

# PURCARI

WINERIES GROUP

## Transcript

### Investors and Analysts' Conference Call: Third Quarter 2024 Financial Results

Eugeniu Baltag, Investor Relations Director, Purcari Wineries PCL: Good afternoon, everyone, and thank you for joining us today to discuss Purcari Winery's third quarter results for 2024. My name is Eugeniu Baltag, and I am the Investor Relations Director of Purcari Wineries.

Today, we'll walk you through the key financial highlights, operational developments, and our outlook for the coming months. Before we dive into the details, I would like to thank our team for their hard work and dedication, as well as our shareholders for their continuous support.

Please bear in mind that this call may include forward-looking statements based on current expectations and assumptions, which involve risks and uncertainties that could cause actual results to differ. The financial figures discussed are unaudited and should be read in conjunction with the full reporting package available on our website or on the Bucharest Stock Exchange's website. Participants are advised to review all disclosures before making investment decisions.

I'm pleased to introduce our speakers for today: Alexandru Filip, Purcari Group's Deputy CEO, and Anatol Belibov, the Group's CFO. Additionally, there is an extended team of senior executives and non-executives on this call. Together, we aim to provide a comprehensive overview of the company's results and outlook. That being said, we can get started. Alex, the floor is yours.

Alexandru Filip, Deputy Chief Executive Officer, Purcari Wineries PCL: Thank you very much, Eugeniu. Good afternoon, everyone. I am excited to share our results today. Just to remind everyone of what we set ourselves to do, we're working towards building a global winemaking champion dedicated to preserving and promoting the rich winemaking heritage and indigenous grape varieties of New Europe. We aim to do this by inspiring people to thrive and excel through hard work, determination, and collaboration. We aim to live this purpose every day, and we believe that the results we'll share with you today are an illustration of our efforts.

If we move on, just to get into the content, here are some of the highlights, and we'll try to show you the main ones, knowing that we cannot be exhaustive.

**Commercial updates:** One of the things we've aimed to do this year, and you will hear more about it in the coming months as an objective for next year, is to get closer to our consumers in the core markets, especially Romania. This year, we have become the main sponsor of the prestigious Jazz in the Park Festival in Cluj-Napoca.

We were also recognized as the best winery in the Republic of Moldova by the National Office of Wine and Vineyards in Moldova.

We are also continuing to innovate. We have launched new products, like the Sapiens range in Moldova. We are also expanding into new territories. Just to give you an example, I think this year is the first time we sent a shipment to Ghana in Africa. So, we continue to expand geographically and expand our product portfolio.

**IR updates:** I think you might have seen the announcement earlier, we have confirmed the CEO succession as of January 2025.

We have also been awarded the Board of the Year by Envisia in Romania.

We added a market maker as of October 1st, and now we have two market makers, which should provide additional liquidity and price transparency to all investors. We are now working with Intercapital and attended

two events this fall—one in Bucharest, the Wood event, and another in Zagreb, the Romanian Investor Day organized by Intercapital in Croatia.

**In terms of financial results:** Group revenues have reached 262 million in the first nine months of the year, a 4% increase year on year. Core revenues performed even better, growing by 14% over the same period. The difference between the 4% and the 14% comes from the EcoSmart discontinuation, about which we informed you in the previous call. We have seen good traction across multiple countries, including Romania, Bulgaria, the Czech Republic, and Slovakia. Also, as I mentioned earlier, there has been good acceleration in the rest of the world, coming from our geographical expansion in the Middle East and North Africa, as well as good performance in the Americas, Canada, the US, and Mexico this year. So, there is good spread across different geographies.

Premium brands are performing best, and Purcari is leading the growth across all our key markets. The gross margin is at 47% for the first nine months, 6% higher than last year. This is a combination of volume, price, and mix improvement, as well as some COGS optimization measures that we have taken. The EBITDA margin is at 33%, four percentage points higher than last year. Regarding net profit, we are slightly in line with what we registered last year. Despite the EBITDA improvement, we have been negatively affected by several exogenous factors, primarily the exchange rate between the Moldovan Leu and the Euro, as well as increased taxation. The net profit margin is at 17% for the first nine months of the year.

If we move on, just to dive a bit **into the non-financial results:** As I mentioned, in terms of events, we sponsored the Jazz Festival, and we also sponsored one of the largest business events in Romania and Central Europe, which is Brand Minds. Additionally, we were one of the main sponsors of the National Olympic Committee of Moldova for the 2024 Summer Olympics.

