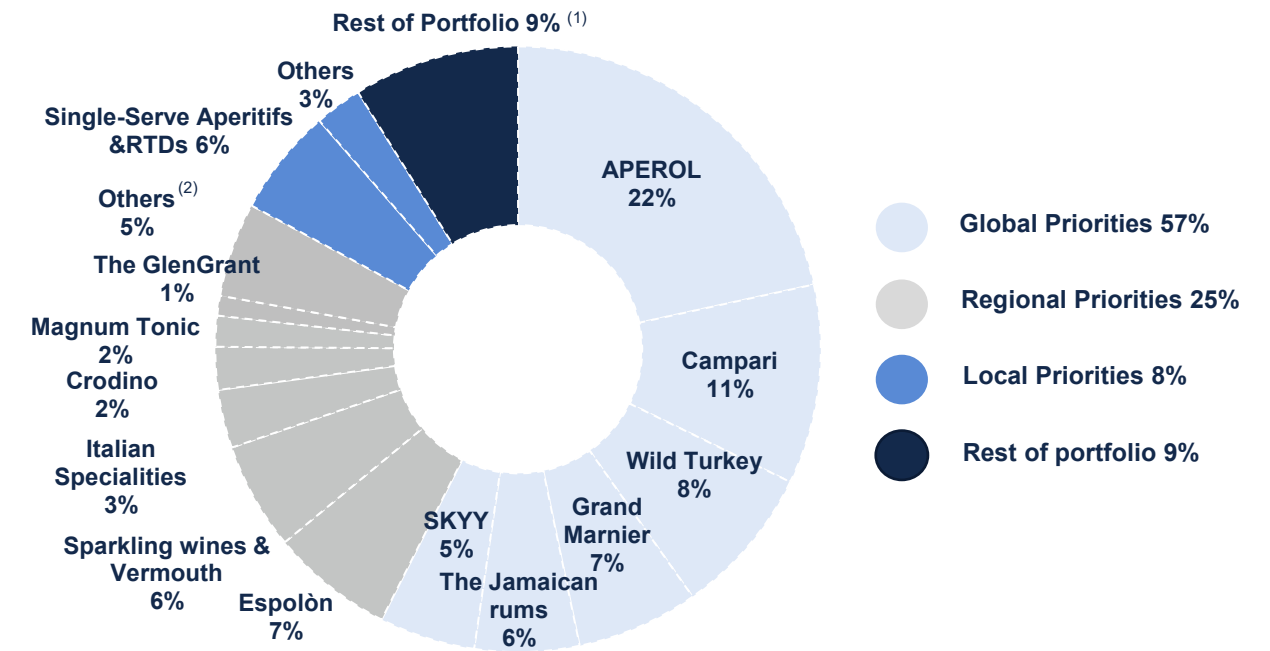
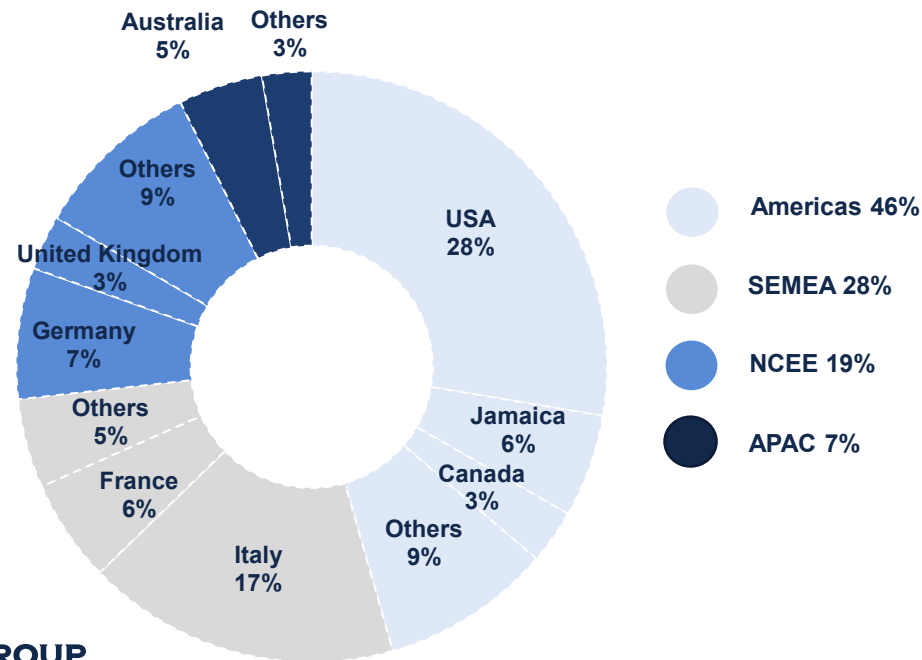
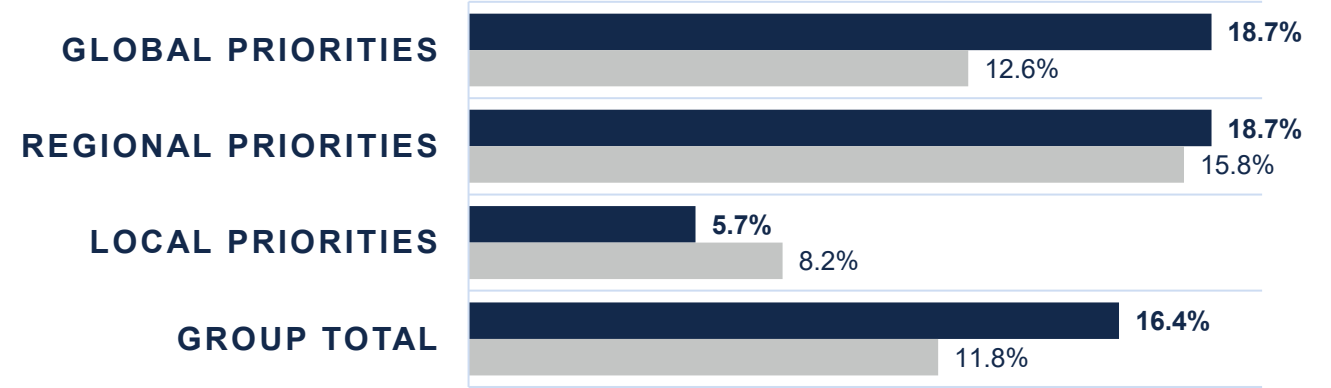
FY 2022 Net sales Organic Performance and Breakdown

■ Organic sales growth vs. FY 2021 ■ 3-Year organic sales growth CAGR vs. 2019

By Region



By Brand



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(1) Includes Agency brands & Co-packing 5%; Rest of own brands 4%

(2) Includes Aperol Spritz, Ancho Reyes & Montelobos, Forty Creek; Bisquit&Debouché, Trois Rivières, Maison La Mauny and Champagne Lallier



Americas +16.6%

Net sales organic performance by market

> USA +14.0%

- Solid growth overall despite a tough comparison base (+18.9% in FY 2021), driven by **continued positive momentum in the on-premise and resilient home consumption**. The positive full year performance was mainly driven by **Espolòn (+35.1%), core Wild Turkey bourbon (+22.6%), Russell's Reserve (+37.7%), Aperol (+49.8%) and Campari (+33.1%), thanks to strong consumer demand**, benefitting also from **price increases**. The shipments of **Grand Marnier** were slightly down due to continuing glass supply constraints and a tough comparison base (+44.6% in FY 2021), while the **SKYY** portfolio declined. Sustained brand momentum continued in Q4 (+12.5%) thanks to **strong performance of Espolòn (+40.4%), core Wild Turkey bourbon (+11.9%), Russell's Reserve (+37.6%)** as well as **Aperol, Campari and the amari portfolio**
- 3-year cumulative organic growth of +39.3% (or **3-year CAGR of +11.7%**)

> JAMAICA +29.8%

- Strong double-digit growth with an acceleration in Q4 (+38.5%), in particular **Wray&Nephew Overproof and Campari**

> OTHERS +17.0%

- Positive overall performance in Canada driven by Aperol, Campari and Espolòn and **strong growth across the rest of the region** (Brazil, Mexico and Argentina), driven by consumer demand for **Campari, Aperol and SKYY portfolio**

> ITALY +15.4%

- Very satisfactory full year performance with the **aperitifs delivering solid results: Aperol +20.5%, Campari +26.4%**, non-alcoholic **Crodino +15.7%** and **Campari Soda +6.2%**, largely thanks to **strong on-premise consumption and successful price increases**, helped also by the good weather during the summer. **Slightly negative performance in Q4 (-1.5%)** mainly due to the **glass availability constraints** on Cinzano sparkling wines in its peak season as well as a tough comparison base (+60.0% Q4 2021), **mitigated by growth in Aperol and Campari thanks to strong pricing and continuing brand health**
- 3-year cumulative organic growth of +30.1% (or **3-year CAGR of +9.2%**)

> FRANCE +12.1%

- **Positive underlying trends continuing** with core **Aperol and Riccadonna** sparkling wine growing **double digits**. Champagne Lallier and the Rhum Agricole portfolio also grew

> OTHERS +38.3%

- Positive performance across the other markets, particularly **Spain (Aperol and Campari), Nigeria (Campari) and South Africa (Bisquit)**
- **Global Travel Retail** was up **+80.8%** thanks to **Aperol, Campari, The GlenGrant and Grand Marnier**, benefiting from tourism recovery



SEMEA +18.2%

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Net sales organic performance by market

> GERMANY +18.6%

- **Strong overall performance** thanks to continued resilient home consumption combined with a strong on-premise, boosted also by pricing. The performance was led largely by **Aperol (+31.9%)**, **Aperol Spritz RTE (+91.9%)** and **Crodino (+32.3%)** whilst **Campari also grew mid-single digits following the strong price repositioning. The Q4 performance was positive (+7.2%)**, driven by continued strength of **Aperitifs**, offsetting softness in Cinzano Sparkling wine which continued to be impacted by glass availability
- 3-year cumulative organic growth of +37.6% (or **3-year CAGR of +11.2%**)

