CAMPARI GROUP

PRESS RELEASE

Solid growth in Q2 in a still challenging environment

Performance on-track with strategic initiatives progressing as planned

Sector outperformance continuing in sell-out across most geographies driven by aperitifs and tequila, with the second quarter indicating an encouraging start to peak season

Profitability supported by gross margin accretion and initial cost savings while brand building investments accelerate ahead of peak season

Cash generative profile maintained

Milan, July 31st, 2025-The Board of Directors of Davide Campari-Milano N.V. (Reuters CPRI.MI-Bloomberg CPR IM) approved the additional financial information for the six months ended June 30th, 2025.

FIRST HALF 2025-RESULTS HIGHLIGHTS

Campari Group recorded a flat topline performance in the first half of 2025, but positive organic topline growth in Q2 including the partial recovery of the phasing effects from Q1 in an ongoing volatile operating environment. In the same period, profitability benefitted from gross margin accretion and initial effects of SG&A planned savings, while A&P weighed on performance due to the front-loading of peak season brand building investments. In this context, sell-out outperformance versus the spirits market continued in Q2 with improvement across most geographies supported by a positive start to peak season.

- **Net sales €1,528 million**, +0.1% organically and +0.3% on a reported basis (Q2: +3.5% organic, +0.3% reported). The perimeter impact was +2.0% driven mainly by Courvoisier and partly offset by agency brands while FX effect was -1.8%.
- **EBIT-adjusted €352 million**, -5.6% organically and -2.3% on a reported basis (Q2: +2.9% organic, +3.4% reported). Ebit-adjusted margin at 23.0%.
- **EBITDA-adjusted €427 million,** -1.0% organically and +1.9% on a reported basis (Q2: +6.6% organic, +6.4% reported). EBITDA-adjusted margin at 27.9%.
- **Group net profit at €206 million,** -6.0% on a reported basis. Group net profit-adjusted at €216 million, -9.5% on a reported basis.
- **Net debt to EBITDA-adjusted ratio at 3.2 times** compared to 3.5 times on June 30th 2024 and aligned to December 31st 2024, after dividend distribution of €78 million and and share buyback of €22 million.

TOASTING LIFE TOGETHER

CAMPARI GROUP

Simon Hunt, Chief Executive Officer: *'While the backdrop continues to be volatile, our performance remains on-track and we have made good progress on our strategic priorities as planned. We recorded a positive organic topline growth in Q2, as expected, in early peak season. In terms of sell-out, our outperformance is continuing across most geographies with further improvement in Q2, driven by aperitifs and tequila. Looking forward, we confirm that our previously provided guidance for 2025 remains our target, before the impact of US tariffs, and the third quarter will be fundamental for clearer visibility. We remain confident in the delivery of long-term sustainable growth and improvement in our balance sheet indicators including our commitment to sustainable cash flow generation and deleverage. The sale of Cinzano vermouth and sparkling wines and Frattina businesses for €100 million marks a key step in our strategy of streamlining our portfolio to increase focus on our key core brands, also with a view to ensure balance sheet deleveraging.'*.

2025 OUTLOOK

The uncertain macroeconomic environment and low visibility persisted in Q2, albeit with some moderate improvement in sell-out across most of our key markets, and Campari Group continued to outperform versus the spirits market. The peak season in the third quarter will be fundamental for clearer visibility. In this context, **Campari Group remains prudent for the short-term** with focus on the controllable including deleverage and cost management as well as commercial execution and pricing discipline with focus on portfolio streamlining while not foreseeing acquisitions.

For 2025, as previously guided, we target a moderate organic topline growth and flattish organic EBIT-adj. margin, excluding the potential impact of tariffs.

The negative impact from **tariffs,** which is not included in the guidance, is expected to be of minimum c.€4 million, assuming EU tariffs are lifted and Canada/Mexico maintain exemption, to €45 million maximum on EBIT in 2025[1] (nil up to maximum €90 million annualised) depending on confirmation of the scope and rates, before possible mitigation actions. Regarding **FX and perimeter**, the weakening US dollar may pose a negative impact on FX in the second half of 2025, while perimeter is expected to have a negligible impact on EBIT.