**In terms of marketing,** as I mentioned, we launched Sapiens, a new range that we started distributing in Moldova, including one brand-new product: an Orange wine made from Rkatsiteli grapes. We also promoted our Rosé range and our sparkling wines. In addition to the award, as I mentioned earlier, recognizing us as the best winery in Moldova, we have continued to receive multiple medals for our wines—61 medals this year, including a Decanter award, which is one of the most prestigious competitions, as well as 17 gold medals at Vinalies.

If we move on, in addition to Sapiens in Moldova, we also launched a new brand in Romania, Motiv, with five new SKUs in the mid-range price segment. In Poland, we launched six additional SKUs—two for Moldawska Dolina and four for Terra Vineda. We also expanded into the Netherlands. **Regarding new markets,** I mentioned Ghana earlier. We are also excited about our first deliveries of non-alcoholic red wine to Saudi Arabia, and we hope there will be many more to follow. Otherwise, we will continue to promote our wines in the US, where we are seeing multiple wine tastings. In Japan, we have a new importer, which should allow us to penetrate the retail channel more effectively. In Canada, we have now exceeded 200,000 euros in deliveries in the first year, which is an important milestone for us.

Alexandru Filip, Deputy CEO, Purcari Wineries PCL: For the next part, Eugeniu, do you want to cover this one?

Eugeniu Baltag, IR Director, Purcari Wineries PCL: Yeah, sure. Thank you. It is very difficult to beat the productivity of our commercial team, but we had a quarter full of IR events as well. Firstly, we had a successful Investor Day on October 4, gathering over 200 participants, both on-site at Chateau Purcari and online. During this event, we launched our ambitious 2027 strategy, aiming to double the cooperation metrics by our B-centenary anniversary in 2027. We also emphasized our M&A strategy to expand production facilities and our presence across New Europe.

As Alex mentioned, on the governance front, we were awarded the Board of the Year award by Envisia, recognizing our leadership excellence. Additionally, we have confirmed a smooth CEO succession, with Alex Filip set to take over the role of CEO starting from January 1. Mr. Victor Bostan will transition to the position of Advisory CEO for one year.

We have also strengthened our collaboration with Intercapital, so we now have two market maker partnerships. All these initiatives underline our commitment to deliver sustainable growth, strengthen governance, and enhance stakeholder value.

Now, back to you, Alex, to walk us through the operational aspects.

Alexandru Filip, Deputy CEO, Purcari Wineries PCL: Yes, thank you very much, Eugeniu.

One of the important updates that I guess those of you who have followed the company for some years know we provide in this call, at this time of the year, is an update on the harvest this year. As you can see, it was a smaller vintage in terms of volume, both for our own vineyards and also for third-party grapes. We have faced multiple challenges of different varieties across our main geographies Moldova, Romania, and Bulgaria. Just to give you a sense, Moldova and Romania were primarily affected by drought, while Bulgaria experienced a haze. All these factors negatively impacted the volumes, not only for us but also for a large part of our supplier base.

So, we focused on sourcing smaller volumes, but of the right quality. We implemented measures to mitigate the smaller volumes, and we actually extracted more value from the grapes that we processed. We're also securing bulk wines from suppliers that we know and trust, ensuring the right quality and price point. Additionally, we are taking advantage of the existing vintages, especially for red wines, which were not only more abundant but also had a more competitive cost structure.

With a smaller available volume, we are prioritizing the more premium, high-margin ranges across our portfolio. Overall, we are more focused on securing the right margin for the volumes that we can provide to the market, while also increasing prices where possible and justified.

The key message for us at the moment is that despite the lower volumes of grapes that we have processed this year, we are committed to continuing to grow in line with the midterm strategy. We will secure the volumes needed to support the top-line growth that we plan. We are also working to minimize the impact on the gross margin, in line with our midterm expectations.

After this year, it's clear to us that irrigation is a critical element. Hence, we are even more focused on prioritizing the implementation of the irrigation system at Cuza, where we have roughly 700 hectares, so a significant part of our vineyard will benefit from the availability of water.

For context, this is part of a regional irrigation project, which is a public initiative aimed at bringing water to that area. In parallel, we will run our own infrastructure project to irrigate the vineyards. So, the important message is that, despite a tough environmental context this year and lower production across key markets, we know for sure that Moldova has been impacted. We also have evidence that other key markets in Europe, like France and Italy, are facing similar challenges. However, we will secure growth with very proactive measures to ensure that in the mid-term we stay on track to deliver the objectives we communicated at our Investor Day.