> UK +13.7%

- Positive performance against a tough comparison base (+39.1% FY 2021) largely driven by continued positive momentum of core **Aperol** and **Magnum Tonic**, despite product availability constraints. Other brands such as **Crodino**, **Campari** and **Wild Turkey Bourbon** also performed well

> OTHERS +12.4%

- Overall positive performance **largely led by the aperitifs**, including the **non-alcoholic aperitif Crodino**



> AUSTRALIA +9.6%

- Positive full year performance following a **very strong Q4 (+31.1%)**, driven by **strong shipments recovery in Wild Turkey RTD (+35.7%)** following persistent ocean freight challenges as well as strong growth in **Wild Turkey Bourbon (+68.9%)**, **Aperol (+27.8%)** and **Campari (+52.4%)**
- 3-year cumulative organic growth of +31.9% (or **3-year CAGR of +9.7%**)

> OTHERS +17.6%

- Strong performance of **South Korea (+84.1%)** driven by **high-end Wild Turkey offerings, The GlenGrant, X-Rated and SKYY**
- **Japan was positive** after a strong Q4 driven by **Wild Turkey Bourbon, The GlenGrant and SKYY**. **China was negative** due to covid lockdowns. **Continued momentum** elsewhere including New Zealand, thanks to the **Group's enhanced investments across all levers**. **India delivered very positive performance** though off a small base

Aperol +28.2% organic growth (22% of Group sales)



- > **Strong double-digit growth in its 19th year after its acquisition, across all key markets thanks to very healthy brand momentum and successful execution of its growth model, further boosted by price increases, in particular core Italy (+20.5%), Germany (+31.9%), the US (+49.8%), France (+35.5%) and the UK (+20.9%)**
- > **Beyond the core markets, strong brand momentum across all the other markets as well. In Europe, Spain (+84.6%), Austria, Belgium as well as Poland and Czech Republic all grew double digits. American markets delivered strong growth as well, such as Brazil (+39.9%), Argentina (+75.2%), Mexico (+64.3%) and Canada (+21.1%). In APAC, Australia (+11.9%) and New Zealand (+22.7%). GTR was up +76.2%**
- > **The Q4 performance was strong (+15.8%) against a tough comparison base (+45.8% Q4 2021) thanks to the continued deseasonalisation activities across core European markets and extension of drinking occasions**
- > **3-year cumulative organic net sales growth of +69.1% (3-year CAGR of +19.1%)**



Top 5 markets contribution to brand sales growth

Italy
Germany
USA
France
Spain

A number of key **deseasonalisation campaigns** took place this winter with the **Aperol Spritz**, across **Germany, Spain, France, Benelux, Switzerland, the UK and the US** as the brand continues to **penetrate the winter season** while also **developing into key food-consumption occasions** beyond the summer months

Per Capita Consumption ('PCC') data across the brand's **core markets** demonstrates the **penetration of Aperol & potential upside vs. beer**, via the perfect serve: the **Aperol Spritz**



Aperol	FY 2022 Net Sales Weight %	3-Year Net Sales Org growth CAGR %	PCC (L) 2022 ⁽¹⁾	Aperol PCC as % of Italy's Aperol PCC ⁽¹⁾	Aperol PCC as % of Beer PCC ⁽²⁾
Italy	31%	14.4%	0.42	100.0%	1.27%
Germany	18%	21.4%	0.17	39.7%	0.17%
USA	10%	23.9%	0.01	2.7%	0.02%
France	7%	49.6%	0.08	18.9%	0.27%
United Kingdom	3%	26.6%	0.03	7.4%	0.05%
Switzerland	3%	13.7%	0.24	56.3%	0.51%
Austria	3%	11.4%	0.31	73.8%	0.29%
Spain	2%	24.2%	0.04	10.3%	0.05%
Australia	1%	5.5%	0.03	7.9%	0.05%
Belgium	2%	16.1%	0.13	30.1%	0.21%
Argentina	1%	53.9%	0.04	10.7%	0.09%

Campari +23.8% organic growth (11% of Group sales)

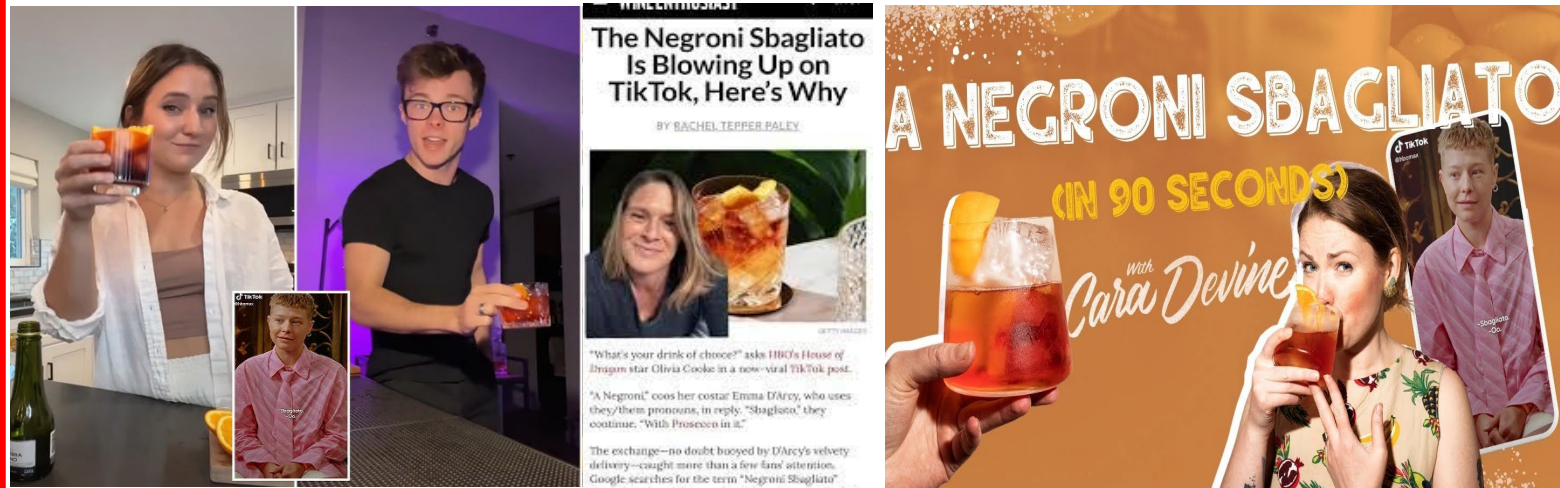
- > The overall performance was largely driven by core Italy (+26.4%), the US (+33.1%), Brazil (+81.6%) and Jamaica (+37.6%) as the brand continues to benefit from resilient off-premise momentum due to the at-home mixology trend as well as continued health in the on-premise combined with the success of the consumer-driven Campari spritz among other cocktails such as the Negroni, Negroni Sbagliato and Boulevardier, further boosted by strong pricing
- > Very positive growth with continued momentum in Q4 (+7.2%), thanks to the outperformance of the core Jamaican (+17.2%) and US market (+32.9%)
- > 3-year cumulative organic net sales growth of +51.7% (3-year CAGR of +14.9%)




Top 5 markets
contribution to
brand sales
growth

Italy
USA
Brazil
Jamaica
GTR

The **Negroni Sbagliato** craze was in full swing this winter in the US after it was revealed to be the favourite drink of Hollywood star, **Emma D'Arcy**. Searches for the **Negroni variant skyrocketed**, with google searches for the cocktail were up over 50 times ⁽²⁾ since the interview!



PCC data across the brand's **core markets** highlights both **Campari's penetration into high-end mixology** as a **versatile 'must-have'**, but also the brand's growth within the **'Spritz' phenomenon**, particularly in core Italy

Campari	3-Year Net Sales Org growth CAGR %	PCC (L) 2022 ⁽¹⁾
Italy	16.1%	0.17
USA	19.5%	0.01
Brazil	19.3%	0.03
Jamaica	12.0%	0.67
Germany	4.6%	0.03
Argentina	15.7%	0.07
Nigeria	14.0%	0.01
Switzerland	4.7%	0.08
UK	21.3%	0.01
Spain	5.8%	0.01

Wild Turkey +21.4% organic growth (8% of Group sales)

- > Wild Turkey core bourbon grew +26.2% in FY2022, mainly driven by the core US (+22.6%), South Korea (+144.9%) and Australia (+23.7%) thanks to a combination of classic cocktail revival in the on-premise channel and at-home mixology as well as strong pricing
- > High-end Russell's Reserve grew +36.4% in the full year thanks to the core US and South Korean as consumers continue to premiumise and discover high quality sipping bourbon as well as the success of recent limited edition launches such as the Russell's Reserve 13, which due to its popularity, is retailing at \$399
- > American Honey grew mid-single digits overall, handicapped by glass constraints
- > Very positive brand momentum continued in Q4 (+19.4%) with outperformance of high-end variants
- > Wild Turkey bourbon (Inc. Russell's Reserve) grew organically by +48.9% cumulatively in the past three years (3-year CAGR of +14.2%)



Top 5 markets contribution to brand sales growth

- USA
- South Korea
- Australia
- Japan
- GTR

The 13 YO was relaunched at a higher starting price point (c.\$110) in limited quantiles to drive scarcity. Within one month, only 25% of inventory remained, thanks to the hype of the release via whiskey connoisseurs and viral tasting videos



Enhanced exposure to the highly attractive Bourbon category, primed to become a major leg of growth



Acquisition of Wilderness Trail Distillery, LLC

- > Transaction closed in December 2022 and P&L perimeter effect to be included as of 2023
- > Integrated into Campari Group's US distribution network and further development in the international markets to follow

Distribution rights and minority stake in Howler Head

- > Transaction closed in August 2022
- > On track to expand the global footprint with recent brand launches in Brazil and Australia