MEDIUM-TERM OUTLOOK

Medium-term guidance remains confirmed. Campari Group expects to **continue to achieve outperformance** vs competition and **market share gains** leveraging its strong brands in growing categories with a gradual return in the medium-term to **mid-to-high single digit organic net sales** growth trajectory in a normalised macro environment, before potential impact of tariffs. Gross margin is expected to benefit from sales growth, positive sales mix driven by aperitifs, tequila and premiumization across the portfolio, as well as COGS efficiencies. **Accretion of EBIT margin** will be mainly supported by key cost containment initiatives delivering 200bps overall organic benefit of SG&A to net sales in 3 years.

1 10% tariffs currently effective on European and Jamaican imports as of April 8th 2025

REVIEW OF ORGANIC NET SALES BY GEOGRAPHY

- **Americas** (44% of total Group sales) declined by -1% albeit with and improving trend in Q2 (+4%). The **US** registered -3% decline in the first half with a positive trend in Q2 (+3%) despite the ongoing challenging backdrop. Growth in Q2 was mainly driven by Espolòn and the aperitifs, partially offset by persisting challenges in SKYY and a tough comparison base in Grand Marnier. **Jamaica** recorded -2% decline impacted by a high comparison base (Q2 2024: +32%), mainly due to order catch-up after supply shortages last year. The **other markets in the region** recorded +5% growth driven by Aperol, SKYY and the Brazilian brands.
- **EMEA**[2] (50% of total Group sales) grew by +1%. **Italy** showed a resilient performance in a challenging market backdrop with flat Aperol and Campari performance while Crodino, Aperol Spritz and Sarti Rosa grew, benefitting from convenience trends and portfolio approach. **Germany** was down -5% in the first half with moderating performance in the second quarter (Q2:-2%), impacted by the challenging market backdrop on a high comparison base (H1 2024: +13%) and partially offset by strong ongoing trend in Sarti Rosa. **France** recorded +1% growth with a resilient performance in an ongoing subdued market environment and acceleration in the second quarter (+3%) mainly driven by aperitifs and partially offset by local brands. **UK** recorded a strong double-digit performance excluding one-off bulk sales (+13%, reported +5%) with underlying growth driven by aperitifs, mainly Aperol and Aperol Spritz. **Other markets in the region** recorded +6%, especially in **GTR**, **Greece** and **Belgium**, driven by aperitifs and Courvoisier.
- **APAC** (6% of total Group sales) grew +4%. **Australia** was up by +10% with market outperformance mainly driven by aperitifs with acceleration in on-premise activations, as well as Espolòn bottle and ready-to-drink (RTD), which now ranks as number one in the market among tequila RTDs. Wild Turkey bottle and RTD also contributed on an easy comparison base. **Other markets in the region** registered -3% decline with a resilient trend in **Japan**, **South Korea**, **China** and **New Zealand** benefitting from increased focus on direct markets offset by negative trend in **other APAC markets**.

REVIEW OF ORGANIC NET SALES BY HOUSES OF BRANDS

- **House of Aperitifs** (47% of total Group sales) grew +2%. **Aperol** registered +1% with improving performance in Q2 (+2%) driven by the Americas (+8%) including growth in the US (+1%) and strong trend in the rest of the region. In EMEA, there was a stable trend with a flat performance in Italy while Germany was impacted by a high comparison base and tough operating environment. The rest of EMEA grew +3% mainly driven by UK, Greece and other markets. **Campari** registered -2% decline due to impact of a high comparison base in Brazil despite +8% growth in the US and +1% growth in EMEA. **Other brands** grew +10% with **Crodino** showing an accelerating trend with a resilient performance across EMEA. **Other aperitif brands** continued to grow, especially Sarti Rosa, while Aperol Spritz gained traction and supported the leadership position in the aperitif category.
- **House of Whiskey and Rum** (14% of total Group Sales) registered -1% decline. **Wild Turkey** was impacted by a soft performance in the core US, offsetting resilient growth in APAC as well as EMEA off a small base. The **Jamaican Rum portfolio** grew +5% with a positive performance across core markets especially driven by **Wray&Nephew Overproof**. **Other whiskey** recorded a flat performance supported by an improved trend in Q2 driven by core Australia and Japan.