If we move to the actual results, commercially, as I was making the point earlier, we saw growth across all geographies. Romania grew 16%, Bulgaria 38%, the Czech Republic and Slovakia 25%, and the rest of the world also saw significant growth. We see a healthy spread of growth momentum across different geographies, driven by various factors, and we count on this growth continuing.

If we move on to talk about brands, as I mentioned earlier, Purcari is growing above average. Angel Estate's also growing nicely. Domeniile Cuza is growing from a small base but at an accelerated pace. Bostavan is

growing nicely, recovering in the third quarter, with a 37% growth in Q3, not only in the Czech Republic and Slovakia but also in Poland.

I think it's important to acknowledge the challenges we face with Bardar. There has been a good recovery in Moldova and accelerated growth in Romania, but the overall pricing environment in Moldova remains challenging, which is the core market for Divin.

For Angel's, as we indicated in the past, our commercial turnaround is continuing. We continue to grow compared to the previous year, and we are expanding our geographical coverage. Our distribution in Bulgaria is still lower compared to our peers, so we see significant room to grow the distribution, in addition to improving the portfolio quality and the marketing and advertising efforts that we will put behind this brand.

For Romania, just one point before we move on, I have mentioned the new brand, Motiv, which is primarily for the retail channel, targeting an important segment of the market that covers the 25 to 35 RON price segment. This segment itself accounts for 15 to 20% of the market by value, so it's an important battleground for us. We start with very small volumes, as the previous brand we had was a very small player in this segment. We've made a significant effort in developing this new brand and will invest in the coming years to grow and retain market share, in line with our overall market share for this segment as well.

If we move on, Anatol, do you want to cover this one?

Anatol Belibov, Chief Financial Officer, Purcari Wineries PCL: Yes, sure. Moving forward from top-line performance, because Alex has already mentioned our, let's say, good performance, especially in the core business. In terms of gross profit, we have reached 123 million RON, which is a 19% increase year over year. It's a great achievement in terms of absolute numbers. I would like to mention that the gross margin percentage shows a qualitative increase, achieving 46%, which is a 6% increase year over year. This is a very good improvement in terms of operations.

If we discuss more details about what is behind this improvement, the main contributor is pricing and mix improvement. As we mentioned in the previous slide, we managed to deliver the growth, not just by volume, but also by improving the net price per liter. Behind this, there is a close focus on product mix, geographical mix, and also on pricing.

Another important point to mention here is the reduction in COGS. We managed to produce cheaper wines in 2022-2023. We also had successful negotiations in terms of bottle corks and cardboard. All of this together allowed us to have a lower COGS rate, as well as deliver an improvement in terms of gross margin.

Before moving to selling and distribution costs and overall OPEX, I would like to mention that EcoSmart, or in other words, the waste recycling business, had a significantly lower OPEX percentage in revenue compared to the core wine business. Therefore, with the discontinuation of the EcoSmart wine business, the percentage-wise OPEX increases in total revenue, thus this needs to be considered.

Therefore, marketing and selling expenses grew by 25% year on year, or plus 7.3 million RON, driven by, first of all, more investment in trade and marketing. We focused on maintaining our brand awareness, supporting promotional activity, and investing in key initiatives to support our growth. Payroll costs for marketing increased by 90%, mostly driven by inflation and salary increases, as well as the expansion of the team. Logistic costs have slightly increased, driven by inflation.

Here, it is important to mention that starting from the current year, with the implementation of RetuRO in Romania, we have new costs in selling and distribution, accounting for a 23% increase year on year. Speaking about G&A, you can see here that year over year there is an increase of 5%, but in the third quarter, you can see that it's mostly flat. We are looking to manage our expenditure very carefully to improve profitability.

Next is about other income and expenses, and I would like to draw your attention here because this has the biggest impact on our net profit variance quarter over quarter. As you can see in the third quarter of 2024, other income and expenses were close to 0.1 million RON, versus 4 million RON in the previous year. The question is: Why do we have this situation? I will mention the main points that impacted this variance year over year.

The first point is the fair value re-evaluation of grapes. As Alex has already mentioned, the current year has been very challenging, and that's why Purcari Group overall recorded a loss of 0.65 million RON as a result of the re-evaluation of its own grapes. If we compare this to the prior year, we registered a gain of 2.7 million RON. So here, it's more than a 3 million RON decrease.