Brand organic sales performance

Other global priorities



Grand Marnier®

1.3%



15.5%

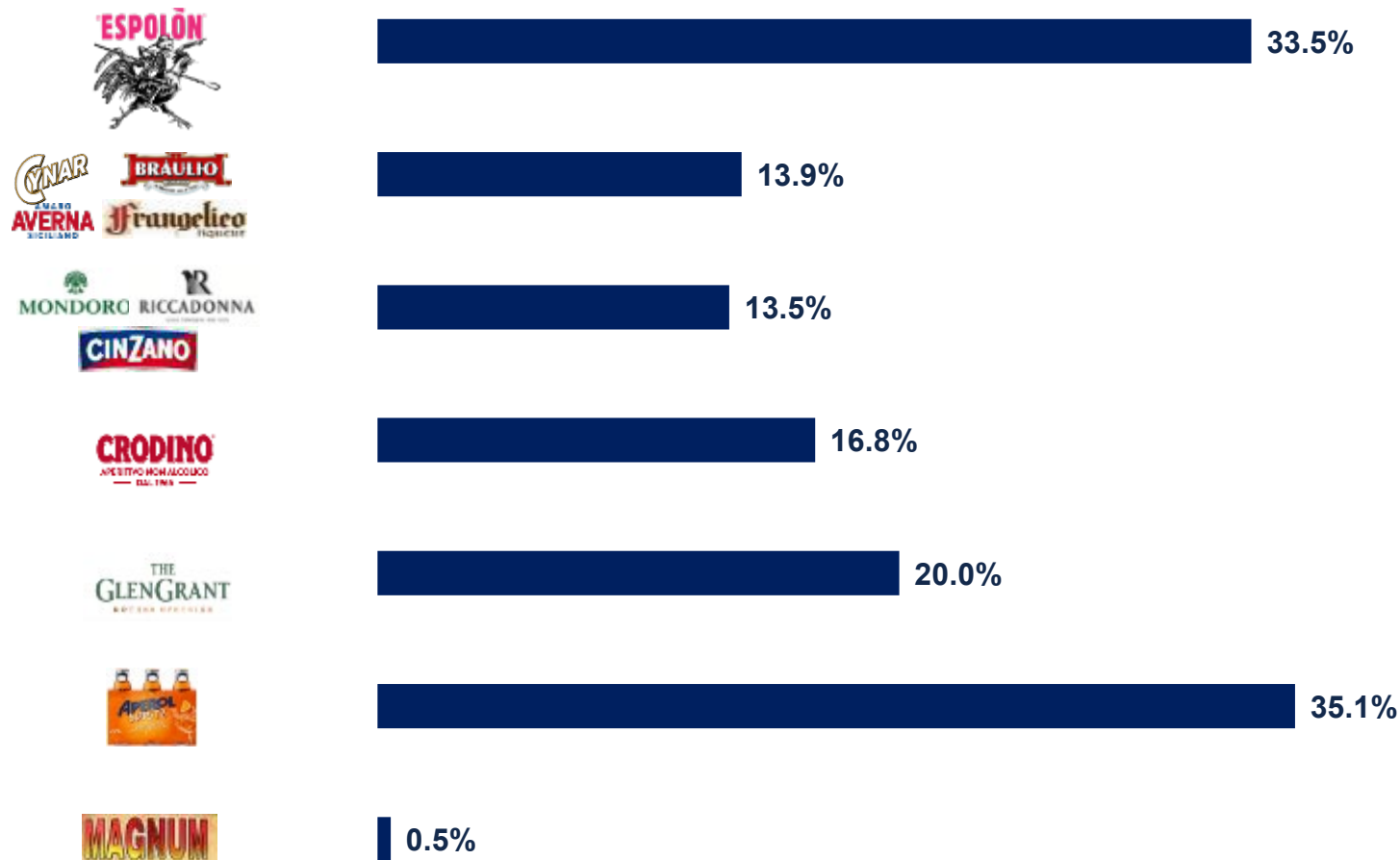
SKYY
VODKA

-1.8%

- > **Grand Marnier:** overall positive performance thanks to growth in **GTR** and **France**, offsetting slightly negative shipment performance in **the core US**, impacted by **glass supply and logistics constraints** as well as a **tough comparison base** (+44.6% in FY 2021)
- > **Jamaican Rums:** **Appleton Estate** was positive overall (+3.2%) against a tough comparison base (+31.0% in FY 2021), thanks to core **Jamaica**, **the UK** as well as **New Zealand** and **Mexico**. **Wray&Nephew Overproof** grew +23.2% thanks to **Jamaica** and **the US**
- > **SKYY:** overall negative due to shipments decline in the **core US** and **China**, partly mitigated by the **RoW** (+50.7%) largely thanks to **Argentina**, **GTR**, **Germany**, **Italy** and **Brazil**

Brand organic sales performance

Regional priorities



- > **Espolòn**: continued strong performance despite the tough comparison base (+37.5% in FY 2021) with sustained growth in Q4 (+37.3%), driven by the core **US**, as well as international markets, including **Australia**, albeit off a small base
- > **Italian specialties**: positive performance across the portfolio. **Averna** grew thanks to **US** and **Austria**, while **Braulio** grew thanks to **core Italy**. **Frangelico** grew double digits thanks to the **US**, **Spain** and **Germany**. **Cynar** grew double digits thanks to core **Italy** as well as **Argentina**, the **US** and **Brazil**
- > **Cinzano and other Sparkling Wines**: positive performance thanks to France (**Riccadonna**) as well as Mexico and Argentina helping to offset declines in Germany (**Cinzano sparkling wine**) due to glass availability and growth across Italy, Spain, Australia and Argentina for **Cinzano Vermouth**, which is showing positive reactions to recent premiumisation
- > **Crodino**: continued positive performance driven by strong growth in core **Italy**, while seeding markets such as **Germany**, **Benelux**, **Austria**, **Switzerland** and the **UK** grew strongly as the brand continues to establish itself as the go-to **non-alcoholic aperitif**
- > **The GlenGrant**: strong performance overall, driven by premiumisation trends, in particular within **South Korea** and **GTR**
- > **Aperol Spritz**: strong growth driven by **Germany** as well as all other markets (such as **Austria**, **Switzerland**, **Canada**, **GTR**) where the brand was recently launched, off a small base. Core **Italy** also grew
- > **Magnum Tonic**: overall flattish performance due to continued product availability constraints
- > **Other brands**: positive growth across the portfolio, particularly **Bisquit&Dubouché**, **Montelobos**, **Ancho Reyes** and **Maison La Mauny**

Brand organic sales performance

Local priorities



6.1%



8.0%



-11.8%



3.8%



21.0%

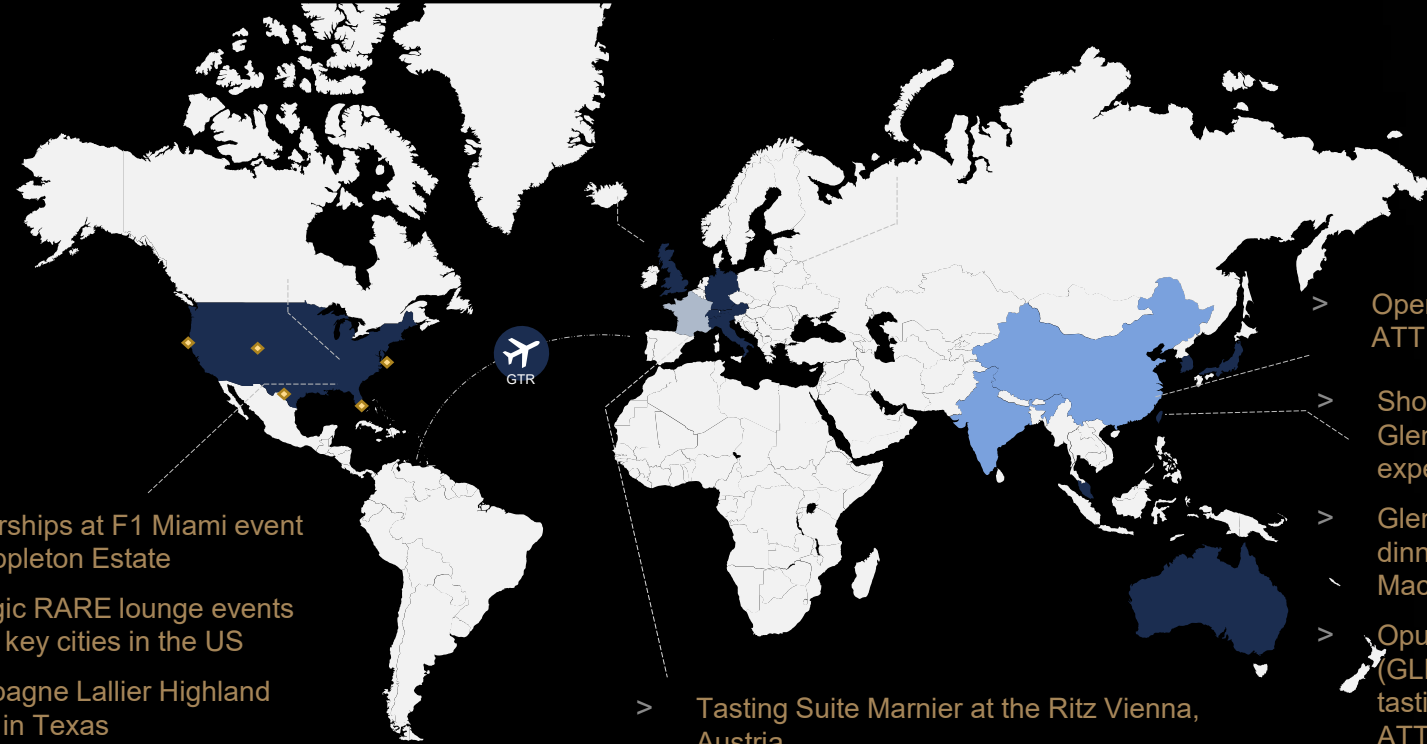
- > **Campari Soda:** positive performance driven by core Italy
- > **Wild Turkey RTD:** positive performance thanks to a strong recovery in Q4 in core Australia despite ongoing logistical challenges
- > **X-Rated:** weak performance overall due to core China in relation to snap lockdowns, while South Korea continued to grow by double digits
- > **SKYY RTD:** positive performance in core Mexico despite product availability constraints
- > **Cabo Wabo:** strong performance driven by the core US market

