ITALIAN WINE BRANDS
Creatori di Eccellenze

PRESS RELEASE

ITALIAN WINE BRANDS BOARD OF DIRECTORS APPROVES STRONG GROWING 2023 RESULTS CASH GENERATION: EURO 30.6[4] MILLION

Revenues from Sales: Euros 429.1 million (in line with 2022 pro-forma)

EBITDA Adjusted[1]: Euros 44.3 million (+19% vs 2022 pro-forma)

NET RESULT Adjusted[1] Euros 18.9 million (+24,3% vs 2022 pro-forma)

NET FINANCIAL DEBT: Euros 100.7[2]million

FREE CASH FLOW YIELD[5] on average share value (last month) > 17%

Dividend proposal of euros 0.5 per share

Milan, **Marzo 18th 2024** – The Board of Directors of Italian Wine Brands S.p.A., met today, to examine and approve the draft financial statements as at 31 December 2023, drawn up in accordance with the IAS-IFRS accounting principles, and pursuant to the Euronext Growth Milan Issuers' Regulation, ("Regulation EGM") which will be submitted to the next Shareholders' Meeting of the Company for approval. Today's Board also examined and approved the Consolidated financial report as at 31 December 2023, drawn up in accordance with the IAS-IFRS international accounting standards.
The **Consolidated financial report of the IWB Group as of 12/31/23** highlights the following values (in thousands of Euros):

€thousand	31.12.2023	31.12.2022 pro-forma (3)	31.12.2022	31.12.2021
Revenue from sales	**429,127**	**430,312**	**390,654**	**313,227**
Change in inventories	(19,765)	3,320	610	13,333
Other income	4,410	5,897	5,574	2,645
Total revenues	413,772	439,529	396,838	329,204
Purchase costs	(271,847)	(298,387)	(271,790)	(217,705)
Costs for services	(70,911)	(78,190)	(70,990)	(62,009)
Personnel costs	(25,078)	(24,256)	(21,633)	(14,563)
Other operating costs	(1,606)	(1,520)	(1,368)	(898)
Total operating costs	**(369,443)**	**(402,352)**	**(365,781)**	**(295,174)**
Adjusted EBITDA (1)	**44,330**	**37,177**	**31,057**	**34,030**
EBITDA	40,962	35,871	29,735	31,009
Adjusted net profit/(loss) (1)	**18,910**	**15,212**	**12,040**	**16,715**
Net profit/(loss)	**16,458**	**14,212**	**11,033**	**14,537**
Net financial debt	**115,932**	**146,547**	**146,547**	**121,256**
of which net financial debt - third-party lenders	*96,313*	*121,877*	*121,877*	*107,977*
of which net financial debt - Deferred price acquisitions	*4,405*	*7,621*	*7,621*	*0*
of which net financial debt - right-of-use liabilities	*15,214*	*17,049*	*17,049*	*13,279*

[1] Adjusted accounting data as of 31/12/2023 (with reference to Adjusted Ebitda and Adjusted Net Result) represented gross of non-recurring costs, totaling Euro 3,367 thousand in the year.
i) Costs for services equal to Euro 1,139 thousand and relating to i) Euro 347 thousand for the acquisition of Barbanera, ii) Euro 327 thousand commissions prior to the closing of Barbanera. iii) Euro 74 thousand for costs relating to the management of fraud against Enovation Brands iv) Euro 303 thousand for non recurring legal & consultancy fees, corporate and settlement costs; v) 89 thousand euros for charges related to the revamping of the Giordano bottling plant and other minor non recurring.
ii) Personnel costs equal to Euro 259 thousand relating to conciliations with former employees and internal charges related to the revamping of the Giordano bottling plant.
iii) Other operating costs: equal to Euro 41 thousand for transaction costs for previous years services.
iv) Costs for services and personnel amounting to a total of Euro 1,928 thousand relating to the full accrual and assignment of the first tranche of the 2023-2025 Stock Grant Plan, representing 20% of the total value of the plan itself and in line with the achievement of the profitability target 2023. In particular 2023 Adjusted Ebitda equal to at least Euro 44.0 million.
[2] Value net of the IFRS 16; [3] Pro-forma effect: Consolidated data referring to all companies forming part of the group's perimeter, considered for the period 1 January - 31 December
[4] NFP 2022 equal to 146.5 million euros - NFP 2023 equal to 115.9 million euros; [5] (FCF equal to 43 million euros - Investments equal to 7.6 million euros) / 9,459,683 shares / 17.5 euros per share