2 Includes Global Travel Retail

- **House of Agave** (10% of total Group Sales) grew +5%. **Espolòn** recorded +5% growth driven by the core US with growth supported by both Blanco (+4%) and Reposado (+14%). Seeding markets showed a positive performance off a small base, in line with the strategy of proactively building the brand internationally, especially in Australia, Canada, UK and Italy. **Other agave brands** recorded +7% growth driven by **Espolòn RTD** in core Australia and **Montelobos** in the US.
- **House of Cognac and Champagne** (8% of total Group Sales) was down by -1%. **Grand Marnier** recorded -20% decline due to the core US and cycling a high comparison base (H1 2024: +20%) with impact from ongoing destocking and focus on pricing in a highly competitive market. **Other cognac and champagne** registered -5% decline in the first half despite solid growth in Q2 (+12%) driven by the positive performance of **Lallier** in the US. **Courvoisier**, whose sales were integrated into organic growth in May, recorded €62 million net sales with progressive investment in the US and UK while the definition of the plan for APAC is underway given the volatile external market.
- Lastly, **local brands** (21% of total Group sales) declined by -4%. **SKYY** recorded -4% decline due to persisting challenges in the US, in line with other major players, albeit with some improvement in Q2, more than offsetting growth in Argentina, Brazil and China. **Sparkling wines and vermouth** grew +3% and **rest of the portfolio** declined by -6%.

FIRST HALF 2025 RESULTS

Group sales totalled €1,528 million, up by +0.3% on a reported basis and +0.1% in organic terms. The perimeter effect was +2.0% (€31 million) mainly driven by Courvoisier partly offset by agency brands and FX effect was -1.8% (€(28) million).

Gross profit was **€934 million**, 61.1% of net sales, **up by +2.6%** on a reported basis. It increased by +0.9% organically generating +40 basis points of margin accretion (Q2: +70bps accretion) mainly driven by the positive COGS evolution supported by agave costs and incorporating contained initial tariff impact starting from April of €2 million.

Advertising and Promotion expenses (A&P) were **€254 million**, 16.6% of net sales, **up by +9.7%** on a reported basis. A&P increased organically by +8.2%, thus generating -120 basis points margin dilution (Q2: -130bps) due to step-up in brand building investments ahead of peak season.

Selling, general and administrative expenses (SG&A) totalled **€328 million**, 21.5% of net sales, **up by +2.9%** on a reported basis. Organic growth of +2.9% generated -60bps margin dilution (Q2: +50bps accretion), with cost containment efforts expected to be more visible in the second half of the year.

EBIT-adjusted was **€352 million**, 23.0% of net sales, **down by -2.3%** on a reported basis. It was down organically by -5.6%, generating a margin dilution of -130 basis points (Q2: -10bps) with resilient gross margin and disciplined trend in structure costs broadly offset by brand building investments, mainly in the second quarter.

Operating adjustments were recorded as **€(11) million**, mainly due to asset impairment in connection with the plant disposal in Q1.

Total **financial expenses were €(50) million** with increase compared to H1 2024 driven by higher average net debt (€2,406 million vs €1,907 million last year) and the base effect of Courvoisier closing on cash and debt. Average cost of net debt at 4.3% versus 3.7% in H1 2024 (4.0% in H1 2024 excluding temporary available cash benefit).

Pre-tax profit-adjusted was **€304 million,** down by **-8.7%**. **Pre-tax profit** was **€294 million**, down by **-5.4%**.

Taxation totalled **€88 million**. **Recurring income taxes** were equal to **€89 million**.

Group net profit at €206 million. **Group net profit-adjusted** was **€216 million**, **down -6.0%**.