TOASTING TOASTING
TOGETHER TOGETHER
LIFE LIFE
TOGETHER TOGETHER

Business development initiatives



RARE EXPERIENCES: UNLEASHING THE POTENTIAL OF HIGH-END EXPRESSIONS



- > Partnerships at F1 Miami event with Appleton Estate
- > Strategic RARE lounge events across key cities in the US
- > Champagne Lallier Highland village in Texas
- > Grand Marnier & Baccarat partnership (Miami)

- > Tasting Suite Marnier at the Ritz Vienna, Austria
- > RARE e-commerce site in Italy (rarespirits.it)
- > RARE lounge bar in Berlin, Germany
- > Chef advocacy program with Champagne Lallier in Switzerland

> Opening of 2nd RARE ATTICO in Shanghai

> Shop-in-shop GlenGrant tasting experience in Hainan

> GlenGrant tasting dinner experience in Macau

> Opulent collection (GLENGRANT 60) tasting at RARE ATTICO Singapore

> F1 tasting event at Singapore GP

> Champagne Lallier sommelier program in Sydney

> Luxury car owner's club tastings (HK/Sing)



Digital Transformation: delivering business value through simplicity, innovation and technical leadership across core functions

Digital Marketing & Commercial

- Social listening, consumer engagement and influence
- Digital Asset Management including multi-access brand websites
- CRM/ICM/CBM systems for consumer relations, customer business management & bartender relations



Finance SAP S/4HANA

- SAP S/4HANA integration: boost ability & speed in business decision making and harmonize all financial processes
- Global business services process optimization and automation via AI technology
- Leveraging statistical algorithms and external data for integrated forecasting



Supply Chain digitalization

- Integrated business planning as part of the finance transformation for harmonized and flexible planning
- Automation of data collection and KPI monitoring
- Traceability overhaul including stock visibility leveraging SAP capabilities
- Enhance self-service capabilities and vendor collaboration



IT, Cybersecurity, HR

- Fully global and scalable IT support service model, with development of capabilities to speed up processes & enable remote connection
- Deployment of endpoint protection to all devices and Acceptable Use Policy enforcement
- Internal Talent acquisition at global regional levels & new HR operating model and Camparista experience platform



APPLETON ESTATE[®]
JAMAICA RUM

Financial Review

Full year EBIT organic margin expansion of +50bps thanks to robust topline driving operating leverage, offsetting expected gross margin dilution due to COGS inflation. Strong contribution from forex largely thanks to strengthened US Dollar

€ million	FY 2022	FY 2021	Reported	Organic	Perimeter	Forex	Q4	Organic
			Change	Change	Impact	Impact	2022	Change
			%	%	%	%	€ million	%
Net sales	2,697.6	2,172.7	24.2%	16.4%	-0.2%	7.9%	691.9	9.6%
Gross profit	1,588.6	1,296.8	22.5%	14.1%	0.2%	8.2%	378.5	9.2%
<i>Gross margin %</i>	<i>58.9%</i>	<i>59.7%</i>		-120bps	+20bps	+20bps		-20bps
A&P	(479.0)	(397.8)	20.4%	12.7%	0.6%	7.1%	(150.3)	8.4%
<i>A&P %</i>	<i>-17.8%</i>	<i>-18.3%</i>		+60bps	(10bps)	+10bps		+20bps
SG&A	(539.8)	(463.8)	16.4%	10.6%	-0.2%	6.0%	(150.5)	10.9%
<i>SG&A %</i>	<i>-20.0%</i>	<i>-21.3%</i>		+110bps	-	+20bps		(30bps)
EBIT adjusted	569.9	435.2	30.9%	19.1%	0.4%	11.5%	77.6	7.6%
<i>EBIT adjusted %</i>	<i>21.1%</i>	<i>20.0%</i>		+50bps	+10bps	+50bps		-20bps
EBITDA-adjusted	660.3	514.9	28.2%	17.3%	0.3%	10.6%		

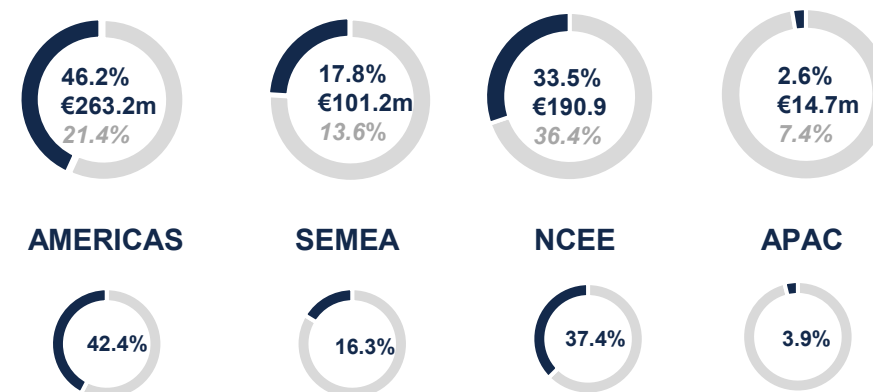
- > **EBIT adj. organic** growth of **+19.1% in value**, with **+50bps margin accretion** vs. last year, driven by:
 - **Gross margin dilution of -120bps**, due to **strong costs inflation, particularly glass and logistics**, only partially mitigated by the **price increases**. In **Q4**, **gross margin dilution limited to -20bps** driven by **positive pricing initiatives**, which almost offset the **COGS inflation**
 - **A&P increase of +12.7% in value**, reflecting **sustained investments behind key brands**, delivering operating leverage of **+60bps** thanks to very robust topline growth
 - **SG&A increase of +10.6% in value**, reflecting the **continuous investments in the business infrastructure and route-to-market**, generating **+110bps margin accretion** thanks to strong topline
- > **EBIT adj. reported change of +30.9% in value** including **perimeter effect** of +0.4% (or **€1.6 million**, +10bps margin accretion) resulting mainly from the first-time consolidation of Picon, net of lower-margin agency brands termination, and the **positive forex effect** of +11.5% (or **€50.0 million**, +50bps margin accretion) driven by appreciation of key Group currencies vs. Euro, in particular the transactional effect of the **US dollar**
- > **EBITDA adj. reported change of +28.2%**, of which: **+17.3% organic**, **+10.6% forex** and **+0.3% perimeter**

Double-digit EBIT ⁽¹⁾ organic growth across most regions

Margin growth drivers

Change vs FY 2022	Net sales organic growth (%)	EBIT organic growth (%)	EBIT margin organic progression bps	Gross margin organic progression bps	A&P organic progression bps	SG&A organic progression bps
AMERICAS	16.6%	19.7%	50	-150	90	110
SEMEA	18.2%	43.0%	230	20	20	190
NCEE	14.9%	11.0%	-130	-190	-10	80
APAC	12.4%	-9.7%	-200	-270	200	-130

FY 2022 EBIT REGIONAL SPLIT (%) vs. FY 2022



EBIT adj. organic margin performance:

- > **Americas (46.2% of Group overall, up +19.7%), margin accretion of +50bps**, driven by:
 - **gross margin dilution of -150bps** mainly due to unfavourable geographic and product mix (outperformance of South America and Espolòn) as well as COGS inflation, only partially offset by pricing; **A&P and SG&A accretive of +90bps and +110bps respectively** thanks to sustained topline growth
- > **SEMEA (17.8% of Group overall, up +43.0%), margin improvement of +230bps**, driven by:
 - **gross margin expansion of +20bps** driven by very favourable mix with outperformance of aperitifs as well as **very robust pricing**, more than offsetting the COGS inflation; **A&P was accretive by +20bps and SG&A accretive by +190bps** with strong topline driving operating leverage
- > **NCEE (33.5% of Group overall, up +11.0%), margin dilution of -130bps**, driven by:
 - **gross margin dilution of -190bps**, impacted by COGS inflation and unfavourable product and market mix, only partially offset by pricing; **A&P slight dilutive by -10bps** reflecting the accelerated investments behind main brands; **SG&A accretive by +80bps** driven by significant efficiencies on the back of strong topline growth
- > **APAC (2.6% of Group overall, down -9.7%), margin dilution of -200bps**, driven by:
 - **gross margin dilution of -270bps** driven by COGS inflation, in particular logistics; **A&P accretive by +200bps** mainly driven by A&P phasing in China due to covid restrictions whilst **SG&A was dilutive by -130bps**, reflecting **continued investments in route-to-market capabilities (India)**

Profit before taxation

	FY 2022		FY 2021		total change
	€ million	% sales	€ million	% sales	
EBIT adjusted	569.9	21.1%	435.2	20.0%	134.7
Operating adjustments	(58.3)	-2.2%	(34.3)	-1.6%	(24.0)
Operating profit = EBIT	511.5	19.0%	400.8	18.4%	110.7
Financial income (expenses) and adjustments	(30.7)	-1.1%	(12.4)	-0.6%	(18.3)
Put option, earn out income (charges), hyperinflation effects and other	0.7	-	0.2	-	0.5
Profit (loss) related to associates and joint ventures	(6.6)	-0.2%	(0.1)	-	(6.5)
Profit before taxation	475.0	17.6%	388.6	17.9%	86.4
Profit before taxation adjusted	538.0	19.9%	415.3	19.1%	122.7



Financial income/(expenses) breakdown:	FY 2022	FY 2021
Total financial expenses before adjustments and exchange gain/(loss)	(21.4)	(25.0)
Exchange gain (losses)	(4.6)	7.9
Financial adjustments	(4.6)	4.7
Total financial income (expenses) and adjustments	(30.7)	(12.4)

- > **Operating adjustments of €(58.3) million**, mainly attributable to transaction fees linked to acquisitions, provisions linked to the Russia/Ukraine conflict (incl. IFRS9), restructuring initiatives and long-term retention schemes
- > **Net Financial expenses and adjustments were €(30.7) million**, with an increase of €18.3 million vs. FY 2021, of which:
 - **exchange loss of €(4.6) million in FY 2022** (vs. €7.9 million exchange gain in FY 2021) and **negative financial adjustment of €(4.6) million** mainly due to the **remeasurement of amortized cost in connection with liability management** (vs. positive adjustment of €4.7 million in FY 2021 resulting from the interests on favourable closure of a tax dispute in Brazil)
 - **excluding the exchange loss and the financial adjustments, the net financial expenses were €21.4 million** (vs. €25.0 million for FY 2021), recording a **reduction of €3.6 million**. The **average cost of net debt** ⁽¹⁾ in FY 2022 was **2.2%**, showing an improvement of 30 bps vs. last year, thanks to higher interest income generated by existing liquidity
- > The profit (loss) related to associates and joint ventures was €(6.6) million in FY 2022, mainly driven by the non-cash impairment of assets
- > **Profit before taxation was €475.0 million, up +22.2% vs FY 2021**
- > **Profit before taxation adjusted**, which excludes negative operating adjustment of €(58.3) million and negative financial adjustment of €(4.6) million, was **€538.0 million, up +29.5% vs. FY 2021**

