H1 2020 results: 6 months ended 31 March 2020

13 May 2020

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Agenda

Section	Presenter
Business review	Mirek Stachowicz (CEO)
Financial results	Paul Bal (CFO)
Concluding remarks	Mirek Stachowicz (CEO)
Q&A	

Business Review: Mirek Stachowicz

Chief Executive Officer

H1 summary

Successfully navigated excise duty increases:

Poland: delivered a strong H1 performance, with revenue growth of +25.4% (at constant currency)

Czech: underlying revenue growth of +9.1% (at constant currency), a strong performance given highly competitive market, particularly in herbal bitters

Strong underlying financial performance[1]:

Underlying revenue +15.0% (constant currency)

Underlying adjusted EBITDA +25.6% (constant currency)

Adjusted basic EPS +41.1%

Strong balance sheet position:

58.9% cash conversion[2] in six month period reflects building safety inventory and high March sales

As at 31 March 2020, leverage is 0.71x

Substantial unutilised bank facilities

COVID-19: minimal trading impact, but JV affected:

Italian underlying revenue down -6.2%

Irish whiskey JV: branded sales hit and forecasts cut. Write-down of investment resulting in exceptional expense of €14.2m and release of contingent consideration of €1.8m

Interim dividend announced:

Our progressive policy is sustainable despite COVID-19

2.77€ cents per share

+5.3% on last year's interim dividend

Summary of position:

High off-trade, low on-trade model

Our key markets Poland and Czech remain resilient as lock-downs ease

Balance sheet and cashflow remains strong, providing flexibility to exploit new growth opportunities

Continue to operate with vigilance

Note: 1. Underlying results exclude the impact of acquisitions made in the prior year from revenue and EBITDA. Adjusted basic EPS includes results from acquisitions but removes the impact of exceptional items
2. Cash conversion is adjusted free cash flow as a % of adjusted EBITDA for the last 12 months. Leverage is the ratio of net debt: adjusted EBITDA for the last 12 months

COVID-19 update

1st focus - protecting our employees and assisting our communities:

Introduced enhanced safety and cleaning measures in facilities, and working from home for office staff

No lay-off or furloughing of staff, no pay-cuts, no government support sought

Mass production of hand sanitiser for local communities and key workers in Poland, Czech and Germany

2nd focus: business continuity in production and supply chain

All our production plants and logistics centres are operating as normal – including 3rd party sites

Contingency measures in place: split-shifts, direct delivery from plants, increased inventory in plants and trade, back-up sites for main SKUs

Initial cross border shipping issues quickly resolved without impact

Preparing for the "new normal":

Most of our markets e.g. Italy, Czech & Poland already starting to relax their lock-downs

Continue to monitor developments in order to adapt to future changes to consumer preferences / shopping behaviour

Poland: a predominantly off-trade market

Less impacted due to lock-down at earlier stage

Vodka is a staple compared to beer and wine

Increased shopping in local traditional trade shops, and consumers reverting to bigger, more familiar, mainstream local brands

Czech Republic: higher off-trade balances on-trade decline

Less impacted due to lock-down at an earlier stage, and now easing measures earlier

Spirits are more of a staple than wine

Re-deployed on-trade resources to digital marketing, supporting customers, off-trade and training

Other markets:

Italy suffered most, but is a small part of our business: 7.8% of Group revenue

Our model – different from international peers

LOCAL operations and supply chain; LOCAL teams working with LOCAL customers; LOCAL brands for LOCAL consumers

We source

- Centrally managed but local sourcing departments in Poland and Czech
- Primarily use local suppliers for raw materials as much as possible
- Strong local supplier relationships ensuring we get priority during difficult times and shortages
- Security from longer-term contracts

We manufacture

- Distilleries in Baltic, Czech and Italy; and two bottling plants in Poland and Czech
- Local brand portfolios with our spirits produced in local markets - for Poland and Czech, 99% of owned brands sold in the markets are made locally
- High level of governance, with health and safety and environment a focus across all facilities - recent ISO accreditation across Czech production sites. Poland and Baltic in process of accreditation

We market

- Portfolio of trusted local brands with provenance at all price points: economy up to super-premium
- Local marketing teams work with and develop local, trusted, strong brands as a result of being close to their consumers
- Quick to market development of new products / brand variants
- Extensive utilisation of digital marketing platforms
- Local market brand teams work directly alongside local commercial sales teams

We sell

- Sell direct to off-trade (larger supermarkets and wholesalers); wholesalers then sell to traditional trade / local shops or to on-trade (bars, restaurants and hotels)
- Close relationships with our customers
- Minimal exposure to duty-free

Off-trade

- Prime focus of our markets, and a position of strength / competitive advantage in Poland and Czech especially

On-trade

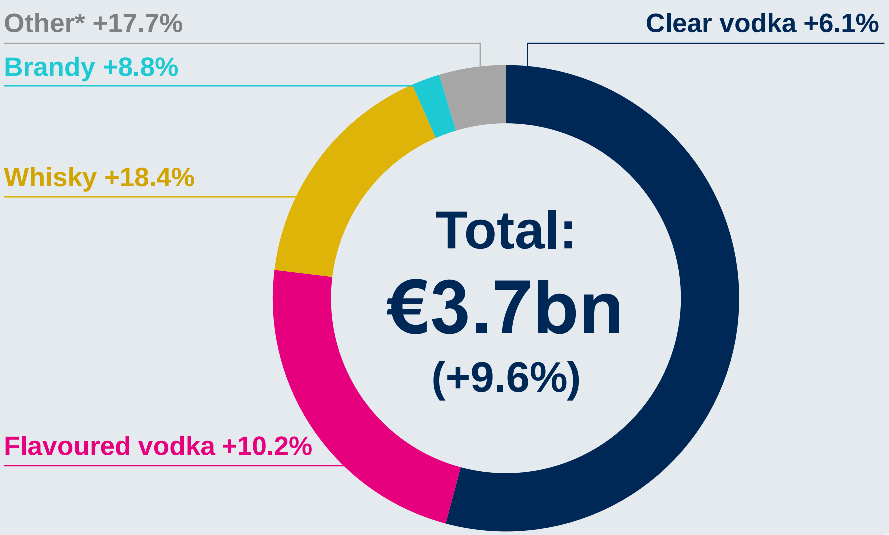
- Lesser reliance overall, only c.15% of Group annual revenue

The Polish spirits market

Overview of the Polish spirits market

Very strong growth despite excise increase

Value by category for the 12 months to March 2020
(with Y-o-Y growth rate on MAT basis %)



Clear Vodka		
Segment	**% of total clear vodka**	**MAT Growth**
Economy	13.0%	-3.4%
Mainstream	59.4%	+3.0%
Premium	18.4%	+25.4%
Top Premium	8.6%	+8.0%
Ultra Premium	0.6%	+19.1%

Consumption remained strong despite excise tax increase in January 2020

Within vodka, higher price segments continued to deliver greatest growth

Flavoured vodka, which appeals to young adults and female drinkers, also showed good growth, with premium vodka out-growing whisky

Whisky category continues to grow strongly, albeit with high competition in Discounter channel post the excise increase