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***Alessandro Mutinelli, President and CEO of the Group**, declares: "It is with great satisfaction that I present this financial statement, which grows in margins and cash generation compared to the previous year. This result takes on even greater value when compared with the general market trend, which recorded a contraction in volumes shipped due to the reduced spending capacity of end consumers. For the first time in IWB history Adjusted **EBITDA** exceeded the threshold of **€44 million with growth of 19%** compared to the previous year. The bank net financial position improved from €122M to €96M. In 2023 we also worked to realize a new group's corporate structure, effective by January 1, 2024, with a reduction to just two Italian operating companies. The objective is to have a **lean and efficient group,** able to promptly respond to the market, with quality and service, enhancing its people and assets. We have also invested in **environmental sustainability,** with two new photovoltaic plants which will allow **self-production of about 1/3 of the group's energy needs**. The IWB group is today widely diversified: it exports to over 80 countries, is present in both off-trade and on-trade channels, sells directly to the final consumer with its own online platform, has its own brands that cover different price ranges. But we know that there is still a lot to do, many new customers to reach in every corner of the earth, new products and brands to develop, processes to make more efficient. Because the limit to improvement does not exist"*

Revenues from sales

Italian Wine Brands S.p.A. confirms itself as the first listed Italian wine group, consolidating Euro 429.1 million in revenues in 2023. In the reference markets, IWB achieves its turnover mainly and increasingly with foreign customers due to its own historical attitude and to the determination and intuition to seize relevant growth opportunities, which are confirmed mainly outside Italy; also driven by the long wave of an emerging international customers aware of and eager for a lifestyle that embraces the consumption of renowned excellences such as Italian wine, in a wide range of unique, quality and accessible references.
In fact, the revenues highlight a further strengthening of the Group on international markets, where sales amounted to Euro 361.5 million (+1.7% compared to 2022 pro-forma revenues). The increase was obtained as a result of further penetration both on the reference markets and in new geographical areas, confirming that, even in an unfavorable market context, IWB is recognized as a reference partner for (i) quality and the breadth of its product portfolio (ii) the solid widespread presence on the market (iii) the quality and reliability of the services in particular from Wholesale and Ho.re.ca customers.

€thousand

	31.12.2023	31.12.2022 pro-forma	31.12.2021 pro-forma	31.12.2021	Δ % 22 pf / 23	Cagr 21 pf / 23
Total Revenues from sales	**429,127**	**430,312**	**408,934**	**313,227**	**(0.28%)**	**2.44%**
Revenues from sales - Italy	67,380	73,521	75,681	57,597	(8.35%)	(5.64%)
Revenues from sales - Foreign markets	361,500	355,356	332,342	254,719	1.73%	4.29%
Other Revenues	247	1,436	910	910	(82.79%)	(47.90%)

In a complex market, where the export of Italian wines recorded a decrease of 4.4% in volume and 7.3% in value, the Group's commercial strength and production capacity, which have progressively grown also thanks to acquisitions have guaranteed greater geographical diversification of revenues, contributing to the strengthening of the Group in key countries such as the UK (+3.22% CAGR 21PF/23), Germany (+4% CAGR 21PF/23) and in particular in the United States, the first destination market for Italian wine abroad where the Group achieved a 21PF/23 CAGR of +28.2% and which prospectively represents one of the main growth drivers. In addition IWB realized a progressive penetration into emerging markets (revenues +17.1% compared to 2022PF revenues) which already today constitute and will increasingly represent a potential growth opportunity to support further increases in turnover in the medium term.

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	Export of italian wine 2023 (eur/m)	IWB Revenus 2023 (eur/m)	IWB Market share 2023	Export of italian wine 2022 (eur/m)	IWB Revenus 2022 (eur/m)	IWB Market share 2022
USA	1.760,1	0,0	0,0%	1.861,0	0,0	0,0%
Germany	1.188,6	0,0	0,0%	1.182,0	0,0	0,0%
UK	843,1	29,1	3,5%	812,0	24,9	3,1%
Canada	388,8	0,0	0,0%	427,0	0,0	0,0%
Switzerland	419,8	0,2	0,1%	426,0	1,4	0,3%
Total						
Total export of italian wine (eur/m)	**7.771,6**			**7.875,0**		

Note: Market data by Istat, UIV and Ismea and reprocessed internally.

The breakdown of sales revenues by distribution channels highlights:

(a) a substantial strengthening of sales through the wholesale channel (sales to large-scale retail chains and state monopolies) which, growing in a contracting market, despite the difficult market context; demonstrate how the commercial strength and value of IWB brands are able to overcome macroeconomic contingencies and create the conditions for further strengthening on the market, in particular for products with higher margins;

(b) a repositioning of the distance selling channel (direct sales to private individuals) to pre-pandemic levels;

(c) revenues more than doubled in ho.re.ca compared to 2021PF, the year of the Group's entry into this channel which, having overcome the contingent slowdown in consumption due to macroeconomic uncertainties, may continue to represent an area of consistent growth in the Group's development strategy in its own premium brand products.