Group net profit adjusted

	FY 2022			FY 2021			change FY 2022 vsFY 2021	
	Reported	Adjustments	Adjusted	Reported	Adjustments	Adjusted	Reported	Adjusted
Profit before taxation	475.0	(63.0)	538.0	388.6	(26.7)	415.3	22.2%	29.5%
Taxation ⁽¹⁾	(143.5)	8.2	(151.6)	(105.6)	3.6	(109.2)	35.9%	38.9%
Net profit	331.5	(54.8)	386.3	283.0	(23.1)	306.1	17.1%	26.2%
Non-controlling interests	(1.5)		(1.5)	(1.8)		(1.8)	-18.1%	-18.1%
Group net profit ⁽²⁾	333.0	(54.8)	387.8	284.8	(23.1)	307.9	16.9%	26.0%
Tax rate (reported/recurring effective)	-30.2%		-28.2%	-27.2%		-26.3%		
Deferred tax on goodwill and brands			(17.2)			(15.1)		
Recurring cash tax rate			-25.0%			-22.7% ⁽³⁾		

(1) Including deferred tax on goodwill and brands

(2) Excluding result relating to non-controlling interest

(3) Recurring cash rate of 23.4% in FY2021 if recalculated based on the redefinition of the tax law for brands and goodwill step-up value in Italy (tax law no. 234 revised on 30 December 2021)

- > **Taxation totalled €143.5 million** on a reported basis with recurring income taxes equal to €151.6 million
- > **Group net profit adjusted at €387.8 million, up +26.0%** vs. FY 2021
 - **recurring tax rate at 28.2%** in FY 2022, +190bps higher than FY 2021 (i.e. 26.3%), due to unfavorable country mix
 - deferred tax relating to the amortization of goodwill and brands for tax purposes, amounted to €17.2 million, €2.1 million higher than last year, mainly due to the first-time inclusion of the deferred tax effect from Picon acquisition as well as forex
 - excluding the impact of the non-cash component linked to deferred taxes, **recurring cash tax rate** stood at **25.0%** in FY 2022, higher than FY 2021 (22.7%, or **23.4%** if recalculated based on the revised tax law in Italy ⁽³⁾), largely due to country mix. The **pro-forma cash tax rate** would be **23.7%** if including the estimated full year deferred tax and P&L effect of the Wilderness Trail Distillery, LLC and Picon acquisitions
- > **Group net profit reported at €333.0 million, up +16.9%** vs. FY 2021
- > **Basic earnings per share (adjusted) at €0.34, up +26.0%** vs. FY 2021

Free cash flow generation

	FY 2022		FY 2021		Δ FY 2022 vs FY 2021		Δ FY 2022 vs FY 2021	
	Total € million	Recurring € million	Total € million	Recurring € million	Total € million	%	Recurring € million	%
EBITDA	602.0		480.6		121.4	25.3%		
EBITDA adjusted		660.3		514.9			145.4	28.2%
Taxes paid	(141.0)	(120.3)	(79.1)	(74.0)	(61.9)		(46.3)	
Change in OWC (at constant FX and perimeter)	(83.9)	(83.9)	5.0	5.0	(89.0)		(89.0)	
Effects from hyperinflation accounting in Argentina and intangible assets write-off	9.8	6.7	12.5	4.5	(2.7)		2.3	
Accruals and other changes from operating activities	26.6	16.6	64.7	54.7	(38.2)		(38.2)	
Cash flow from operating activities	413.4	479.3	483.7	505.1	(70.3)	-14.5%	(25.7)	-5.1%
Net financial expenses	(11.4)	(11.4)	(15.6)	(15.6)	4.3		4.3	
Capex	(213.3)	(107.5)	(135.7)	(81.9)	(77.6)		(25.6)	
Free Cash Flow (FCF)	188.7	360.5	332.3	407.5	(143.6)	-43.2%	(47.0)	-11.5%

> **Recurring free cash flow at €360.5 million**, down €47.0 million, or down -11.5% vs. FY 2021. Key drivers:

- **Increase in EBITDA adjusted of €145.4 million**
- **Taxes paid of €120.3 million, €46.3 million higher** than last year, reflecting stronger business performance as well as tax payment cycles
- **Step-up in OWC generated** a negative cash effect of **€83.9 million in FY 2022**, significantly higher than last year (€5.0 million positive cash effect in FY 2021)
- **Effects from the hyperinflation accounting** in Argentina had a positive effect of €6.7 million in FY 2022 (vs. positive effect of €4.5 million in FY 2021)
- **Accruals and other changes from operating activities** had a positive cash effect of **€16.6 million** in FY 2022 (vs. positive impact of €54.7 million in FY 2021)
- **Interest paid of €11.4 million, €4.3 million lower** vs. last year
- **Maintenance capex of €107.5 million**, up €25.6 million vs. last year. **Extraordinary capex amounted to €105.8 million**, mainly related to production capacity expansion

> **Recurring FCF / EBITDA adjusted of 54.6% in FY 2022**, down from 79.1% in FY 2021

Confidence in future demand leading to robust medium-term capex investments to boost in particular supply chain capacity

	FY 2021 Actual	FY 2022 Actual	2023-2025 estimated overall investments
	€ million	€ million	€ million
Total capex	135.7	213.3	
<i>of which:</i>			
Maintenance capex	81.9	107.5	c. 4% on net sales
Extraordinary capex	53.8	105.8	c. 550 - 600

- > **Total capex investment of €213.3 million in FY 2022**, of which **extraordinary capex of €105.8 million**, mainly linked to projects to enhance the Group's **production capacity** and **IT infrastructure** as well as **ESG projects, brand houses and office**
- > To satisfy future demand, the Group is **accelerating its medium-term capex across supply chain**. In particular, the Group aims to **doubling its overall production capacity for key categories** (aperitifs, bourbon and tequila)

Key production sites capacity expansion projects



Aperitifs (Campari, Aperol), Italy

**3-year ('19-22) cumulative organic net sales growth:
+63% (CAGR: +17.7%)**



Bourbon (Wild Turkey), US

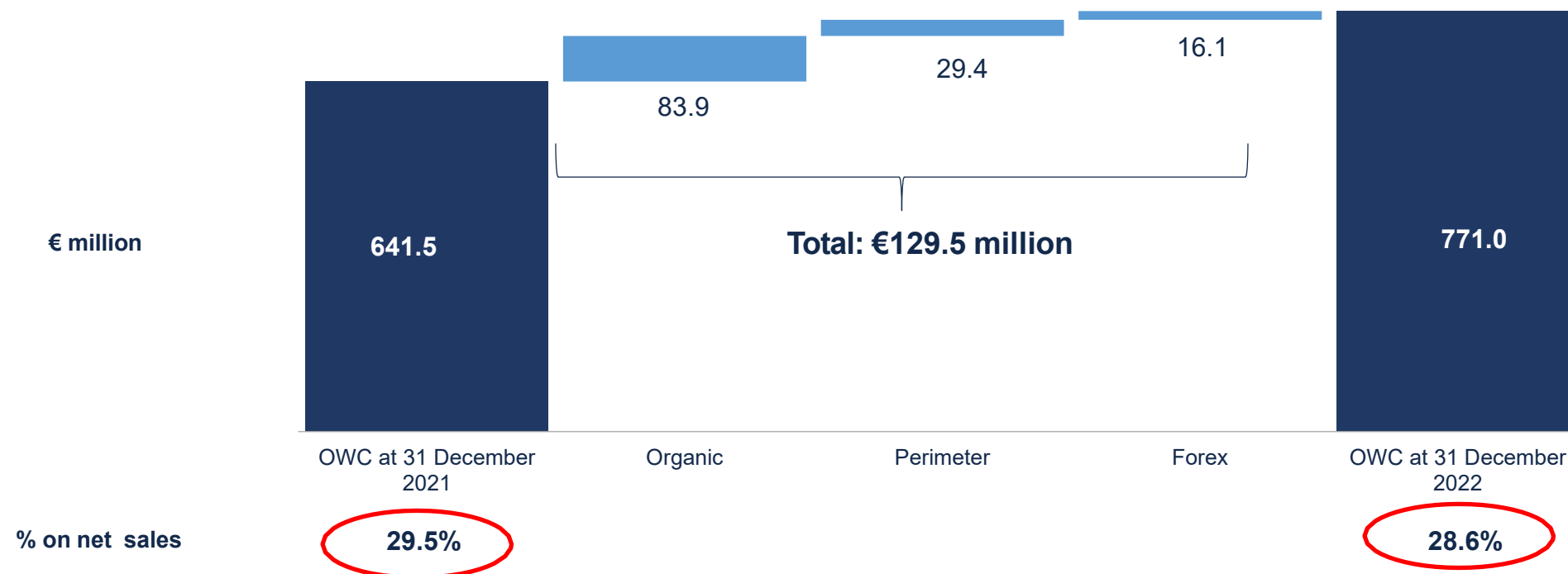
**3-year ('19-22) cumulative organic net sales growth:
+49% (CAGR: +14.2%)**