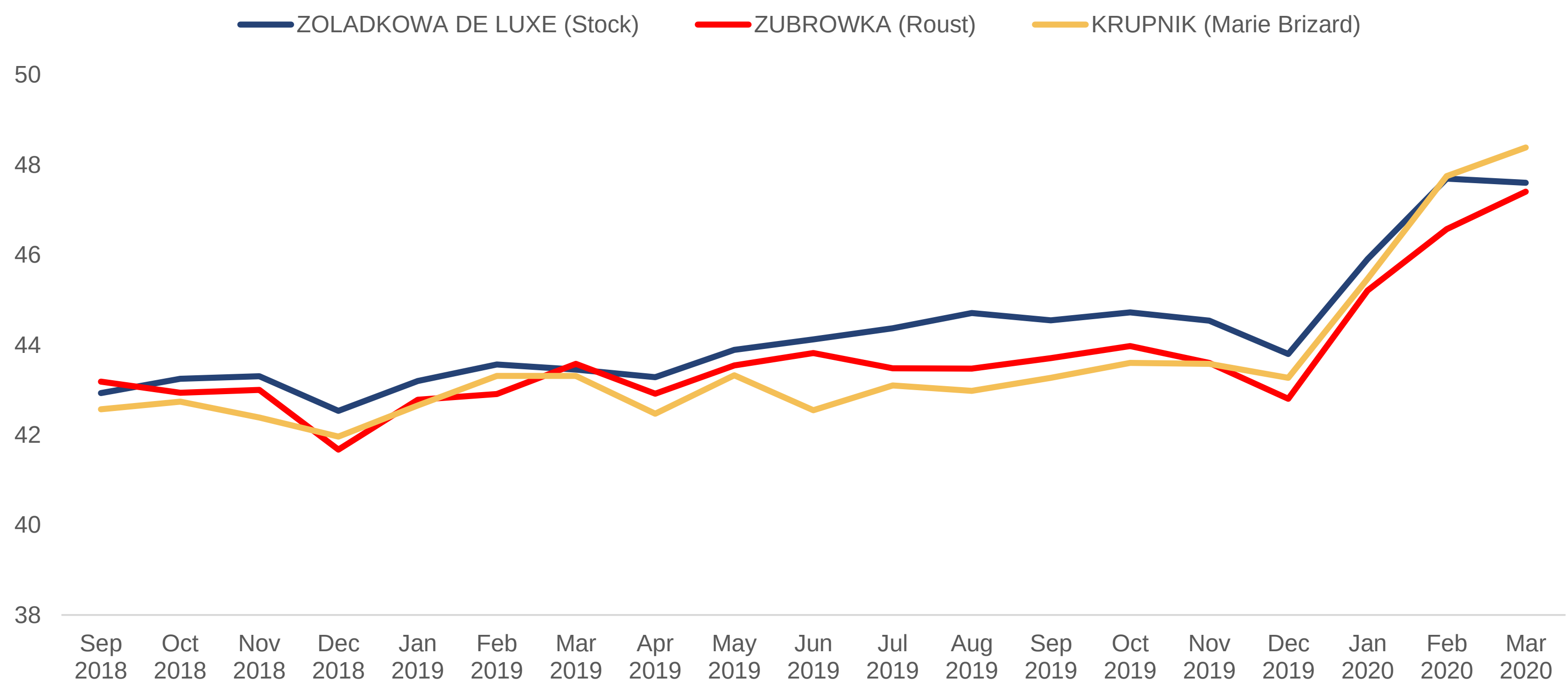
Other categories: rum, gin and tequila continued to show double-digit growth

Source: Graph: Nielsen, total Poland spirits off trade (excluding beer, wine & cider), value market share, MAT March 2020.
* Growth rates and data for ‘other’ category are from February 2020
Table: Nielsen, total Poland, total off trade, total clear vodka on MAT basis and change in MAT value March 2020

Mainstream clear vodka pricing

A positive trend through the excise increase in January 2020

Total Poland average price per litre (PLN) - all size formats



All competitors passed on excise increases - Stock took a 2% margin on top

Pricing acceptance accelerated by COVID-19 shopping behaviour

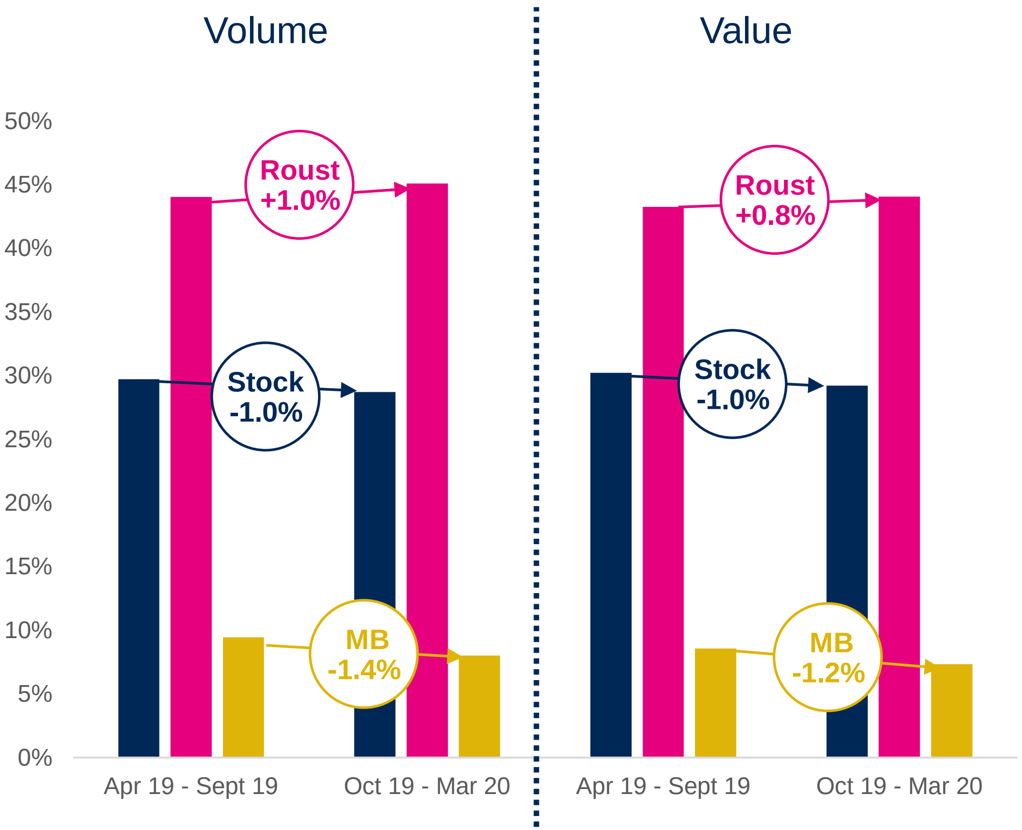
March net pricing also helped by roll-back of promotions

Source: Graph: Nielsen, total Poland, total clear vodka by volume, net sales per litre (PLN) all size formats March 2020.

Poland vodka category share movement

Stock has increased its MAT value share to 29.7%

Vodka volume and value market share - last 6 months vs prior 6 months (%, all channels)



Stock MAT value share 29.7% at March 2020 (2019: 28.5%)

Whilst Stock lost marginal share in January and February, in March we recovered to 30% value share[1] after prioritising our economy brands and enhanced total Żołądkowa range

Stock continues to outpace the market in clear and flavoured value growth

Price segment and MAT value growth	Brand value growth
Economy clear -3.4%	Żubr +19.0%
Mainstream clear +3.0%	Żołądkowa De Luxe +5.8%
Premium clear +25.4%	Stock Prestige +18.4%
Top Premium clear +8.0%	Amundsen +25.1%
Ultra Premium clear +19.1%	Beluga +39.1%
Flavoured +10.2%	Lubelska +12.9% ; Saska +51.9%

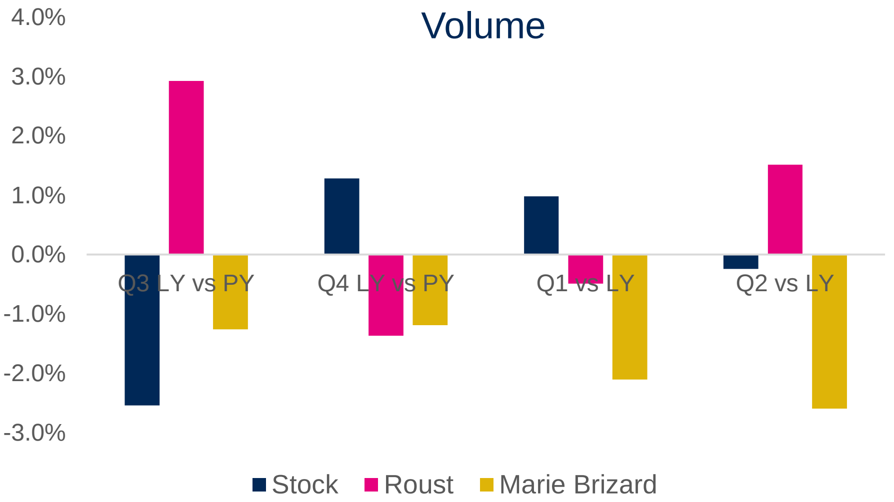
Source: Nielsen, total Poland, total off trade, total clear vodka on six month basis. Price segment and brand MAT value growth at March 2020
1. As at March 2020 Stock's value share was 30.3% for the month

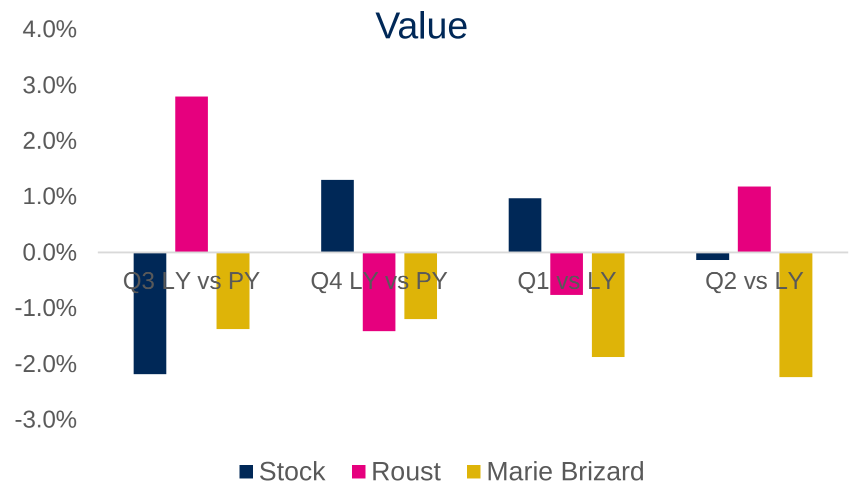
Poland market share trends

No3 player is becoming less important

Marie Brizard's decline primarily benefits Roust due to their mainsteam focus

Quarterly % change in volume and value (for the LTM to March 2020 vs March 2019)





Volume Market Share Movement		
	As At March 2019	**As At March 2020**
Stock	29.7%	29.8%
Roust	44.5%	46.7%
MB	9.7%	6.9%

Value Market Share Movement		
	As At March 2019	**As At March 2020**
Stock	30.0%	30.3%
Roust	44.2%	45.9%
MB	8.9%	6.5%

Source: Nielsen, total Poland, total off-trade, total vodka (defined as sum of total vodka, flavoured vodka and vodka based flavoured liqueurs) value and volume for each quarterly period, to March 2019 and 2020. LTM = last twelve months; PY = prior year; LY = last year.