The revenues confirm the effectiveness of IWB's strategic choices which, thanks to (i) a strong positioning on all sales channels (ii) an integrated and international commercial team (iii) a brand/product portfolio able to satisfy diversified needs of customers let not only to maintain but to improve its market positioning and its customer base in a macroeconomic and sector context still characterized by high inflation and uncertainty in consumption.

€thousand

	31.12.2023	31.12.2022 pro-forma	31.12.2021 pro-forma	31.12.2021	Δ % 22 pf / 23	Cagr 21 pf / 23
Total Revenues from sales	**429,127**	**430,312**	**408,934**	**313,227**	**(0.28%)**	**2.44%**
Revenues from wholesale division	**311,845**	**303,471**	**299,379**	**212,078**	**2.76%**	**2.06%**
Revenues from distance selling division	**62,257**	**68,545**	**82,706**	**82,671**	**(9.17%)**	**(13.24%)**
Direct Mailing	30,426	34,539	43,701	43,701	(11.91%)	(16.56%)
Teleselling	12,155	13,902	16,806	16,806	(12.57%)	(14.96%)
Digital / WEB	19,677	20,104	22,198	22,164	(2.13%)	(5.85%)
Revenues from ho.re.ca division	**54,778**	**56,860**	**25,938**	**17,567**	**(3.66%)**	**45.32%**
Other Revenues	**247**	**1,436**	**910**	**910**	**(82.79%)**	**(47.90%)**

In the countries in which it operates through the **Wholesale** channel, IWB has managed to obtain revenue growth rates higher than those expressed by the reference market, positively combining (x) organic growth, (y) development of own-brand and higher margins products and (z) M&A. These results were obtained mainly thanks to:

(i) to a continuous renewal, expansion, and enrichment of the own-brand product portfolio, in particular in the "premium" range which make the commercial offer of the IWB Group essential for more relevant customers as it is synonymous with quality in a unique packaging.

(ii) a consolidated presence in countries with the highest "resilient" per capita consumption of wine; the capacity to enter new countries/markets both as a reference partner for the customers and as an ability to acquire new

customers.

(iii) a widespread international commercial team which represents an element of uniqueness in the sector and which has made it possible to: (x) develop the Eastern European market with revenues growing by 25% compared to 2022 (y) achieve a further important growth in the UK thanks to Prosecco and in France both thanks to the increase in the product portfolio sold to the two main customers and to the overall success of prosecco compared to champagne.

Distance selling revenues, after the strong growth recorded in the period 2020-2021, is going back over the 2019 levels. However, it is worth mentioning the stability of online sales, despite the retracement of the market.

Ho.re.ca revenues, which constitute an essential completion of the channel portfolio within the Group, have more than doubled, going from Euro 25.9 in 2021 to Euro 54.8 million in 2023 (+ Euro 28.8 million). These results were achieved in particular thanks to M&A activity, which accelerated the entry process and allowed the Group to (i) position itself on relevant customers already at the end of the pandemic period in the phase in which consumption opportunities moved outside the domestic environment and (ii) to be in an extremely favorable position to acquire new customers at the same time.

Margins

In 2023 the Italian Wine Brands group achieved a consolidated adjusted Ebitda of Euro 44.3 million compared with a pro-forma consolidated Adjusted Ebitda of 2022 of Euro 37.2 million. The Ebitda margin grew to 10.23% compared to 8.5% in 2022, returning to 2021 levels.

Adjusted €thousand

	31.12.2023	31.12.2022 pro-forma	31.12.2022	31.12.2021	Δ % 22 pf /23	Cagr % 21/23
Revenues from sales and other revenu	**433,537**	**436,209**	**396,228**	**315,871**	**(0.61%)**	**17.15%**
Raw materials consumed	(291,612)	(295,066)	(271,180)	(204,372)	(1.17%)	19.45%
% of total revenues	*(67.26%)*	*(67.64%)*	*(68.44%)*	*(64.70%)*		
Costs for services	(70,911)	(78,190)	(70,990)	(62,009)	(9.31%)	6.94%
% of total revenues	*(16.36%)*	*(17.92%)*	*(17.92%)*	*(19.63%)*		
Personnel	(25,078)	(24,256)	(21,633)	(14,563)	3.39%	31.23%
% of total revenues	*(5.78%)*	*(5.56%)*	*(5.46%)*	*(4.61%)*		
Other operating costs	(1,606)	(1,520)	(1,368)	(898)	5.67%	33.74%
% of total revenues	*(0.37%)*	*(0.35%)*	*(0.35%)*	*(0.28%)*		
Adjusted EBITDA	**44,330**	**37,177**	**31,057**	**34,030**	**19.24%**	**14.13%**
% of total revenues	*10.23%*	*8.52%*	*7.84%*	*10.77%*		

The table above put in evidence:

- **a reduced incidence of raw material consumption on turnover** due to (i) the increase in pricing negotiated with the customer to counterbalance the 2022 inflationary effects on production costs (ii) the reduction in the cost of dry materials, glass included, renegotiated with the main suppliers,(iii) the different "sales mix" who benefit from the greater incidence of premium products with higher margins which offset the increase in turnover through the wholesale channel, structurally characterized by a greater incidence of the raw material on sales compared to distance selling sales
- **costs for Services, equal to Euro 70.9 million, significantly reduced** compared to 2022 due mainly to (i) lower energy costs (ii) optimization of transport costs in addition to reductions deriving from lower B2C sales volumes (duties and excise duties, mailing). This compensated commercial investments in advertising and commissions who helped stable revenues.

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- an increase in personnel costs from Euro 24.3 million in 2022 to Euro 25.1 million in 2023 attributable to the greater percentage of wine production and bottling carried out internally which made it possible to significantly reduce the costs for external processing and increase the overall operating margin.

The positive margin trend described above, despite i) the increase in depreciation, ii) the increase in financial charges due to the interest rate increase iii) non-recurring charges, lead in any case to a 2023 pre-tax result growing to Euro 19.5 million, compared to 17.9 million in 2022. The details are indicated in the table below:

Adjusted €thousand

	31.12.2023	31.12.2022 pro-forma	31.12.2022	31.12.2021	Δ % 22 pf /23	Cagr % 21/23
Adjusted EBITDA	**44,330**	**37,177**	**31,057**	**34,030**	**19.24%**	**14.13%**
Write down	(1,601)	(833)	(803)	(1,152)	92.26%	17.88%
% of total revenues	*(0.37%)*	*(0.19%)*	*(0.20%)*	*(0.36%)*		
Depreciation and amortization	(11,965)	(11,450)	(9,666)	(6,948)	4.50%	31.23%
% of total revenues	*(2.76%)*	*(2.62%)*	*(2.44%)*	*(2.20%)*		
Exceptional items	(3,368)	(1,306)	(1,322)	(3,021)	157.85%	5.58%
% of total revenues	*(0.78%)*	*(0.30%)*	*(0.33%)*	*(0.96%)*		
Release (provision) for risks and char	(24)	(59)	(54)	-	(58.22%)	NA
% of total revenues	*(0.01%)*	*(0.01%)*	*(0.01%)*	-		
Operating profit (loss)	**27,372**	**23,530**	**19,213**	**22,909**	**16.33%**	**9.31%**
% of total revenues	*6.31%*	*5.39%*	*4.85%*	*7.25%*		
Financial income (expences)	(7,798)	(5,645)	(5,518)	(3,938)	38.14%	
% of total revenues	*(1.80%)*	*(1.29%)*	*(1.39%)*	*(1.25%)*		
Result before taxes	**19,574**	**17,885**	**13,695**	**18,970**	**9.44%**	
% of total revenues	*4.51%*	*4.10%*	*3.46%*	*6.01%*		

Financial situation

As of 31 December 2023, the Group reduced net financial debt to Euro 100.7 million (corresponding to 2.3x the adjusted EBITDA), a value significantly lower compared to the net financial debt as of 31 December 2022, equal to Euro 129 .5 million. This improvement is due to i) not only to the positive cash generation deriving from the increased results ii) but also to the reduction in working capital which represents a first benefit of the new corporate organization carried out.

The above data does not consider the impact of IFRS 16 / financial liabilities for rights of use, equal to Euro 15.2 million at 31 December 2023 and Euro 17.1 million at 31 December 2022.

Individual situation of the parent company IWB S.p.A.

The parent company IWB S.p.A. highlights a positive net result of Euro 7.2 million and a net financial debt of Euro 90.1 million.

Moreover the IWB Board of Directors decided to propose to the Shareholders' Meeting a unitary dividend for the 2023 financial statements equal to Euro 0,5 for each share entitled to it. In case of approval, the following dates have been set for its distribution: May 6, 2024 ex-dividend date; May 7, 2024 record date; May 8, 2024 payment date.

The annual financial report and the consolidated financial report as at 31 December 2023 will be made available to the public in accordance with the terms and conditions established in the EGM Regulation, as well as on the IWB website www.italianwinebrands.it, in the Investor Relations - Financial Documents section.

Significant events that occurred after the end of the financial year and Outlook

There are no significant events following the end of the financial year other than the effectiveness of the merger between Provinco Italia S.p.A., Enoitalia S.p.A, Barbanera S.r.l. and Fossalto S.r.l. which took place on 1 January 2024.