Tequila (Espolòn), Mexico

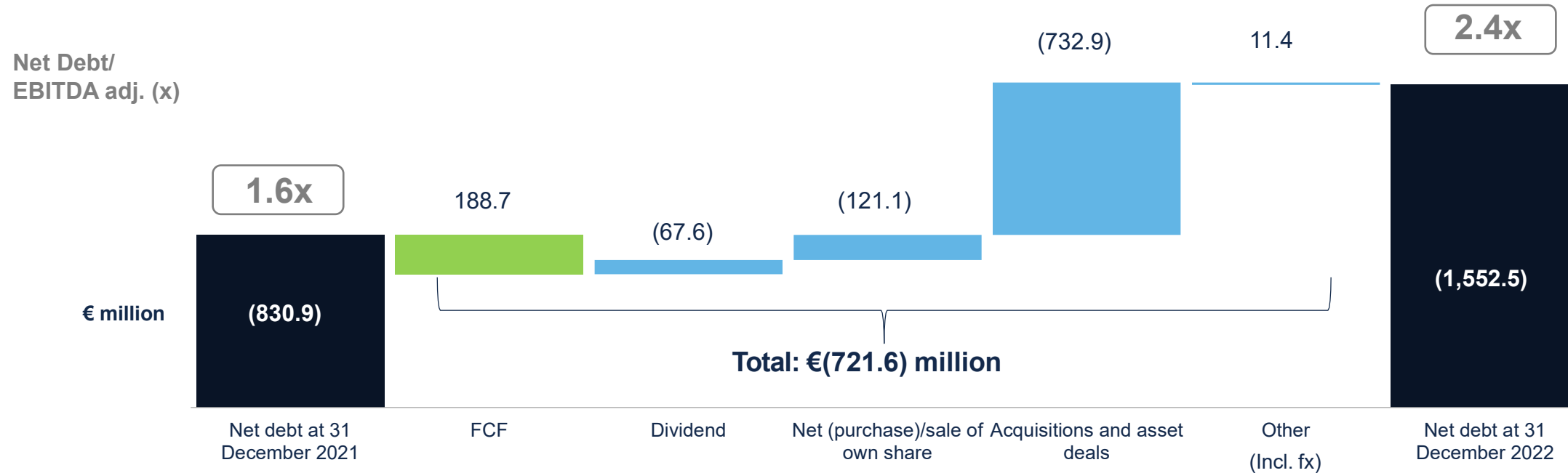
**3-year ('19-22) cumulative organic net sales growth:
+134% (CAGR: +32.8%)**

Improvement in Operating Working Capital level (1)



- > **OWC as % of net sales at 28.6%** as of 31 December 2022, **improved by +90bps vs. 2021 year-end** (i.e. 29.5%)
- > **OWC increase of €129.5 million** as of 31 December 2022 vs. 31 December 2021. Key drivers:
 - **Organic increase of €83.9 million**, due to:
 - **Increase in inventory of €208.3 million** in absolute value, of which **ageing liquid increase of €60.1 million**, mostly linked to bourbon whiskey (Wild Turkey), cognac (Grand Marnier and Bisquit) and Jamaican rums (Appleton Estate) maturing inventory. The step up of other inventory is driven by the positive business performance and the planned inventory build-up to support the strong customer demand in a context of possible supply constrains
 - **Increase in receivables** in absolute vale of **€14.4 million**, which was more then compensated by the **increase in payables of €138.7 million**, due to higher level of purchase in connection with inventory build-up, inflation as well as capex payment phasing
 - Perimeter effect of **€29.4 million**, attributable mainly to the acquisition of Wilderness Trail Distillery, LLC
 - Forex impact of **€16.1 million**, mostly driven by the **appreciation of the USD dollar**
- > **OWC on net sales pro-forma ratio of 28.0%** if adjusted for the pro-forma effects of the recent acquisitions

Increase in net debt due to cash outlays for acquisitions



- > **Net financial debt at €1,552.5 million** as of 31 December 2022, **up €721.6 million** vs. last year, reflecting **positive free cash flow** generated by the business for **€188.7 million** (or **€360.5 million on a recurring basis**), which was more than offset by the **acquisitions and asset deals** (amounting to **€732.9 million⁽¹⁾**), **the net purchase of own shares** (€121.1 million) and the **dividend payment** (€67.6 million)
- > **Long-term Eurobonds & term loan**, including the term loan completed in December to finance the Wilderness Trail Distillery acquisition, amounted to **€1,494 million with an average nominal coupon of 2.5%**
- > **Net debt to EBITDA adjusted ratio at 2.4x** as of 31 December 2022 (or **2.2x** including the pro-forma EBITDA effect of the recent acquisitions), increased from 1.6x as of 31 December 2021 due to higher net debt level

Sustainability: key highlights in 2022

Environment ⁽¹⁾



- **CDP-Climate Change score B**
- **First-time disclosure of scope 3 emissions**

-47%

GHG emissions performance (kg of CO₂ e./L) reduced by 47% from direct operations ⁽²⁾ vs. 2019 -> **target originally set for 2030 achieved**

GHG absolute emissions (tons of CO₂e.) from direct operations ⁽²⁾ reduced by 20% vs. 2019

-48%

Water usage (L/L) vs. 2019 -> **target originally set for 2030 achieved**

-45%

Waste to landfill from direct operations vs. 2019 -> **on track to achieve 2025 target**

- (1) Refer to annex "Environment" for details
(2) Scope 1 and 2 emissions

Responsible Practices



- Mandatory training on the new revised Code on Commercial Communication
- Digital brands' campaigns on responsible drinking
- A specific section on camparigroup.info dedicated to nutritional information, ingredients and messages on responsible drinking
- Bartenders' training global program (Bartender Hero) launched in partnership with the International Bartenders Association (IBA)

People & Community



- 109% increase in learning activities completed
- 2022 Camparista Survey: 91% participation rate
- Inclusion by Refinitiv in the Diversity & Inclusion Index among World Top 60
- Strong commitment to work, education and culture (e.g. AdAstra Project in Italy, Wray Forward in UK)
- Strong support to business partners through activations and events



CAMPARINO

Conclusion & Outlook

Conclusion & Outlook

- > **Strong organic performance** was achieved in a challenging 2022, thanks to **very healthy brand momentum**, enabling **price increases** to help mitigate the heightened COGS inflation over the year. The overall performance benefitted from **strong FX effect thanks to the US Dollar**
- > **Looking at 2023**
 - remain **confident** about the **positive business momentum across key brands** and markets thanks to **strong brand equity**, in particular in the highly attractive aperitifs
 - expect to continue to **leverage adequate price increase opportunities** (mainly aperitifs) as well as **portfolio premiumisation** (mainly brown spirits)
 - the overall macro environment for **inflation remains challenging** despite **some signs of easing**. **Nevertheless, we remain confident to preserve current operating margin on sales at the organic level**
- > **In the medium-term, looking beyond 2023**
 - **accelerate our medium-term capex** across supply chain to **overall double capacity for aperitifs, bourbon and tequila**
 - remain **confident to continue delivering strong organic topline growth** and **mix improvement** leading to **margin expansion**



Annex



Net sales by key market

	FY 2022		FY 2021 ⁽¹⁾		Change	of which:			Q4 2022
	€ m	% Group sales	€ m	% Group sales	%	organic	perimeter	forex	% organic growth
Americas	1,229.4	45.6%	927.9	42.7%	32.5%	16.6%	0.1%	15.8%	11.1%
USA	746.1	27.7%	581.3	26.8%	28.3%	14.0%	0.3%	14.0%	12.5%
Jamaica	151.9	5.6%	106.1	4.9%	43.1%	29.8%	-	13.3%	38.5%
Other countries	331.4	12.3%	240.4	11.1%	37.8%	17.0%	-0.4%	21.3%	-2.8%
Southern Europe, Middle East & Africa	746.3	27.7%	638.7	29.4%	16.9%	18.2%	-1.5%	0.2%	4.3%
Italy	462.9	17.2%	415.5	19.1%	11.4%	15.4%	-4.0%	-	-1.5%
France	151.7	5.6%	128.5	5.9%	18.1%	12.1%	6.0%	-	15.6%
Other countries	131.7	4.9%	94.7	4.4%	39.1%	38.3%	-0.4%	1.2%	12.6%
North, Central & Eastern Europe	524.0	19.4%	438.2	20.2%	19.6%	14.9%	0.7%	3.9%	5.7%
Germany	193.6	7.2%	163.1	7.5%	18.7%	18.6%	0.1%	-	7.2%
United Kingdom	80.9	3.0%	70.6	3.2%	14.7%	13.7%	-	1.0%	15.5%
Other countries	249.5	9.2%	204.5	9.4%	22.0%	12.4%	1.6%	8.0%	1.8%
Asia Pacific	197.9	7.3%	167.8	7.7%	17.9%	12.4%	1.0%	4.5%	30.4%
Australia	124.9	4.6%	108.6	5.0%	15.1%	9.6%	1.4%	4.1%	31.1%
Other countries	72.9	2.7%	59.3	2.7%	23.0%	17.6%	0.3%	5.2%	29.1%
Total	2,697.6	100.0%	2,172.7	100.0%	24.2%	16.4%	-0.2%	7.9%	9.6%

(1) 2021 data restated reflecting minor changes on market reclassification

Net sales by brand cluster

	FY 2022		Change % of which:				Q4 2022
	€ m	%	total	organic	perimeter	forex	Organic
Global Priorities	1,549.5	57.4%	26.4%	18.7%	-	7.6%	11.1%
Regional Priorities	686.0	25.4%	26.9%	18.7%	0.2%	8.0%	9.0%
Local Priorities	223.0	8.3%	17.3%	5.7%	7.6%	4.0%	1.5%
Rest of portfolio	239.1	8.9%	10.7%	6.7%	-8.9%	12.9%	9.9%
Total	2,697.6	100.0%	24.2%	16.4%	-0.2%	7.9%	9.6%

EBIT adjusted by region

Americas

	FY 2022		FY 2021		Reported change	Organic change	Perimeter	FX
	€ million	% of sales	€ million	% of sales	%	%	%	%
Net sales	1,229.4	100.0%	927.9	100.0%	32.5%	16.6%	0.1%	15.8%
Gross profit	683.4	55.6%	522.5	56.3%	30.8%	13.4%	0.1%	17.3%
A&P	(224.2)	-18.2%	(179.5)	-19.3%	24.9%	11.0%	-	13.9%
SG&A	(196.0)	-15.9%	(158.6)	-17.1%	23.6%	8.9%	-	14.6%
EBIT Adj.	263.2	21.4%	184.4	19.9%	42.7%	19.7%	0.1%	22.9%