Poland - market update

Excise: successfully navigated the excise increase in January 2020. Pricing increase passed to consumers, with no impact on demand

Tax on small format sizes: legislative bill's passage through parliament has been deferred twice. May now be delayed until after the COVID-19 crisis. Legal challenge also launched at EU-level

On-trade: represents c.10% of market sales, c.3% of Stock Polska revenue

Growth in off-trade following announcement of lock-down measures in early March more than compensated for on-trade's closure

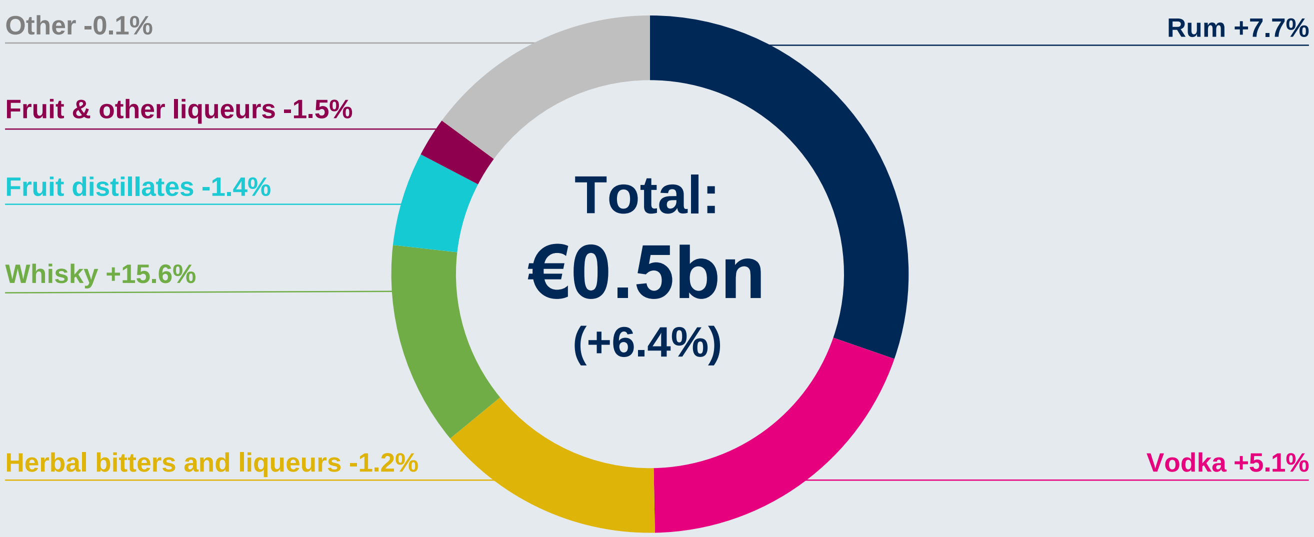
Domestic tourism expected to boom as lock-down measures are relaxed, which could help on- trade's return

The Czech market

Overview of the Czech market

Very strong growth despite the excise increase

Value by category for the 12 months to March 2020
(with Y-o-Y growth rate on MAT basis %)



Due to trade-loading ahead of January 2020 excise rise, consumer prices were largely unchanged

Rum, vodka and whisky growth more than compensated for contraction in herbal bitters and the fruit-driven categories

Herbal bitters decline in value is slowing down compared to prior periods

Source: Nielsen, Czech, total off-trade, MAT value March 2020

Czech - operational highlights

Successfully navigated excise tax increase

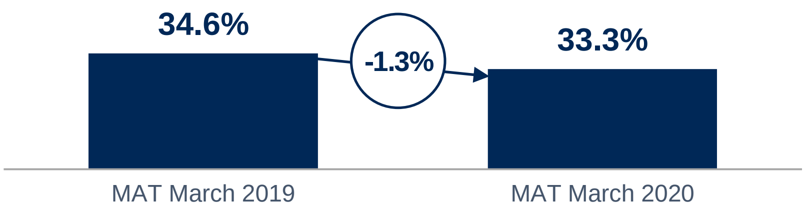
Continuing to invest in brand-building to maintain margins for the longer-term

Overall increase in absolute value; but flat overall volume share and a reduction of overall value share

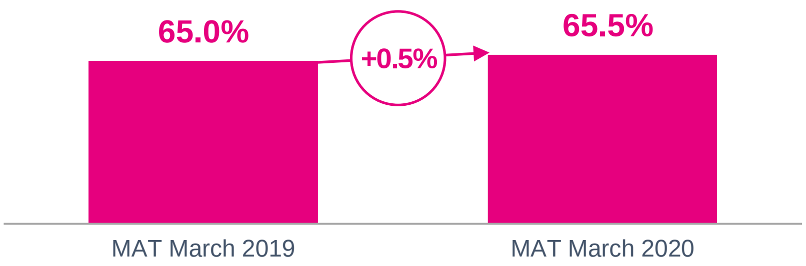
Share of rum category bolstered by: strong performance from Republica, including premium Republica Reserva NPD; and growth from Bartida brands and Bartida distribution brand rums since acquisition in July 2019

Herbal bitters: intense competitor pricing pressure eroded share. Jagermeister absorbed the excise increase, as expected. The ongoing Fernet Stock relaunch is slowly enhancing brand equity and margins in line with plan

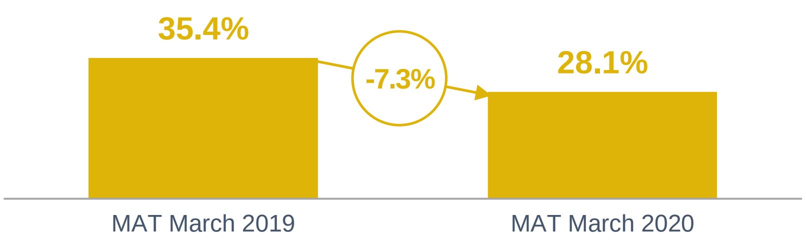
Value share of total spirits (%)



Value share of rum category (%)[1]



Value share of herbal bitters category (%)



Source: Nielsen, total Czech Republic, total off-trade MAT March 2020

1. The “Rum” category includes both traditional rum (made from sugar cane) and “local rum” (made from sugar beet)

Czech - market update

Excise increase: due to the significant trade loading, price increases have yet to fully pass to consumers - so no material impact on consumer demand to date

Bartida: team and brands integrated successfully. Performing ahead of plan. Synergies are driving growth e.g. Legendario's value share of premium rum increased from 4.0% to 6.2%[1]

On-trade: represents c.32% of market sales, c.30% of Stock Czech revenue

Increased purchase of strong, local brands through off-trade off-set closure of on-trade as lock-down measures were implemented in early March

Re-deployed our on-trade resources into increased digital marketing, supporting their customers to navigate the crisis, working in the off-trade or training