Another point is that in Q3 2023, we registered some one-off gains, meaning a write-off of payables, some surplus identified during stock count, and also a significant gain from selling tangible assets as part of the Angel's Estate modernization project. So, all in one, you can see that we are losing 4 million RON here in terms of net profit.

But moving to the next line, EBITDA wise, you can see that we managed to achieve close to 86 million RON, which is in line with the gross margin, plus 19%. However, when moving from EBITDA to net profit, you can observe that there is a discrepancy. There is a strong impact coming from Forex in the prior year. Due to the MDL appreciation, we registered a gain close to 3 million RON, and this year it's a loss. Additionally, interest is increasing in our investments, and interest expenses are growing, as well as phasing in taxation.

So, altogether, you can see that from the 19% EBITDA growth, we are mostly flat in terms of net profit. But it's important to mention that both EBITDA and net profit are currently exceeding the guidance for these KPIs.

Moving to the next slide, Purcari Group is continuing to maintain a strong financial position. We are trying to achieve the optimal balance between cash and overdraft to minimize interest costs. As you can see, cash positions are in line with phasing. The increase in net debt is in line with our strategy to drive strong growth. You can see that it's higher, but our strategy, communicated in the prior months, was to drive profitable growth.

The cash ratio is aligned with seasonality. There is no significant risk in terms of liquidity to meet short-term obligations. The net debt increase is due to more loans required to sustain our investment in CapEx. It is also important to mention that we are buying more expensive grapes, which is impacting our loans and debt.

All of this together brings the net debt to EBITDA ratio to 1.7, which is in line with our maximum of 2 times net debt to EBITDA. Altogether, we have a strong balance sheet and prudent liquidity management.

That was all from my side. Thank you.

Alexandru Filip, Deputy CEO, Purcari Wineries PCL: Okay, thank you, Anatol. Just to wrap up the financial part, if we stay on the guidance. So, where are we? Just to remind everyone, we are ahead of the most important quarter of the year for our business. Q4 accounts for anything between one-third and 40% of the revenues that we generate in a year. We have quite an important swing factor both in terms of growth and profitability.

To take it from the top, total revenues: the guidance that we provided was between 5% and 10%. You see we are at 4%. We are fighting hard, and we are making a lot of efforts in-flight to deliver within the guidance range that we provided. Similarly, for revenues, the combination of revenues or, let's say, the mix of products that we will sell, will also determine not only the revenue growth but also the margin that we will achieve. Premium products like the Purcari range or Bardar, which normally have a good Q4, given the seasonality relevance of these ranges for Christmas shopping, should help both the revenue growth and EBITDA margin. We have also implemented some price increases in Romania, and now we are waiting to see the pickup in sales for the retail channel. Basically, the expectation is that we are working hard, and the entire team is working hard to deliver the guidance that we have provided.

On the sales side, and similarly on the margin side, you might wonder for profitability, why do we maintain the guidance as it is? We do it because, on the EBITDA side, there are many elements that relate to the seasonality of sales, also the intensity of the promotional activities that we are running, plus the seasonality that we experience historically in spending expenses for Q4. A lot of it has to do with advertising. We have increased the advertising intensity. Others have to do with year-end bonuses that we pay to the different channels, depending on the targets they achieve. So, quite a few things could still dent the currently above-expectation margin for EBITDA. As Anatol just illustrated, there is also, for the net income margin, an exogenous element that needs to be accounted for.

But the key message is - we maintain the guidance, and we work hard to deliver on all four elements on the page. If we move on, just to remind everyone of the strategy that we communicated at the beginning of October for our Investor Day. Our ambition is to deliver a doubling of the key financial metrics by 2027. So, we're working towards 200 million RON EBITDA with a 50%+ gross margin on revenues of roughly 630 million RON, and we aim to double also the dividend per share. We have put in place a comprehensive transformation plan across all areas of the organization. We are now also ramping up the required resources. We're extending offers for people to join and support the transformation across different areas.

We're also planning to invest significantly in digitization, already from this year but with more relevant initiatives next year. In addition to this, we remain committed to extending our geographical footprint, primarily through M&A in a couple of other new European markets. So, we are running an active M&A agenda across multiple geographies. We will report on this progress as we make, and we reach meaningful milestones that we can share with you.

That being said, I think we can move on, Eugeniu?