North, Central & Eastern Europe

	FY 2022		FY 2021		Reported change	Organic change	Perimeter	FX
	€ million	% of sales	€ million	% of sales	%	%	%	%
Net sales	524.0	100.0%	438.2	100.0%	19.6%	14.9%	0.7%	3.9%
Gross profit	357.6	68.3%	306.2	69.9%	16.8%	11.8%	0.8%	4.3%
A&P	(88.5)	-16.9%	(74.2)	-16.9%	19.3%	15.9%	0.6%	2.7%
SG&A	(78.3)	-14.9%	(69.3)	-15.8%	12.9%	9.2%	-	3.7%
EBIT Adj.	190.9	36.4%	162.7	37.1%	17.3%	11.0%	1.1%	5.2%

Southern Europe, Middle East & Africa

	FY 2022		FY 2021		Reported change	Organic change	Perimeter	FX
	€ million	% of sales	€ million	% of sales	%	%	%	%
Net sales	746.3	100.0%	638.7	100.0%	16.9%	18.2%	-1.5%	0.2%
Gross profit	458.8	61.5%	387.0	60.6%	18.5%	18.5%	-	-
A&P	(135.3)	-18.1%	(114.7)	-18.0%	18.0%	16.7%	1.2%	0.1%
SG&A	(222.2)	-29.8%	(201.2)	-31.5%	10.4%	10.9%	-0.6%	0.1%
EBIT Adj.	101.2	13.6%	71.1	11.1%	42.4%	43.0%	-0.2%	-0.4%

Asia Pacific

	FY 2022		FY 2021		Reported change	Organic change	Perimeter	FX
	€ million	% of sales	€ million	% of sales	%	%	%	%
Net sales	197.9	100.0%	167.8	100.0%	17.9%	12.4%	1.0%	4.5%
Gross profit	88.8	44.9%	81.1	48.3%	9.5%	6.2%	-	3.3%
A&P	(30.9)	-15.6%	(29.5)	-17.5%	5.1%	-0.5%	1.4%	4.2%
SG&A	(43.2)	-21.9%	(34.6)	-20.6%	24.9%	19.7%	-	5.2%
EBIT Adj.	14.7	7.4%	17.0	10.2%	-14.0%	-9.7%	-2.4%	-2.0%

FY 2022 Consolidated P&L

	FY 2022		FY 2021		Reported change € million	change vs FY 2021				Organic change %
	€ million	% sales	€ million	% sales		Organic margin accretion (dilution) ⁽³⁾ bps	Organic change %	Perimeter effect %	Forex impact %	
Net sales	2,697.6	100.0%	2,172.7	100.0%	525.0					
COGS ⁽¹⁾	(1,109.0)	-41.1%	(875.8)	-40.3%	(233.2)	(120)	19.8%	-0.7%	7.6%	49.1%
Gross profit	1,588.6	58.9%	1,296.8	59.7%	291.8	(120)	14.1%	0.2%	8.2%	33.9%
A&P	(479.0)	-17.8%	(397.8)	-18.3%	(81.2)	60	12.7%	0.6%	7.1%	41.8%
Contribution after A&P	1,109.6	41.1%	899.0	41.4%	210.6	(60)	14.7%	0.1%	8.6%	30.7%
SG&A ⁽²⁾	(539.8)	-20.0%	(463.8)	-21.3%	(75.9)	110	10.6%	-0.2%	6.0%	28.0%
EBIT adjusted	569.9	21.1%	435.2	20.0%	134.7	50	19.1%	0.4%	11.5%	33.4%
Operating adjustments	(58.3)	-2.2%	(34.3)	-1.6%	(24.0)					
Operating profit (EBIT)	511.5	19.0%	400.8	18.4%	110.7					
Financial income (expenses) and adjustments	(30.7)	-1.1%	(12.4)	-0.6%	(18.3)					
Put option, earn out income (expenses), hyperinflation effects and other	0.7	-	0.2	-	0.5					
Profit (loss) related to associates and joint ventures	(6.6)	-0.2%	(0.1)	-	(6.5)					
Profit before taxation	475.0	17.6%	388.6	17.9%	86.4					
Profit before taxation adjusted	538.0	19.9%	415.3	19.1%	122.7					
Taxation	(143.5)	-5.3%	(105.6)	-4.9%	(37.9)					
Net profit for the period	331.5	12.3%	283.0	13.0%	48.5					
Net profit for the period-adjusted	386.3	14.3%	306.1	14.1%	80.2					
Non-controlling interests	(1.5)	-0.1%	(1.8)	-0.1%	0.3					
Group net profit	333.0	12.3%	284.8	13.1%	48.2					
Group net profit-adjusted	387.8	14.4%	307.9	14.2%	79.9					
Total depreciation and amortisation	(90.5)	-3.4%	(79.7)	-3.7%	(10.7)	30	7.7%	-	5.8%	
EBITDA-adjusted	660.3	24.5%	514.9	23.7%	145.4	20	17.3%	0.3%	10.6%	
EBITDA	602.0	22.3%	480.6	22.1%	121.4					

(1) COGS = cost of materials, production and logistics expenses

(2) SG&A = selling, general and administrative expenses

(3) Bps rounded to the nearest ten

Q4 2022 Consolidated P&L

	Q4 2022		Q4 2021		Reported change	Organic change	Perimeter effect	Forex impact
	€ million	% sales	€ million	% sales	%	%	%	%
Net sales	691.9	100.0%	597.0	100.0%	15.9%	9.6%	-0.2%	6.5%
COGS ⁽¹⁾	(313.5)	-45.3%	(261.3)	-43.8%	20.0%	10.0%	-0.3%	10.3%
Gross profit	378.5	54.7%	335.7	56.2%	12.8%	9.2%	-0.1%	3.6%
A&P	(150.3)	-21.7%	(129.6)	-21.7%	16.0%	8.4%	1.6%	6.0%
Contribution after A&P	228.1	33.0%	206.1	34.5%	10.7%	9.7%	-1.1%	2.1%
SG&A ⁽²⁾	(150.5)	-21.8%	(130.7)	-21.9%	15.2%	10.9%	-0.4%	4.7%
EBIT adjusted	77.6	11.2%	75.4	12.6%	3.0%	7.6%	-2.3%	-2.3%
Operating adjustments	(32.2)	-4.7%	(24.6)	-4.1%	30.6%			
Operating profit (EBIT)	45.4	6.6%	50.7	8.5%	-10.4%			
Financial income (expenses) and adjustments	(19.8)	-2.9%	(2.0)	-0.3%	907.8%			
Put option, earn out income (expenses), hyperinflation effects and other	(0.1)	-	0.4	0.1%	-128.0%			
Profit (loss) related to associates and joint ventures	(4.2)	-0.6%	(1.7)	-0.3%	154.0%			
Profit before taxation	21.3	3.1%	47.4	7.9%	-55.1%			
Total depreciation and amortisation	(24.9)	-3.6%	(21.5)	-3.6%	15.9%	9.1%	0.2%	6.6%
EBITDA-adjusted	102.5	14.8%	96.8	16.2%	5.9%	8.0%	-1.8%	-0.3%
EBITDA	70.3	10.2%	72.2	12.1%	-2.6%			

(1) COGS = cost of materials, production and logistics expenses

(2) SG&A = selling, general and administrative expenses

FY 2022 EPS adjusted: basic and diluted

		FY 2022	FY 2021
		€ million	€ million
Group net profit adjusted	€ million	387.8	307.9
Weighted average of ordinary share outstanding	number	1,126,061,579	1,126,588,835
Basic earnings per share adjusted	€	0.34	0.27
Group net profit adjusted net of dilution	€ million	387.8	307.9
Weighted average of ordinary share outstanding	number	1,126,061,579	1,126,588,835
Weighted average of shares from the potential exercise of stock options with dilutive effect	number	14,158,632.0	19,696,516.9
Weighted average of ordinary shares outstanding net of dilution	number	1,140,220,211	1,146,285,352
Diluted earnings per share adjusted	€	0.34	0.27

Reclassified balance sheet

Invested capital and resources

€ million	31 December 2022	31 December 2021	Total Change
Fixed assets	3,980.0	3,090.6	889.4
Other non-current assets and (liabilities)	(357.3)	(365.3)	7.9
Operating working capital	771.0	641.5	129.5
Other current assets and (liabilities)	(164.8)	(161.1)	(3.6)
Total invested capital	4,228.9	3,205.7	1,023.2
Group shareholders' equity	2,675.0	2,371.8	303.2
Non controlling interests	1.4	3.0	(1.6)
Net financial debt	1,552.5	830.9	721.6
Total financing sources	4,228.9	3,205.7	1,023.2

Consolidated balance sheet (1 of 2)

Assets

	31 December 2022	31 December 2021	Change
	€ million	€ million	€ million
ASSETS			
Non-current assets			
Property, plant and equipment	748.1	560.3	187.9
Right of use assets	68.4	71.8	(3.4)
Biological assets	17.5	13.4	4.1
Goodwill	1,911.8	1,416.3	495.5
Brands	1,182.0	974.9	207.2
Intangible assets with a finite life	52.1	54.0	(1.9)
Interests in associates and joint ventures	36.0	26.1	9.9
Deferred tax assets	72.5	55.3	17.3
Other non-current assets	24.1	5.3	18.8
Other non-current financial assets	48.2	5.7	42.5
Total non-current assets	4,160.8	3,183.0	977.8
Current assets			
Inventories	997.2	742.0	255.2
Biological assets	7.1	3.7	3.4
Trade receivables	308.5	290.4	18.1
Other current financial assets	18.9	15.8	3.1
Cash and cash equivalents	435.4	791.3	(355.9)
Income tax receivables	19.1	17.7	1.4
Other current assets	60.2	49.2	10.9
Total current assets	1,846.2	1,910.1	(63.8)
Total assets	6,007.1	5,093.1	913.9

Consolidated balance sheet (2 of 2)