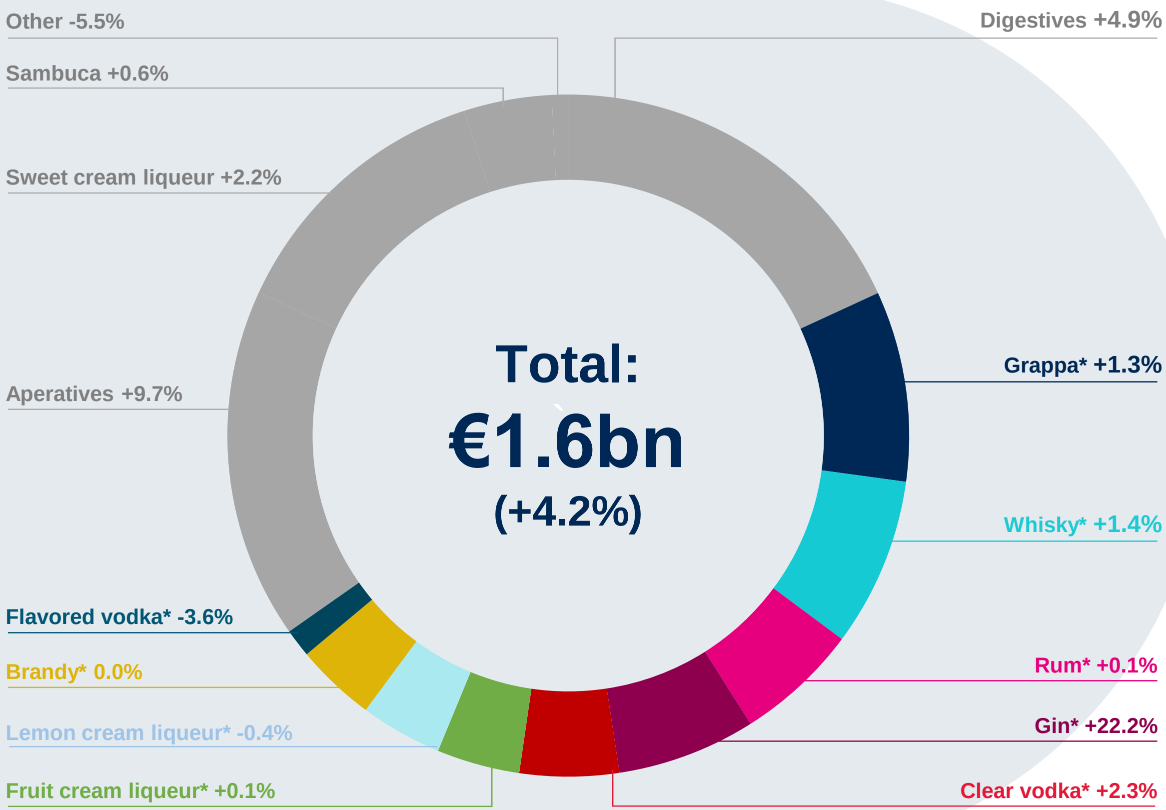
Source: 1. Nielsen, Czech Republic total off trade, MAT March 2020

The Italian market

Overview of the Italian market

Remains highly fragmented

Value by category for the 12 months to March 2020
(with Y-o-Y growth rate on MAT basis %)



Spirits market growth rate increased until the lock-down

The Beam-Suntory distribution contract win will provide more scale, and in a growing category

Three of Stock Italia's five focus categories - limoncello, clear vodka and grappa - were in MAT value growth at end of March 2020. Flavoured vodka based liqueurs remains in decline

The Italian market is 7.8% of Group revenue and is the most impacted by COVID-19

*Stock has own or distribution brands in these categories in 2020.
Source: IRI, total Italy, total on- and off-trade, value market share, MAT March 2020

Italy – operational highlights

Investments starting to bear fruit in H1 results

Pleasing growth in brandy, underpinned by the more premium Stock XO variant

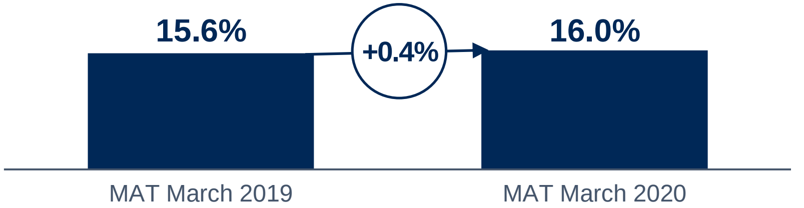
Achieved outstanding results at recent World Drink Awards:

- Stock 84 XO awarded silver in brandy category
- Stock 84 Gran Riserva awarded winner for the best tasting brandy, and the bronze award for the packaging design

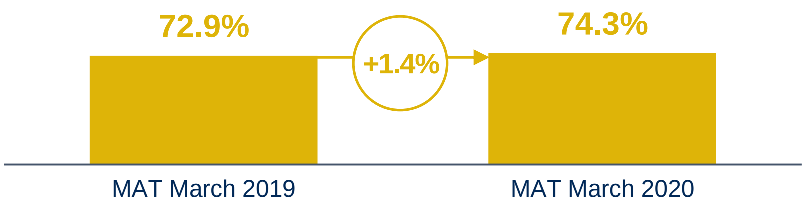
Re-launch of Keglevich beginning to gain traction in clear and flavoured vodka

The integration of Distillerie Franciacorta is on track, adding scale in the growing grappa category where Stock Italia maintained category leadership and held volume and value despite some tactical in-store executional issues at Christmas impacting share

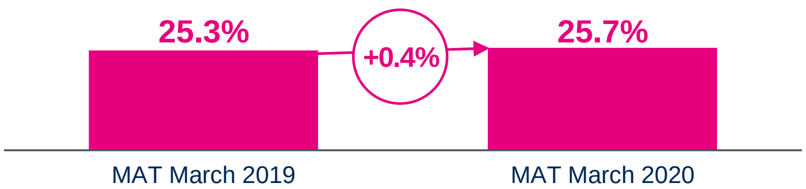
Value share of brandy (%)



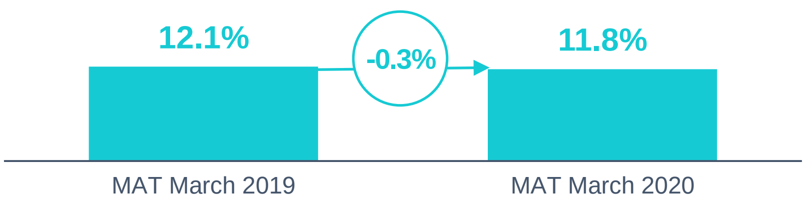
Value share of flavoured vodka (%)



Value share of clear vodka (%)



Value share of grappa (%)



Source: IRI, total Italy, total off-trade, by category MAT March 2020

Italy - market update

COVID-19 impact:

- Lombardy and Milan, where our operations are based, was the epicenter of the outbreak
- No staff diagnosed with COVID-19
- All business operations continued
- The Borgo Antico distillery was voluntarily, temporarily closed in mid-April with scheduled maintenance brought forward from May, but only once sufficient inventory was in place. This has since re-opened

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On-trade: represents c.53% of market sales, c.40% of Stock Italia revenue

Increased off-trade sales partially compensated for the loss of on-trade once lock-down measures were implemented in early March

Clear vodka and brandy performed better in a social-distancing environment compared to limoncello and flavoured vodka

Other markets and Irish whiskey JV

Other markets and JV – operational highlights

Slovakia

Maintained value share in a flat value market and declining volumes

Investment in the Amundsen vodka range drove value growth +19.0%

Božkov Republica helped to grow share of rum from 7.6% to 12.0%

Integrates into a single management team with our Czech operations from 1 October 2020

International

Croatia: Reinforced our market leading position in imported brandy (Stock 84), and grew value share from 11.3% to 13.1%

Germany: Increase in retail listings for Polish brands. New brand ambassador for Italian portfolio appointed to help drive similar growth

UK: Continued expansion of distribution of Lubelska and Stock Prestige

Irish whiskey joint venture

COVID-19 has impacted its less-established and higher priced brands as consumers switched to cheaper and better-known alternatives

Visitor centre in Dublin closed as a result of COVID-19 and tourism impact

Accounting standards require impairment of the value of our investment in the light of reduced forecasts

Source: Slovakia: Nielsen, total Slovakia, total off trade, total spirits MAT February 2020
Croatia: Nielsen, total Croatia, total off trade, total spirits MAT March 2020

M&A: the future

Transformational options on hold, but bolt-on opportunities available

Transformational opportunities:

Work-in-progress postponed due to capital markets uncertainty; but our strategy and ambitions remain unchanged