The IWB Group is proud and very satisfied about 2023 results: (i) stable turnover despite the market (ii) Ebitda margin above 10% (iii) significant cash generation.
IWB is aware of the uncertainty of the general macroeconomic situation worsened by the conflicts in Ukraine and in the Middle East; nevertheless it continues to be confident in the potential growth of its business in the medium / long term thanks to the strong competitive positioning, to the solid financial structure, to the management's constant commitment to controlling costs and improving the efficiency of the production and the organization.
In this sector the absolute greatest cost is the one of the bulk wines. In 2023, production stood at 50.4 million quintals of wine grapes compared to 67.2 in 2022, 25.1% less looking at the national average, but with several Regions seeing harvest losses of well over 30%, reaching in some cases losses of 2/3 on last year's production (Source: Official balance sheet of the 2023 harvest campaign - Ministry of Agricultural Policies).
In normal condition the harvest outcome will lead to potential bulk wine cost increase but the stock level at the Italian wineries, as a result of the abundant previous harvest and the drop in sales in terms of volume, is able to counterbalance it.
In this context, the IWB Group positively face 2024 with:

(i) the main contracts renegotiated with the main customers;
(ii) commercial initiatives in new countries aimed at expanding the customer portfolio;
(iii) presence in all commercial channels, therefore with the possibility of following customer movements from one channel to another, without losing turnover;
(iv) a solid and consolidated production structure;
(v) corporate integration, effective from 1 January 2024 which will allow further industrial and financial synergies to be obtained;
(vi) a good level of raw material stock, which allows the year's purchases to be better negotiated;
(vii) significantly reduced debt characterized by a fixed interest rate of 2.5%.

and consequently in the best position obtain further improved results compared to 2023.
Our job is to bring consistent results, to manage the company efficiently, to be state of the art, to understand where consumer demand is going and consequently offer them products in line with their desires.
This is the way we have perfomed and we will improve our results.

The market context could also favor a further growth through M&A consistently with the strategy of the Group on international markets, strengthening of brands and premium products.

Other Corporate governance resolutions

Bylaw update and Significance Criteria

IWB also informs that today the Board of Directors, meeting in notarial form, approved the update of the art. 16.2 of the IWB bylaws wiping away the competence of the Euronext Growth Advisor for to the identification and evaluation of independent directors in order to align it to the provisions of the EGM Regulation, as amended with a notice from the Italian Stock Exchange n. 43747 of 17 November 2023.
The minutes of the meeting and the amended Statute will be published according to the terms and methods established by current regulations.

Moreover, the IWB Board of Directors defined the quantitative and qualitative criteria of significance of potentially relevant relationships for the purposes of assessing the independence of its members (the "Significance Criteria") in compliance with the provisions of art. 6-bis of the EGM Regulation in force today.
The policy containing the Significance Criteria is available to the public on the Company's website (www.italianwinebrands.it, Investors / Financial Documents / Corporate Documents section), as well as on the Borsa Italiana website www.borsaitaliana.it.

The Board of Directors, in compliance with the provisions of art. 6-bis of the EGM Regulation, also verified the independence requirements of the independent Director currently in office, taking into account the Significance Criteria, and on the basis of the declarations made by the Director herself.

The IWB Board of Directors also approved the Report on Corporate Governance and Ownership Structures relating to the 2023 financial year drawn up by the Company pursuant to art. 123-bis of Legislative Decree no. 58/1998 ("TUF") which will be made available to the public, within the terms of the law and in accordance with the law and regulations.

Proposal to authorise the purchase and disposal of ordinary treasury shares

Today's the Board of Directors also approved the proposal to authorise the purchase and disposal of ordinary treasury shares pursuant to Articles 2357 and 2357-ter of the Italian Civil Code, as well as Article 132 of Legislative Decree No. 58/1998 and relative implementation provisions, to be submitted to the approval of the next Shareholders' Meeting of the Company. The request for authorisation to purchase and dispose of ordinary treasury shares, (i) object of the authorisation proposal to be submitted to the ordinary Shareholders' Meeting, (ii) subject to revocation of the authorization granted by the Assembly of 27 April 2023 for the part not performed, is aimed at providing the Company with a useful strategic investment opportunity for any purpose permitted by the provisions in force, including the purposes of Article 5 of Regulation (EU) 596/2014 (Market Abuse Regulation, hereinafter "MAR") and in the practices allowed by Consob pursuant to Article 13 MAR, where applicable, including the purpose of purchasing treasury shares with a view to their subsequent cancellation, under the terms and conditions that may be resolved upon by the competent corporate bodies.
More specifically, the authorisation to purchase ordinary treasury shares is requested in order to provide the Company with a stock of treasury shares for the possible use of the shares as consideration in extraordinary transactions, including the exchange of shareholdings with other parties, within the scope of transactions in the Company's interest, such as potential, further sector aggregations that are being analysed and assessed by the Board of Directors. The Company also reserves the right to allocate the shares subject to the authorisation, or in any case already in the Company's portfolio, to the service of other purposes permitted by the laws in force in the Company's interest, including the purpose of purchasing treasury shares with a view to their subsequent cancellation – in accordance with the terms and conditions that may be resolved upon by the competent corporate bodies – as well as the allocation of said shares to the service of incentive and retention plans adopted by the Company, including the 2023-2025 Plan, and/or their disposal on Euronext Growth Milan or outside of said system.
The authorisation is requested for the purchase, also in several tranches, of a number of ordinary shares of the Company for a maximum value of Euro 5.000.000.
The Board intends to propose to the Shareholders' Meeting a duration of the authorisation for purchases of 18 months, whereas authorisation for disposals is requested without a time limit. The proposal also provides that purchases may be made at a price that is no higher than the highest price between the price of the last independent transaction and the price of the highest current independent offer on the trading venues where the purchase is made, it being understood that the unit price may not, in any case, be at least 20% lower and at most 10% higher than the arithmetic average of the official prices recorded by the Euronext Growth Milan Company's stock in the ten trading days prior to each individual purchase transaction
As of the date of this press release, the Company holds 70.112 ordinary treasury shares equal to 0,74% of the share capital.