Recurring cash flow from operating activities before working capital changes was **€396 million,** stable vs H1 2024. **Recurring free cash flow** amounted to **€113 million** compared to €131 million in the same period in 2024 mainly driven by increase in net interest paid. **Free cash flow** was **€35 million** versus €(60) million in H1 2024.

Total capex investments were **€82 million** in the first half of 2025, of which extraordinary capex of €39 million mainly related to the production capacity expansion program to be finalized in 2025.

Net financial debt at **€2,382 million** as of June 30th 2025, relatively stable versus December 31st 2024, after dividend payment of €78 million and share buyback of €22 million. **Net debt to EBITDA-adj. at 3.2x** including earn-outs and put options for a total amount of €153 million.

Total number of own ordinary shares held as of June 30th 2025 totalled **30,670,877.**

RECENT EVENTS

As previously announced, on June 26th, 2025, Campari Group reached an **agreement to sell Cinzano vermouth and sparkling wines** and **Frattina grappa and sparkling wine business** for a total consideration is €100 million on a cash free/debt free basis, to be corresponded in cash (subject to customary price adjustment mechanisms). Based on the net assets identified to be disposed of and their carrying amounts as of June 30th 2025, the transaction is expected to result in a **pre-tax capital gain of approximately €60 million at closing**, before deducting any related costs to sell and tax effects, in accordance with the applicable financial reporting standards. The closing of the transaction is expected by **the end of 2025**.

FILING OF DOCUMENTATION

The half year financial report at June 30th, 2025 is available to the general public on the Company's website (https://www.camparigroup.com/en/page/investors), and by all other means allowed by applicable regulations.
The Board of Directors is responsible for preparing the half year report, inclusive of the first half year condensed consolidated financial statements and the half year management report at June 30th, 2025, in accordance with the Dutch Financial Supervision Act and the applicable International Financial Reporting Standards (IFRS) for interim reporting, IAS 34-'Interim Financial Reporting'.

for such forward-looking statements. Further information on the Group and its activities, including those factors that may materially influence its financial results, are contained in the reports and documents of the Group deposited with the AFM. These forward-looking statements speak only as of the date of this document and Campari does not undertake an obligation to update or revise any forward-looking statement, whether as a result of new information, future events and developments or otherwise, except as required by law. For information on the definition of alternative performance measures used in this document, see the paragraph 'Definitions and reconciliation of the Alternative Performance Measures (APMs or non-GAAP measures) to GAAP measures' of the half year report ended June 30th, 2025.

ANALYST CONFERENCE CALL

Campari's management team will host a conference call to present the First Half 2025 results on **Thursday July 31st, 2025** at **6:15 pm CET** following the release of the financial report, presentation and press release after market close at around 5:45 pm CET.

Simon Hunt, CEO and **Paolo Marchesini**, CFOO will host the conference call.

To join via **Webcast** (listen only), please click on the following link:

https://87399.choruscall.eu/links/campari250731.html

To participate **via audio** and **ask questions**, please dial one of the following numbers:

- **from Italy:** +39 02 802 09 11
- **from abroad:** +44 121 281 8004

Digital Playback:

A **digital playback of the conference call & webcast** will be available from Thursday July 31st, 2025 for one week.
To listen, please call the following number:
(+39) 02 802 09 87
(Access code: 700953#)
(PIN: 953#)

Presentation slides: the presentation slides will be available to download from Campari's Investor Relations Home Page at the address after market close at around 5:45 pm CET:
https://www.camparigroup.com/en/page/investors

FOR FURTHER INFORMATION

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ABOUT CAMPARI GROUP
Campari Group is a major player in the global spirits industry, with a portfolio of over 50 premium and super premium brands, spanning across Aperitifs, including iconic brands like Aperol and Campari, Agave spirits such as Espolòn tequila, Whiskeys and Rum, with Wild Turkey and Appleton Estate, as well as Cognac and Champagne, including Courvoisier and Grand Marnier. The Group was founded in 1860 and today is the sixth-largest player worldwide in the premium spirits industry. It has a global distribution reach, trading in over 190 nations around the world with leading positions in Europe and the Americas. Headquartered in Milan, Italy, Campari Group operates via 24 production sites worldwide and its own distribution network in 27 countries. Campari Group employs approximately 5,000 people. The shares of the parent company Davide Campari-Milano N.V. (Reuters CPRI.MI - Bloomberg CPR IM) have been listed on the Italian Stock Exchange since 2001.
For more information: http://www.camparigroup.com/en. Please enjoy our brands responsibly.