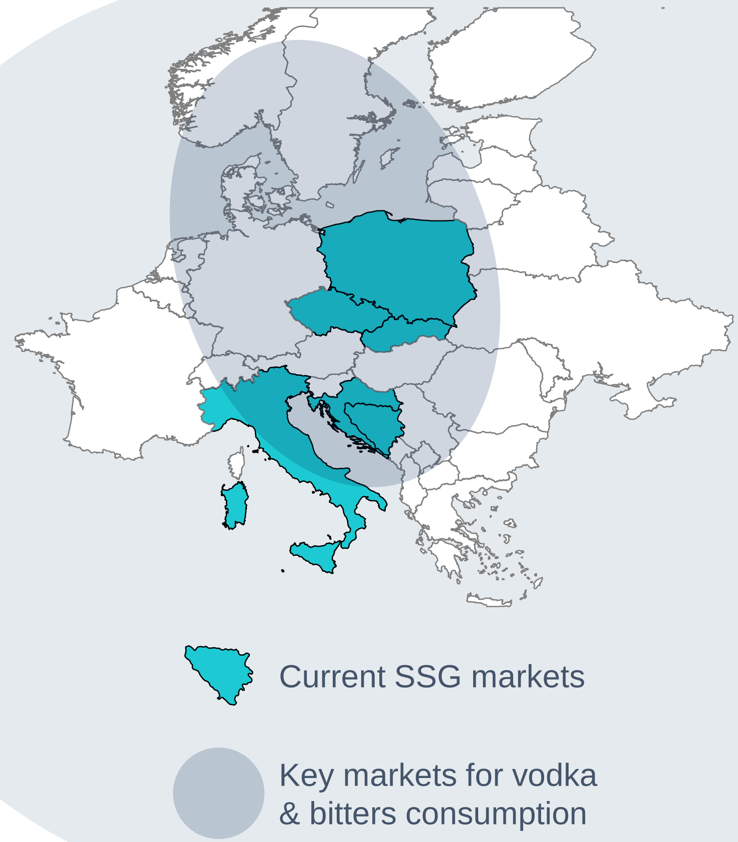
Costs invested to date of €1.3m have been written-off

Work will resume at the earliest opportunity, and our criteria and discipline remains unchanged:

- within the appropriate (“vodka and bitters belt”) geography
- local brand positions of scale
- markets / categories / segments with growth potential
- cash generative

Bolt-ons:

Opportunities within our existing markets will present themselves in light of the COVID-19 crisis



Financial results: Paul Bal

Chief Financial Officer

Financial highlights

Our trading results continue to progress with strong underlying growth:

- Underlying revenue growth (at constant currency) +15.0% to €180.7m
- Underlying adjusted EBITDA growth (at constant currency) +25.6% to €44.2m
- Underlying adjusted EBITDA margin at 24.6%
- Adjusted basic EPS growth +41.1% to 14.38 €cents per share

Managed excise increases in our two key markets

No material impact to core markets from COVID-19

A solid balance sheet, with cash deployed to ensure product availability

Increased dividend announced

Accounting standards changes - IFRS 16 – comparatives re-stated

References to underlying performance, is the movement from reported 2020 excluding the impact of the acquisitions made in the prior year, compared to 2019
Adjusted EPS is excluding the impact of exceptional items and includes the results of the acquisitions in the year.

Consolidated P&L

(IFRS 16 reported 2020 and restated 2019 results)

€'000s	Mar 2019 restated	Mar 2020	% Change
Revenue	**156,908**	**189,612**	***20.8%***
Cost of goods sold	(83,142)	(101,307)	
Gross profit	**73,766**	**88,305**	***19.7%***
Gross profit margin %	***47.0%***	***46.6%***	
Selling expenses	(27,837)	(31,346)	
Other operating expenses	(15,824)	(17,694)	
Impairment loss on trade and other receivables	(420)	(315)	
Share of loss of equity-accounted investees, net of tax	(422)	(165)	
Operating profit before exceptional expenses	**29,263**	**38,785**	***32.5%***
Exceptional items	(14,295)	(13,818)	
Operating profit	**14,968**	**24,967**	***66.8%***
Net finance costs	(2,280)	(2,170)	
Profit before tax	**12,688**	**22,797**	
Income tax expense	(6,763)	(8,108)	
Profit for the period	**5,925**	**14,689**	***147.9%***
EPS (adjusted basic) €cents per share	**10.19**	**14.38**	***41.1%***
Adjusted EBITDA	***35,251***	***45,615***	***29.4%***
Adjusted EBITDA margin %	*22.5%*	*24.1%*	

+15.0% underlying revenue increase at constant currency

Revenue per litre €2.59 (2019: actual and constant currency €2.36), +9.8% increase reflects acquisitions and stronger pricing

COGS per litre 2020 €1.39 (2019: actual and constant currency €1.25), +10.7% increase mainly due to acquisitions and 3rd-party brands

Selling expenses up due to acquisitions and increased investment in our brands

Other operating expenses increased due to higher people costs, and overheads from acquisitions

Exceptional items include impairment of Irish whiskey investment €14.2m, net release of contingent consideration of €1.6m (€1.8m release from Irish investment, net of €0.2m increase for Bartida) and €1.3m costs of work-in-progress M&A

Finance costs flat

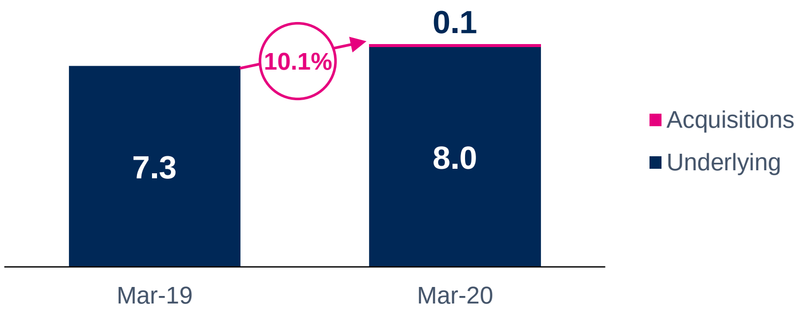
Higher tax reflects higher profits

+25.6% increase in adjusted underlying EBITDA on a constant currency basis to €44.2m and a 24.6% margin

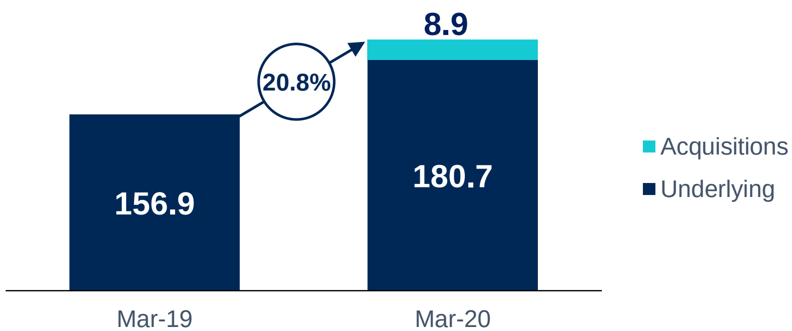
References to underlying performance, is the movement from reported 2020 excluding the impact of the acquisitions made in the prior year, compared to 2019
Adjusted EPS is excluding the impact of exceptional items and includes the results of the acquisitions in the year.

Volume and revenue

Volume (m 9L cases)



Revenue (€m) at actual rates



Prior year revenue at constant currency €157.1m

Volume increase driven by the key markets of Poland and Czech Republic

Reported revenue growth (at actual rates) is +€32.7m (+20.8%)

Underlying revenue growth (at actual rates) is +€23.8m (+15.1%)

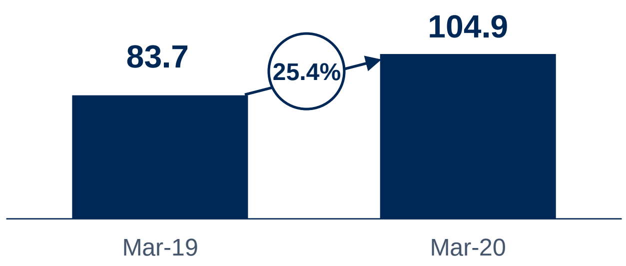
Key drivers being:

Underling brand volumes growth	8.3%
Pricing	5.9%
Mix	0.8%
Underlying growth @ constant currency	15.0%
FX	0.1%
Underlying growth @ actual rates	15.1%
Acquisitions	5.7%
	20.8%

Constant currency basis restates the prior year monthly figures at the actual exchange rates for each month during the 6 months of the financial year 2020.