For more information on the terms and conditions of the authorisation, please refer to the relevant Buy Back Report, which will be made available to Shareholders within the terms of the law.

Shareholder Meeting

The Board of Directors also resolved to convene the ordinary Shareholders' Meeting, with specific notice, for 24 April 2024, on first call, and if necessary for 30 April 2024, on second call.

The next meeting will be called to resolve on the financial statements of Italian Wine Brands S.p.A. to 31 December 2023 and allocation of the profit for the year and (i) the appointment of the Board of Directors e. (ii) the proposal to authorize the purchase and disposal of own ordinary shares pursuant to articles. 2357 and 2357-ter of the civil code, as well as art. 132 of the TUF, subject to revocation of the authorization granted by the Shareholders' Meeting of 27 April 2023 for the part not carried out.

The relevant documentation will be published within the terms and according to the methods established by current legislation, including regulations, on the IWB website (www.italianwinebrands.it, Investors – financial documents - Shareholders' Meetings section).

Incentive Plan

Following the press release of 5 July 2023 on the assignment of the Rights under the "2023-2025 Incentive Plan of IWB S.p.A." approved by the IWB Shareholder Meeting of 27 April 2023 pursuant to art. 114-bis of the TUF, we inform you that today the Board of Directors has established that 20% of the no. 377,250 Rights assigned in total on 5 July 2023 to the beneficiaries of the Plan - which also include the directors of IWB Alessandro Mutinelli, Giorgio Piazzolo and Sofia Barbanera - and referring to the first tranche relating to the 2023 financial year, that net of rights assigned to a beneficiary who left the Group is equal to a total of no. 75,150 Rights, may be considered "Accrued Rights" pursuant to and for the purposes of the Plan. These no. 75,450 Matured Rights entitle the beneficiaries of the Plan itself to receive, free of charge, a total of no. 37,575 ordinary shares of IWB as well as n. 37,575 phantom shares, to be paid in cash. Table no. 1 referred to in par. 4.24 of Scheme 7, Annex 3A, of Regulation no. 11971/1999 will be published within the terms and in accordance with the law and regulations.
For further information regarding the Plan, please refer to the explanatory report of the Board of Directors pursuant to art. 114-bis of the TUF and the related Information Document available on the Company's website (www.italianwinebrands.it, Investors / Financial Documents / Reports-Meetings section), as well as on the Borsa Italiana website www.borsaitaliana.it