- Appendix to follow -

Consolidated net sales breakdown by House of Brands for the first half 2025

	% on Group sales	change % of which:			
		Total	Organic	Perimeter	FX
House of Aperitifs	47.0%	1.0%	2.0%	-	-1.0%
House of Whiskey&Rum	13.8%	-3.6%	-1.4%	-	-2.2%
House of Agave	9.7%	3.5%	5.0%	-	-1.4%
House of Cognac&Champagne	8.1%	44.4%	-0.8%	46.1%	-0.9%
Local Brands	21.4%	-10.5%	-4.4%	-2.5%	-3.7%
Total	**100.0%**	**0.3%**	**0.1%**	**2.0%**	**-1.8%**

Consolidated net sales by geographic area for the first half 2025

	% on Group sales	change % of which:			
		Total	Organic	Perimeter	FX
AMERICAS	43.6%	-3.1%	-1.0%	1.8%	-3.9%
EMEA	50.4%	3.7%	0.7%	2.7%	0.3%
APAC	6.0%	-1.5%	4.1%	-1.8%	-3.7%
Total	**100.0%**	**0.3%**	**0.1%**	**2.0%**	**-1.8%**

Consolidated income statement[1]

	H1 2025		H1 2024		
	€ million	%	€ million	%	Change
Net sales	**1,527.9**	**100.0%**	**1,523.4**	**100.0%**	**0.3%**
Cost of goods sold[2]	(594.0)	-38.9%	(613.0)	-40.2%	-3.1%
Gross profit	**933.9**	**61.1%**	**910.4**	**59.8%**	**2.6%**
Advertising and promotional costs	(254.0)	-16.6%	(231.6)	-15.2%	9.7%
Contribution margin	**679.8**	**44.5%**	**678.8**	**44.6%**	**0.2%**
SG&A[3]	(328.1)	-21.5%	(318.8)	-20.9%	2.9%
Result from recurring activities (EBIT-adj.)	**351.8**	**23.0%**	**360.0**	**23.6%**	**-2.3%**
Other operating income (expenses)	(10.8)	-0.7%	(24.4)	-1.6%	-55.7%
Operating result (EBIT)	**340.9**	**22.3%**	**335.6**	**22.0%**	**1.6%**
Financial income (expenses)	(50.3)	-3.3%	(33.0)	-2.2%	52.4%
Earn-out income (expenses) and hyperinflation effects	4.7	0.3%	10.2	0.7%	-53.8%
Profit (loss) related to associates and joint ventures	(1.5)	-0.1%	(2.1)	-0.1%	-28.6%
Profit before tax	**293.9**	**19.2%**	**310.7**	**20.4%**	**-5.4%**
Profit before tax-adj.	**304.2**	**19.9%**	**333.3**	**21.9%**	**-8.7%**
Taxation	(88.1)	-5.8%	(94.1)	-6.2%	-6.3%
Net profit for the period	**205.7**	**13.5%**	**216.6**	**14.2%**	**-5.0%**
Net profit for the period adjusted	**215.5**	**14.1%**	**235.9**	**15.5%**	**-8.7%**
Non-controlling interests before tax	(0.7)	-0.0%	(3.1)	-0.2%	-76.9%
Group net profit	**206.4**	**13.5%**	**219.7**	**14.4%**	**-6.0%**
Group net profit-adj.	**216.2**	**14.1%**	**239.0**	**15.7%**	**-9.5%**
Depreciation and amortisation	(74.9)	-4.9%	(58.8)	-3.9%	27.3%
EBITDA-adj.	**426.6**	**27.9%**	**418.8**	**27.5%**	**1.9%**
EBITDA	**415.8**	**27.2%**	**394.4**	**25.9%**	**5.4%**