Eugeniu Baltag, IR Director, Purcari Wineries PCL:

Alex, Anatol, thank you! We have arrived at the most dynamic part of our presentation, the Q&A part. I kindly ask you to write your questions in the chat section, or you can unmute yourself and address the question directly.

Q&A session

Eugeniu Baltag, Investor Relations Director, Purcari Wineries PCL: We have the first question from the chat from Participant 1.

Participant 1:

Thank you for the presentation! What were the volumes sold in the 3 new markets?

Alexandru Filip, Deputy CEO, Purcari Wineries PCL: Anatol, can you give me a hand with the first question, so Ghana, Northern Cyprus and I cannot recall the next one.

Anatol Belibov, CFO, Purcari Wineries PCL: I will check, and I will come back with an answer in the chat.

Alexandru Filip, Deputy CEO, Purcari Wineries PCL: Ok let's move to the next question, then we come back to Participant's 1 question.

Participant 2: How confident are you of still reaching guidance?

Alexandru Filip, Deputy CEO, Purcari Wineries PCL: As I have mentioned, we are confident that we can reach it; otherwise, we would have changed the guidance. We believe that it's a hard fight to be fought, also with the aim to protect the reputation and price perception of the different ranges. So, of course, we could have total certainty through very aggressive price demotions or pushing volume in the markets, but we do not want to harm our midterm perspective. So, we are confident, but not necessarily certain about it. Let's move on.

Eugeniu Baltag, IR Director, Purcari Wineries PCL: No more questions in the chat so, you have the option to unmute yourself and address the question directly, sometimes it takes much longer to write it in the chat.

Participant 3:

Hi, it's Participant 3 here. I have some questions for you, but first I want to congratulate you on the results, especially regarding operating profitability. And here is my first question: I saw that the harvest for 2023 and 2024 were quite good, and as I know, it was also at a lower cost. So, can we expect a gross margin above 50% for FY25 and FY26? I know it's quite early to say, but it would help.

Alexandru Filip, Deputy CEO, Purcari Wineries: Okay, do you want to shoot more questions, Participant 3?

Participant 3:

Sure, the next question is regarding the net financial expense. I saw that it's around 4 million. Can we expect the same trend in the fourth quarter? I don't know, around the 4% or do you expect a decrease on a quarter-on-quarter basis?

Alexandru Filip, Deputy CEO, Purcari Wineries: Okay, any other questions?

Participant 3:

It was quite clear, and this is what I want to congratulate you on. It was a quite detailed presentation, and it helped me as an analyst, so thank you!

Alexandru Filip, Deputy CEO, Purcari Wineries: Super, let me try to keep up with the answer to the first question. And the story is a bit the following. You need to understand that every year, what we sell is a mix of different vintages. So, in 2025, we will sell primarily whites and rosés from this year's vintage and reds from previous year's vintages. Which is the same thing as saying that this year's red vintage will affect the 2026 margin, either positively or negatively. So, this is the first point: every year, there's a blend of vintages in the sales portfolio.

Second point: every year we have a guidance for each product and each range, as to what should be the mid-term margin we want to have. Of course, the prices cannot fluctuate every year depending on how generous the vintage is, so we try to keep a balance and avoid confusing consumers with different price swings that are not sustainable mid-term. But we also aim to optimize margins where needed, especially when there is scarcity of volumes versus the margins we generate.

Lastly, everything I'm saying is to tell you that we are working and we're confident we can maintain the margin in line with the midterm guidance we provide. But I cannot tell you what the number will be next year because, one of the other things we aim to do—and we also indicated this—is to launch new product ranges and new brands, which initially require investments in establishing them in the market. Although for a new brand or new range we have a mid-term profitability guidance and target that we want to reach, initially, the margin will be lower. Now, how successful those new brands are in the total portfolio and sales mix will also determine the average margin. So, bottom line, we are not particularly concerned about margin erosion mid-term. We are proactively managing this, but we cannot give you a clear indication as to whether the number will be just like this year, slightly higher than last year, or slightly lower than this year. But you should acknowledge that we're handling quite a big swing in vintage costs and volumes this year.

Anatol, I think I've bought you enough time to answer the second question.

Anatol Belibov, CFO, Purcari Wineries PCL: Yes, so, about the finance cost, it's important to mention that interest is growing, and part of the finance cost will grow close to 20% year over year in line with the increasing loan portfolio. If we speak about Forex, last year it was one of the more favorable years in the last four, with a 4 million gain, which slightly decreased to 2.5 million by the end of 2023. For the current year, our projection

is that we will be close to zero impact from Forex, and the reason behind this is that the National Bank of Moldova is more stable in its actions in the Forex market. So, the Moldovan LEU is more stable, rotating a maximum of five percent during the month. Currently, we expect zero impact. But for sure, this 4 million from the prior year will stay with us when we assess the variance year over year.