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BALANCE SHEET

	Note	31.12.2023	Restated 31.12.2022	31.12.2022
Amounts in EUR				
Non-current assets				
Intangible fixed assets	**5**	38,774,598	39,020,818	39,020,818
Goodwill	**6**	215,968,880	215,968,880	214,743,000
Land, property, plant and equipment	**7**	51,823,036	52,130,951	52,130,951
Right-of-use assets	**7 B**	15,464,554	17,709,172	17,709,172
Equity investments	**8**	5,109	5,109	5,109
Other non-current assets	**9**	235,310	429,732	429,732
Attività finanziarie non correnti		-	-	-
Deferred tax assets	**10**	2,693,710	1,951,640	1,564,520
Total non-current assets		**324,965,198**	**327,216,302**	**325,603,302**
Current assets				
Inventory	**11**	78,552,355	101,201,958	102,814,958
Trade receivables	**12**	52,129,713	61,599,269	61,599,269
Other current assets	**13**	8,310,750	6,082,797	6,082,797
Current tax assets	**14**	1,674,105	3,493,237	3,493,237
Current financial assets		524,162	674,237	674,237
Cash and cash equivalents	**15**	70,900,191	61,049,148	61,049,148
Total current assets		**212,091,275**	**234,100,647**	**235,713,647**
Total assets		**537,056,473**	**561,316,949**	**561,316,949**
Shareholders' equity				
Share capital		1,124,468	1,124,468	1,124,468
Reserves		145,344,279	142,277,658	142,277,658
Reserve for defined benefit plans		(63,762)	(22,659)	(22,659)
Reserve for stock grants		789,694	65,947	65,947
Profit (loss) carried forward		46,203,906	38,992,842	38,992,842
Net profit (loss) for the period		16,300,463	11,242,499	11,242,499
Total Shareholders' Equity of parent company shareholders		**209,699,049**	**193,680,755**	**193,680,755**
Shareholders' equity of NCIs		(208,671)	(366,135)	(366,135)
Total Shareholders' Equity	**16**	**209,490,377**	**193,314,619**	**193,314,619**
Non-current liabilities				
Financial payables	**17**	143,336,515	152,393,087	152,393,087
Right-of-use liabilities	**17**	12,107,779	13,959,419	13,959,419
Provision for other employee benefits	**18**	1,654,245	1,443,925	1,443,925
Provisions for future risks and charges	**19**	300,637	288,172	288,172
Deferred tax liabilities	**10**	9,490,667	9,434,874	9,434,874
Other non-current liabilities	**21**	-	-	-
Total non-current liabilities		**166,889,843**	**177,519,477**	**177,519,477**
Current liabilities				
Financial payables	**17**	28,805,836	38,827,981	38,827,981
Right-of-use liabilities	**17**	3,106,456	3,089,661	3,089,661
Trade payables	**20**	113,789,742	136,717,241	136,717,241
Other current liabilities	**21**	10,758,709	8,938,396	8,938,396
Current tax liabilities	**22**	4,215,509	2,909,575	2,909,575
Provisions for future risks and charges	**19**	-	-	-
Total current liabilities		**160,676,252**	**190,482,853**	**190,482,853**
Total shareholders' equity and liabilities		**537,056,473**	**561,316,949**	**561,316,949**

Restated 31/12/2022: The amount relating to the goodwill of Barbanera s.r.l. and Fossalto s.r.l. as of 31/12/2022 increased by Euro 1,226 thousand compared to what was recorded in the financial statements as of 31 December 2022 as a result of a detailed evaluation of the raw materials which revealed that some types of wine, acquired by the company in the period 2018-2021 were no more aligned with the fair value at the acquisition date. The different evaluation is essentially due to the natural evolution of the product which may be attributable to the impossibility of storing it in a suitable manner due to the absence of tanks with a capacity compatible with the existing inventories. These different factors compared to those expected constitute new information learned on facts and circumstances existing at the acquisition date which, if known, would have influenced the measurement of the amounts recognized on that date. The counterbalance is accounted for in the inventory which decreased by Euro 1,613 thousand and in deferred taxes which decreased by Euro 387 thousand.

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INCOME STATEMENT

Amounts in EUR	Note	31.12.2023	31.12.2022
Revenue from sales	23	429,127,486	390,654,334
Change in inventories	11	(19,764,596)	610,153
Other income	23	4,409,594	5,573,930
Total revenue		**413,772,484**	**396,838,417**
Purchase costs	24	(271,847,220)	(271,789,668)
Costs for services	25	(73,661,770)	(71,413,602)
Personnel costs	26	(25,653,665)	(21,783,374)
Other operating costs	27	(1,647,420)	(2,116,351)
Operating costs		**(372,810,074)**	**(367,102,995)**
EBITDA		**40,962,410**	**29,735,423**
Depreciation and amortization	5-7	(11,964,772)	(9,666,058)
Provision for risks	19	(24,441)	(53,660)
Write-ups / (Write-downs)	28	(1,601,476)	(802,986)
Operating profit/(loss)		**27,371,721**	**19,212,718**
Finance revenue		1,489,920	1,522,120
Borrowing costs		(9,287,567)	(7,039,704)
Net financial income/(expenses)	29	**(7,797,647)**	**(5,517,584)**
EBT		**19,574,074**	**13,695,134**
Taxes	30	(3,116,150)	(2,661,939)
(Loss) Profit from discontinued operations		-	-
Profit (loss) (A)		**16,457,924**	**11,033,196**
Attributable to:			
(Profit)/Loss of NCIs		(157,461)	209,303
Group profit (loss)		**16,300,463**	**11,242,499**
Other Profit/(Loss) of comprehensive income statement:			
Other items of the comprehensive income statement for the period to be subsequently released to profit or loss		251,734	17,915
Other items of the comprehensive income statement for the period not to be subsequently released to profit or loss			
Actuarial gains/(losses) on defined benefit plans	18	(41,103)	54,974
Tax effect of Other profit/(loss)		-	-
Total other profit/(loss), net of tax effect (B)		**210,632**	**72,889**
Total comprehensive profit/(loss) (A) + (B)		**16,668,555**	**11,106,085**