(1) H1 2024 incorporates reclassification between COGS and SG&A related to Supply Chain functions that have progressively evolved into administrative and coordination roles in the new operating model. H1 2024 impact: €12.9 million
(2) Cost of material, production and logistics
(3) Selling, general and administrative costs

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Consolidated balance sheet

	30 June 2025 € million	31 December 2024 € million
ASSETS		
Non-current assets		
Property, plant and equipment	1,361.5	1,421.3
Right of use assets	58.3	66.1
Biological assets	30.1	30.5
Goodwill	2,256.2	2,420.1
Brands	1,258.5	1,314.8
Intangible assets with a finite life	72.2	73.4
Interests in joint-ventures	8.4	8.8
Deferred tax assets	93.9	101.5
Other non-current assets	95.4	98.3
Other non-current financial assets	22.6	10.2
Total non-current assets	**5,257.0**	**5,545.1**
Current assets		
Inventories	1,676.4	1,681.8
Biological assets	27.1	21.3
Trade receivables	408.4	425.8
Other current financial assets	19.8	8.9
Cash and cash equivalents	476.3	666.3
Income tax receivables	18.8	37.7
Other current assets	110.6	96.3
Assets held for sales	31.3	-
Total current assets	**2,768.6**	**2,938.2**
Total assets	**8,025.6**	**8,483.3**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Shareholders' equity		
Issued capital and reserves attributable to Shareholders of the parent Company	3,708.3	3,854.0
Non-controlling interests	1.1	1.3
Total shareholders' equity	**3,709.4**	**3,855.3**
Non-current liabilities		
Bonds	1,584.9	1,580.3
Loans due to banks	733.3	916.2
Other non-current financial liabilities	201.3	223.8
Post-employment benefit obligations	24.4	25.8
Provisions for risks and charges	90.9	118.2
Deferred tax liabilities	469.6	498.2
Other non-current liabilities	15.9	23.5
Total non-current liabilities	**3,120.3**	**3,386.1**
Current liabilities		
Bonds	-	-
Loans due to banks	338.8	289.6
Other current financial liabilities	42.3	52.3
Trade payables	544.4	672.7
Income tax payables	41.0	6.2
Other current liabilities	229.3	221.1
Liabilities held for sale	0.1	-
Total current liabilities	**1,195.9**	**1,241.9**
Total liabilities	**4,316.2**	**4,628.0**
Total liabilities and shareholders' equity	**8,025.6**	**8,483.3**

Consolidated reclassified cash flow statement

	H1 2025 € million	H1 2024 € million
EBITDA	**415.8**	**394.4**
Income taxes and other changes[1]	(59.0)	(18.5)
Cash flow from operating activities before changes in working capital	**356.8**	**375.9**
Changes in net operating working capital	(190.1)	(190.9)
Cash flow from operating activities	**166.7**	**185.0**
Net interests paid	(50.1)	(26.0)
Capital expenditure	(81.7)	(219.0)
Free cash flow	**34.9**	**(60.1)**
Issuing of new shares/capital increase net of related ancillary costs	-	643.3
(Acquisition) disposal of business	(1.0)	(1120.6)
Dividend paid out by the Company	(78.0)	(78.1)
Other changes (incl. net sale of own shares)	(20.3)	39.9
Total cash flow invested in other activities	**(99.3)**	**(515.6)**
Change in net financial position due to operating activities	**(64.4)**	**(575.6)**
Put option and earn-out liability changes	15.8	(99.2)
Increase in investments for lease right of use	(3.5)	(7.1)
Net cash flow of the period=change in net financial debt	**(52.1)**	**(682.0)**
Effect of exchange rate changes on net financial debt	**47.0**	**(17.7)**
Net financial debt at the beginning of the period	**(2,376.9)**	**(1,853.5)**
Net financial position at the end of the period	**(2,381.9)**	**(2,553.2)**

(1) Including effects from hyperinflation accounting in Argentina, tangible fixed assets impairment, accruals and other changes from operating activities.