Participant 3: It was quite clear, thank you!

Alexandru Filip, Deputy CEO, Purcari Wineries: Okay, Eugeniu, can you read the other question?

Eugeniu Baltag, IR Director, Purcari Wineries PCL: Another question from the chat, from Participant 4.

Participant 4:

How many grapes were bought this year from your subcontractors and how much was obtained from harvest? Is this data publicly available?

Eugeniu Baltag, IR Director, Purcari Wineries PCL: Yes, it is available. We have this data in our presentation. It's published both on the Bucharest Stock Exchange and on our corporate site. Just to give you some figures, we have processed this year almost 24 million kilograms of grapes. We usually use third-party providers to counterbalance our needs, and typically we can purchase between 50 and 60% of our total grape requirements from third-party sources. So, this year, we met 40% of our grape requirements from our own grapes and 60% from third-party grapes.

To give an example, last year, we secured 42% from our own grapes and 58% from external sources. At this moment, we have sufficient stocks of bulk wine for the next year to secure double-digit growth.

Anatol, if you could read your comment from the chat.

Anatol Belibov, CFO, Purcari Wineries PCL: I have some information from the commercial teams. For the new markets, we delivered close to 5,000 to 15,000 bottles, but for sure, this is just the start. This is the biggest volume expected from each market—so, from 5K to 15K bottles for each market. I'm sure this is just the beginning. We are setting up the new business and expect significant growth in 2025.

Eugeniu Baltag, IR Director, Purcari Wineries PCL: Thank you, Anatol.

Participant 3:

I have one last question. It's with regard to Poland. I saw that in the third quarter, it registered a significant increase year on year. The market started to open up after some weaker quarters. So, what's the situation in Poland?

Alexandru Filip, Deputy CEO, Purcari Wineries: First of all, I think you might have noticed we indicated that we launched four new SKUs of which we actually started selling in a new key account network, plus the extension of the Moldawska Dolina, which is our best-selling product in Poland. So, it's primarily the expansion of distribution in Poland that is driving this increase.

Participant 3: Thank you!

Eugeniu Baltag, IR Director, Purcari Wineries PCL: Any other questions? We have another question in the chat.

Participant 4:

Bulgaria seems on track to become a key market for the group, evident in your mid-term strategy. What share of revenue do you target for 2027 for the Bulgarian market and on what product mix, as the current sales structure is skewed toward the Angel's brand, I assume?

Alexandru Filip, Deputy CEO, Purcari Wineries: Okay, so it's very difficult to talk about a share of the portfolio when the other parts of the portfolio are also moving. I think for us, the most important thing is to relate to what



we plan for the market. Our ambition mid-term is to become a top five winery in Bulgaria. So, this is a bit how we look at it, which should be roughly, I think, a 10 to 15% market share to give us the right number for top five, and it would likely be around 10%. We would imagine a mix that would still be dominated by local brands, given that local consumers across Central Europe, and we have this evidence, are fundamentally loyal to domestic producers. So, from this perspective, we would still expect Angel's Estate and local brands to dominate the sales. But we also plan to grow Purcari in the premium segment, primarily for Horeca, specialized wine shops, and premium retail shops. So, it's hard to give you a number, but it would probably still be dominated by Angel's Estate with the rest following. I hope this addresses your question. Let me know if not.

Participant 4: Thank you for the answer! Indeed, it was informative.

Alexandru Filip, Deputy CEO, Purcari Wineries: Okay. Thank you!

Eugeniu Baltag, IR Director, Purcari Wineries PCL: I think the presentation was so comprehensive that we received only a few questions. So, Alex, I think we can proceed with closing this conference.

Alexandru Filip, Deputy CEO, Purcari Wineries: Okay, thank you everyone for joining. It's always a pleasure to connect with you, share our updates, and hear your challenges. As always, if any questions pop up, let Eugeniu and Victoria know, and we'll try to address them. Also, look us up for the next investor events. We will be in Prague in December for Wood Wonderland on December 4. Also, I am happy to connect separately on other occasions if needed. We look forward to the next updates. Thank you very much, and we wish everyone a great week. Goodbye.