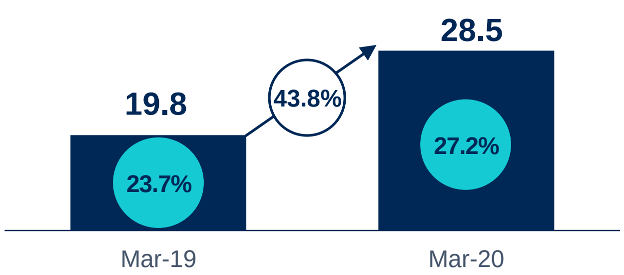
Poland financial performance

Revenue (€m) at constant currency



Reported for 2019:
€83.8m

Adjusted EBITDA (€m) at constant currency



Reported for 2019:
€19.8m

% =Adjusted EBITDA%

Revenue increase reflects continued strong volume momentum notwithstanding excise increase, better pricing, and some higher demand in March due to increase in off-trade more than off-setting the loss of (the relatively small) on-trade

Key drivers of revenue increase at constant currency:

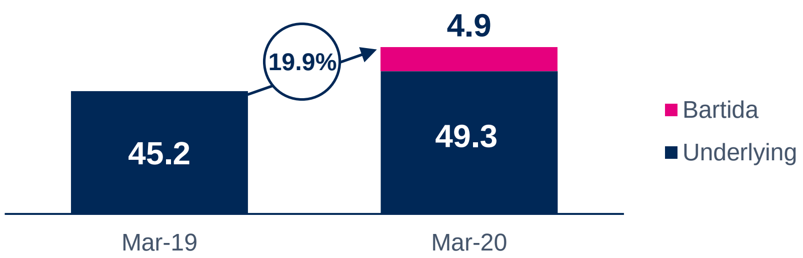
Volume	11.5%
Price	12.2%
Mix	1.7%
	25.4%

Adjusted EBITDA increased +43.8%

350bp increase in EBITDA margin as strong top-line increase more than outweighs the increase in brand investment and overheads

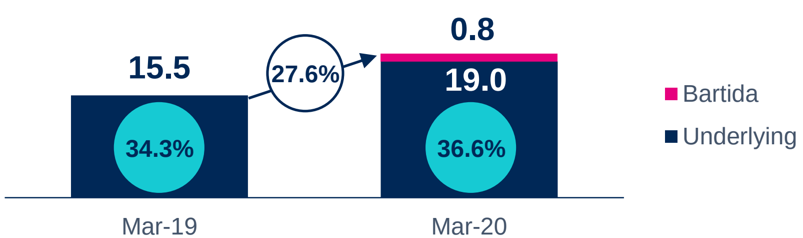
Czech financial performance

Revenue (€m) at constant currency



Reported for 2019:
€44.9m

Adjusted EBITDA (€m) at constant currency



Reported for 2019:
€15.4m

% =Adjusted EBITDA%

Underlying business managed challenge of excise increase. On-trade loss in March from COVID-19 fully compensated by increased off-trade

Key drivers of revenue increase at constant currency:

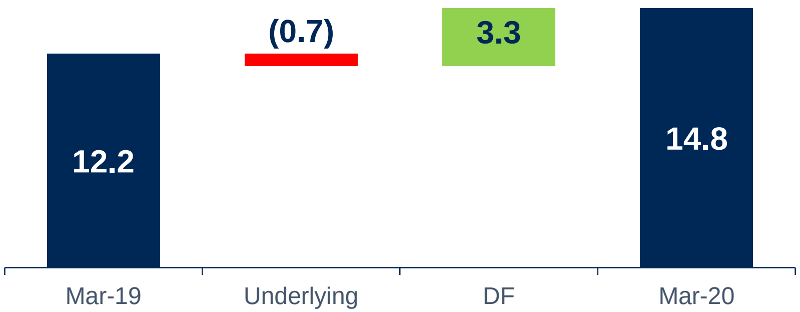
Existing brand volumes	4.8%
Pricing	3.8%
Mix	0.5%
Underlying growth	9.1%
Bartida	10.8%
	19.9%

Underlying adjusted EBITDA increased +22.7% and yielded an underlying EBITDA margin of 38.6%

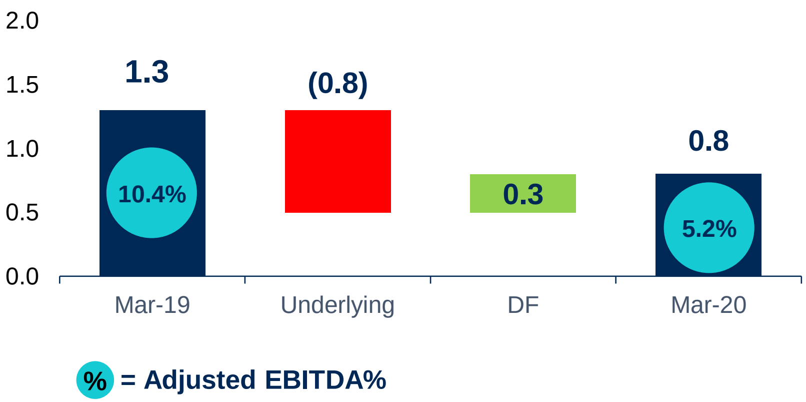
230bp increase in adjusted EBITDA margin as top-line growth more than compensates for increased brand investment and overheads resulting from the Bartida acquisition

Italy financial performance

Revenue (€m)



Adjusted EBITDA (€m)



Italian market has been impacted most and longest by COVID-19: it is primarily an on-trade impact

Continued underlying challenge of low-growth categories – but encouraging signs in clear vodka

Key drivers of revenue growth:

Existing brand volumes	(5.1)%
Pricing	(1.5)%
Mix	0.4%
Underlying decline	(6.2)%
DF	27.2%
	21.0%

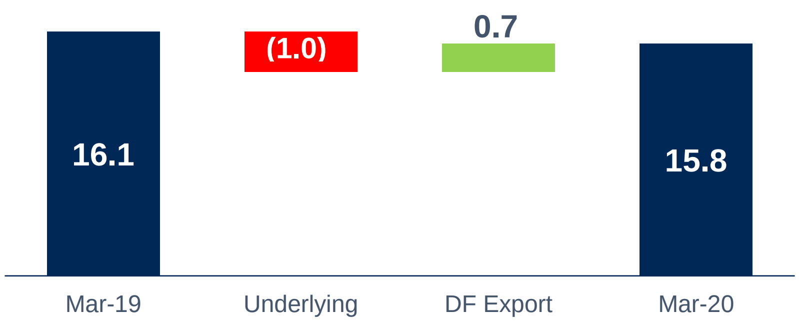
Distillerie Franciacorta result for the 6 months has also been impacted by COVID-19

Italian market only 1.7% of total Group EBITDA

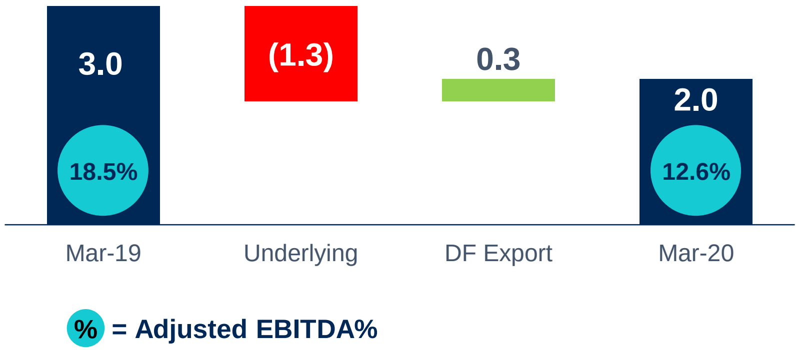
Other segments finance performance

Slovakia, Bosnia, Croatia, Bosnia & Herzegovina, our export activities and our Baltic distillery

Revenue (€m)



Adjusted EBITDA (€m)



Slovakia has declined due to a continuation of challenging market conditions: competitive and regulatory

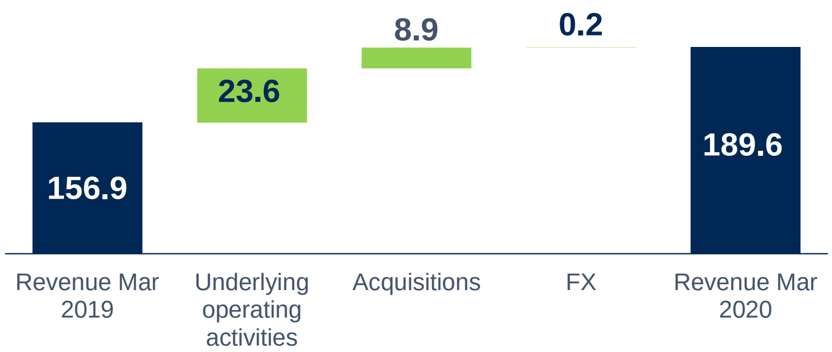
Reduced export orders as a result of COVID-19

Reduction in adjusted EBITDA primarily due to a challenging sales performance in Slovakia