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STATEMENT OF CASH FLOWS
Amounts in in Eur

	Notes	31.12.2023	31.12.2022
Profit (loss) before taxes		19,574,074	13,695,134
Adjustments for:			
- non-monetary items - stock grant		-	-
- allocations to the provision for bad debts net of utilizations		1,601,476	802,986
- non-monetary items - provisions / (releases)		24,441	53,660
- non-monetary items - amortisation/depreciation		11,964,772	9,666,058
Adjusted profit (loss) for the period before taxes		**33,164,763**	**24,217,839**
Cash flow generated by operations			
Income tax paid		(1,993,366)	(1,888,999)
Other financial (income)/expenses without cash flow (financial amortisation)		3,479,355	3,473,329
	Total	**1,485,989**	**1,584,330**
Changes in working capital			
Change in receivables from customers		7,868,080	17,823,645
Change in trade payables		(22,927,499)	(17,206,508)
Change in inventories		22,661,239	(3,009,645)
Change in other receivables and other payables		1,789,065	2,115,358
Other changes		(11,635)	(299,235)
Change in post-employment benefits and other provisions		157,242	(242,417)
Change in other provisions and deferred taxes		(686,277)	(543,689)
	Total	**8,850,215**	**(1,362,491)**
Cash flow from operations (1)		**43,500,966**	**24,439,678**
Capital expenditure:			
- Tangible		(4,264,347)	(6,297,749)
- Intangible		(3,356,446)	(3,630,091)
- Net cash flow from business combination (*):		-	(48,858,251)
- Financial		-	-
Cash flow from investment activities (2)		**(7,620,793)**	**(58,786,090)**
Financial assets			
Long-term borrowings/ (repayments) - Bond		(3,250,000)	(3,250,000)
Short-term borrowings (paid)		3,000,000	6,657,000
Long-term borrowings/ (repayments) - Bond		(10,246,000)	(10,019,000)
Collections / (repayments) revolving loan		(3,500,000)	7,500,000
Collections / (repayments) other financial payables		(5,730,000)	6,620,628
Change in other financial assets		150,076	438,925
Change in other financial liabilities		(6,212,143)	5,847,903
Purchase of own shares		(984,657)	(1,446,020)
Sale of own shares		-	-
Dividends paid		(944,930)	(879,216)
Monetary capital increases		-	26,316,240
Change in reserve for stock grants		789,694	-
Variazione riserva valutazione		-	-
Other changes in shareholders equity		898,829	(1,494,293)
Cash flow from financing activities (3)		**(26,029,131)**	**36,292,168**
Cash flow from continuing operations		**9,851,042**	**1,945,755**
Change in cash and cash equivalents (1+2+3)		**9,851,042**	**1,945,755**
Cash and cash equivalents at beginning of period		**61,049,148**	**59,103,393**
Cash and cash equivalents at end of period		**70,900,191**	**61,049,148**

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Changes in consolidated shareholders' equity

Amounts in in Eur

	Share Capital	Capital Reserves	Translation reserve	Riserve for stock grants	Reserve for defined benefit plans	Retained earnings	Shareholders' equity of NCIs	Total
Balance sheet at 1 January 2022	**1,046,266**	**112,232,204**	**196,117**	**518,220**	**(77,633)**	**46,039,212**	**-**	**159,954,386**
Capital increase	78,203	26,238,037						26,316,240
Purchase of own shares		(1,446,020)						(1,446,020)
Sale of own shares		-						-
Dividends		-				(879,216)		(879,216)
Stock grants		1,278,338		(452,274)		(826,065)		-
Legal reserve		72,515				(72,515)		-
Reclassification and other changes		3,688,551				(5,268,575)	(156,832)	(1,736,856)
Total comprehensive profit/ (loss)			17,915		54,974	11,242,499	(209,303)	**11,106,085**
Balance sheet at 31 December 2022	**1,124,468**	**142,063,627**	**214,032**	**65,947**	**(22,659)**	**50,235,341**	**(366,135)**	**193,314,619**
Capital increase								-
Purchase of own shares		(984,657)						(984,657)
Sale of own shares								-
Dividends						(944,930)		(944,930)
Stock grants				789,694				789,694
Legal reserve								-
Reclassification and other changes		3,799,543		(65,947)		(3,086,505)	3	647,095
Total comprehensive profit/ (loss)			251,734		(41,103)	16,300,463	157,461	**16,668,555**
Balance sheet at 31 December 2023	**1,124,468**	**144,878,513**	**465,766**	**789,694**	**(63,762)**	**62,504,369**	**(208,671)**	**209,490,377**

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