Liabilities and shareholders' equity

	31 December 2022	31 December 2021	Change
	€ million	€ million	€ million
LIABILITIES AND SHAREHOLDERS' EQUITY			
Shareholders' equity			
Issued capital and reserves attributable to shareholders of the parent Company	2,675.0	2,371.8	303.2
Non-controlling interests	1.4	3.0	(1.6)
Total shareholders' equity	2,676.4	2,374.8	301.6
Non-current liabilities			
Bonds	846.3	845.5	0.8
Loans due to banks	770.9	355.2	415.7
Other non-current financial liabilities	301.4	120.9	180.5
Post-employment benefit obligations	24.1	30.1	(6.1)
Provisions for risks and charges	35.6	34.4	1.2
Deferred tax liabilities	399.4	366.0	33.4
Other non-current liabilities	30.9	21.5	9.4
Total non-current liabilities	2,408.6	1,773.6	635.0
Current liabilities			
Bonds	-	50.0	(50.0)
Loans due to banks	107.0	198.1	(91.2)
Other current financial liabilities	29.3	73.9	(44.6)
Trade payables	541.7	394.6	147.1
Income tax payables	72.5	54.4	18.1
Other current liabilities	171.5	173.7	(2.2)
Total current liabilities	922.0	944.7	(22.7)
Total liabilities	3,330.7	2,718.3	612.4
Total liabilities and shareholders' equity	6,007.1	5,093.1	914.0

Reclassified Cash flow statement

	FY 2022	FY 2021	Change
	€ million	€ million	€ million
EBITDA	602.0	480.6	121.4
Effects from hyperinflation accounting standard adoption	6.7	4.5	2.3
Accruals and other changes from operating activities	26.6	64.7	(38.2)
Goodwill, trademark and sold business impairment	3.1	8.0	(5.0)
Income taxes paid	(141.0)	(79.1)	(61.9)
Cash flow from operating activities before changes in working capital	497.3	478.7	18.6
Changes in net operating working capital	(83.9)	5.0	(89.0)
Cash flow from operating activities	413.4	483.7	(70.3)
Net interests paid	(11.4)	(15.6)	4.3
Capital expenditure	(213.3)	(135.7)	(77.6)
Free cash flow	188.7	332.3	(143.6)
Sale and purchase of brands and rights	(129.9)	-	(129.9)
(Acquisition) disposal of business	(432.0)	(3.1)	(428.9)
Dividend paid out by the Company	(67.6)	(61.6)	(6.0)
Other changes (incl. net purchase of own shares)	(112.0)	(2.3)	(109.7)
Total cash flow used in other activities	(741.6)	(67.0)	(674.6)
Change in net financial position due to operating activities	(552.9)	265.4	(818.2)
Put option and earn-out liability changes	(186.0)	(3.5)	(182.5)
Increase in investments for lease right of use	(9.8)	(13.0)	3.2
Net cash flow of the period = change in net financial debt	(748.6)	248.9	(997.5)
Effect of exchange rate changes on net financial debt	27.1	24.0	3.1
Net financial debt at the beginning of the period	(830.9)	(1,103.8)	272.9
Net financial position at the end of the period	(1,552.5)	(830.9)	(721.6)

Operating working capital

	31 December 2022		31 December 2021		Reported change	Organic change	Perimeter effect	Forex Impact
	€ million	% sales	€ million	% sales				
Trade receivables	308.5	11.4%	290.4	13.4%	18.1	14.4	3.5	0.2
Total inventories, of which:	1,004.2	37.2%	745.7	34.3%	258.5	208.3	28.2	22.0
- maturing inventory	501.7	18.6%	409.7	18.9%	92.0	60.1	19.9	12.0
- biological assets	7.1	0.3%	3.7	0.2%	3.4	2.9	-	0.4
- other inventory	495.5	18.4%	332.3	15.3%	163.2	145.2	8.4	9.6
Trade payables	(541.7)	-20.1%	(394.6)	-18.2%	(147.1)	(138.7)	(2.4)	(6.1)
Operating working capital	771.0	28.6%	641.5	29.5%	129.5	83.9	29.4	16.1

Financial debt details

Eurobonds and Term loans composition as of 31 December 2022

Issue date	Maturity	Type	Currency	Coupon	Outstanding Amount (LC million)	Outstanding Amount (€ million)	Original tenor	As % of total
Apr 5, 2017	Apr-24	Unrated Eurobond	EUR	2.165%	150	150	7 years	10%
Apr 30, 2019	Apr-24	Unrated Eurobond	EUR	1.655%	150	150	5 years	10%
Jul 31, 2019	Jul-24	Term Loan	EUR	1.126%	250	250	5 years	17%
Oct 6, 2020	Oct-27	Unrated Eurobond	EUR	1.250%	550	550	7 years	37%
Dec 6, 2022	Dec-27	Term Loan	USD	5.552% ⁽¹⁾	420	394	5 years	26%
Total gross debt						1,494		100%
Average coupon							2.50%	

€ million	31 December 2022	31 December 2021	Change 31 December 2022 vs 31 December 2021
Short-term cash/(debt) (A)	321.4	533.2	(211.8)
- Cash and cash equivalents	435.4	791.3	(355.9)
- Bonds	-	(50.0)	50.0
- Bank loans	(107.0)	(198.1)	91.2
- Lease	(14.4)	(13.5)	(0.9)
- Others financial assets and liabilities	7.4	3.6	3.8
Medium to long-term cash/(debt) (B)	(1,634.2)	(1,265.5)	(368.7)
- Bonds	(846.3)	(845.5)	(0.8)
- Bank loans	(770.9)	(355.2)	(415.7)
- Lease	(65.1)	(70.4)	5.3
- Others financial assets and liabilities	48.2	5.7	42.5
Net financial debt before put option and earn-outs payments (A+B)	(1,312.8)	(732.3)	(580.5)
Liabilities for put option and earn-out payments ⁽²⁾	(239.7)	(98.7)	(141.0)
Net cash/(debt)	(1,552.5)	(830.9)	(721.6)

(1) Floating interest rate linked to SOFR + spread

(2) Including commitments for future minority purchases (including mainly Wilderness) and payable for future earn-outs

Exchange rates effects

	Average exchange rates			Period end exchange rate		
	FY 2022	FY 2021	change FY 2022 vs FY 2021	31 December 2022	31 December 2021	change 31 December 2022 vs 31 December 2021
	1 Euro	1 Euro	%	1 Euro	1 Euro	%
US Dollar	1.054	1.184	12.3%	1.067	1.133	6.2%
Canadian Dollar	1.370	1.483	8.3%	1.444	1.439	-0.3%
Jamaican Dollars	161.777	178.337	10.2%	161.803	174.455	7.8%
Mexican peso	21.205	23.990	13.1%	20.856	23.144	11.0%
Brazilian Real	5.443	6.381	17.2%	5.639	6.310	11.9%
Argentine Peso^{'1'}	188.503	116.362	-38.3%	188.503	116.362	-38.3%
Russian Ruble^{'2'}	74.039	87.232	17.8%	79.226	85.300	7.7%
Great Britain Pounds	0.853	0.860	0.9%	0.887	0.840	-5.3%
Swiss Franc	1.005	1.081	7.6%	0.985	1.033	4.9%
Australian Dollar	1.517	1.575	3.8%	1.569	1.562	-0.5%
Yuan Renminbi	7.080	7.634	7.8%	7.358	7.195	-2.2%

(1) Following the adoption of IAS 29 'Financial reporting Hyperinflationary economies' in Argentina, the average exchange rate of Argentine Peso for FY 2022 and FY 2021 was adjusted to be equal to the spot exchange rate as of 31 December 2022 and 31 December 2021 respectively

(2) On 2 March 2022, the European Central Bank ('ECB') decided to suspend the publication of Euro 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

Environment

Targets, achievements in 2022 and next steps

Targets

Achievements in 2022

Next Steps

Energy and Green House Gases (GHG) emissions

- Achieve net zero emissions by 2050, or sooner
- Reduce greenhouse gas (GHG) emissions (kg of CO₂e/L) from direct operations (scope 1&2) by 20% by 2025, by 30% in 2030 and by 25% from the total Supply Chain by 2030, using 2019 as the baseline
- 100% renewable electricity for European production sites within 2025 (achieved in 2021)

- CDP-Climate Change questionnaire participation and Campari Group received the B score ('Management')
- Energy Performance (MJ/L) reduced by 36% compared to 2019
- Greenhouse gas (GHG) emissions performance (kg of CO₂ e./L) from direct operations reduced by 47% compared to 2019
- Greenhouse gas (GHG) absolute emissions (tons of CO₂ e.) from direct operations reduced by 20% compared to 2019
- Funds deriving from the outperformance in the purchase cost of the shares during the share buyback programme were allocated to the installation of photovoltaic panels at the Jamaican plants
- Attainment of Guarantee of Origin in all European plants extended to all American production sites
- 88% of the total electricity used by Group's production sites from renewable sources, equal to 18,343 tons of CO₂ e. not released in the atmosphere



- Further reduce emissions in the Group's production sites and operations
- Partner with the Group's suppliers to identify more sustainable solutions and practices to reduce the Scope 3 emissions' impact
- Enlarge the perimeter including more plants in other regions

Water

- Reduce water usage (L/L) by 40% within 2025 and by 42.5% within 2030, using 2019 as the baseline
- Continue to ensure the return of 100% Wastewater from our operations to the environment safely

- Launch of a Water Reduction programme
- Water usage (L/L) reduced by 48% compared to 2019
- Safe return to the environment of 100% of wastewater from operations



- Water Reduction programme implementation in the Group's direct operations
- Continue to guarantee the safe return to the environment of 100% of wastewater from operations

Waste management

- Zero waste to landfill from direct operations within 2025

- Launch of a global reduction programme to reduce waste to landfill.
- Total waste reduced by 8% compared to 2021. Waste to landfill reduced by 45% compared to 2021, equal to 3,829 tons of waste
- The ratio between the total volume of waste produced and the total waste destined for landfill was reduced to 9%



- Continue the global reduction programme towards the zero waste to landfill target within 2025

Disclaimer

This document contains forward-looking statements that relate to future events and future operating, economic and financial results of Campari Group. By their nature, forward-looking statements involve risk and uncertainty because they depend on the occurrence of future events and circumstances. Actual results may differ materially from those reflected in forward-looking statements due to a variety of factors, most of which are outside of the Group's control.

CONTACTS

investor.relations@campari.com

 www.camparigroup.com
 @CampariGroup  CampariGroup