Other markets represents 4.4% of Group adjusted EBITDA

Impact of FX movements

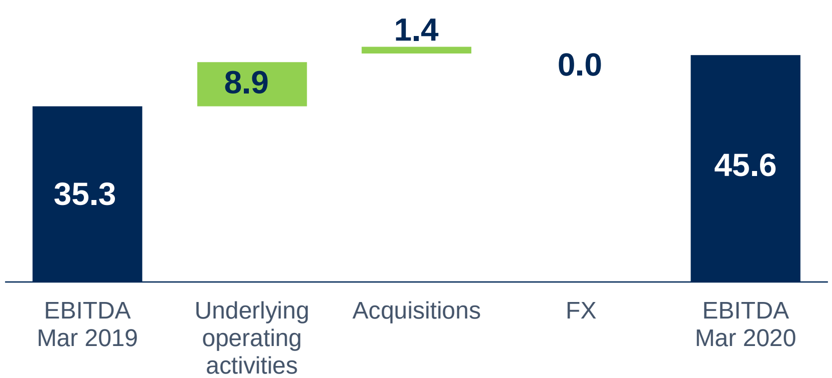
Revenue bridge March 2019 - 2020 (€m)



Revenue positively impacted by FX of €0.2m as a result of the following moves against the Euro:

- Polish Zloty -€0.1m: weakened in March
- Czech Koruna €0.3m: net strengthening over 6 month period

Adjusted EBITDA bridge March 2019 – 2020 (€m)



Gain in FX at revenue line negated by strengthening of GBP in head-office overheads – net nil impact

No hedging instruments were in place during the period

Given the recent market and FX volatility, use of such instruments is kept under consideration

Net finance costs

€m	Mar 2019	Mar 2020
Interest payable on bank loans	1.1	1.1
IFRS16 lease interest expense	0.2	0.3
Bank commissions and guarantees	0.3	0.4
Other net interest expense	0.7	0.4
Finance costs (pre-FX movement)	**2.3**	**2.2**
Foreign currency exchange impact	-	-
Net finance costs	**2.3**	**2.2**
Interest cover*	*22.2x*	*23.7x*

Interest costs in line with prior year; whilst drawings were taken for the acquisitions last year, interest rates have reduced

No change in our financing facilities:

- €200m RCF
- Run to end November 2022
- Significant unutilised headroom

Operating well within facility covenants:

Covenant test	Facility levels	As at March 2020
Net debt / EBITDA	Maximum: 3.5x	0.71x
Interest cover	Minimum: 4.0x	23.7x

* **Note:** interest cover calculations are based on the last twelve months EBITDA divided by last twelve months interest costs excluding any impact from IFRS16

Tax

€m	Mar 2019	Mar 2020
Current tax expense	5.5	10.5
Prior year tax expense/(credit)	0.2	(0.2)
Deferred tax charge/(credit)	1.1	(2.2)
Foreign taxes	-	-
Total tax charge	**6.8**	**8.1**
Underlying effective tax rate		
Profit before tax	*12.7*	*22.8*
Add back exceptional items	*14.3*	*13.8*
Underlying profit before tax (A)	*27.0*	*36.6*
Tax charge excluding prior year tax expense/(credit) (B)	*6.6*	*8.3*
Effective underlying tax rate % excluding exceptional and prior year items (B/A)*	*24.4%*	*22.8%*

Current tax expense increased due higher taxable profits and exhaustion of brought-forward tax losses in Poland which no longer off-set current liabilities

Deferred tax asset reflects movements in accruals

The effective tax rate has reduced due to the market profit generation mix:

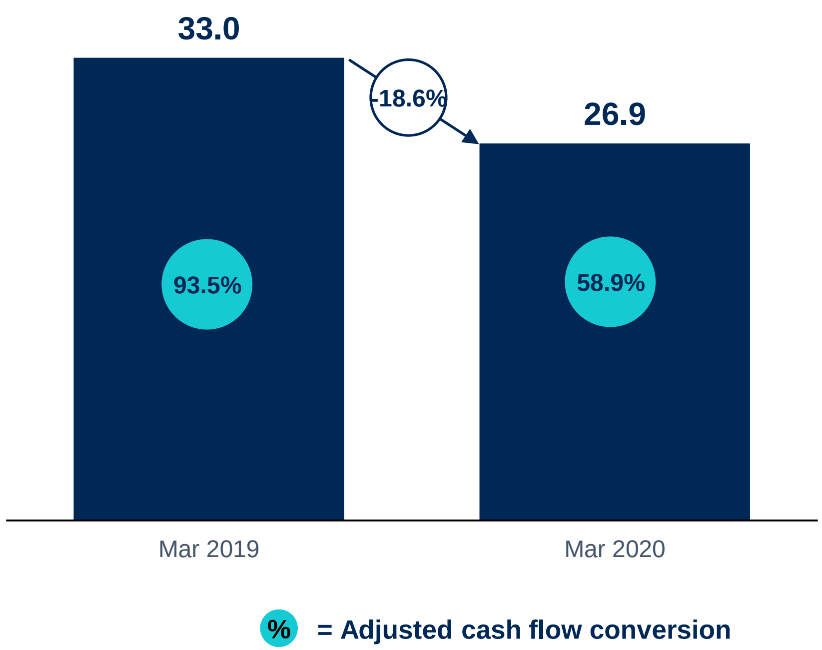
- Poland (relatively lower tax rate) increased profits
- Italy, the highest tax rate with reduced profits

In February 2020, Stock lost its 2nd appeal for the on-going 2013 historical tax case. A final appeal has been lodged with the Supreme Court. Our position on the outcome is unchanged from prior periods

*** Note:** percentages are calculated on numbers to €000, not €m

Free cash flow

Free cashflow[1] (€m)



Due to the timing of Easter and COVID-19 impact on March sales phasing, working capital increased at the period end

Inventory levels were also raised to ensure product availability

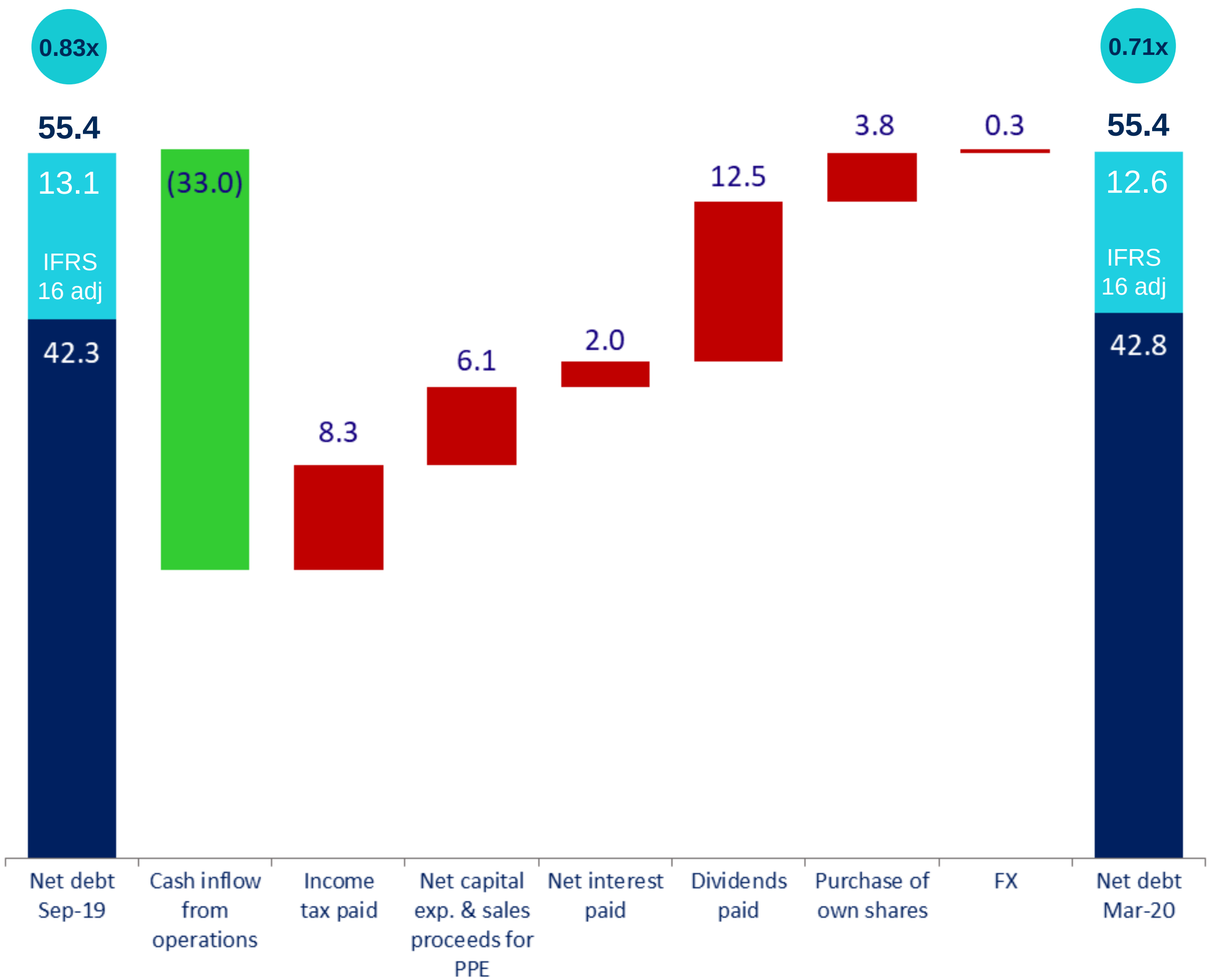
The increase in working capital is c. €15m; without it, cash conversion rate would be c. 90% and closer to the traditional levels

Cash conversion rates will revert to traditional levels as the situation stabilises

1. Free cashflow (FCF) calculated as Adjusted EBITDA less capex, net working capital change, excluding any costs associated with M&A, financing and tax

Net debt

Net debt bridge – 30 Sept 2019 to 31 March 2020 (€m)



x = leverage: net debt (including IFRS16) to EBITDA ratio

Delivering strong cashflow generation, despite working capital demands at March month end

IFRS 16 has increased the net debt position due to reclassification of lease liabilities; 2019 restated

Final dividend for 2019 paid

Purchase of own shares for share option exercises

Dividends

Announcing an interim dividend of €2.77 per share, an increase of +5.3% on last year's interim dividend

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Strong balance sheet, low leverage and substantial unutilised bank facilities

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Forecasting to remain comfortably within our banking covenants

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No governmental support has been sought and no staff have been laid-off or furloughed during the present COVID-19 crisis

Concluding remarks: Mirek Stachowicz

Chief Executive Officer

H1: summary of results

Poland and Czech:

- Successful management of excise increases in each market
- Strong presence in off-trade. Demand in this channel more than compensated for any impact from COVID-19 to the on-trade
- Underlying revenue at constant currency up 25.4% for Poland and 9.1% for Czech
- Bartida integration and performance ahead of plan

Italy:

- COVID-19 has had an impact, but as this market is only 1.7% of Group adjusted EBITDA, no material impact on overall Group
- Integration of Distillerie Franciacorta is on track

Strong financial results:

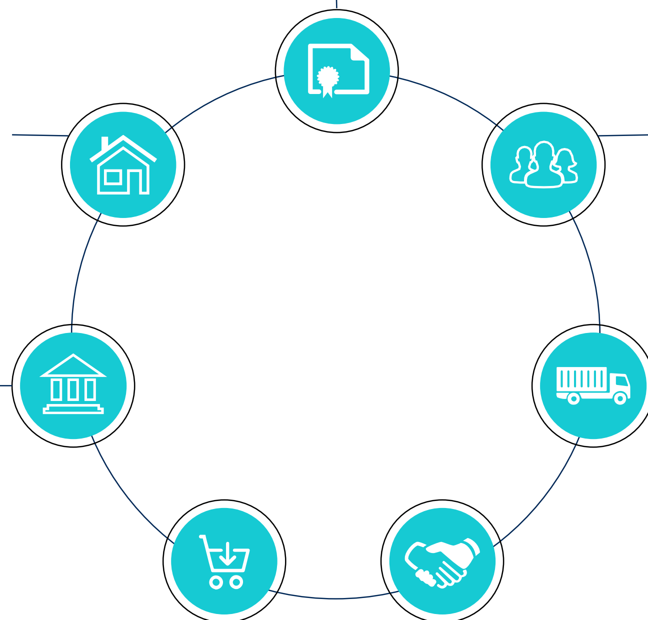
- Reported revenue +20.8%, underlying revenue +15.0% (at constant currency)
- Reported adjusted EBITDA +29.4%, underlying adjusted EBITDA +25.6% (at constant currency)
- Adjusted basic EPS +41.1%
- 58.9% cash conversion in period
- As at 31 March 2020, leverage is 0.71x (including IFRS16 adjustment)
- Interim dividend: 2.77€ cents per share, +5.3% on last year's interim dividend
- Illustration of the resilience of our business model

COVID-19: prevailing through strong stakeholder relationships

Shareholders

Strong balance sheet and cashflow – resilient business model

Interim dividend announced, increase of +5.3% on prior year



Local communities

Mass production of hand sanitiser for local communities

Many employees in different markets assisting in local efforts

National & local Government

Bulk raw alcohol provided to governments

No furloughing of staff or use of government aid packages

Employees

Prioritising well-being and safety of staff, with enhanced procedures in facilities to ensure social distancing

No lay-offs of staff, more benefits

Suppliers

Working directly with key suppliers to maintain supply chain

Proving to be a reliable and supportive customer

Consumers

Trusted strong local brands are available

Continued innovation and NPD

Customers

No availability issues, and flexible on delivery terms

Donations of hand-sanitiser to customer front-line

Being flexible on credit where reasonable

Well positioned to emerge from the crisis with stronger relationships than ever before with our stakeholders

Outlook: mitigating the impact of COVID-19

Outlook:

- Spirits remain a staple in our key markets. We therefore expect consumer demand for spirits to remain robust
  - Off-trade channel remains resilient
- We are not providing future guidance given uncertainty as to how long the pandemic and its effects could last
  - Speed of recovery of on-trade channel will be key
  - Total Group exposure to on-trade channel only c. 15% of total annual revenue
- We are confident that our local-focused model can respond to the demands of the COVID-19 pandemic could still present
- Our strong balance sheet and cashflow will allow us to continue to trade robustly despite the uncertainty
- As our core markets relax lock-downs, we are preparing for the “new normal”
- Confident of growth opportunities – both organic and inorganic

Q&A

Appendix I – FX rates

Versus EURO	Current rate*	31 March closing rate	6 months to March 2020 average rate	6 months to March 2019 average rate
Polish Zloty	4.54	4.55	4.44	4.30
Czech Koruna	27.17	27.33	26.55	25.68
GB Pound	0.87	0.89	0.89	0.86

* Oanda.com as at 11am 11 May 2018

Appendix II - Corporate Costs

€m	Mar 2019	Mar 2020
Underlying run-rate	**4.8**	**4.6**
Share based incentives and bonuses	0.4	1.0
Management fee income	(1.1)	(1.1)
Sub total @ constant FX rates	**4.1**	**4.5**
Restructuring and other non-recurring (income)/costs	-	0.1
Other including consolidation and FX adjustments	0.1	0.9
Total @ actual FX rates	**4.2**	**5.5**

Continued focus on managing our underlying central cost base

Charge for share-based incentives and bonuses has increased due to stronger business performance

Appendix III – reconciliation of IFRS 16 adjustments to prior period income statement

2019 €'000s	Statutory reported 6 mth March 2019	IFRS 16 adjustments	Restated 6 mth March 2019
Revenue	156,908	-	156,908
Cost of goods sold	(83,142)	-	(83,142)
Gross profit	**73,766**	**-**	**73,766**
Selling expenses	(28,894)	1,057	(27,837)
Other operating expenses	(15,063)	(761)	(15,824)
Impairment loss on trade and other receivables	(420)	-	(420)
Share of loss of equity-accounted investees, net of tax	(422)	-	(422)
Operating profit before exceptional expenses	**28,967**	**296**	**29,263**
Exceptional expenses	(14,295)	-	(14,295)
Operating profit	**14,672**	**296**	**14,968**
Finance income	103	-	103
Finance costs	(2,171)	(212)	(2,383)
Profit before tax	12,604	84	12,688
Income tax expense	(6,763)	-	(6,763)
Profit for the period	**5,841**	**84**	**5,925**
Attributable to:			
Equity holders of parent	**5,841**	**84**	**5,925**
Earnings per share (Euro cents) attributable to equity holders of the Parent			
Basic	2.94	0.05	2.99
Diluted	2.92	0.04	2.96
Key Performance Indicators and Alternative Profit Measures			
Adjusted EBITDA	33,531	1,720	35,251
Adjusted EBITDA margin	21.4%	1.1%	22.5%
Adjusted basic earnings per share (€cents)	10.15	0.04	10.19

Appendix III – reconciliation of IFRS 16 adjustments to summary opening balance sheet

2019 €'000s	Statutory reported as at Sept 2019	IFRS 16 adjustments	Restated As at Sept 2019
Non-current assets	452,093	11,626	463,719
Current assets	221,152	(29)	221,123
Total assets	**673,245**	**11,597**	**684,842**
Non-current liabilities	166,377	10,147	176,524
Current liabilities	145,454	2,088	147,542
Total liabilities	**311,831**	**12,235**	**324,066**
Net assets	**361,414**	**(638)**	**360,776**
Capital and reserves			
Total equity	**361,414**	**(638)**	**360,776**
Total equity and liabilities	**673,245**	**11,597**	**684,842**
Key Performance Indicators and Alternative Profit Measures			
Net debt	42,266	13,179	55,445
Leverage	0.67		0.83